



The Yukon Legislative Assembly

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3rd Session

24th Legislature

HANSARD

Monday, March 31, 1980 — 7:30 p.m.

Tuesday, April 1, 1980 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake
DEPUTY SPEAKER — Geoffrey Lattin, MLA, Whitehorse North Centre

CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Chris Pearson	Whitehorse Riverdale North	Government House Leader — responsible for Executive, Council office, Public Service Commission, Finance and Pipeline.
Hon. Doug Graham	Whitehorse Porter Creek West	Minister responsible for Education, Justice, Consumer & Corporate Affairs, Information Resources, Government Services
Hon. Dan Lang	Whitehorse Porter Creek East	Minister responsible for Highways and Public Works, Municipal and Community Affairs, Yukon Housing Corporation, and Yukon Liquor Corporation.
Hon. Meg McCall	Klondike	Minister responsible for Health and Human Resources and Workers' Compensation Board.
Hon. Peter Hanson	Mayo	Minister responsible for Renewable Resources, Tourism & Economic Development.

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Al Falle	Hootalinqua
Jack Hibberd	Whitehorse South Centre
Geoffrey Lattin	Whitehorse North Centre
Grafton Njootli	Old Crow
Donald Taylor	Watson Lake
Howard Tracey	Tatchun

Opposition Members

(Liberal)

Iain MacKay	Whitehorse Riverdale South
Alice P. McGuire	Kluane

(New Democratic Party)

Tony Penikett	Whitehorse West
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(Independent)

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ERRATUM

March 31, 1980 — Page 84, Left Column

Lines 44 to 52 inclusive should be deleted.

Whitehorse, Yukon

Monday, March 31, 1980 — 7:30 p.m.

Mr. Chairman: Before we recessed, we had finished Highways and Public Works. At this time, we will tread backwards and consider Tourism and Economic Development Vote 04. The information is on Page 30.

Mr. MacKay: Perhaps at some point, I realized later that I had asked a question that, I think, was overlooked in Highways and Public Works. Perhaps I could just ask the Minister to, at some point in the evening, reply on the question of how much was purchased out of equipment replacement reserve?

Mr. Chairman: Is it a long question?

Mr. MacKay: No.

Mr. Chairman: Do I have permission? We might just as well do it first then, go back to Vote 09.

On Vote 09 (continued)

Mr. MacKay: Item 2950.

Hon. Mr. Lang: Mr. Chairman, the Member opposite is confused with respect to the replacement fund. I think he is under the impression that there is always an amount of money in the area of say two to three million dollars there at the end of the year. This is not correct. What it amounts to, Mr. Chairman, is that we charge back in our various programs.

For example, even with our own, where it is 100 per cent recoverable on the Federal side, also on the Territorial side where it is our total responsibility, the whole idea is the replacement of vehicles on an on-going basis. You will notice in the Legislation we have made provisions for 1979-80 for that amount not to exceed \$3 million.

The Members, I think, were giving indications the other day that we were in a situation where we wanted to have that amount increased to \$3 million for the forthcoming year and that that would give us the Legislative authority over and above when the Revolving Fund was first put into place, I believe, back in 1971. That is not the case. The decision has not been made in respect to what we are going to do with that particular fund. I will probably have something before my colleagues in the very near future and it will be reflected in the Main Estimates in the coming year, once a decision is made as far as long term is concerned.

As far as the equipment that was purchased, I think we are about two-some odd million dollars and that was totally taken up for equipment replacement, therefore the fund, to all intents and purposes will be starting afresh this coming year.

Mr. MacKay: I appreciate the Minister answering a different question which was also interesting but just to repeat: in summary, there was about \$2.5 million worth of equipment purchased this year that because of the nature of that fund we have not passed judgment on nor will we in this Assembly.

Hon. Mr. Lang: Mr. Chairman, it never has. That is the principle of the revolving fund of replacing the equipment on an ongoing basis and I would be very reluctant to be put in a situation over and above the purchasing equipment that is over and above what is provided within that revolving fund, like new equipment, that is not replacement, that is new equipment, like for example, a snowblower or something for a new highway that we should be putting ourselves in a position with the Highways Department not having the ability to go out and purchase.

The whole program of the Territorial Government, as far as the Department of Public Works is concerned, is designed to have rental charges out for that equipment. You take away your operating costs of your operator, fuel, everything else, then the rest of that money accrues into that fund so that we can replace the equipment on an ongoing basis.

I would suggest, Mr. Chairman, in my opinion, I think this is probably one of the reasons that we are able to do such a good job in the maintenance aspect of our Highways Department because they do have good equipment and subsequently that translates into a fairly well maintained highway transportation system.

Mr. Chairman: Is there any more discussion?

Mr. MacKay: I appreciate getting all these little lectures from the Minister but I do understand how the fund works and I do appreciate that it has some effective mechanisms of creating funds but my question is simply this, how much was spent out of that fund last year for new equipment?

Hon. Mr. Lang: Mr. Chairman, I have a paper here, I believe.

I will tell you what, Mr. Chairman, could we go on to another department and I will go up and see if I can find the information

that I think the Honourable Member is looking for.

On Vote 07

Mr. Chairman: That being the case, I now refer you back to Vote 07, Tourism and Economic Development, \$1,407,500. I refer you to page 30.

Mr. MacKay: Mr. Chairman, Mr. Hanson was unfortunate enough to miss my introduction of the Minister of Human Resources' portfolio. I will be permitted, perhaps, to repeat the thing, saying that we are hopeful that the Minister will stand up and justify the operations of his Department and tell us where all the soft spots were during the year and, of course, tell us where the successes were.

Perhaps he could indicate why nobody foresaw the need to have a deputy head in this Department last year, if that is what this supplementary implies, the \$43,000.

Hon. Mr. Hanson: There are several reasons. They had a deputy head before, but he was not really a deputy head, I guess.

In the last Budget, there was no money allowed for a deputy head, a new deputy head with the administration, but, if you look a little further on the page, you will see where Tourism underspent their budget by \$13,500 and Economic Research and Planning Unit did not spend all of their budget, the \$45,700 that was not spent. So, this offset the hiring of the deputy head and all the administration costs of getting him here and setting up his office.

The other item that we were short here was never budgeted before. This is the first year it has been budgeted for, is Special ARDA. That was never budgeted before. It was \$127,000 last year and one of the reasons why we are up \$180,000.

Another item that was not planned last year, the Tourism Development Project Planning for \$50,000. This was used to plan for this sub-agreement we now have signed.

The \$14,000, around there, was the money that my honourable friend, Mr. Lang, gave to the Dawson Museum but it came out of my budget. Five thousand dollars was put up. I do not know if you remember or not, but in Dawson they have an Information Centre and we put up five thousand dollars to move it to a new location last year. It was going to be done this winter. We had signed the sub-agreement and the new location we were going to move it to was going to become a new building site so we decided not to move it and put the five thousand dollars instead into putting sewer and water into the old Information Centre.

That explains what went on in those two departments last year.

Mr. MacKay: Perhaps I could request the Minister, at some point, and I do not want to hold up the debate, but I would appreciate it if we could get a list of the Special ARDA projects that were approved last year, not necessarily the names of each one but just the sort or kind of thing that were approved for. I do not think we want to pry into anybody's individual affairs but we would like to see that, if it is possible to retrieve that from his information system.

I take it the \$43.3 thousand is in fact straight salary for the Deputy Head or does that include other costs.

Hon. Mr. Hanson: No, he would not have a year in at this time. It was to set up his office and travelling expenses and all that that was not allowed in the Budget for last year. It was not put in the Budget.

It would not be too hard to have your Special ARDA list brought up to date for you because I have asked to have that done anyway, just recently, to check back through the years that we have been into it to find out how badly we have been stuck. That is not quite what I mean but I just want to know how many times we paid for certain projects, it has become quite a thing. As soon as that is available, I will Table it in the House, what we have put into Special ARDA.

Mr. MacKay: Does the Department have any projects underway at the moment in terms of planning projects in which they have engaged any consultants?

Mr. Hanson: What was that? I did not get that last part because of that accent. Did you say hiring of consultants?

Mr. MacKay: I was wondering if this Department had, last year, entered into any new contracts with consultants which were still underway, perhaps to elaborate on that whether there was any cost overruns appearing on these things.

Mr. Hanson: Not that I am aware of. I think they learned a lesson on that.

Mr. Chairman: On Vote 07, is there any further discussion? Vote 07 agreed to

On Vote 08

Mr. Chairman: We will consider now Vote 08 - \$6,873,000. The information can be found on Page 34.

Hon. Mr. Graham: Mr. Chairman as can be seen from the details of the various cost overruns and under-spending that has been done in the justice system, there has been a considerable amount of re-organization within the Justice Department.

Basically the numbers that are easiest to look at are Establishment Numbers 801, 802, 806 and 807. All of these Establishments are increases for man years throughout the year. That equals about \$132.1 thousand, offset by the decrease in Corrections Branch by about \$130.8 thousand. Those two numbers are exactly as they seem. The Justice Department took man years and money out of Corrections Branch and shuffled them between other Departments and, in fact, we did a lot of shuffling throughout the year. But essentially we only dropped two man years overall and we have increased one of the programs which I hope to put emphasis on in coming years, the Native Indian Special Constable Program.

Also the Criminal Injuries Compensation Program is a program which we note \$100 for because we do not know from year to year what we are going to spend, every year is a supplementary.

Police Services Agreement, as you all know, is totally out of our control. We have no idea usually, what supplementaries are going to be required by the RCMP. This year we happen to have a \$228,000 under-billing and it came as a surprise, a pleasant one.

Mr. MacKay: The Minister's frankness is to be commended as to the reasons for him coming in under budget. It is a surprise.

It is unfortunate the Member for Hootalinqua is not here to hear me ask the question with respect to the RCMP Agreement, whether this reduction reflected having fewer constables around? Is there anything discussed with the police people as to why the reduction?

Hon. Mr. Graham: Mr. Chairman, there have not been any reductions in the number of constables in the Territory. In fact, I think we have increased it by four this year. That four was totally native special constables.

What happened, as I understand it, is there was a mix-up in billing in Ottawa and this actually comes about as a result of a prior billing in 1978-79, when you will probably remember, I think we had something like a \$400,000 overrun. This is a result of that billing that was done in 1978-79. We have all of the details if you ever care to come and look at them, but it was a surprise to us and it is just they caught a mistake they had made.

Mr. Chairman: Shall Vote Number 08 carry?

Vote 08 agreed to

On Vote 10

Mr. Chairman: At this time I will refer you down to Public Service Commission, Vote Number 10, \$1,040,300. I direct your attention to page 47 for information.

Hon. Mr. Pearson: Mr. Chairman, we did increase the man year establishment to this particular vote during the course of the year. That has been done, Mr. Chairman, primarily to try and facilitate our thrust that we want to take with this particular department, in the field of local hire and in-service training. Going this method is requiring us to increase man years in that department.

Now, what we have done is we have been able to take man years from other departments where they were not necessary, where it was deemed that they were not necessary during the course of the year. So, the supplemental of \$52,000 is primarily devoted to that.

Mr. Penikett: Mr. Chairman, I, as the Government Leader just mentioned, recall the debate last year, where we talked about the need for an increased emphasis on in-service training and local hire recruitment. I am pleased to see that it has become the stated commitment of this Government, although on my account I certainly hope he will see no reason whatsoever to be dissuaded from this course. I wish him well on it.

Mr. Chairman: As there appears to be no further discussion on Vote 10, shall Vote 10 clear?

Vote 10 agreed to

On Vote 11

Mr. Chairman: Office of Pipeline Co-ordinator, Vote 11, \$378,400. Your information is found on page 50.

Hon. Mr. Pearson: Mr. Chairman, once again, one of those branches of this Government where it is very, very hard to estimate exactly what the costs are going to be during the course of the year, because the people working in this office are required to attend meetings at various places in Canada, not necessarily at our instigation, but we felt that if we wanted to be well apprised of what was happening in respect to the pipeline and all of its ramifications, then we had to do the necessary travelling, we had to be at the necessary meetings.

The \$30,000 in additional funds is partly for that excess travel. In

addition, Mr. Chairman, this is one of the branches that we found it necessary to move out of this building. Now, in the O&M costs of each department, of course, there is a rental charge for the square footage that they have in this building. We cannot rent an equal amount of square footage space in the private market for the same price.

If a branch or department is moved out of the building during the course of the year, you are just about bound to see a supplementary for that increased rent, in the Supplementary Estimates. In fact, that is the other part of the makeup of that \$30,000.

Mr. MacKay: This is an area of activity in the Government which of course is under some current controversy which is not relevant to this discussion but I do believe that it has done a lot of work with a view to preparing for the pipeline. I guess what I feel is I am rather in the dark as to what is actually achieved to this date in the process of its studies.

Perhaps this is an appropriate time to have a summary of activities they have done for the \$378,000 that we have spent. I know that they have attended a Heritage Conference in Edmonton because I attended with them, with one Member from that Department, I guess, and I guess they have been working on local business requirements and attending meetings.

I would like to sort of explore that further with the Minister in charge because seven man years working constantly throughout the year seems rather heavy to prepare for something that has been continually postponed.

Hon. Mr. Pearson: In fact, during the course of the year we have reduced the man year complement of this establishment. One man year was transferred back to Treasury because the financial aspects that that man year was transferred to the Pipeline Branch for in the first place were over.

Now, the Branch does not only work on the pipeline, Mr. Chairman, we are getting an awful lot of research work done by these particular people in respect to the feasibility of alternate energy sources being used in the Territory. They are particularly well-equipped to do these kinds of studies and this kind of research and we are getting very well along with that.

Mr. Chairman, it would be very difficult for me to stand in the House and list off everything that they have done the course of the year, however, I am confident that Mr. Ferbey and his staff would be most pleased to have any Member of the Legislature, any Member at all, stop in at their office. It might be very, very edifying to see the library of reference material that has been built up and just exactly where we are in respect to this pipeline.

Mr. MacKay: That is very interesting and I think I will take advantage of the Government Leader's offer to do that. I might mention I know where he can get \$100,000 for an alternative energy source study.

Vote 11 agreed to

On Vote 12

Mr. Chairman: Our next line item is Finance, Vote 12, \$4,883,500. Your information will be found commencing Page 53.

Hon. Mr. Pearson: Mr. Chairman, the supplementary estimate in this Vote is \$2,149,800. The major portion of this, \$2,101,200 is directly attributable to the Dawson Flood. Now, as I stated earlier today, all of the money has not yet been recovered and we do not know exactly what our net cost of the Dawson Flood is going to be yet. As soon as we do have those numbers, we will be bringing them to the House, of course, with hopefully a final report on exactly what the Dawson Flood did cost.

I might say, Mr. Chairman, that we felt that we did assist the people in Dawson in the quickest manner possible by doing it this way. We put out the money, directly from this Government, and then worried about what shares we were going to get back later on. We did get some assurances from the Federal Government, from Emergency Measures and so on and so forth, but we made the conscious decision to go ahead and try and get this thing alleviated as quickly as we possibly could.

Hon. Mrs. McCall: Yes, Mr. Chairman, I think I ought to add a word of appreciation here really. The money came into Dawson very, very quickly. Everyone was amazed. We were in such disarray and such a disaster area, it was very gratifying and this was entirely due to the fact that the Yukon Government did go ahead and supply the money without knowing whether they were going to be reimbursed or how much.

Mr. Penikett: Mr. Chairman, I am really sorry about the flood; I just hope the Cabinet give their assurance that they will not let it happen again.

Mr. MacKay: I hate to maintain this friendly atmosphere for much longer, I am sure we will come across something to disagree

on. I would like to add that servicing quite a number of the businesses in the Dawson area and dealing with many of the business people out of that area that I have not yet heard any complaints from any one of them with respect to how the funds were handled and allocated and how their things were treated and so on. I think a lot of congratulation is due to the manner in which the funds were distributed and that hopefully the Government will not let these things happen again.

Vote 12 agreed to

On Vote 13

Mr. Chairman: Next, Library and Information Resources, Vote 13, \$1,407,300. Your information commences on page 56.

Hon. Mr. Graham: Mr. Chairman, of the total of this \$110,900 that Library and Information Resources is over, out of that total \$65,000 was, in fact, donated to this Government for the Coutts Collection.

What happens is that those donations are put into General Revenue, much as the other revenues that accrue to this Government. They are then expended for the purpose which they were brought in for, which was for the acquisition of the Coutts Collection.

Of the other \$45,000, a large proportion of this goes to pay for a couple of man years that were transferred to this position, one from Education — Education has, you will no doubt have noted throughout these Estimates, donated a lot of man years to the departments, the fine Department that they are.

The one man year was for the Instructional Materials Coordinator. The other thing we did was bring in Archivist II, to help with the Archives collection, the acquisition of the Coutts Collection and other archives, mostly for cataloguing and this type of thing in the Archives Building.

Vote 13 agreed to

On Vote 14

Mr. Chairman: Our next item, Renewable Resources, Vote 14, \$3,932,400. Your information will be found commencing page 58.

Hon. Mr. Hanson: Mr. Chairman, a lot of this overrun is caused by the inventory of Parks and Resources. Thank goodness, Mr. Lang did not donate anything from this Department to any other community because this bill is high enough here now.

But out of the \$1,009,200, \$443,000 are refundable under our agreement. So the overrun would be actually \$566,000, roughly. These are spent to provide funds for the Regional Planning program. As you remember, this agreement was signed late in the fall last year. We had the \$400,000 bouncing around and that came into play and it has come in here. Now it has shown up and so we are now into an overrun in this year's Budget.

That is spent for Regional Planning and for the shelter projects at Chadburn Lake and the Kusawa Lake and the wildlife studies and all that. That is what has brought it up so much. It is actually the work done for two years and the one year to get us to that happy medium that we are at now.

That is basically why the overrun is and \$350,000 for a campground workshop actually is not money that is spent but it is money that has been set aside on an ongoing project to build a shop this year. It is all planned now and the \$350,000 has been spent but it has been set aside to bring into this year's program to complete that shop. Because of the lateness of the season, it could not be built and the money has been set aside to get this finished.

Late last fall, because we were so far behind we started Congdon, Mars Lake and Kusawa. The agreement runs out, we have to the main of the work last year and this year so the work has been crowded in these two years but the money was allotted in our agreement and past things and that is why the overrun is showing up so drastically at this time.

Mr. Penikett: I am not sure if the Minister is confused or if he was deliberately trying to confuse us but I am especially delighted by the reference to the famous \$400,000. I thought we were never going to hear about that again. Let me ask again instead about \$350,000 and exactly where is this campground workshop going to be built? Can something more be told to us about that?

Hon. Mr. Hanson: In the Marwell area, in the compound.

Mr. MacKay: I was a trifle stimulated by the thought of being able to set aside \$350,000 out of this year's Budget to spend next year and I wonder perhaps, if the Minister of Finance could answer if this is a device merely to make sure we take advantage of Federal funding, or is it a new way of cooking the goose?

Hon. Mr. Pearson: Mr. Chairman, I want to assure the Honourable Members there is nothing new here. It is money that was allocated during the course of the year as a result of agreements and so on. What work is not done will be re-voted next year and it will be re-voted via supplementary estimates. This is a never-ending pro-

cess. We are always doing that, but, no, there is nothing new here at all.

Mr. MacKay: I just feel the wool descending over my eyes again. I have visions of \$400,000 dancing in my head again next year.

It seems to be the other departments, they budget what they are going to spend to the end of the year and then they set it up as an expenditure. Then, next year, you bring forward what they did not spend. What you are saying is we now oversee this \$350,000 in the current year's budget?

Hon. Mr. Hanson: We will not see it again. I assure you, I am spending it.

It stays in this budget. Our new budget has additional funds to cover the building. We will now build the building. The planning is done and everything. We will build the building in the 1980-81 season, but because of the lateness of the season when the planning was done last year, we could not start to build. So the money is put into a project which will be spent to complete the project this year.

Mr. MacKay: I feel like I am looking under the edge of a carpet of which some things have been swept under. I do not want to downgrade the Minister of Finances' explanation, but I find the Minister of Tourism's much more plausible.

He is saying we are never going to see this \$350,000 again and I believe him. It has now been "set aside", which, it seems to me maybe we should have a coffee break and you can explain this to me over coffee and I will not ask any more embarrassing questions about it.

But it does seem to me what we are doing is making sure we take advantage of matching funds from Ottawa in the fiscal year. So we plunge it through here, knowing full well that, if it was just regular funds of the Government, we would probably leave it to next year and vote it as a supplementary.

Hon. Mr. Hanson: The funds have to be committed before the end of the period and that is what we have done. We have committed that money to this project which is an on-going project.

Mr. Penikett: I just want to explain to Mr. MacKay that the next time he will see this \$350,000 is in the Auditor General's Report for the year 1980-81, which comments on the dubious fact that this Government is establishing something called the Campground Workshop Replacement Fund which has \$350,000 which they will remark has not been appropriated by the House.

Hon. Mr. Pearson: I must say that the Renewable Resources budget has become some sort of a bane because of this subsidiary agreement. I want all Members to realize at this time next year we will be dealing with another Department with the same kind of a problem — Tourism and Economic Development will have the same type of an agreement. Financing being what it is with the Federal Government, we will run into the same kind of problems. I am confident, in budgeting and timing and so on.

Mr. MacKay: It is very fortunate that you have a Minister within your Government who is so understanding and lucid about the whole problem, Mr. Pearson. I will certainly look forward to his budget next year.

Mr. Fleming: I do not know if I should ask this question or not because if it happens the same as the other ones, if the job has not been done, it is kind of a silly question. I would ask about the Marsh Lake Campground Project and the Kusawa Lake Campground Project. Were these two projects, if they have been done, put out to tender by any chance?

Mr. Hanson: They were not put out to tender due to lateness of the season. An equipment rental system was used. They are not completed but it was to get the start going last fall to get them going for this year to complete the jobs. It was a rental equipment system that was used there.

Hon. Mr. Lang: Mr. Chairman, just to add to what my colleague has said, each year the Department of Public Works goes out and asks for tenders for rental of equipment. That list is kept and distributed among the various Departments and the lowest tender, as far as the utilization of that equipment, if necessary, is used. That was the system that was used in this particular case.

Mr. Fleming: Yes, I think I understand that. Is there not possibly one or two more? I do not know which ones were listed. Were there not two more projects done the same way?

Mr. Hanson: Well, these were the two major ones with Marsh Lake and Kusawa, that were started late in the fall. But there is work being done on other areas in the campgrounds along the Highway, but they are the main park areas.

Mr. MacKay: There is another favourite topic buried under Wildlife, space rental at the Eagle Plains complex, and I am wondering if that particular item was overlooked in the original Budget or if it came in higher than anticipated?

Hon. Mr. Hanson: It had not been decided that the Lodge was going to stay open, really. When it became open, then the amount of people that we had staying up there, there are several projects going on up there now that would not have gone if the Highway had been closed. We have a man working there about half-time, studying falcons and whatnot. So, if the road had been closed, the man would not have been up in that country.

Mr. MacKay: I am getting into a bit of detail on this one, it is kind of an interesting area.

The Foothills' studies, as I recall that was a study undertaken by your Branch on behalf of Foothills, for which we will be reimbursed, is that correct?

Hon. Mr. Hanson: Yes, Mr. Chairman, we will be reimbursed for it. When we get a little further on in the book, you will find where our reimbursement comes in for different projects, towards the back.

Hon. Mr. Pearson: Mr. Chairman, again I might explain that what happens with these studies is that our Pipeline Branch very likely might make the decision that there should be a study done in respect to wildlife in Yukon, because of the pipeline. Then, what we do is we make application to the Northern Pipeline Agency, who, on our behalf, hopefully will collect the funding for the study from Foothills Pipelines Limited.

In some cases, our Wildlife Branch, after consultation with our Pipeline Branch, have decided that they are going to do the study, whether Foothills ends up paying for it or not because they feel that it is necessary that it be done. In some of these cases, there will be a delay. We have not collected 100 per cent of the funds from Foothills, however, we are fairly confident that we will, in the final analysis, get that money for those programs.

Mr. Fleming: Mr. Chairman, I wonder if the Minister could tell me, in 1410, what the Special ARDA project was?

Hon. Mr. Hanson: In this case it would be planning the campgrounds, parks, an inventory of them and planning what we would like to do with them.

Mr. Penikett: Mr. Chairman, reference is made in 1410 as well to Dempster Highway Cost Comparison Study which I thought had been commissioned by the Minister of Highways. Is that the famous study or is this another that we do not know about.

Hon. Mr. Hanson: No, it is a different one.

Mr. Penikett: If it is a different study then I wonder when we may see it tabled in the House, Mr. Chairman.

Hon. Mr. Hanson: It is a feasibility study that we did on the Highway, I guess.

Hon. Mr. Pearson: It should be noted that 1410 is an establishment in which was spent \$279,000 during the course of the year and really at this point what we are dealing with is an over-expenditure of \$70,000, you know, a portion of which may be attributable to that one particular study.

Mr. Penikett: Thank you, Mr. Government Leader. All the information you told me was great. I appreciate it, it is not relevant to my question. I thought we had heard about the study from the Minister of Highways, that it had been commissioned by the Minister of Highways and the Minister of Renewable Resources recently was thanking the Minister of Highways for not ravaging his budget for various purposes. Is this another case where somehow the Minister of Highways has attached some money from Renewable Resources?

Hon. Mr. Lang: Mr. Chairman, no, that is not correct. I think we should point out that first, the Dempster Highway Cost Comparison Study was contracted two years ago. If you recall, last year we received it around the end of April, if my memory serves me correctly so that put us in the situation where we had to pick up the final cost of that particular study over the course of this year, in the 1979-80 year. My understanding was that it was commissioned through the Department of Renewable Resources as far as the study went. The Department of Public Works was involved in it.

Mr. Tracey: To the best of my knowledge it was done by the Department of Renewable Resources and it was also recoverable. I think if you look under recoveries it is \$18,600 recoverable for that study.

Mr. Penikett: Mr. Chairman, perhaps it is not an important point, it is just confusing to me. I was under the impression that the Minister of Highways had commissioned it since he was the one that tabled it in the House and he was the one that reported it.

Hon. Mr. Lang: Mr. Chairman, you can rest assured that if I had been in charge of the Department at that time I would never have commissioned it.

Mr. Penikett: You have noted before the Minister's propensity for

rejecting any advice which contradicts his prejudices; however, that has nothing to do with the question that I am trying to find out.

I have now got it clear from the present Minister and the former Minister that it was commissioned by this Department, perhaps it is not very important, but why was it the Minister of Highways that tabled the study and gave us all the reports in the House. It was just because he did not like it and somehow he grabbed it. What happened there?

Hon. Mr. Lang: Mr. Chairman, it is very easy. You receive the report and you table it.

Hon. Mr. Hanson: It is nice and straightforward and that is it.

Hon. Mr. Lang: Mr. Chairman, I agree with the Member opposite. I think it is very confusing as well, and I wonder why it was ever done, to be quite frank.

Mr. Fleming: Yes, Mr. Chairman, I still have to clear up the Special ARDA situation, whereas the Minister said something about it being there. But, you know, I kind of wonder if the Government had an overrun on a Special ARDA project, and I am wondering did the Government have a Special ARDA project and why.

My question was, what was that Special ARDA project?

Hon. Mr. Hanson: Really, I do not know that one. If we set it aside, I will come back to it, probably tomorrow.

Mr. Tracey: I do not know what the exact Special ARDA one was, but we have the situation where we have an agreement with Canada, if we finance a Special ARDA or become involved in a Special ARDA agreement that is not totally native, then the Territorial Government has to come up with its share.

So, at the beginning of any year, we do not know what our share is going to be in any cost-shared program, so, if there is any Special ARDA program that is agreed to that we have to put our money into, then it has to be voted under Supplementary Estimates.

Mr. Fleming: That is exactly the reason I am asking the question. I hope that the Minister will bring back the answers just as to why we did not meet the supplement.

Hon. Mr. Graham: Mr. Chairman, maybe I can confuse you really well. The Special ARDA money in this project was for the purpose of training people to operate campgrounds outside of the City of Whitehorse. This program has now been transferred to the Manpower Development Program and you will see in the upcoming Budget, I think, roughly \$125,000 for training of people under a Special ARDA agreement. We pay only 40 per cent of the training program.

In the past, my honourable friend here has held the money for the training of these people in his own budget. It has now been transferred to Manpower and that is, I am certain, what the project was. It was an ARDA project to train people up here in the Marwell area to clean, look after and operate campgrounds in the outlying areas. That is why it was in the Budget.

Mr. Fleming: Mr. Chairman, I would still like him to bring back a little bit more of an answer that they are really sure of, because they are all guessing at what it might be for and there are too many of them guessing.

It may be only \$1,000, it may be only \$2, it does not matter. I would appreciate the answer tomorrow, that is all.

Hon. Mr. Hanson: My friend to my right gave me the answer and that is what it was. It was \$55,000 in there for training these people for campgrounds.

In this new Budget, we have transferred that over to his department, for the educational purposes, for training.

Mr. Penikett: Mr. Chairman, just one last brief question, since it was his study, can I ask the Minister of Renewable Resources exactly what he did with that very excellent report, the Dempster Highway Cost Comparison Study? What is happening to that report? Anything now?

Hon. Mr. Hanson: When the report was tabled I was sitting up there and I probably did not read it then and I am sure I am not going to read it now. The Minister of Highways has tabled it. It is out of the hands of Renewable Resources. I just got the bill.

Vote 14 agreed to

Mr. Chairman: As this probably is an appropriate time, we are halfway through our evening, we will take a short recess.

Recess

Mr. Chairman: I call Committee to order.

On Vote 09 (Continued)

Mr. Chairman: At this time, I would like to draw your attention to Highways and Public Works, the fact that we rediscovered it, I

have to clear it once more.

Vote 09 agreed to

On Vote 02 (Continued)

Mr. Chairman: At this time, I will go back to Vote Number 02, which we stood over, awaiting a question. At this time, I will open Vote 02 again.

Mr. Penikett: Mr. Chairman, it is just an innocent little question, but it has been bothering me since the time and this is probably the last chance I will have to ask it.

It concerns Establishment Number 250 in this Vote and the famous liquor plebiscite in Old Crow. Now, as I remember the facts, Mr. Chairman, we eventually gave third reading to the Bill, which was going to effect a ban if the plebiscite went the right way on November 15th.

The vote, in fact, took place on December 5th. Now, the Order-in-Council, 1979/14, Plebiscite Ordinance, which is concerning the Old Crow alcohol plebiscite Regulations, says quite clearly in here, there are a number of Regulations which may not have been followed, but the most important of which is "The electoral officer shall post a notice in the form prescribed at least 30 days prior to the date of voting in such places as he deems necessary."

By my high school arithmetic or my understanding of the legislation, that would have been, given the dates I have outlined, effectively impossible to achieve. I just wonder if I could get a comment from the Government Leader as to whether they might possibly have conducted, if not an illegal, perhaps an improper vote on December 5th?

Hon. Mr. Pearson: Mr. Chairman, I will have the Department of Justice take a look at it, now that I have the question and we will see what kind of an answer we can come up with, if, in fact, it was improper or illegal.

As far as the funding of the plebiscites go, this money is put in this Establishment, the plebiscite is actually conducted for other Departments of the Government.

Mr. Penikett: Mr. Chairman, I thank the Government Leader for his answer and I do want to give my assurance to the Cabinet that I do not intend to pursue the Opposition Leader's suggestion that the Minister responsible become personally and financially liable in the event there was some error.

Hon. Mr. Pearson: It is not so at all. I do not care who suggests that.

Vote 02 agreed to

Hon. Mr. Lang: I would ask Committee if we could refer now once again, we opened up the Estimates on the Vote 09, if we could ask concurrence to close it.

I gave my assurance to the Leader of the Opposition that I would bring the information that he requested during the discussions of the Main Estimates.

Mr. Chairman: I beg your pardon?

Mr. Penikett: We did that when the Minister was out of the room, did we not?

Mr. Chairman: Yes, we did. We just finished it. Perhaps we had better wait until Mr. MacKay is back. He is the one who asked that, is he not?

Hon. Mr. Lang: Yes, Mr. Chairman, I have already had conversations with him outside the Chamber. If everyone has taken care of me, I appreciate that. I just wanted to remind them if they are not, that I would just as soon as Vote 09 cleared so we can get through the Supplementaries for 1979-80 and I will bring the required information down in the Main Estimates and I am sure we can have a good debate and I can probably talk for a long time.

Mr. Chairman: We have already declared Vote 09 cleared.

Stay with us, though and we will start now on Vote 15.

On Vote 15

Mr. Chairman: We are now considering Vote 15, Health, \$12,713,500. Your information will be found on Page 64. Is there any discussion?

Mr. Fleming: Could we just have a moment to look it over, please?

Vote 15 agreed to

On Vote 16

Mr. Chairman: Government Services, Vote 16, \$2,248,000. I refer you to page 68 for information.

Hon. Mr. Graham: Mr. Chairman, of the total \$102,000 that this Government is over in their Operation and Maintenance Budget, roughly \$9,000 was in excess printing costs that were attributable to unexpected volume of mailing costs by the Department of Tourism and Information Services. Since this has happened, we

have found that it is impossible for Government Services to forecast the amount of money that will be spent in mailing services by the Department of Information Resources so that function has in fact been transferred to them. The total \$12,000 left is basically for the deputy head and typist positions which were transferred from the Supply and Services Budget.

Mr. Penikett: Mr. Chairman, just perhaps a brief explanation would be appreciated in connection with establishment 1602. The first line of the narrative says to provide funds for additional photocopy machine rental (Legislative Assembly Office). As far as I know, we are still using basically the same equipment we have had in the past year. Is that just increased use?

Hon. Mr. Graham: No, this is strictly for increased use.

Vote 16 agreed to

On Vote 17

Mr. Chairman: Yukon Housing Corporation, Vote 17, \$1,369,000. Information will be found on page 72.

Hon. Mr. Lang: Mr. Chairman, on the Operation and Maintenance side, you will note that the Yukon Housing Corporation came in on Budget. We carried out the mandate that was given to us by the Legislature last Session.

Mr. Fleming: Just a remark, Mr. Chairman, I see that there is a little over-expenditure of \$53,800. What I have seen of the operation of the Yukon Housing Corporation in our area, I am very happy to see that that is all that it is.

Vote 17 agreed to

Mr. Chairman: I would now refer you to page 74. This is for your information only. Page 77, information only. Are there any questions on either of those two pages? Also page 83, which is Capital Recoveries.

If there are no questions on these pages, they are therefore information only. As there appear to be no questions on these pages, I will now direct you to Loan Capital, \$5 million. Your information is on page 85.

Shall Loan Capital of \$5 million clear?

Some Members: Agreed.

Mr. Chairman: I declare this amount— Sorry, did I rush you Mr. MacKay?

Mr. MacKay: Yes, I hate to disturb the steady rhythm of passing sections here, but could I have some brief explanation? I am sorry, there is no supplementary for Loan Capital, is there?

Mr. Chairman: No.

So, you are satisfied, Mr. MacKay?

Mr. MacKay: I am satisfied, yes.

Mr. Chairman: Should this amount clear?

Some Members: Agreed.

Mr. Chairman: I declare this amount cleared.

We are now on Loan Amortization, \$5,550,000. Your information will be found on page 86.

Mr. Penikett: A quick question, are we being hurt by the interest rates situation here?

Hon. Mr. Pearson: Mr. Chairman, I think interest rates are affecting us. I do not know that they are hurting us that much because we are able to invest money on short-term loans, as well. With the coming and going of funds, we are able to pretty well offset any mitigating effects of increased interest rates.

Mr. Chairman: Is there any further discussion? If not, shall Loan Amortization clear?

Some Members: Agreed.

Mr. Chairman: I declare this amount cleared.

Central Purchasing and Stores Revolving Fund, \$600,000. I direct your attention to page 87, where the information is. Do I hear any questions?

Mr. MacKay: Is this perhaps one of these funds that the Auditor-General overlooked? I am sure the Government Leader is going to rise in indignation in just one minute, but before he does, does this represent inventory on hand and thus is a revolving fund which goes through O&M, does the basic purchasing go through Operation and Maintenance of various departments?

Hon. Mr. Pearson: Yes, Mr. Chairman, that is exactly right. This fund has not been increased since 1972. The limit was established in 1972. It has not been increased until this year. We have found that we just cannot keep necessary inventories on hand because costs have risen so much.

Mr. Chairman: Is there any further discussion or shall this amount

clear?

Some Members: Clear.

Mr. Chairman: I declare this amount cleared.

Road Equipment Replacement, Special Account, \$100.

Hon. Mr. Lang: Clear.

Mr. Chairman: Mr. Lang, have you anything to say on it?

Hon. Mr. Lang: Mr. Chairman, I thought I explained myself fairly well earlier when discussing my Department. I committed myself to bringing forward a breakdown in respect to the way the money is spent over the course of this last year.

I am just assuring all Members that it is being spent wisely.

Mr. MacKay: The Minister specializes in making outrageous remarks which can only be attributed to his Scottish combativeness in wishing to pick a fight with the Leader of the Opposition.

I am reassured by the Minister's remarks earlier that, in fact, this measure of \$100 is merely a temporary measure to allow the Government to await the long and eagerly awaited Public Accounts Committee Report, so I will not discuss the matter further at this time. I look forward to doing so when the Public Accounts Committee Report is tabled.

Mr. Penikett: Mr. Chairman, this is the reason why I refrain from commenting up until now, although I was fascinated by the observation of the Leader of the Opposition that the faults of the Minister of Highways and Public Works were, in fact, ethnic traits. I wish to take note of that.

Mr. Chairman: As there appears to be no further discussion, shall this amount clear?

Some Members: Clear.

Mr. Chairman: I declare this amount cleared.

On Clause 2(1)

Clause 2(1) agreed to

Clause 2 agreed to

On Clause 3(1)

Clause 3(1) agreed to

Clause 3 agreed to

On Preamble

Preamble agreed to

On Title

Title agreed to

Mr. Chairman: I now declare that Bill Number 11 has passed the Committee of the Whole.

Hon. Mr. Pearson: Mr. Chairman, I move that Bill Number 11 be reported out of Committee without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that Bill Number 11 be reported out of Committee without Amendment.

Motion agreed to

Mr. Chairman: What is your further pleasure?

Hon. Mr. Graham: Mr. Chairman, I would like to suggest that we go on to the Main Estimates, Bill Number 13.

Mr. Chairman: At this time, I now refer you to Bill 13, Second Appropriation Ordinance, 1980-81

On Clause 1(1)

Hon. Mr. Pearson: Mr. Chairman, as I said at second reading of this Bill, I would respectfully suggest that the Budget Speech was the preamble to any opening discussion on this particular Bill and I would suggest that discussion will flow naturally once we get into the departmental item by item consideration.

Mr. MacKay: Mr. Chairman, I am going to suggest that while I appreciate the hard working qualities of the Government and their desire to put this whole matter to rest as quickly as possible, that this debate on Clause 1 should be deferred until tomorrow. I would ask for adjournment of the Committee.

Hon. Mr. Pearson: Mr. Chairman, Clause 1 is the title of the Bill, this is the Second Appropriation Ordinance. It is called the Second Appropriation Ordinance, 1980-81 Mr. Chairman because we passed the First Appropriation Ordinance at the last Session in respect to the Capital Estimates for the current fiscal year.

If the Honourable Member has a problem— You do not want to get into the Estimates tonight, is that the idea? Mr. Chairman, could we deal then, with some of the other Bills in the financial package?

Could we consider then, Bill Number 14, the Financial Agreement Ordinance?

Mr. MacKay: Presumably each of these subsidiary Ordinances will lend themselves to the Minister of Finance giving us more detail than the Budget Speech in the Clause 1 debate.

Mr. Chairman: You would like to go on to Bill 14?

Mr. MacKay: I do not mind which one of the subsidiary type of Ordinances you get into. I just would ask that we be honoured with something more than the very general remarks in the Budget Speech, because he indicated at that time that he did not see the point of getting into a lot of detail. Now is the time that in presenting these Ordinances, the Minister of Finance should be giving us some detail on the Clause 1 debates.

Hon. Mr. Pearson: Mr. Chairman, I am getting very confused at exactly what the Honourable Member is looking for. I just stated that it was my opinion that debate on various sections would follow as we got into the Budget.

I am confused, Mr. Chairman, and sometimes I am easily confused. I am not certain what the Honourable Leader of the Opposition expects us to put forward, other than we have put forward the Budget, we have tabled that, we have tabled the Budget Speech and I do not know what else we can give him to expedite the matter. If he could be any more specific I would appreciate it.

Mr. Penikett: Perhaps someone who is almost never confused could say a couple of words here.

I am sometimes slow and from the Government Leader's point of view, I am sometimes very slow, but not normally confused.

I have a problem and I share the problem with the Leader of the Opposition about getting into any kind of detailed discussion tonight on the Main Estimates. Some of the material we have to get. I do not have a problem of doing what he proposes, that is proceeding into Bill Number 14 which is the Financial Agreement Ordinance, 1980. It is a fairly routine piece of Legislation. I think all that was asked for here, is if we are going to proceed through it in Committee, is that someone, perhaps the Government Leader, just give us a couple of words on Clause 1, and then we can get into the discussion and whatever appropriate questions, if any, may arise we can deal with them and so we may be able to whip through this thing before adjournment tonight.

Hon. Mr. Pearson: Is it Bill Number 14 you are talking about now?

Mr. Chairman: Yes, Mr. Pearson.

Hon. Mr. Pearson: Mr. Chairman, the Financial Agreement—

Mr. Chairman: Mr. Pearson, order, please. Before we go on to 14, I will have to ask somebody to move progress on Bill Number 13.

Hon. Mr. Lang: So moved, Mr. Chairman.

Mr. Chairman: It has been moved by Mr. Lang that we report progress on Bill Number 13. Are you in favour?

Some Members: Agreed.

Mr. Chairman: I now refer you over to Bill Number 14, Financial Agreement Ordinance, 1980. On Clause 1, I will anticipate general discussion.

On Clause 1(1)

Hon. Mr. Pearson: Mr. Chairman, the purpose of this Bill is to allow this Government to receive from the Government of Canada grants in the amounts of \$32,209,000 for Operation and Maintenance of various parts and portions of the Government of Yukon, and for \$20,048,000 for Capital Expenditures, during this forthcoming fiscal year.

These numbers, Mr. Chairman, are agreed to in negotiations with the Intergovernmental Committee, a committee comprised of members from the Department of Indian Affairs and Northern Development, the Department of Finance, and Treasury Board, in Ottawa, as well as from our own Department of Finance.

We outline to them our proposed Budget, not in very much detail but, rather, in broad, general terms. They then advise us what monies they are prepared to pay. Usually it is above those base programs, where there has been agreement in other years. They agree to pay certain percentages of various programs, and so on.

So, this agreement is to allow us to get that money from Ottawa. It is borrowed money that we do not pay back.

Mr. MacKay: I presume it must be borrowed against our resources, or something. It appears, I guess, in the Financial Statements as a net debt figure in the end.

Hon. Mr. Pearson: No, no, Mr. Chairman, I am sorry, no. It appears in our statement as a capital grant, and as a transfer payment from Canada.

If the Honourable Members would refer to the yellow book, page 1, the very first item is the transfer payment from Canada.

That is what this Financial Agreement Ordinance is referring to, Mr. Chairman.

Mr. MacKay: I think the Government Leader, no, I will not say that. Perhaps the Government Leader could tell me in what way, in a little more detail, the dollars are arrived at. You said it is based upon some established previous formulas, and perhaps you could explain how the established programmes' financing differs from the type of process, which is another figure on that page you referred to earlier, in respect to this transfer payment from Canada.

Hon. Mr. Pearson: Mr. Chairman, it does not differ at all. The established programme financing is funds for Provincial-type programmes, primarily, Canada has agreements with the Provinces, and with us, for payments. The \$32,209,000, in other Budgets, has been referred to as the Deficit Grant, but it is not, and possibly that is where I misinterpreted what the Honourable Member meant before, the deficit figure that shows at the end of the Budget.

Mr. MacKay: I am interested in exploring with the Minister how solid the precedents are with respect to this type of funding, so that we in the Committee may get a better understanding of how the future is going to unfold with respect to this type of money.

Do you build up this \$32.2 million block by block, saying we have a department here, and a department here, and we need "x" number of dollars, or do you start out from the other end and say revenue from our own sources is going to be "x" number of dollars this year. Our total requirements are "y," so that "x" minus "y" is what we need. If that is the case, would that approach not lend itself, when large increases in Revenue may occur here, to an immediate reduction of this type of funding?

Hon. Mr. Pearson: Yes, Mr. Chairman, no matter which way we do that, and in fact, it is very much a mix of both, we give estimates to the I.G.C. as to what we think our revenue recovery capabilities are going to be for the next year. These are very seriously considered, when, in fact, they are negotiating with us for how much that final transfer payment number might be, and no matter what happens, as our revenue numbers increase during forthcoming years, it is inevitable that that transfer payment will decrease, and it is simply a matter of time until, in fact, we are not getting that payment any longer. At that point in time though, we would be in a very enviable position.

Mr. MacKay: Has the Government Leader explored at all in any detail how the provinces obtain funding from Ottawa, under inter-provincial transfer payments, with respect to the type of formula that are in place there?

Hon. Mr. Pearson: Yes, Mr. Chairman, and if we were getting funding under the formula that the provinces do, we would not get any funding because our capability to earn money in this Territory, on an individual basis, is too high. We simply would not qualify. The 26,000 people in Yukon have a per capita earning factor that is too high to qualify us for transfer payments under the Federal scheme. So, that does not work for us at all.

What we are exploring and will be discussing in, I think, considerable detail with IGC this coming spring is a different method of funding. It is something that the Department of Indian Affairs and Northern Development, as well as this Government, is interested in whereby instead of us showing, as a branch item in the Department of Indian Affairs, there is a proposal that is being put to the Department of Finance now that would have us, instead, show as a line item in Finance's budget.

The Department of Indian Affairs and Northern Development is, in fact, saying that we should be able to negotiate this money with Canada now, directly with Treasury Board. They will still have input, but they will not be responsible for it any longer. In other words, it would come directly from Canada to this Government, rather than going through the Department of Indian Affairs and Northern Development.

Mr. MacKay: Well, I am certainly glad we got into Clause 1 debate in such detail. We are just learning a awful lot about what is going on.

Perhaps I could ask the Government Leader further, then, if we do wind up and I would like him just to repeat if it is the Department of Indian Affairs that is promoting this approach.

Hon. Mr. Pearson: Yes, along jointly with us.

Mr. MacKay: It is an interesting reflection of how little control they seem to want to exercise over us.

But, if that continues and we do wind up as a line item in the Department of Finance, presumably there are other jurisdictions in Canada who wind up as line items in the Department of Finance, as well, that we may be getting into a bit of a dangerous spot in terms of qualifying for these transfer payments, in view of what has been said about us not qualifying under existing formulas.

So, getting to my point, does the Minister have any studies underway that would indicate if we considered the higher cost of

living in Yukon versus the higher income of Yukoners? It is fine, everybody's income—in this formula, there is no consideration given to higher costs of living. Is there any study underway in his department or anywhere else to try and show that, in fact, while our per capita income may be high, disposable income is low?

Hon. Mr. Pearson: Mr. Chairman, that is a factor that is recognized by the IGC in our negotiations. I would respectfully suggest that one of the reasons why this Territory has not been subjected, at any time in the past to a sales tax of any kind, is because of the cost of living. That point has been recognized by the people in Ottawa who make these decisions on how much this grant or transfer payment might be.

As for whether it is going to be any different for us, I think, or any more dangerous for us, I do not think that is so. Mr. Chairman, because at the present time, this money becomes departmental money in the Department of Indian Affairs and Northern Development. They protect us quite well in that the moment they get it, it is transferred to us immediately, it does not get buried in the Department anywhere, but that one step would be taken out of the whole procedure and I think it would be an awful lot cleaner, both from Canada's point of view, from the Department of Indian Affairs' point of view and ours.

Mr. Penikett: Mr. Chairman, there is one point, if the Government Leader is at all inclined to pursue the Opposition Leader's suggestion about studies in this area, obviously our status is a deserving area in Canada, potentially a have or have not province. It is not only affected by the fact of the reality of a much higher cost of living, it is also a phenomenon known to economists as the social wage.

I think, without causing offence to anybody here, there are many other parts of the country where people would argue in addition to their income, their take home pay or their gross income less the taxes, there are, in the community, all sorts of benefits which are funded to those taxes and whether they are free 24 hour public transit, or day care or free university education or so forth, there may be dozens of things like that.

When economists are looking at the, if you like, the income level of nations, as well as provinces, they always take that into account, because if you are really going to have any justice in something like equalization payments, you would have to take these things into consideration.

There may be people in one area that have a very high per capita income, but they may have very low level services government and they have elected to have that very low level of services. But, in fact, in terms of their real standard of living, people in the neighbouring province, or neighbouring areas, may have somewhat less of an income level, may have a very highly developed public service and high level of community services locally. In fact, because of that, their standard of living in the two areas is very much the same, even though a very cursory look at their income levels would suggest there is some disparity which is not really there.

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Mr. MacKay: Yes, I am interested in the interplay of the Capital Budget and the Operating Grant. Does there appear to be any connection between how much we can obtain under operating affecting how much we get for capital, or is this something where capital is based on need?

Hon. Mr. Pearson: Mr. Chairman, no, capital is based on need, and the desired programs, but, Mr. Chairman, the one thing that we are becoming very, very quickly cognizant of, in this Territory, is that, a couple of years down the line, we are going to have to come up with O and M costs for capital projects that are very nice to build at this present time, and I might respectfully suggest that this is a problem that has caught up to our sister Territory, this fiscal year.

It is, I think, the real attributing factor to the financial box that they got into this year. I would suggest, respectfully, Mr. Chairman, that it is something that we must be very, very careful of in the future.

But, capital funds are considered separately, and apart, from O and M each year, and there really is no relationship between the two.

Mr. Penikett: Mr. Chairman, the Government Leader, I think, has just made a very excellent point, now, about the relationship between capital and O and M, and it is something that I have had a little bit of experience with on the municipal level, and the kind of problems you can get into. For example, with recreation centres,

where you talk about how you are going to pay for the capital when you really do not have an idea of what the O and M is going to be.

I wanted to pick up on his other point, though, because you made reference to our sister Territory, and everyone is aware, there, of the somewhat imperial and magnificent style of the recently deceased Commissioner from that part of the world, well, departed, pardon me, at great expense, I might add, departed at great expense.

In this Territory, the Commissioner that, I think, dominated the local scene for a long time, had the reputation of being somewhat the opposite, in fact, almost miserly, with the public purse, at times. I think many of us who are interested politically have often felt cause to comment on that situation. I think, for a number of years, our total budget was about the same as the Education budget of the Northwest Territories, and we reflected on the reasons for this.

One of the popular reasons, I seem to recall hearing during the 60's, was that, oh well, the Northwest Territories voted Liberal and Yukon voted Conservative, and therefore they were getting all of the money.

Well, the political stripe in the Northwest Territories changed, and nothing seemed to happen to their deficit funding.

So one began to speculate that other reasons for this was that Eskimos perhaps had more sex appeal than Yukon Indians or was it that NWT do better P.R. or whatever it was.

Someone suggested to me recently a reason that had never occurred to me and that was quite simply that they had the practice of asking for more money than we do and that it was not really a problem for Yukon getting Federal money but if we really wanted it and really asked for it over the years we probably could have gotten it which leads me to my next question. It is perhaps a theoretical one but I think it is pertinent to this Budget. If we were to prove some real need and to aggressively go after some extra money at this point from the Federal Government even in this period of restraint, would it be possible, from the Government Leader's point of view, if we were to abandon all our own sense of propriety and fiscal responsibility to get more money from the Feds than they are now giving us.

Hon. Mr. Pearson: Mr. Chairman, I would suggest that yes, maybe, it might be possible. In fact this is, again, what has happened regrettably in the Northwest Territories.

Mr. Chairman, they tabled a Budget that was a \$14 million deficit, not a \$3 million deficit and they do not end up with any kind of working capital on March 31, 1981. They are in a real financial bind, but Mr. Chairman, I think we should also be cognizant now, that not only is the NWT in a financial bind but Canada itself is as well. I think it is a well-recognized fact that there is not any more money. The restraint is a real thing in Ottawa and restraint is going to be a real thing with the Federal Government. I am sure, for the next few years, until the economy is turned around.

Hon. Mr. Graham: Mr. Chairman, as I see the hour is rapidly approaching 9:30, I would move that you report progress on Bill 14.

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 Mr. Speaker do now resume the Chair.

Motion agreed to

Mr. Speaker resumes the Chair

Mr. Speaker: I now call the House to Order.

May we have a report from the Chairman of Committees.

Mr. Lattin: Mr. Speaker, the Committee of the Whole has considered Bill Number 9, Garnishee Ordinance and directed me to report progress on same; and Bill 11 Second Appropriation Ordinance, 1979-80 and directed me to report same without amendment.

Further, it considered Bill Number 13, Second Appropriation Ordinance, 1980-81 and directed me to report progress on the same; and further, Bill Number 14, Financial Agreement Ordinance, 1980 and directed me to report progress on same and beg leave to sit again.

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

Some Members: Agreed.

Mr. Speaker: Leave is so granted.

Hon. Mr. Graham: I move, seconded by the Honourable Member for Old Crow, that we do now adjourn.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Old Crow, that we do now adjourn.

Motion agreed to

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

The House adjourned at 9:30 o'clock p.m.

Whitehorse, Yukon
Tuesday, April 1, 1980

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

Prayers

Mr. Penikett: Mr. Speaker, on a question of privilege, I would like to call attention to the fact that this being April Fool's Day, it is the birthday of the entire Liberal Caucus. I would like to extend, on my behalf and other Members of the House, congratulations to the Member for Kluane and the Member for Riverdale South on their anniversary.

Mr. Speaker: Order, please. I do not think that the Honourable Member has a question of privilege.

Mr. MacKay: I think I have a question of privilege now, though, Mr. Speaker. I would just like to thank the Honourable Member and mention that but for the accident of two days we could easily have had a third Member here, having his birthday here today, the Minister of Highways and Public Works.

Mr. Speaker: I am afraid I cannot rule that the Honourable Member has a question of privilege.

Hon. Mr. Pearson: In all sincerity, I would like to rise and for all Members of the House, wish many happy returns of the day to the two Honourable Members who are celebrating their birthdays, albeit April Fool's Day.

DAILY ROUTINE

Mr. Speaker: We will now proceed with the Order Paper.

Are there any Returns or Documents for Tabling?

Presenting Reports of Standing or Special Committees?
Petitions?

Reading of Petitions?

Introduction of Bills?

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. Have you any questions?

QUESTION PERIOD

Question re: NCPC Head Office Relocation

Mr. MacKay: I will try not to make a fool of myself, Mr. Speaker. I do have a question for the Government Leader.

Last fall, the House was informed, Mr. Speaker, of the existence of a report prepared within NCPC, which recommended the movement of NCPC's head office from Edmonton to a town in the Northwest Territories. Is the Minister aware of any proposed implementation of this report?

Hon. Mr. Pearson: Mr. Speaker, I am aware that such a report exists. I am also aware that the report graded a number of communities, both in the Northwest Territories and Yukon, as to desirability. If my information is correct, Mr. Speaker, the report indicated that the two most desirable places to move the headquarters of NCPC, as we know it today, would be either Yellowknife or Hay River.

Mr. Speaker, I must impress that I am not confident in my own mind that they were rated in that order of importance; however, I am aware that these are the two communities that were recommended in the report.

We have felt for some time that the Northern Canada Power Commission head offices should, in fact, be in the north. I think, Mr. Speaker, from an ulterior point of view, I would be just as happy to see them move, as they are known now, to either Yellowknife or Hay River. That would then give us, Mr. Speaker, the ability to, at the proper time, create our own power commission here in the Territory and not be encumbered by something that did exist in the past.

Mr. MacKay: Perhaps I could refer the Minister to a report on news media today that the Minister of Indian Affairs, while in Yellowknife —

Mr. Speaker: Order please, I believe the Minister is now making a speech.

Mr. MacKay: I would think that equal time would be allowed, Mr. Speaker. What I would like to do is set my question in context so that he understands. He obviously has not heard the report.

Mr. Speaker: Perhaps the Honourable Member could then proceed to his question.

Mr. MacKay: Thank you. In view of the apparent willingness of the Minister of Indian Affairs to move the NCPC headquarters to Yellowknife, as indicated by the report today, would the Government Leader urgently undertake to forward to the Minister the unanimous resolution of this House last spring, the question of the formation of a Yukon Power Corporation?

Hon. Mr. Pearson: Mr. Speaker, I would be most pleased and happy to ensure that the new Minister of Indian Affairs and Northern Development receives that motion of the House once again; however, I would respectfully suggest that will have absolutely no bearing on this move of the NCPC Headquarters to Yellowknife.

Mr. Penikett: Mr. Speaker, supplementary to the question of the Leader of the Opposition, can the Government Leader tell the House which Minister of this Government was responsible for promoting to the study group the merits of moving NCPC Headquarters to a location in Yukon?

Hon. Mr. Pearson: Mr. Speaker, there must be no misunderstanding about this. This study was one that was done in-house by NCPC. It was not our study; it was not the Minister's study or anyone else's. The Minister, if he has made up his mind that this move is going to take place, has made that decision as a result of recommendations that he has received from NCPC, no one else.

Mr. Penikett: Mr. Speaker, in the event that a decision to transfer the headquarters to Yellowknife proceeds, does the Government Leader see that as the moment to which this Government will pursue the creation of a Yukon Power Commission or a Yukon Power Corporation?

Hon. Mr. Pearson: No, Mr. Speaker, however, I accept the suggestion by the Leader of the Opposition that it would not do us any harm at all to apprise the Minister of our feelings in respect to the establishment of the Yukon Power Corporation, seeing as how this matter is getting his attention at the present time.

Question re: Human Resources/Rehabilitation Centre

Mr. Byblow: I have a question for the Minister of Health and Human Resources. There is some concern, Mr. Speaker, with respect to the anticipated closure of the Rehab Centre, in light of their lease termination and financial status.

My question to the Minister is whether her Department will be assisting the social service and, if so, in what manner?

Hon. Mrs. McCall: Yes, Mr. Speaker, it is quite true, the lease for the Rehabilitation Centre expires at the end of this year. We are looking for solutions, helping them. I think I said in my reply to the Throne Speech that we were looking for land that might be donated by YTG. Service organizations are helping. It is something we are very concerned over.

They may be able to extend their lease. This is what we are hoping for in the interim.

Mr. Byblow: I am wondering if the Minister could respond, in light of this Centre's problems and in light of the problems of the Child Development Centre, if the Minister could respond whether or not, in her Department's strategy of addressing the handicapped Yukon child, whether her Department is working in conjunction with the Department of Education in developing programming?

Hon. Mrs. McCall: Yes, the Minister of Education is as concerned as I am over the whole picture of rehabilitation starting with very young children all the way through. I think that a question we are looking at with the service clubs and with board members of rehabilitation in that there might be possibly a solution in a centre if one were to be built or if it was possible.

Mr. Byblow: Can the Minister tell me whether or not the Standing Committee on Social Planning and Community Development is still meeting and is functional?

Hon. Mrs. McCall: Mr. Speaker, I assume, the Member is referring to the Monday morning Social and Economic Planning Meetings. Yes, they are still meeting and they are still very functional and very effective.

Question Re: YTG Equipment Rental

Mrs. McGuire: Mr. Speaker, I have a question for the Government Leader. A statement made by a Minister last night brings this question to mind concerning direct hiring of private equipment by YTG. If the equipment owner is the spouse of a YTG employee, will the YTG employee come within the Violation Clause of the YTG Employee Conflict of Interest Policy?

Hon. Mr. Pearson: Mr. Speaker, I am going to have to ask for notice on that question. I have no idea what statement the Honourable Member is referring to. I just cannot answer.

Mr. Speaker: Perhaps the Honourable Member will take the question as notice.

Question Re: Energy/Natural Gas Distribution

Mr. MacKay: Mr. Speaker, I have another statement made, this time by the Government Leader. Yesterday, he referred to alternate sources of energy research being explored by his pipeline branch. Can he tell the House if this research includes natural gas distribution to the communities along the pipeline route?

Hon. Mr. Pearson: Yes, Mr. Speaker, very much so.

Mr. MacKay: Is the Government Leader in a position to indicate to the House whether the research at this point indicates whether local gas distribution at current prices is a feasible alternative to fuel oil?

Hon. Mr. Pearson: Mr. Speaker, we have been able to determine that there is a sort of accepted formula in respect to the cost of home energy related to gas, oil, and electricity.

Now, Mr. Speaker, I am not absolutely sure of the numbers but they are of this magnitude: if a thousand BTUs of electricity cost \$18, a thousand BTUs of heating oil will cost \$14, and a thousand BTUs of natural gas will cost \$8.

The formula, Mr. Speaker, indicates that these three numbers always stay relevant. If one is up, all of them are up; if one is down, all of them are down. Based on that, Mr. Speaker, we are taking a very, very hard look at the feasibility of using Yukon gas as an energy source in this Territory.

Mr. MacKay: The figures the Government Leader gave us are very, very interesting, Mr. Speaker, and I would like to ask him, in view of the potentially large value of such distribution rights, whether it is the Government's present policy to consider awarding these franchises for distribution to private corporations or perhaps to retain them as a government right in any future power corporation.

Hon. Mr. Pearson: Mr. Speaker, we intend to table, at this Session, amendments to the Electrical Public Utilities Ordinance that should make our policy clear on this matter.

Question re: White Pass and Yukon Route/CN

Mr. Penikett: Mr. Speaker, I have a question for the Government Leader. I would like to ask the Government Leader if he has been advised by the Federal Government that they are considering ordering Canadian National Railways to buy out the operations of the White Pass and Yukon Route?

Hon. Mr. Pearson: No, Mr. Speaker.

Mr. Penikett: Can the Minister state, categorically, that such a possibility has not been the subject of any discussions between himself and the Government of Canada?

Hon. Mr. Pearson: Oh, no, Mr. Speaker, I cannot state that at all. In fact, it is one of the alternatives that we mentioned in this House some months ago as being a possible alternative to the problems that the White Pass and Yukon Route face today.

Mr. Penikett: Mr. Speaker, could the Government Leader say if his Government responded positively to that option as a method of keeping the railway viable?

Hon. Mr. Pearson: Mr. Speaker, I must state once again, we put that forward as an option.

Question re: Tourism Advisory Board Conference

Mr. Byblow: I have a question, Mr. Speaker, for the Minister of Tourism and Economic Development. I understand that the Tourism Advisory Board is having their spring conference next week and that they will be expecting from the Minister's Department some progress reports on the some seventeen recommendations that were left with the Minister last October, in their meeting.

Can the Minister report that his Department has, in fact, attended to at least the majority of these recommendations?

Hon. Mr. Hanson: Mr. Speaker I can report, and could have reported last December, that most of these recommendations were followed and completed as recommended, excepting those ones costing us money.

Mr. Byblow: I would like to ask the Minister if he could identify which ones cost him money, because in fact, there is a disbursement of money for most of them. One of the recommendations dealt at length with a study to determine the long term effect of the Klondike theme being used by Edmonton, as how it affects the future growth of tourism in the Yukon.

I am wondering if the Minister could report whether or not the

study was done that they had recommended and whether or not it will be available for the meeting next week.

Hon. Mr. Hanson: Mr. Speaker, this study would cost \$50,000 and of course, was not followed.

Mr. Byblow: Perhaps we could find out which recommendations have, in fact, been attended. There has been considerable discussion and one of the recommendations dealt with moving the tourism headquarters out of the building into other quarters more accessible to the public. Could the Minister perhaps update us on affairs in this regard?

Mr. Speaker: Perhaps the question seems to be broad. It would appear to the Chair that perhaps in a Committee of the House, these questions could be more properly asked, but I will permit the Minister a very brief and concise reply.

Hon. Mr. Hanson: Mr. Speaker, the matter has been dealt with and I hope the Department will be moving into larger quarters in the building with the next month or so and then a move will be made later on this fall to get them out of the building.

Question re: NCPC Rate Increase/Public Utilities Board Rejection

Mr. MacKay: Mr. Speaker, I have a question for the Government Leader again. Public Utilities Board, Mr. Speaker, of which the Government Leader is a former Chairman, recently handed down a decision to reject NCPC's request for rate increase. Realizing that the Public Utilities Board can only recommend such a decision, is the Government prepared to lend its support to the Public Utilities Board?

Hon. Mr. Pearson: No, Mr. Speaker, the Public Utilities Board does not recommend the rates. The Public Utilities Board, Mr. Speaker, under the legislation, has the authority to set those rates. In the case of NCPC, Mr. Speaker, they make a decision whether they are going to accept that authority or not accept that authority, pursuant to the legislation.

Mr. Speaker, the Electrical Public Utilities Board does not make a recommendation to this Government in respect to those rates. They set them. They make recommendations to us on other matters that we specifically ask them for recommendations on, but, in respect to rates, the Board approves or disapproves the rates and they have the authority to do so.

Mr. MacKay: I appreciate the Government Leader's elucidation of the role of the Board with which I am quite familiar. Perhaps I could ask him, more clearly, will he support the recent decision of the Board on the rates of NCPC?

Hon. Mr. Pearson: Mr. Speaker, this Board is a highly technical one and it makes its decisions based on an awful lot of technical knowledge. I have received a copy of a letter that they have sent to the Northern Canada Power Commission, advising the Board that they are not prepared to approve their rates as asked for effective April 1st.

Mr. Speaker, I am quite prepared to accept their decision as being a valid one.

Mr. MacKay: Mr. Speaker, in view of the reasons given in this letter, with respect to not approving the rate increase that head office expenses seem to not have been allocated properly and investment income neither, will the Government Leader request of the Public Utilities Board a further study to see whether NCPC's present rates should be actually reduced?

Hon. Mr. Pearson: Mr. Speaker, that is not, in fact, necessary, because that is what the process is all about. The Board, again, if they thought that the rates should be reduced, would be making such a decision.

I keep saying recommendation in the case of NCPC, Mr. Speaker, because that is all the Board can do, in the case of NCPC. As I have said, it is up to NCPC to make the decision as to whether they are going to accept that recommendation, not up to us.

Question Re: Yukon Act/Committee to consider amendments

Mr. Penikett: Mr. Speaker, I have a question for the Government leader. A published report yesterday, Mr. Speaker, said, "a committee of sorts" has been established by YTG with the Federal Government to consider amendments to the Yukon Act. Can the Government Leader inform the House as to what the precise objectives of this committee are?

Hon. Mr. Pearson: Mr. Speaker, I believe that the Honourable Member is quoting the Minister of Indian Affairs and Northern Development. I was at that particular press conference, Mr. Speaker, and I am aware that his Department is looking at amendments to the Yukon Act. I believe, Mr. Speaker, that they do this on an ongoing basis.

I do not know who the committee is. I could probably make a supposition or two; however, I do not think the Honourable

Member would want me to do that because I would be doing that just on my knowledge of the people in the Department. But, I know of no committee per se that is established.

Mr. Penikett: Mr. Speaker, Is the Government Leader still firm in his resolve not to pursue any further constitutional developments in this Territory until such time as the Special Committee created by this House has reported to this body?

Hon. Mr. Pearson: Mr. Speaker, I do not know that I have ever stated that I was firm in my resolve that I was not going to continue to pursue at all times constitutional development in this Territory.

Question Re: Alcohol Treatment Programs

Mr. Byblow: Mr. Speaker, I have a written question for the Minister of Education of a non-ridiculous nature. Could the Minister provide me with the following information:

1. the number of schools, locations, and students involved in, or provided with, alcohol education programs.
2. the amount of financing provided Y-Canada by this Government towards alcohol education programming.
3. a brief overview of the type of programs presently being piloted.
4. the anticipated continuance of these or related programs.

Question Re: Energy Conservation in YTG Buildings

Mr. Penikett: Mr. Speaker, I have a question for the Minister of Economic Development. Mr. Speaker, last October, this Government made a commitment to reduce the amount of energy used in government buildings and I note the Government of NWT now claims they have cut their consumption of electricity in half. Can the Minister say how successful he has been at conserving energy in government buildings and if he plans to follow the NWT lead and introduce low-wattage light bulbs throughout their facilities?

Hon. Mr. Hanson: Mr. Speaker, I thought the Honourable Member was never going to ask me a question and I feel quite at home again now that he is speaking to me. If the Honourable Member walked around the building very often he would see that we have moved a great many lights in the building and have cut down the power bill quite a bit; however, the whole question of this building and fuel consumption and lights lie more in the portfolio of my colleague, the Minister of Municipal Affairs.

Mr. Penikett: Mr. Speaker, I have a supplementary for the Minister of Public Works. In view of the fact that some offices in this building have an interesting situation where at times, both the heating and air conditioning systems are on simultaneously, has the Minister taken steps to correct this energy-wasteful situation?

Hon. Mr. Lang: I know that the heating in the building is an area that the Department has problems with because of the design of the building, and which, in retrospect, perhaps should have been installed in a different manner.

I should point out, his previous question, Mr. Speaker, I will take another advisement as far as low wattage lights are concerned or whether or not they could be implemented.

We have saved a substantial amount of money with respect to this building and other buildings. If he only looks through the Budget of last year and the proposed Budget for this year, he can see that a great deal of money is being spent on insulating all our buildings in the education area, as well as general buildings, so that we can conserve energy.

Question re: Agricultural Policy Discussion Paper

Mr. Penikett: Mr. Speaker, I have a question for the Minister of Renewable Resources. This House was told previously that the Government was hard working on an agricultural policy for Yukon. Can the Minister of Renewable Resources advise the House when we will actually see a policy discussion paper or policy proposal tabled in the House?

Hon. Mr. Hanson: In Cabinet we have looked at one paper now and we have sent it back. We were not satisfied with it. I suspect it will probably be the fall before we see another one coming out as a discussion paper.

Mr. Penikett: Mr. Speaker, since the Federal Government temporarily stopped processing all land applications for large agricultural parcels over five years ago, can the Minister advise the House if the suspension of these categories of land can now be lifted as the analysis and planning has been done as stated in the Federal Minister's Press Release of January 10, 1975?

Hon. Mr. Hanson: Mr. Speaker, I would suggest the Minister already knows that the answer that I am going to give is "no".

Mr. Speaker: There being no further questions, we will proceed on the Order Paper to Government Bills and Orders.

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS

Mr. Clerk: Second Reading, Bill Number 23, standing in the name of the Honourable Mr. Graham.

Bill Number 23: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Old Crow, that Bill Number 23, entitled An Ordinance to Amend the Insurance Ordinance, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Old Crow, that Bill Number 23 be now read a second time.

Hon. Mr. Graham: Mr. Speaker, the Insurance Ordinance is a very simple amendment. The amendment is one line only, for the purpose only of paying out the proceeds of the policy. The result of this amendment to the Insurance Ordinance is to make it clear that rule 97(1), as expressed in Section 97(1) of the Insurance Ordinance, applies in all cases only to that Ordinance. It would not apply to the provisions set out in the Survivorship Ordinance, which we will be getting to at a future time.

This is just to clear up a technical problem that we had with the amendments to the Survivorship Ordinance.

Motion agreed to

Mr. Clerk: Second reading, Bill Number 27, standing in the name of the Honourable Mr. Graham.

Bill Number 27: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that Bill Number 27, Presumption of Death Ordinance, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Hootalinqua, that Bill Number 27 be now read a second time.

Hon. Mr. Graham: Mr. Speaker, this Ordinance is for the winding up of affairs of persons who are missing and presumed to be dead. The new Bill will clarify the procedures to be followed and remove doubts as to the effective distribution of a person's property under the Ordinance.

This is particularly important when a person, as it were, returns from the dead.

Motion agreed to

Mr. Clerk: Second reading, Bill Number 29, standing in the name of the Honourable Mr. Graham.

Bill Number 29: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Whitehorse Centre, that Bill Number 29, Fatal Accidents Ordinance, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Whitehorse North Centre, that Bill Number 29 be now read a second time.

Hon. Mr. Graham: Mr. Speaker, in common law, no action was maintainable in respect of the death of the family breadwinner, as a result of willful or negligent misconduct of another. The theory seems to have been that all persons must die sooner or later and, inasmuch as we do not really have the choice about the moment or method of death, except by committing suicide, it is not really possible to prove that the deceased would not have died the next minute from other causes anyway.

The purpose of this legislation is to overcome the result of such an excess of logic in the law. The Ordinance provides a right of recovery for the dependants of a person killed by the wrongful act of another. The new Ordinance is merely more detailed and modern than the old and it is important in that it fills a number of loopholes that did exist in the former legislation.

Motion agreed to

Mr. Clerk: Second reading, Bill Number 30, standing in the name of the Honourable Mr. Graham.

Bill Number 30: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Mayo, that Bill Number 30, Survivorship Ordinance, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Minister of Economic Development, that Bill Number 30 be now read a second time.

Hon. Mr. Graham: Mr. Speaker, under the existing Ordinance, where two people are killed in the same accident, their estates are

distributed as if the younger survived the old. Under the Insurance Ordinance, however, the proceeds of the insurance policy are paid to the insured.

As a beneficiary in an estate is usually younger than the testator, totally opposite rules may apply under the two Ordinances, depending on whether the property in question is insurance proceeds or other property. The Ordinance that you are going to face in the coming days is based on a model act which was revised in 1971 to resolve the conflict of the use of totally opposite roles in distribution of insurance property and insurance proceeds and other property in cases where the sequence of death could not be determined.

The Insurance Act procedure will apply in all cases of death of two parties where you cannot determine who died first.

Mr. Penikett: Mr. Speaker, I just wanted to very briefly say how pleased I am that the Minister is proceeding with this measure. As I am sure the Minister knows, in other jurisdictions there have been extremely long and costly court battles resulting from this kind of conflict. In fact, a great deal of time and energy of the courts has been involved in fatal accidents where perhaps both partners in a marriage die, trying to establish which one of them predeceased the other.

I think the kind of resolution of this situation that is going to be laid down by the Minister, or correcting the conflict that is going to be done by this legislation is not only efficient, but it is probably humane and desirable, because families who have suffered this kind of tragedy really do not need this kind of uncertainty following this kind of accident.

Motion agreed to

Mr. Clerk: Second Reading, Bill Number 33, standing in the name of the Honourable Mr. Graham.

Bill Number 33: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 33, An Ordinance to Amend the Evidence Ordinance be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Tatchun, that Bill Number 33 be now read a second time.

Hon. Mr. Graham: Mr. Speaker, the Evidence Ordinance is a miniature code of evidence which allows facts to be recorded in a variety of informal ways, such as business records, copies of documents, well-known facts such as dates, and generally makes an attempt to make it possible to shorten the technical rules of evidence inherited from British Law.

This Ordinance, the Evidence Ordinance, is pretty straightforward. It is modelled on Saskatchewan legislation and what we hope that it will do is relieve the pressure on doctors of appearing in court. We find that at the present time it costs a great deal of money to compel doctors to appear in court when they do not really want to. Rightfully so, many doctors have a legitimate objection, in that it injures their patients, the patients that the doctors could be looking after, during the time that they spend in court.

The amendments will be simply to insert a provision making doctors' reports admissible as evidence, without having to call the doctor. A further section would be added, making it possible for the courts to penalize the party who forces the calling of a doctor unnecessarily to the court.

Mr. Penikett: Thank you, Mr. Speaker, I just want to say, if it is based on Saskatchewan Law, it is probably all right.

Motion agreed to

Mr. Speaker: May I have your further pleasure?

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

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for 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 the Chair

COMMITTEE OF THE WHOLE

Mr. Chairman: I shall call the Committee of the Whole to order. At this time, we will have a ten minute recess.

Recess

Mr. Chairman: I will call the Committee of the Whole to Order. This afternoon we are discussing Bill 14, Financial Agreement Ordinance, 1980. Last evening, we had finished Clause 2 and carried it.

We are now considering Clause 3.

On Clause 3(1)

Clause 3(1) agreed to

Clause 3 agreed to

On Clause 4(1)

Mr. MacKay: I would like to ask the Government Leader to clarify one point. I thought I had understood him to say last night in debate that this money was funnelled straight through to the Yukon and was not residing any time in the Department of Indian Affairs, yet, it seems to imply that we only get so much a month.

Hon. Mr. Pearson: Mr. Chairman, at the present time the money goes from Finance. If it was to physically move, in fact, what would happen is, it would go from Department of Finance to the Department of Indian Affairs and then is paid to us.

The money is paid to us at the present time from the Department of Indian Affairs and Northern Development, not from the Department of Finance.

What we are hoping to do is put a procedure in place whereby the money would not go through the Department of Indian Affairs any longer. Mr. Chairman, I doubt that that would change this particular section or the intent of this section in that we would get our money on a monthly installment in respect to O&M and on an as-we-need-it basis in respect to the capital.

Clause 4(1) agreed to

On Clause 4(2)

Clause 4(2) agreed to

Clause 4 agreed to

On Clause 5(1)

Clause 5(1) agreed to

Clause 5 agreed to

On Clause 6(1)

Mr. MacKay: It is a very interesting subsection. I wonder if it appears to give this Ordinance precedence over every other ordinance in the Territory, in the event there is a conflict. Can the Minister perhaps explain it and give us some examples of the kind of things that are being avoided by having this clause?

Hon. Mr. Pearson: Mr. Chairman, this is a standard clause in government agreements. In effect, Mr. Chairman, what this clause says is: notwithstanding any agreement that we might make with the City of Whitehorse in respect to the funding of a project, when this agreement expires on the 31st of March, 1981, any contracts or whatever might be in place, that are made whereby there is going to be payments made under this agreement, do expire at that point in time.

Now, Mr. Chairman, this clause has to be in here as a result of the Financial Administration Ordinance, where the Commissioner is not deemed to be empowered to enter into contracts for more than one year at a time. They do automatically expire on the 31st of March of each year.

Clause 6(1) agreed to

On Clause 6(2)

Clause 6(2) agreed to

On Clause 6(3)

Clause 6(3) agreed to

Clause 6 agreed to

On Preamble

Preamble agreed to

On Title

Title agreed to

Mr. Chairman: I now declare that Bill Number 14 has cleared the Committee of the Whole.

Hon. Mr. Pearson: Mr. Chairman, I move that Bill Number 14 be reported out of Committee without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that Bill Number 14 be reported out of Committee without amendment.

Motion agreed to

Mr. Chairman: At this time, I would attract the Members to Bill Number 13, Second Appropriation Ordinance, 1980-81.

On Clause 1(1)

Hon. Mr. Pearson: Mr. Chairman, this operation and maintenance budget for the fiscal year 1980-81 has been developed with the objective in mind of providing to the people of Yukon those services normally supplied by Government, at the lowest cost.

Mr. Chairman, we felt that it was important that our Budget not impose any further hardship on Yukoners than was absolutely necessary because of the economic slowdown and the tight money situation being felt by all of us.

Our programs are under constant review in respect to their need, relativity and value, as well as their efficiency. This review process has resulted in some initial changes and will have the effect of initiating further reorganization in the near future.

The major emphasis in this Budget is on Renewable Resources and Tourism and Economic Development; however, we have budgeted to maintain the same level of social services as were delivered last year.

We have determined that a major source of increases in the annual budgets of Yukon in past years have been through the acquisition of staff, or what I referred to as man years, in the Budget. It should be noted that we do not anticipate increasing the man year complement of YTG by more than five at the present time. This will not preclude the shifting of personnel from one program or department to another as it is deemed necessary during the year as a result of reviews being made.

Mr. Chairman, there is one factor missing in this Budget before us today. That is the estimated \$400,000 in increased revenue that we should receive from the new method and increases in liquor taxation.

We put the Budget to press for printing in the full knowledge that we were expecting to spend some \$3 million more than we would realize from all sources in the year. Time constraints dictated we do this, knowing that we still did not have a definite decision made on how we could enhance the revenue side of the Budget to help offset this over-expenditure.

We felt that we wanted to know what the effect of increased wholesale prices from our suppliers of liquor and beer would be before we established the new taxing regime for these products. This revenue, if passed by the House, will be reflected in the Supplementaries for the forthcoming year.

The Budget, Mr. Chairman, is as fair and accurate an estimate of expenditures and recoveries as we could foresee for 1980-81. We are of the opinion that the level of services offered by this Government to its citizens is adequate and these levels should be maintained and then, Mr. Chairman, enhanced when and as the economy of the Territory allows.

Thank you.

Mr. MacKay: Mr. Chairman, I would like to thank the Government Leader for his words on Clause 1 and say that I appreciate him being so frank with respect to the \$400,000 in liquor revenue that came in later on, recognizing that that, in itself, does not really change the main thrust of the Budget, as would, perhaps, the \$5 million from Foothills, had it been included.

However, I have dealt with that before and I will not say much more, other than to suggest that there is more logic in the Government's position today than there was this time last week, in that the Pipeline Branch will cost us \$380,000 or thereabouts this year, if, in fact, the \$5 million is not forthcoming, which, I think, is a much more logical position for the Government to be in.

I would not like to think that the budgeting process of this Government would become set in the way of under-estimating revenues, though, in the future. While I appreciate that that is an innately Conservative way of approaching life in general, it does have the effect of catching up in the long-run and may have, in the meantime, negative effects upon the economy.

A couple of areas of a general nature, with respect to the Budget, that I find interesting and I would hope that there may be some explanations. I appreciate the Government's keying in on manpower as a key area to avoid increases. However, I note, under Professional and Special Services, there has been a large increase budgeted of some \$3 million, of which \$1 million is going to go to the medical profession. That is quite beyond the purview of this Government, in terms of how much they will earn, other than setting the rates.

That still leaves a \$2 million increase in this area, which I hope is not being used as a substitute for hiring man years, otherwise we are just kidding ourselves that we are holding the line.

Another area which might be related to the previous one is the average wages of the Government which is quite interesting. When you take the total number of man-years and divide it into the personnel costs, the average cost per man-year is \$26,000 per employee and taking that as an average cost of a consultant too, we find that having eliminated the medical profession from that we may have an increase of about 60 man years worth in consulting and special services. That might be worth investigating to see if

some departments are not getting a little more money into the Budget in that way than they would if they were to come along, say, "We want to hire another person."

With respect to the Government's policy of holding the line, I hope that is not a result of a lack of imagination in dealing with current problems. I would suggest that, in principle, I think this is the time for the Government to be holding the line on its expenditures if the \$5 million is not going to be forthcoming.

But I would like to think that they are using their imaginations, trying to find ways of accommodating the new social needs that do arise by perhaps re-evaluating the existing programs that you have and that process is a continuing one, I realize. It is easy for the government to fall into a trap by just adding on new ones but perhaps it is a little harder to find ways of cutting off an existing one. Probably that is the key to successful economic management, being able to do the latter thing as successfully as adding on a new program.

While I keep harping away about Wolf Creek and things like that, I do see some money to be saved there and of course I do see other areas where that money might be spent, too.

I do not disagree with the general thrust of the Budget in trying to hold the line but I just hope that there is some imagination being applied to finding ways of meeting the pressures that are going to come upon this Government as the year progresses.

Mr. Penikett: Rather than making a speech at this time, Mr. Chairman, I wonder if I could just ask the Government Leader a couple of questions under general debate. These may come up again in the specifics but they do have a bearing on the issues raised by Mr. MacKay concerning the \$5 million that we may or may not get from Foothills.

As I understand the Government Leader's position, he has said that we, in conscience, cannot continue to fund the Pipeline Branch if we do not receive some revenues to offset the thing, or the continuation of the Branch. As I understand some kind of, a sort of Damocles is hanging over that Branch. Perhaps the Government Leader could elaborate.

What I am concerned about is if we do not get the \$5 million, what is actually proposed? Are we going to be laying off the staff, transferring them, what is going to happen?

Hon. Mr. Pearson: Mr. Chairman, let me allay any fears that any of the Members Opposite might have in respect to laying off any of these people. This particular group of people, Mr. Chairman, I consider to be a very, very valuable group to this Government. They work remarkably well as a group and we have an awful lot of work for them to do, that is not pipeline related in this Government.

Mr. Chairman, I appreciate the opportunity to really clarify what, in fact, I did say.

I did not say, Mr. Chairman, that if we did not get the \$5 million that we would close down the Pipeline Branch. Mr. Chairman, what I did say, and did say very emphatically, was if there was not a decision made to go ahead with that pipeline by mid-May or early June, we would have no alternative but to close down the Pipeline Branch, because we would have no more work for that unit in that particular line.

The going on or the closing down of our pipeline-related work, Mr. Chairman, within this Government does not hinge on the \$5 million, but rather hinges on whether there will be a decision made. Mr. Chairman, it is our perception, because we have been told by everyone who cares to talk to us about it, if there is not a firm decision made to go ahead with the pipeline by mid-May or early June, then it will be irrevocably delayed for as much as a year and possibly longer. That is the point that we are at on the pipeline.

We are just sitting now and waiting. When I made the statement, Mr. Chairman, it was in the full conscience of the fact that, should that decision go against the construction of the pipeline now, then we would not have any more work for our Pipeline Branch. We are right up to date, we are ready for the pipeline.

Mr. Penikett: Thank you, Mr. Chairman, I appreciate the Government Leader's clarification on that point because it had puzzled me. In general, I would support the position that he has taken in these negotiations; however, I think it is important to clarify even more precisely, one point.

Some members in the news media, and perhaps as a consequence, some people in the public, seem to have gotten the impression that the equation is, if we do not get the \$5 million, we are cutting the Pipeline Branch in order to save money, because we cannot afford to send money that we do not have.

Just to make it perfectly clear, we are not contemplating then, any saving at all by simply winding down the Pipeline Branch, just simply taking these valuable employees, that we all agree are excellent workers, and transferring them to other responsibilities

within this Government.

Hon. Mr. Pearson: That is correct, Mr. Chairman, we seem to be on the pipeline bandwagon, maybe we should whip to that Vote and jump through it in a second. Because of the personnel in it, this branch is capable of doing a tremendous amount of research work that we, as a Cabinet, are feeling that we need answers to, questions that we need answers to immediately. The pipeline-related work is falling off now; they have the time and capabilities to do this and we are using them for that kind of work more and more.

They, for instance, are doing extensive amounts of study on the feasibility of using natural gas as an alternate energy source in the Territory at the moment and are very knowledgeable now and are making themselves knowledgeable in this field.

Mr. MacKay: Perhaps I could ask one more question with respect to the pipeline revenue, because I think it is of a general concern to the whole Budget. I would like the Government Leader to spell out his position. It may well be hypothetical, but I think it is worthwhile for him to have a chance to say this now.

If the pipeline is delayed a year and then is built after that one year delay, does the Government Leader see that that automatically removes the onus on Foothills to pay the \$5 million that was payable in 1980 and starting to just pay us \$10 million in 1981, or does he still hold that this \$5 million is payable for this year?

Hon. Mr. Pearson: Mr. Chairman, my opinion seems to be pretty firmly based in my own mind that Foothills Pipeline owes this Government \$5 million this year. Now, the only way that that is going to get changed to my satisfaction, if, in fact, a decision is taken by someone that they do not owe us that, is if that agreement is opened up, renegotiated and restated.

The agreement, to me, Mr. Chairman, seems to be fairly clear. The year 1980 is now upon us and it says that in 1980 they will owe us \$5 million, in 1981, \$10 million, and so on. Foothills have taken the stand that there has been a two-year delay in the pipeline and we are now reading that to be 1982, not 1980.

Mr. Chairman, it may well be a valid argument on their part. I do not know that I blame them all that much for saying that. After all, \$5 million is \$5 million. I then say to them, Mr. Chairman, "What is \$5 million to an outfit like Foothills? You have already spent \$125 million. This is just peanuts." But, they are pretty big peanuts and to the 26,000 people in Yukon, they are really big peanuts. Mr. Chairman.

Mr. Chairman, if I might reply to the Honourable Leader of the Opposition in respect to the \$26,000 per employee reflected in this Budget. That, Mr. Chairman, is a real cost. Now, that cost includes all of the fringe benefits, all of the direct expenditures for each employee, and \$26,000, as an average number, is a very realistic one today.

I think that the Honourable Member has used the right number to come up with that number because that is what we estimate our costs to be, about \$26,000 per employee.

Mr. Chairman, this Budget does not reflect a lack of imagination on our behalf. I would respectfully submit to you, what it does reflect is a lack of funds. If Members analyze it closely, they will see that our transfer payment from Ottawa was an increase between three and a half and four per cent from last year, yet, the total Budget is approximately 12 per cent so we are pretty close to the wire on this one. The \$3 million deficit is a real one.

Mr. Fleming: Mr. Chairman, the Budget, as I said before I feel it was well done but I did have a question while we are on that \$5 million and that taxation situation with Foothills. I am wondering, through the process of that Agreement which is between Canada, the States and Foothills or between—

Hon. Mr. Pearson: No, Mr. Chairman, if I may clarify for the Honourable Member, Mr. Chairman, the Agreement is between Canada and the United States. Foothills, like the Government of the Yukon, is third party in this thing. Foothills is called the Proponent in the Agreement but the Agreement, Mr. Chairman, is between Canada and United States.

Mr. Fleming: Okay, fine. They are still a third party as you say, in it; however, the way it reads to me is that the Government of Canada would first have to turn over the rights of the right-of-way for administration purposes and so forth to the Yukon Government before the actual thing would come into effect that you could collect without the Federal Government doing it for you.

Hon. Mr. Pearson: Mr. Chairman, the Agreement stipulates that the right-of-way will be held by the Northern Pipeline Agency. There is another Act involved here. The Northern Pipeline Agency Act says that the Northern Pipeline Agency will procure the right-of-way and make it available to the Proponent. The Northern Pipeline Agency is in the process of, or has done, that now and the clearing has started on that. In effect, what happens is that they have, for

lack of a better word, expropriation rights to that pipeline right-of-way.

Hon. Mr. Graham: Mr. Chairman, I would just like to dwell on one point that was raised by the Leader of the Opposition and that is in our Professional and Special Training Budget that he indicates increased roughly \$3 million, \$1 million of which went into additional salaries for doctors.

I think what he failed to add is that roughly another, I believe, \$1.2 million is tied up in the Education and Justice Departments, \$1.1 million. The additions are for things like the Police Services Agreement which is an increase of \$500,000 over last year. It takes up one quarter of the remaining \$200,000.

We are looking at about a \$320 to 350 thousand increase in Education. That increase is for such things as job creation, job assistance, career development, increase in university bursaries and grants to students leaving the Territory. It is also for special education, native language programs, night school instructors, career development, professional development for teachers. It is also for legal aid, legal draughtsman, court reporters and aid to victims of crime, that type of thing. Those services represent roughly an increase of 1.1 to 1.2 million dollars in the Professional and Special development area in the Budget.

I think he misrepresented it a little bit. It does not represent an additional 60 man years that we are hiring on on term contracts. It represents increases in a lot of statutory payments that this Government makes right now to citizens in Yukon.

Hon. Mr. Pearson: Mr. Chairman, just to follow up on what my honourable colleague has said, I want to assure the Honourable Members that we are very cognizant of this budgeting process whereby all of a sudden the request for man years disappear from departments and their Professional and Special Services Budget jumps up considerably or their request jumps up considerably and you find out that they are hiring people on contract.

Mr. Chairman, we discourage that as much as we possibly can and we have a rule in effect whereby a contract employee must be a term employee. If it is deemed to be a term employee for a specific project for a definite period of time, then and only then will we allow it to go to contract.

Mr. Penikett: If I could, just for a second, pursue a point raised by the Member for Campbell, because he got me thinking when he was speaking. It is in connection with the famous \$5 million.

I guess I am really clear about the fact that we really do not have a lot of authority left in connection with this pipeline project, in terms of our ability to expedite it or impend its progress. The disposition of land, and all the regulatory power and all the authorities necessary are really in the Federal hands. It is, perhaps, unfortunate, that we amended the Boiler and Pressure Vessels Ordinance last November, because maybe it would have had some power there — I am being facetious.

But seriously, what I am coming to a consciousness of is that we really do not have any bargaining positioning. The Federal Government probably has an enormous bargaining position and it is only if they are prepared to take our side, I think, as the Government Leader has said, "act on our behalf in this matter", that we would really have any prospect of collecting the \$5 million.

Hon. Mr. Pearson: Mr. Chairman, it is correct what the Honourable Member has said. I would think in the normal process of things, Canada would say to the Northern Pipeline Agency, "We have set you up as the one window agency to deal with all of these kinds of things. You deal with it."

The Northern Pipeline Agency has been apprised of our direct dealings with Foothills on this matter and have stated that they are prepared to sit back and let us see what transpires as a result of those dealings. That is the point that we are at now.

Mr. Penikett: Just so that I am clear on that last point, Mr. Chairman, Mitchell Sharp and Ken McKinnon have not offered to become collection agents for YTG? They express no enthusiasm about that role at all?

Hon. Mr. Pearson: Nor have we asked them, Mr. Chairman.

Clause 1(1) agreed to

Clause 1 agreed to

Mr. Chairman: On Schedule "A", our first item, Yukon Legislative Assembly, \$923 thousand, I direct your attention to Page 11. You will note this year that we have eliminated the word "Vote" and also what we referred to before as "Estimates" are now referred to as "Programs". On Page 11 we are discussing the Department of Yukon Legislative Assembly. I will now anticipate general discussion on this Department.

Mr. Byblow: I believe, a couple of points were raised with respect to this Department in yesterday's supplementary discussions, but

I would like to repeat one of them and bring to attention another.

I think it is incumbent upon the Government to **seriously** consider what can be done with respect to the space allocation for the Members. I cannot emphasize enough the number of times that my constituents were certainly not comfortable with the situation in which they found themselves in discussing matters with me.

That matter was discussed at length yesterday by other speakers. Perhaps I could point out to one of the Members that in addition to not only feeling and hearing and smelling the Members next to you, some of us can see them when we stand up.

The other point I would raise for the Government's consideration is with respect to research capabilities during Session. I would not make any criticism of the research capabilities that we have at present, but it would be better if we could have more, is what it simply amounts to. I think we are very serious about our positions to represent our constituents and keep a watchful eye on Government, and we can only do the job better if we have more resources at our disposal, particularly during the course of Session. During the course of session there is a tremendous workload on all Members and any research assistance would not only allow us to do our job better, but it would allow us to make you do your job better, because it would put us in a better position of examining budgets, programs, policies and so.

So, in addition to the space allocation and the privacy, I would raise, for future budgetary considerations, the matter of providing, particularly during Sessions, additional research capabilities.

Hon. Mr. Pearson: I was sort of hoping the Leader of the Opposition was going to get up and reply to that, Mr. Chairman, because you are going to hear, I am afraid, an awful lot from me in the next few days.

The points raised by the Honourable Member are well taken. I want to stress that they were both considerations, serious considerations in the making up of the Budget. The necessary funding to look after both of these problems were taken out with great reluctance by Members on this side, because we appreciate very well that the more capabilities that you have to do your research, the better off all of us are going to be; however, this year just has to be a case of lack of money.

Mr. MacKay: I will not disappoint the Government Leader. In a sense, this is our estimate, so it is really not a source of great partisan difference. I think: What we are discussing is something that affects each and every one of us, whether we are sitting on this side of the House or the other.

I would echo a couple of things and perhaps add a point or two with respect to this business of having research capability. The argument sort of goes like this: you really should not need to have a lot of research capability when the MLAs are being paid a salary to do this kind of work themselves. So, you have to fall back and say, "MLAs, you are paid out of the public purse for doing certain work and you should make time for this."

The problem I have with that argument is that we have agreed in discussions about Members' salaries that, in fact, we cannot justify the MLAs job as a full-time job. I am talking about a non-Cabinet MLA now, that we cannot justify, in all conscience, of being a full-time job. So, we do not want to impose upon the public purse salaries that would be in excess, perhaps, of the value of the service that is being rendered.

So, we are caught in this midway house, where certain MLAs, because of the nature of the work they do, in fact, have to make this a full-time job, because they may not get time off from their employer or they just do not have any other option because of the kind of employment or skills they have.

Others are more fortunate, myself among them, who, in fact, have businesses that seem to be able to be left alone for a brief period of time to spend their full-time in the House here.

So, we are all in different categories, but I think there is validity in the point made by the Member for Faro that, certainly during Session, there is a need to have some additional help, which is paradoxical, because that is the very time when MLAs are working full-time, as well. I do believe that that is when the pressure is greatest and the need is greatest.

I would look forward to some movement in that in the next year or in the next year's budget.

The allocation of funds in this Budget was not what was requested by the Opposition side, however, I do recognize the constraints and the fiscal responsibility required by all participants in this process so I am not climbing on top of my desk and waving a banner about it.

I do think, though, that the future will require, as we get more and more involved in trying to establish a credible and responsible

form of Government for all Yukoners, that it will require more and more time of each MLA. We have got two ways of going: one is to increase the MLAs salary to make it a full time job, and the other one is to enable the MLAs to apply more assistance during Sessions to enable them to fill the job. One way or another, though, we are looking at the burden of work increasing and I am sure that some of the Members of the Committee on Members' salaries are going to be leaping to their feet. But it is a fact, we are being required to work somewhat harder than the salaries would justify at the moment. This may be inflation, too.

On accommodations, I think I could get quite excited about that because I do believe there is a strong, strong case for a private room for each MLA so that he can interview his constituents, so that he can have meetings with his Caucus, however many the number, so that there is somewhere other than just a caucus room which is getting to be a pretty busy place. You know, our Opposition Caucus this morning had to be cut short to make way for a Public Accounts Committee Meeting. That is okay because I was in both meetings but, you know, this kind of conflict seems to be gathering.

I do ask the Government to give serious consideration to relocating us within the building, hopefully nearby the Assembly and keeping our staff nearby so that we do not have to run half a block to find somebody to give a letter to. I would ask them to take that as a fairly urgent consideration.

Other than that, I think the Budget looks pretty good for this Department. Our major increase appears to be in MLAs' indemnities and allowances of \$41,000 and that is just the operation of the percentage increase of seven per cent upon the previous years'.

Mr. Penikett: Mr. Chairman, I may as well get my two bits in here, that is about what it is worth. I heard the Minister of Education over there muttering that the Liberal Caucus, as large as it is, could meet in the washroom. Fortunately the washrooms are not sufficiently liberated in this building yet to permit that kind of activity. I mean there is still sexual discrimination in terms of the washrooms and I think that is probably a good idea since most of us were raised in fairly conventional homes that way.

The issue raised by my friend to my right, on the question of full-time/parttime, is a fascinating one which Members who were privileged to be part of the Rules, Elections and Privileges Committee have gone through quite a lot. It is ground that I do not intend to cover again, but I think we have to be cognizant of a couple of realities.

Even our present salary levels, indemnities for ordinary MLAs, just mere mortals like myself, unlike the luminaries on the Treasury Branch, we are earning now. I think, more than the average income in Yukon.

So, that being the case, I think one would have a hard time, in conscience, realizing that there are an awful lot of people working full-time, every day, getting more than us, arguing that we should get paid much more in order to work full-time. In fact, if one was sufficiently frugal and modest in one's material aspirations, presumably you could even survive on an MLA salary. You could not buy a Jaguar, but you could certainly buy a bicycle.

The point being that I think MLAs are parttime by choice. I think it would be a hard thing to find a perfect income system whatever method we used. No doubt, as a socialist, some people might laugh at me for suggesting it, but I suppose if you were to really apply a Tory income policy, you would pay Members what they were worth. I do not know how we would decide what each other was worth and it might be fairly perilous process for Members in such a small caucus as myself, but —

Hon. Mr. Lang: Mr. Chairman, if we are discussing the salaries, I believe that is in a piece of legislation and it really does not have that much bearing on the overall Budget. It is a question for the Rules, Elections and Privileges, but just going one step further in respect to what the Honourable Member is proposing, I would be prepared to assume the responsibility, if all Members agreed, and then I could decide who was worth what. I think it would be a very enjoyable task.

Mr. Penikett: The only way a Member could be assured of justice at the Minister of Highways' hands, Mr. Chairman, would be if you were allowed to appeal to the courts.

What I am leading up to is this question of fulltime/part-time, because I think it is dangerous to defend the need for researchers, on the basis that MLAs are all busy off doing accountancy or doctoring, whatever it is they do when they are not here. I do not think that is the reason you need research assistance. You need research assistance because most of us are not expert in everything and when we come into this place there is an enormous volume of work.

The research budget that is available to the large NDP Caucus in

this House is not an enormous sum of money, but I want to say that I get very good value out of the money that is made available to me. I want to say, with all honesty, I think this House and the people of Yukon get good value on that money. I have had a couple of people working with me and they have not been paid very much. In fact, for many hours that they have put in, at times they have not been making much more than a dollar an hour. Whatever one may think of their politics, those people, I think, have done pretty good work and I think that they contribute to the business of this House.

It may be that if we were to take Mr. MacKay's argument about this research thing to its logical extreme, is that perhaps you should pay MLAs, according to whatever their positions are in the House, a greater salary. Perhaps the Leader of the Opposition should be paid as he is in most provinces, the same as a Cabinet Minister.

And if he decided that he did not want to occupy that office on a fulltime basis, that he wanted to be a hobby Opposition Leader, and a sort of gentleman accountant the rest of the time, his salary would be sufficiently fat as to enable him to employ, from his salary, a research assistant or whatever staff he chose to add to his household. That would still leave the obvious problem of accommodations, 'cause there clearly ain't any room back there for any more researchers unless we had bunk beds. The area is sufficiently intimate now, dare I say, at times, almost incestuous. I am sure there are some people who would take moral offence to sacking up researchers because that is what we would have to do.

We are called, a popular name for us, the generic name is "Private Members", those of us who are not Cabinet Ministers and whatever. That has got to be about the most inaccurate description I ever heard of what we are. If I were a dime novelist, or if I decided, upon my retirement from this place, voluntary or otherwise, that I wanted to produce Harlequin Romances, or something even more ribald, I am sure just sort of quietly sitting in my office, with my shorthand pencil going, on some days would provide me with incredible source material.

I mean, you hear all sorts of things. Seriously, you hear peoples' troubles in the next office, complaining to their MLA, you have people coming in looking for jobs, you have MLAs having problems, Government MLAs and Opposition MLAs having problems with people upstairs, it is an experience we have all had, talking on the phone, pleading, begging, imploring for justice, truth or a few minutes of their valuable time.

You may not want to hear these conversations. I was raised to have some kind of middle-class regard for privacy and the value of it. I kind of like to talk to people in private. I prefer, as a matter of course, to be able to talk to people with no one listening in the next office.

Right now it is impossible. The Government Leader says it is a sorry situation and something may be done in the future. I just want to emphasize again that it is difficult and there are one or two options I want to say for the future: One, you could do what I suggested and say, "Well, they are fulltime, jack up the salaries. If a Member does not work fulltime, he can hire someone out of that excess salary he may be getting."

Or, if there is not going to be any room in this building, maybe what we should just do is, in fact, have some global kind of budget which is for those who want to use it to rent space or hire someone parttime to do their research, or perhaps some of the Backbenchers may want to hire a private detective to do their research, whatever you decided you wanted, then you might be able to work it out that way, because clearly we are reaching the physical limits of the plant, whatever this area is called down here, A-9?

Thank you, Mr. Chairman.

Mr. Fleming: Mr. Chairman, I just have a few comments on the concerns of the Member. As you know I was moved so I can no longer agree with some of the things they say, my surroundings are lovely at the moment. I only have one complaint about what a Member said that he could see. I have the complaint that I cannot see. I would like to see what is around me.

However, on a more serious note, I think that possibly there could be some better situation, I agree. I also look at the fairness in the way that the Government has been going in the last few years when you think of the Departments themselves in all the Government, especially in the Yukon Territory have got away from the secrecy thing and away from the closed door attitude and have opened up all their offices, all through the departments. The department heads have to work in the same sort of areas that we do. It is wide open to the public and I think it concerns them too, in many ways and they have problems.

What the Government Leader said, the cost is one of the things that I would be looking into before I make too many changes

because you will find that if you do complete a change and close doors to everyone and MLAs that are not working permanently in here, even though they may be on the job, they are working permanently, there is going to be quite an expense and a lot of rooms lying idle probably for many months doing nothing and only being used for maybe two months, three months of the year. It is something that definitely should be looked into and maybe come up with some other system where there could be some more privacy if you actually needed it.

I would not know exactly the answer, possibly, more meeting rooms, areas somewhere that could be used, something to this effect.

However, I had one question on the Page 11. I might ask the Government Leader, under the elections, I see 9.3. Is there some anticipation of possibly another election or something coming up?

Mr. Chairman: Is that a question, Mr. Fleming, on one of the programs?

Mr. Fleming: It is just general discussion. I can wait until we get to it.

Mr. Chairman: I suggest you wait until we get to the programs. Is there any further general discussion?

If not, let us proceed to Program 10000, Yukon Legislative Assembly, \$606,900. Your information pages are 12 and 13.

Mr. Penikett: I do not want to prolong this, Mr. Chairman. I would be really interested in hearing if the views that we have been hearing from over here are, in fact, shared on the other side. If they are not, then maybe we have been wasting our time.

Mr. Tracey: Mr. Chairman, as a Member of the backbench of the Government party, I, in my own mind, agree totally with what I have been hearing from the other side, especially in regard to privacy. I think it is very important to have privacy. I have talked to the Members of the Cabinet in this regard and I can assure them I think that every backbench Member shares their view.

Mr. Chairman: Shall Program 10000 clear?

Some Members: Clear.

Mr. Chairman: I declare Program 10000 cleared.

We will now consider Program 20000, Clerk of the Assembly, \$306,800. I direct your attention to pages 14 and 15 for information.

Mr. Penikett: Mr. Chairman, I just want to say these people have done a great job.

Mr. MacKay: Ditto.

Mr. Chairman: Shall Program 20000 clear?

Some Members: Clear.

Mr. Chairman: I declare Program 20000 cleared.

Your next program is 30000, Elections, \$9,300. Your information will be found on pages 16 and 17. Shall this program clear?

Mr. Fleming: I just would ask the Minister if he does anticipate an election or a by-election in the future?

Hon. Mr. Pearson: No, Mr. Chairman. The Election Board does exist. It is an on-going thing and makes recommendations to this House.

If, in fact, there was an election call, then money would have to be voted for that purpose.

Mr. Chairman: Program 30000, clear?

Some Members: Clear.

Mr. Chairman: I declare Program 30000 carried.

Mr. Chairman: Now, shall the total appropriation for the Department of Yukon Legislative Assembly, \$923,000, carry?

Some Members: Agreed.

Mr. Chairman: I declare this amount carried.

We will now proceed, Executive Council Office, page 21.

Hon. Mr. Pearson: Mr. Chairman, once again, this is a straight service department. It provides all of the administrative services to the Cabinet, the secretarial staff for the Members of the Cabinet, and is, to a large degree, our research component.

Mr. MacKay: Addressing the main principles of this Department is rather difficult. There are a number of items within it, though, that are very interesting and I think I would like to mention a couple of them.

One is, I think, this Internal Audit Department, which has been a continual thorn in the side of, I think, this Government since it came to office.

The position has been vacant and the whole function has been, I think, downgraded somewhat. It has been carried on by an Ottawa

department. Financial Services. I feel that without prejudging a report that may come to the Assembly, I would like to say that I would like to see more emphasis put on hiring a competent Internal Audit Officer for this Government. It is by no means an impossible task to find highly qualified, competent people to do this type of work.

I suggest that there are a number of alternatives that the Government could consider.

In respect to Land Claims, I find it a little passing strange that there would be a budgeted decrease in that. While I appreciate that the Government does not want to guess too closely as to what is going to happen, I would have hoped we would have seen an increase in this activity in the coming year, at least to the extent to equal to last year.

Perhaps this is the key number in the whole Budget, in terms of the policy of this Government, what is going to happen to Yukon in the next year.

I hope the Government is prepared to gear up this Department quite rapidly and quite healthily, if necessary, to get into very, very serious, continuous negotiations with the Government of Canada and the Yukon native organizations.

I think that is the only way this will adopt a resolution. It is a bit like a labour negotiation. I am speaking with some newly acquired knowledge from the Minister of Indian Affairs. His opinion seemed to be that if we were going to start negotiations soon, that we do so with a will and with a determination to keep at the table, stay at the table and not get up from that table and go away from it at any time, but to hang in there and work at it.

If we are going to do that, it is going to take a lot more money than we have right here to do that. I think the benefits will be amply justified; if we are successful in that endeavor.

I can see I am raising all kinds of flags here. This is good. I will just keep talking for a while. I am sure I am going to get an impassioned statement from the Government Leader saying that he is by no means downgrading the possibility of a Land Claims settlement.

I think the other area that the Government Leader alluded to is that this Budget also reflects his research area. It is a matter of concern to me that perhaps we have not seen this Government really grasp as much as it should in this area. I am concerned that by not having an adequate research capability, independent of the general line civil servant, the man hired by the PSC and under all the conditions that that implies, by not having what you might almost call a political type of input from qualified people, that you are not grasping control over your bureaucracy as much as you could.

What I am handing to you on a silver platter, I guess, is a suggestion that you should be prepared to go out and hire a couple of these people, who would act like executive assistants do to a cabinet minister, but perhaps to the Executive Committee as a whole, initially. You could then develop greater capability for devising policy, based upon your own Party's principles and what you plan to achieve in your term of office.

Naturally, I am only saying this so that the day when the Liberals come to power we will have this structure intact and be able to proceed on our way.

Mr. Penikett: Now we know we are going to get the same Liberal pattern here as they have got in Ottawa. The PMO grew from Trudeau's time from something like 43 people to 500 and some. It boggles the mind.

I am pleased that the Leader of the Opposition, of course, has been learning something about the labour movement, but I am less than pleased about his choice of a tutor. If Mr. Munro seriously thinks that negotiating with the Council for Yukon Indians is going to be like negotiating with Steelworkers Local 5000 in Hamilton, boy, is he in for a surprise.

I have got a couple of things here. I notice, again, that we have got this silly gift to the Canada West Foundation which I want to say something about. I, since our last Debate last year, have been reading some of the stuff that comes out of that organization, that allegedly non-partisan organization. I want to say, Mr. Chairman, for the record, not only do I disagree with an awful lot of the stuff that they put out but I violently disagree with it and any notion that my tax dollar is to go towards subscribing to some of that. I find, mischievous, disruptive, distorted "research", I find really quite objectionable.

I will give you a couple of examples: the organization seems to be, in spite of its executive officers, heavily dominated by an Alberta influence. If you look at some of their arguments about constitutional history, for example, and they have done a lot of papers on constitution, it is incredibly self-serving, from a Prairie

point of view.

One of the things that we had better realize is they conveniently sort of make a grab North, like this new, what is it called, Canada National West Party or something that we all got junk mail about the other day. They all seem to sort of grab the Yukon and the Northwest Territories as if somehow we instantly had a lot in common. One of the fascinating things about this new group, I found, is that they were going to propose that we be a region of one language and I presume that the one language is going to be English and I can just imagine how that is going to go down in the Northwest Territories.

Canada West Foundation has this propaganda about the Prairies which assumes, on the economic front, that our interests are going to be identical with the Prairies.

Now without going into much detail, I want to tell you that on a number of transportation fronts and a number of questions like air freight rates, from say, an airline owned by the Alberta Government, we are going to have some violent disagreements. I predict, in coming years, instead of having a community of interest with that area, we are going to have some strong disagreements.

If you know anything about the history of Canada, the history of Canada is a continuing saga of conflicts between the developed and the undeveloped parts of the country.

Relative to our situation, the Prairies, and particularly that one oil-rich province in the Prairies, is enormously wealthy - enormously well developed. They are very hungrily eyeing our resources, and what they see is economic opportunities in this region.

One of the things that they can do, since they are now moving into a situation where they could in a few years have a virtual air transportation monopoly in the western Arctic and this region, with only a couple of changes in the existing services, we could find ourselves in something very much like the old Crow Rate Debate and anybody who has been a farmer or comes from the West, knows all about that. It is the whole problem of the Crows' Nest Pass freight rates, the whole problem of freight rates and transportation structures impacting on the development of an area. I think there are a lot of good Canadian historians who will argue that until recently the West was relatively undeveloped, because of discriminatory freight rates.

Ontario was able, because of its power within Confederation, to set up a freight structure that benefited that region. What we have, as a result, is Confederation. I think some historians, Western Canadian historians, W. L. Morton, for one, was able to build Confederation so that Ontario would have markets for its manufactured products. There is some awful truth to that.

Now let me talk about the airline thing, let us go back to that for a second. Probably the largest regional carrier in the area in a few years will be PWA. It is owned by the public of Alberta. I have no problems with that. I do not have a problem with transportation or public utilities being owned by the public. But I also expect the regional proposition that public utilities should not only be owned by the public they serve, but they will serve by the public that own them. In other words, that airline will be operated in the interest of the people of Alberta.

Now without going into a lot of complicated arguments of what that will mean, is that if they have a choice between having a freight rate which is to the advantage of consumers in this area or a freight rate which is to the advantage of the owners of the airline in Alberta, they will choose a freight rate which is to the advantage of the owners.

Now they do not have exclusive power to set freight rates, but I am just suggesting to you in terms of the service of that airline, that airline will operate for the benefit of Albertans principally, not to the benefit of the Yukoners.

There are going to be a number of issues where we are going to be at odds with that province.

Mr. Chairman: Order, please. It would seem to me that you are discussing the philosophy of Canada West and their policies rather than the debate under discussion. Also I did note that what you are discussing would be more appropriately discussed in Program 10000.

Mr. Penikett: Mr. Chairman, I will very briefly draw to a close. I realize that I am making a bit of a complicated argument but I think it is an important one. I just want to say again that I have real problems with this particular item. I have real problems continuing to give money to this organization and it is beyond me why the Government of NWT, if they do, or the Government of BC continue to do so.

Mr. Chairman: Any further general discussion? If not, we will continue down to our first program, which is 10000 for the amount of \$497,500. The information on this program is on pages 22 and 23. Is

there any further discussion?

Mr. Byblow: Because the substantial portion of the increase is under Professional and Special Services, I would like to inquire just what they entail.

Hon. Mr. Pearson: Mr. Chairman, this money is primarily for studies, legal opinions that this Government needs or this Cabinet needs. It is difficult to identify exactly how much money should be spent here each year. We also like to have some money here to enter into contract should they be necessary for Land Claims and so on and so forth. This is one way that we can get into them and then bring them to the House in Supplementary Estimates.

Mr. Chairman: Office of the Commissioner, \$83,600. Your information is on pages 24 and 25. Do I hear any discussion?

Mr. MacKay: Just a general question: does this Budget imply that this position may not be filled in the near future? I appreciate the salary of the Commissioner is paid by Ottawa. What we are seeing, I guess, is just a general reflection upon the less active role anticipated of the Commissioner. I presume.

While I am on it, I am wondering if the Government has given any consideration to the fact that the Administrator of this Territory, who has been nobly carrying the burden since last September or October, has never been, I think, adequately remunerated for that kind of work.

Hon. Mr. Pearson: Mr. Chairman, it must be well understood by the Members opposite that the remuneration, the pay of the Administrator and the Commissioner is Federal, not Territorial. We do not pay their salaries, nor can we, Mr. Chairman. They are Federal employees.

This money is used as support for that office. We pay for their secretaries, et cetera.

Mr. Penikett: Yes, just a quick question and we talked about this a little bit last year. In theory and in law, I suppose, all the expenditures of this Government are done in the name of the Commissioner and the Commissioner's name is on all the bills and so forth. To someone who came from another planet and looked at the way we worked probably would think the office is enormously powerful, which it is not now, because everything is done in the name.

But what I want to know is, since we are setting the budget for their expenses, even though their salary is paid in Ottawa, does Executive Committee have effective and complete control over the Commissioner's expenses? What would happen if the Commissioner overran his expenses enormously?

Hon. Mr. Pearson: No, Mr. Chairman, we do not have effective and complete control over their expenses at all. I am not sure what kind of housing allowance, as a Federal employee, for instance, either the Administrator or the Commissioner get. I am aware of some Commissioners who were provided with Federal housing, others that were not. These are all Federal matters.

The expenses that we do control are those expenses that the Commissioner incurs directly for this Government. Such things as the Commissioner's New Year's Levee, is, in fact, an expense of this Government. The Commissioner's Ball in Dawson City is another one, Mr. Chairman.

Mr. Chairman: Shall Program 20000 clear?

Some Members: Clear.

Mr. Chairman: I declare Program 20000 cleared.

Our next Program is 30000, Intergovernmental Affairs, for \$146,500. Your information will be found on pages 26 and 27.

Shall Program 30000 clear?

Some Members: Agreed.

Mr. Chairman: I declare Program 30000 cleared.

Our next Program is 40000, Land Claims, \$138,000. I direct you to pages 28 and 29, your information pages.

Hon. Mr. Pearson: Mr. Chairman, in view of the words by the Leader of the Opposition, I want to assure the House that we intend to do everything we can to expedite Land Claims and get them on their way as quickly as possible. We are very hopeful that there will be an early conclusion to these Land Claims.

Mr. Chairman: Shall Program 40000 clear?

Some Members: Agreed.

Mr. Chairman: I declare Program 40000 cleared.

Our next program is 50000, Internal Audit, \$80,200. Your information is to be found on pages 30 and 31.

Hon. Mr. Pearson: Mr. Chairman, once again I would like to react to some statements made by the Leader of the Opposition. We have never had any intention, nor do we intend to downgrade these two positions.

Mr. Chairman, we have had a terrible time. We have gone to tremendous expense in trying to fill these positions. We received a suggestion from the auditors that were here, the people who were talking to a committee of this House earlier this year and have, in fact, embarked upon that method now.

There were interviews last week. I am aware that one was not considered to be a successful interview. I do not know about the other one at this time.

But, Mr. Chairman, we do not downgrade this at all. In fact, we were so concerned that we have hired some of this work out to contracts so that it can get done.

Mr. Chairman: Shall Program 50000 clear?

Some Members: Agreed.

Mr. Chairman: I declare Program 50000 cleared.

Your next program is 60000, Public Inquiries, for \$100. Your information is on page 32 and 33. Does this amount clear?

Some Members: Agreed.

Mr. Chairman: I declare that Program 60000, Public Inquiries, has cleared.

Your next program is 70000, Plebiscites, for \$100. Your information is on pages 32 and 33. Shall this amount clear?

Some Members: Agreed.

Mr. Chairman: I declare this amount cleared.

Before we clear the Department, I would direct your attention to Transfer Payments on 34, which is there for your information.

Mr. MacKay: I would just like to say that the Member for the NDP has done a far better job of explaining what is objectionable about this particular grant than I ever did. I can only echo his sentiment that it appears it would not be in the best interests of Yukon to continue this fund, nor do I feel it is in the best interests of Canada that this type of thing be promoted.

Hon. Mr. Pearson: Mr. Chairman, as I stated last year, I disagree with that opinion completely. I feel that this money is well spent, that we do get some valuable assistance and advice from this group over the course of the year. As I said last year, this is something that we do measure, we do look at each year and we do make a conscious decision whether we feel we should continue with it.

Hon. Mr. Lang: Mr. Chairman, I am going to have to take exception to the comments of the NDP Member across the way. I take it for a very basic reason. He indicated that anything that had a kind of Alberta influence was bad and from there on, we either went east or west of that particular province. I do not accept that principle, Mr. Chairman.

I think Alberta and the people of Alberta are a very valuable part of Confederation. I think they have shown that in many, many ways and unfortunately it does not get the media coverage that it should for, in fact, as far as the balance of payments, and the equalization of Confederation, the province of Alberta alone, through their non-renewable resources, namely oil, has contributed in the area of \$15 billion.

I would also say, Mr. Chairman, the idea that any of the western provinces or the organizations across the western provinces got together and had a look at the economy of Western Canada, is a bad thing. This is what the Member from the NDP and the Member from the Liberal Party have indicated. It should be pointed out that the executive of this particular organization are people of all political persuasions who have served this country very well, I might add, and in some very high positions, if they take a look at the members of the Board of Directors, as well honorary members.

I would say, Mr. Chairman, that it is in the interest of the Yukon, that an organization of this kind does look at Western Canada, at the general economics of the situation, so they can contribute to the various provincial, and for that matter, Territorial Governments.

If the Honourable Member is led to believe the opposite, that the Government of Canada is going to be the end-all and be-all and do everything on behalf of the Yukon Territory, I think he is sadly mistaken.

I also would suggest, Mr. Chairman, in respect to his arguments that were put forward, that the one main airline that we have serving Yukon is strictly here to serve the people of the Yukon and not other parts of Canada, as he indicated, if PWA were to be flying in here on a direct route. He is badly misled. I think one only has to look at our rates and perhaps maybe they should be questioning that perhaps money is being put some place else to offset costs in other areas that are not balancing as far as the ledger is concerned.

Mr. Chairman, I resent the indication that it is almost a separatist movement that the Honourable Member indicated or inferred in his remarks. That is not the case at all. It is an organiza-

tion set up to primarily look at the economics of Canada and also at the same time, they are looking at various constitutional propositions, which, as far as the rest of Western Canada and Canada, for that matter, are concerned, I think we all agree, perhaps need some revision. It does not hurt to have different points of view, whether the Member agrees with them or not. At least somebody is doing some thinking.

Mr. Penikett: Mr. Chairman, I guess it was too much to expect that the Minister of Municipal Affairs would have understood my argument, so there is really no point in my replying to a reply that did not demonstrate any understanding or even the ability to listen very clearly to what I said. I did not say it was a separatist organization nor did I suggest for a moment that Alberta had not contributed to Canada's balance of payments situation.

I would, however, say to the Member that if he thinks for a minute that the oil on which the people of Alberta sit was placed there by Premier Lougheed, I would like to dissuade him from that point of view and indicate my point of view that it was probably God who had more to do with putting it there than the present Conservative Premier of the Province.

The Minister made the point that it did not matter whether I disagreed with this organization. It does matter whether I disagree with it or not. I happen to represent some people in this Assembly, my constituents. I am also a spokesman for a Party in this House and I want to tell you, having read their report, I do not agree with them. It is fine to have organizations out there in the country raising Constitutional options and proposing some rather heretical and regionalistic points of view about future Constitutional developments in the country but I am not bound, nor are the taxpayers in my constituency bound to subscribe to them or support them financially.

Now, I admit, it is not a huge sum of money and I believe the Opposition said that we can only be glad it was not increased but I think of dozens of other worthy organizations, some of which are here in Yukon, that are at least as deserving, if not more deserving of that \$2500. The Canada West Foundation is not very high on my list of worthy charities.

I want to say, again, that I find some of the points of view expressed by that organization offensive. I want to say that I went to the meeting they had here to try and find out what they were about. I want to say that I, as a Member of this Legislature seem to feel that I was treated there with barely concealed contempt just because I had some sceptical or critical questions I wanted to raise.

I find their whole vision of this country, the whole perspective on the history of this country and Western Canada distorted and I think it is unfortunate that we are subscribing to its existence.

Thank you, Mr. Speaker.

Mr. Chairman: As there seems to be no further discussion, that was there for discussion only. I refer you back to page 21.

Shall the total appropriation for the Department of Executive Council Office of \$946,000 carry?

Some Members: Agreed.

Mr. Chairman: I declare the Department of Executive Council Office carried.

Our next department is Education, but perhaps before we go to that, we should take a 15 minute recess.

Recess

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

Before we broke off for coffee, I said the next Department under discussion would be Education. I direct you now to page 38, Education. I will now anticipate general discussion.

Hon. Mr. Graham: Mr. Chairman, the total budget increase in the Department of Education of approximately \$1.99 million is almost totally attributed to merit and negotiated wage increases. About \$1.12 million is attributable to wage increases.

During the 1979-80 fiscal year, the Department became engaged in several studies to determine the future direction of the Department of Education. Studies included such things as Small Rural Schools Study, Investigative Committee on Vocational Career Education, a review of the Apprenticeship Ordinance, and a review of the Career Practices Ordinance. This review is being carried out by the Manpower Branch.

During the course of the year, Mr. Chairman, we reduced the total man year complement of the Department of Education by three man years. This came about as a result of several shifts in manpower allocations throughout the Department of Education. Notable increases in manpower were an increase of three teachers in the Burwash School halfway through the year, an increase of one man year in the Recreation Department; that person will be a

representative in the cultural field in the Yukon Territory.

We also increased one man year for our mobile vocational school unit that will be in operation late this summer. We are also studying several other areas. Mr. Chairman, within several areas in the Department of Education, reassessing our priorities and, hopefully, as a result of the committee reports that will be coming to the Department of Education over the summer months, we will be in a position in September to either start new programs, delete programs that we feel are not fulfilling the purpose any longer and generally service the needs of the citizens of Yukon much more fully than we are presently doing.

Areas that the Department of Education is proceeding with changes in are in the area of Yukon Curriculum for Schools. One notable success here that we have had is the engagement of Al Wright to rewrite his book for a Grade 9 or 10 Social Studies class and that will be available in Yukon schools. The other area that we are pursuing with some vigour is that of a co-ordination of the Vocational School, Adult Continuing Education, and high school shop programs, high school technical programs that we are currently conducting throughout Yukon.

The objective of the exercise is to co-ordinate the two in such a manner that students graduating from Grade 10 or 12 in high schools around the Territory, that have been on a technical program, will be able to enter programs in the Vocational School almost immediately, with some background in their chosen trade. Hopefully, this will bring about a little bit better efficiency in the Vocational School. As well, hopefully, we will be able to train, turn out some professional people from the Vocational School.

In this area, the Vocational School is hopefully offering some new courses in September—not hopefully, we will be offering new courses in September in the trades area. We have not decided which courses they will be yet, but some will be offered.

The Manpower Branch is taking a larger part in the training and career advancement of Territorial employees, all sectors of the Yukon population.

The Recreation Branch will continue their pursuit of sports excellence throughout the Territory, through a great deal of consultation with citizens in the Territory.

The one other notable edition to this Budget is the base grant that we are giving to the Yukon Sports Federation as a result, I believe, of a commitment I made here last year. The base grant will be \$25,000 to the Yukon Sports Federation, to help them in their endeavours throughout the year.

I think that just about covers most of the major areas in the Education Budget throughout the year. I must say, at this time, that I am very happy with the performance of all the employees in the Education Department. We have been through some trying times together over the last year and the employees in that Department have exceeded my expectations in the performance of their duties in all cases.

Mr. MacKay: Mr. Chairman, the Minister received some fairly hearty rounds of applause, I think, earlier, with respect to the administration of his Department and the discharge of his duties. I am glad to hear him give some of that credit to his hardworking employees, particularly, I think, the employment of the Director of Education last year, I think, was a significant contributing factor to the good performance.

A couple of points on a general basis, all of us have opinions about schools, because all of us, with the possible exception of the Member for Mayo, went to school. We all have a good, general knowledge of what we went through in our own schools and many of us also have children going through the same process. So we develop a viewpoint based on that too.

I would like to comment just generally on the Education System in the Yukon and say that I think that over the past few years, in common with many other areas in Canada, and North America generally, there has been a greater emphasis put upon what is known as the three "R's" - reading, writing and arithmetic, and that the children today are being more firmly grounded in these areas than they were perhaps five or ten years ago, when the emphasis seemed to be much greater on the child exploring for himself and finding out only that what was relevant to him at that particular stage in his life, which I think was an erroneous philosophy and generally lacked discipline in its approach.

So I am happy to see that trend continuing and I hope to see it reinforced because these basic skills, you cannot get away from them in the end. If you do not have the basic skills like that, it is very difficult to get an education any further in school, even more difficult sometimes to land a job.

I am sure that the Member on my left here will tell me about the more artistic aspects of life and I agree that they are important.

but I think it is more important that we do train people for life afterwards, of survival.

This leads me to the next thing, which is apprenticeship programs and the indication that this is going to be getting more attention from the Government and again I agree with it. I think we just should not think of apprentices as being a carpenter or an electrician, it should be somebody who is in a training position from the moment he leaves school for a period of perhaps 3 to 5 years in a number of different types of jobs.

I think again, some of us here today, have gone through that kind of process without any regret. Learning on the job, being paid a low salary because you are a trainee, that learning from your seniors and from your betters, as you are told they are, in the long run has a better effect perhaps than sitting in a classroom all the time and just learning it from the book.

The other area which does not seem to have had any mention from the Minister, and I would be interested to hear what is happening, is that last year there was a considerable emphasis put on, for instance, having the school committees get together with the school council and offering advice to the Minister. I would like to hear how that process has been getting along this year and whether or not the Minister is getting valuable advice from that group and if, in fact, he has got any plans to strengthen it.

Mr. Byblow: I was anticipating the Minister to respond to the last question of the previous speaker.

Mr. Chairman, in a very general sense, I would like to extend some commentary to this particular vote. I believe it was one of the areas we deliberated at length last year in the Budget and I, at least for one, would like to comment that I do not think that we were totally ignored in some of the debates that went on at that time. I am very pleased with some of the thrusts and direction that have taken place in Education over the past year and the anticipations for the coming years.

I believe, as the Minister indicated, there were a couple of major crises in the last year and, certainly, to the credit of his Department, and himself of course, the crises were handled quite competently. I refer to Burwash, to Pelly and to some overcrowding conditions elsewhere.

I am also impressed with the programs that have been reviewed. As is always the case with programs, they do not take place fast enough and perhaps this is the natural guard against bad programming that they are slow to come about and hopefully in that process

a thoroughly evaluated before implementing.

One area in particular I would like to comment on, and that was emphasized repeatedly through House discussions and outside the House, is the need for Education to re-align itself a little more with the needs of society and I see the vocational thrust is taking place as the Minister has identified. I think that, in particular, I have been involved in some of these discussions taking place and some of the direction that is mounting and it is encouraging that Education is reassessing its position in society, communicating with industry, communicating with the consumers and the groups who wish to voice their concern about Education, perhaps not in the past, always serving what society wanted them to serve.

The Minister did not mention the Labour Development Council that is also involved in the Educational process. One comment that I would make in perhaps a critical fashion to the Minister and his Department with respect to the total program of Education is in the area of facilities.

I believe the Department has personnel who have a very possessive attitude about the facilities in their responsibility.

When we take that attitude and attempt to utilize educational facilities to the maximum, in light of the rising costs of these facilities, I do not think we are utilizing them as well as we should be.

We talk about community use of schools and that philosophy is not being promoted well enough. Certainly anybody in recognition of the rising costs of public utilities, public services, public facilities, would respect the fact that we must make better use of the facilities we do have. I would raise that matter.

I would simply conclude that certainly the major thrusts that were directed at the Government a year ago did not go on deaf ears and I am quite pleased with that.

Hon. Mr. Graham: Perhaps I should enter a couple of things that have come up rather than waiting until we get into specific debate. The first was on the school council. The school council was put into operation last year. It has been an advisory body to the Minister and they function extremely well in that respect. I have been to several of their meetings, the beginnings of their meetings any-

ways, before they got into the nitty-gritty discussion of individual items, and they have given me an overall feeling of how they feel education should be proceeding in the Territory.

All of these people are involved in various school committees throughout the Territory, so this has succeeded both myself and my Superintendent of Education, a good feeling for what school committees around the Territory want. I think they are fulfilling a useful function and I hope that they will continue to do so.

As for public use of facilities, Mr. Chairman, this is something that requires a little more education on our part of the principals and the school committees around the Territory. It is a fact of life that many principals consider the schools of which they are principal, their schools. It is something that we are attempting to combat, in that the Department has issued fairly explicit directions that schools shall be used for public use as much as is humanly possible.

Some people in the field choose to interpret those directions in different ways than we choose to do and consequently we still have a few problems with public use of facilities. I think in the next year they will be overcome.

Other than that, Mr. Chairman, I think as we go through them, I will give a brief narrative at the beginning of each activity and then answer questions as they arise.

Mr. Chairman: Is there any further general discussion?

If not, we will proceed to 10000, Administration, \$1,737,300.

Hon. Mr. Graham: Mr. Chairman, the basic Administration is made up of the Superintendent of Education, the Assistant Superintendent of Education, Recreation Director, the Administrator, the Director of Manpower and the Director of Adult and Continuing Education. These people all report directly to the Superintendent of Education who, in turn, reports directly to me.

The 26.5 man years also includes these people's support staffs and administrative staff, mostly in the building.

There are not a whole lot of surprises, I think, here, because of the fact that the Budget has basically not increased that much over last year's Budget.

Mr. Chairman: We note at this time that the information on Administration will be found on pages 39 and 40.

Mr. MacKay: Just one detailed question with respect to the In-Service heading on page 40, \$60,000, which is the same as last year but last year it was broken down into two components of Professional and Special Services and Miscellaneous. I am wondering, does this imply a change in this program or is it just the way you have allocated it, or you have written it out this year?

Hon. Mr. Graham: It is basically just the way we have allocated it, Mr. Chairman. We have not really done any changes in direction.

Mr. Chairman: As there appears to be no further discussion on Administration, shall the program carry?

Some Members: Agreed.

wmr. Chairman: I declare the program, Administration cleared.

Our next program is 20000, School Program, \$14,478,400.

Hon. Mr. Graham: Mr. Chairman, the School Program is responsible for providing primary, elementary, and secondary education to all children of school age in the Yukon Territory. The Department in meeting its responsibility for public education from Kindergarten to Grade 12 is responsible for provision of facilities to meet planned and existing requirements, to ensure adequate staffing, to develop programs to meet local needs and provide educational resources and materials to support the school curriculum.

Special education services are directed to meet the following goals:

- to provide educational programs to all exceptional children.
- to normalize as much as possible the educational lives of handicapped children.

- to ensure that exceptional children receive educational services in keeping with their needs.

- to promote and implement the philosophy of mainstreaming wherein children receive programs wherever possible in regular classrooms with their peers.

Also, as part of the school program, the Remedial Tutor Program, we have para-professionals, supporting teachers in the regular, day to day classroom experience. The emphasis is placed on the Grades 1 to 4 area.

The student accommodation is also part of the school program. In accordance with the School Ordinance, this program provides accommodation and an allowance to parents of children who are unable to receive the same level of education in their community

and must attend a school in some area outside of their home community.

The dormitories, there are two dormitories currently in the Whitehorse area, one in the Pelly Block and one in the St. Elias Block, and one is assigned to girls and one to boys.

Mr. MacKay: I will make a brief comment on the previous vote without questioning it, just as an aside because I missed saying it when I was on my feet and that is with respect to the rewriting of *Prelude to Bonanza* by Al Wright, which I think is an excellent project, because it is the only book there is about the pre-goldrush history of the white man's entry to this part of the world.

I think that our friend from Old Crow might be commissioned, or at least find somebody to commission, after this project is complete, to tell it from the other point of view, as well, from the Indian point of view. I think that that would also be a very interesting textbook for the school children to have. Just an aside.

On this particular vote, this would be the area where, I think, had there been a possibility of funding to the child development centre, it would have shown up in this particular vote. So, it is appropriate to discuss it at this time.

I do not know whether there is a legal problem under the Education Ordinance or not, precluding this Department from providing funds for that kind of thing. What I do know is that report that was written, I do not think it has been seriously questioned with respect to the fact that there are a lot of children in the Territory who do require a lot of special help and that, paradoxically, there does not seem to be a direct connection between the lack of help for these kids and the decision of parents to move into the Territory, which is an interesting observation in the report. I thought, in fact, parents seemed to make decisions more based upon—at least of coming into the Territory, anyway, based upon other factors than their children.

I do know of a number of instances, though, where parents are in terrible dilemmas about whether they can stay in the Territory as their children grow older, because they just do not feel they are giving them a fair chance in the facilities available. I think that that is always going to be a problem in Yukon, because some of the people I know do not live in Whitehorse and we are talking about very small schools in the surrounding areas.

I appreciate that when you look at the human aspect of this. It is a fairly agonizing problem. I do hope that the Education Department is looking at ways of starting to cope with it, starting to extend the service, because the problem exists and I think that report clearly showed it to exist and not just in the larger areas, in the smaller areas too.

I would like to hear what thoughts the Minister has on it, because I am sure he has given it a lot of thought. Perhaps he could suggest directions that we could be looking at his Department to go in, in the next year or two.

Hon. Mr. Graham: Mr. Chairman, as the Member opposite realizes, the Department of Education does presently have quite a stake in the Child Development Centre. We, in fact, are providing, rent free, a portable classroom for the base of operations. We also provide, on an on-going basis, as much help as we can through our Primary Superintendent of Education and any other specialists who do cohe to the Territory for educational services. We attempt to have them visit the Child Development Centre at the same time.

We have looked at the problems associated with the Child Development Centre in a very sympathetic manner, because we realize that as those children reach school age, they will then become a problem with the Department of Education. What we would really like to see is fewer problems coming to the Department of Education. Looking at it from that light, we are going to attempt to do something in addition to what we are already doing.

We have indicated that they are more than welcome to facilities that we have provided in the past. Unfortunately, they would like to move to a larger, better-equipped premise, which I am not sure we have at the present time.

But we do have a problem with our legislated mandate. The Department of Education has a mandate to provide educational facilities and opportunities to children of school age. The children that we are speaking of in the Child Development Centre are unfortunately under school age.

What the Department is doing is working in conjunction with the Human Resources Department in an attempt to solve the problem. I do not think that we are going to be in a position to provide the facilities that the development centre would like, but hopefully we can provide enough facilities, through the services of both the Human Resources Department and the Education Department, to enable them to continue their work in the upcoming fiscal year.

Mr. Penikett: Mr. Chairman, I want to express my pleasant surprise at the Minister's words just now about the Child Development Centre. It seems to me he comes as close as I have heard to a statement of some kind of commitment to future and increasing aid to that organization. I think that is commendable and we will probably, on this side, those of us who have been keen to see it supported, be pursuing him with some vigour and commending him with equal vigour for whatever resources he is able to spring loose on that behalf.

I am a little confused about his remarks about the premises though, because I understood their tenancy in the existing facility was only for a short time, not entirely because they wanted to move to a larger facility but also the Minister had other plans for the same building. Perhaps I could ask him just to elaborate on that.

I want to say, as well, how pleased I am that one Minister in this Government appears to understand that a significant, but not large, expenditure now on behalf of the needy children at this point in their lives will probably reap enormous savings and benefits for the Government, as well as do the obvious, which is help these children.

I think while it is true that there may not be a Conservative Government and the Minister may not be in his present office by the time these benefits become apparent, I think it is a simple question of human social justice. It is something that ought to be done and I would not only urge him, but encourage him in whatever energetic grab he can make in terms of resources for this facility.

I want to say that the Minister seems to have been remarkably able, up until now, to get things that were needed by groups and the people in the community to whom he was responsible, for whom he was responsible. I think the Burwash School Agreement and things like that are a tribute to his energy and his toughmindedness and I think we are glad to see it and I wish him luck on that score.

The other thing I want to talk about, Mr. Chairman, in terms of the school program, generally, if I may, is a very difficult problem, but the one that seems to be of concern to an increasing number of my constituents in areas like Wolf Creek.

We have parents who have school age children and who may have been going to a school in the Riverdale area up until now and who are now moving to Wolf Creek, are finally getting their homes built in Wolf Creek or in some other areas in that part of town. By some process, and I do not know exactly what the process is and it probably does not matter in some ways, the Department of Education assigns these kids to different schools in the City.

Now, as the Minister well knows, and we talked about this last year, there are some schools in the City that have certain reputations, other schools have different reputations, certain schools have certain images, and so forth. I am running into an increasingly large number of parents who object, for one reason or another, to sending their kids to the school to which they are assigned.

Now, the enforcement measure, in terms of these kids going to the school, seems to be the school busing system. It seems to be the kids may have some options about going to other schools, but they cannot ride the bus if they exercise those options. That seems to be causing some tensions, too, because their parents always wonder about the propriety about using this instrument to achieve the Minister's goals.

Mr. Chairman, I want to make it very clear that I do not want to put myself in the situation where I become party to any kind of busing debate or that busing develops anything like the odium that is acquired in some parts of the United States. I must say that, if I understand the reasons that some of my constituents are apprehensive about going to some of the schools, I am not sure that I sympathize with their reasons.

However, education is an extremely sensitive business, as the Minister knows. These kind of questions about school allocations are ones about which parents feel very strongly and very emotionally and there does seem to be a problem here. There are parents in Wolf Creek, for example, who cannot see the logic of going downtown to school when they would rather go to a school which, in their perception is nearer, such as Takhini.

I would ask the Minister to perhaps address the House about this, but also I would like to ask specifically if he is considering ways and means to deal with, if you like, with the public relations problems of some of the schools.

We discussed last year about the situation of one school and I think we all agreed that it now had an excellent staff and, perhaps, a very fine collection of teachers in that school, but the kind of image problems that that school had now persist. I do not know what can be done about it. I do not know whether public meetings of the forum, I do not know whether some meetings between these

apprehensive parents and the teachers in this school are the answer. I do not know, but I do know there is a problem. I think it is a kind of emotional time bomb, because I think people are getting frustrated and irritable and angry about it and they are feeling frustrated about where to turn for a sympathetic ear on the question.

Thank you, Mr. Chairman.

Hon. Mr. Graham: Mr. Chairman, I think the major question that must be answered or one of the major questions that must be answered here is our policy on busing. Quite frankly, Mr. Chairman, the Department of Education is reviewing the busing policy and will probably be enforcing, more stringently, the restrictions laid down in the school busing regulations.

They state that no one under a two mile limit. I believe it is, from their school will receive free busing. We will probably be enforcing that area in the upcoming years. One of the reasons, of course, is the fact that we do not have the surplus dollars, perhaps, that the Department at one time did have and we would like to see those dollars better spent.

I, personally, do not feel that it would hurt too many children around the Whitehorse area, and in other areas in the Territory, to walk to school. I think most of us here have experienced that small thing ourselves at some time in the past. So this is one area that is changing.

As for the Member's specific problem, what we have done is assigned certain areas a certain school in the City of Whitehorse. It makes sense to us to assign people that live in the Porter Creek and Alaska Highway North to go to a school in Porter Creek.

It makes sense for students in Takhini to go to the Takhini Elementary School. When that school is full, unfortunately, they must go somewhere else. We have the problem at the present time where the Takhini School is full, and the Selkirk Street School is full, unless we decide to use some more portables which is not too nice an alternative, really.

The people on the South Alaska Highway and the Carcross Road have been assigned the Whitehorse Elementary School. We provide a bus service to that school. Those people obviously live further than two miles from the school that has been assigned to their area so we provide a bus service to that school. Now, if those people choose to go to a different school, our policy is that we will not pay for the bus to go to that school. It is quite simple. We do not feel that we should be paying for a student to go to a school that we consider already overcrowded, when we presently have the Whitehorse Elementary School that has a great deal of room for additional students. We provide busing to that school, if they want to go somewhere else, with the permission of the Department, they can go to that school but they pay for their own transportation.

I think that is a very straightforward policy and one that we intend to stick to because of the fact that we have a problem of people who wish to go to one school and not another.

In fact, Mr. Chairman, we have had some discussion over whether or not we should have a French Language Program. Well, I would like to assure all Members here today that, if the Department should ever introduce a French Language Program in any kindergarten classes, in future those Kindergarten classes will be held at Whitehorse Elementary School. We have room there and we have already investigated things like costs and room and busing facilities and this type of thing. Whitehorse Elementary School is the most central facility and it will be used, if, in fact, we do introduce a French Language Program.

I cannot think of anything else that was brought up in relation to the school programs but if I have missed anything—

Mr. Penikett: Mr. Chairman, I wonder if the Minister might address the image problem here at the schools or the notion of some parents that some schools are better than others or something because it may be that some of the things, about which parents are feeling quite emotional now, are, in fact, based, not on reality but based on some false impressions which I think the Department probably has within its means the ability to allay.

I want to say two things about this thing. I am a little troubled. I think I understand the Department's reasons for allowing the appearance of flexibility in choice of schools and with the consent of the principal and if there is room the parent can, say, "Go to another school."

However, that flexibility becomes very much illusion if the parents have no other means of getting the kid to school than, in fact, the school bus because the choice is only open to you if you are fortunate enough to have a family who has a parent who is able to drive the kids to school or walk them to school during the school hours and that family has a spare vehicle, if that is what it takes to get them there.

The Minister will no doubt be hearing from parents who feel there is an element of discrimination in that policy.

There is obviously, since the advent of Wolf Creek and an increasing number of people who live in the Marsh Lake area and some growth, I would guess, in the school age population in areas like Hillcrest, an increasing need for a school in that area. Obviously, when new lots are opened up in Hillcrest, that demand will increase considerably.

I wonder if it might be appropriate now to ask the Minister what the Department's current plans are for construction of the first elementary school in that area.

Hon. Mr. Graham: Mr. Chairman, first I feel I should answer one question that Mr. Penikett put to me and that was as to the public acceptability of schools. I believe that we do, in fact, have a problem with the image of some schools in the Territory. We are working to correct that with another department in the Government, which is the Public Affairs Department.

We are attempting to portray some of these schools exactly as they are and not as they are imagined. I think that the public scrutiny of the schools will prove to be to our advantage in the future.

As to the busing policy, it will undoubtedly remain the same in the upcoming year and I understand that I will have complaints from several parents. I accept that and I accept also the calls and the visits that I will get from those people. That comes with the job and we believe we are correct in this stance and we will be sticking to it.

As for the Hillcrest area, Mr. Chairman, we do have plans. In fact, we have reserved areas in the Hillcrest area for schools. I believe we have a couple of areas reserved for elementary schools, one for a junior high and one for a high school. Those are some years down the road and they will depend on the school populations in those areas as they develop.

Mr. Byblow: In this area of school programming, the Minister made some very positive response to the area of the handicapped and disadvantaged child and referred to a co-operative exercise anticipated with Health and Human Resources.

I would inquire of the Minister if, specifically, as a matter of policy within this area of school programming, if he has any plans to implement a program between when the child enters school and the period when he reaches sixteen.

At present, if we look at the Development Centre, it caters to the preschool; the Rehab Centre caters to the post-school area. Is there any advancement anticipated in the area of the six to sixteen, in terms of programming in this area of student needs?

Hon. Mr. Graham: Yes, Mr. Chairman, the Special Education Services that we provide right now to students in these areas are expressly for children who require special attention in the Grades One through whenever they reach 16 years old. The Special Education has a Superintendent of Special Education. I am not sure what the staff is in that Department at the present time — it is 22, we have 22 staff members in the Special Education Department. They provide a very good service to children in that age group that have special learning needs.

Mr. Byblow: Mr. Chairman, I am aware of the existing program, I was enquiring whether there were going to be any advancements in term of expanded facilities to cater to these, on the strength of some previous comments, and the very fact that a lot of people do make decisions with respect to the facilities in this area of addressing student needs, when they come to the Territory.

My enquiry was simply whether this was going to be promoted to any large extent, if the evidence is here in the Budget.

Hon. Mr. Graham: Well, Mr. Chairman, I do not know if I can say that we have any startling new developments in that area. We have increased the Budget by roughly \$200,000 over last year. We are continuing in the evolution, as we learn more about special needs of children, we will, of course, develop in that area.

This year's Budget is somewhere close to one million dollars for Special Education in the Territory and we have no intention of cutting that back. As the school system evolves, as methods of dealing with these children evolve, I will assure you that the Department will be evolving right along with the methods.

Mr. MacKay: It is always easy to stand up and point out when things are missing from the Budget. It is not as usual to point out when things are still in there that might not have been there. I think that seeing the Remedial Tutor Program retained is a good thing and seeing the Budget for Special Education increased is also a good thing. So I shall vote in favour of this one.

Hon. Mr. Graham: Of the seventeen people we currently have in the Remedial Tutor Program, eleven of them are attending the YTAP

Program here, taking a paraprofessional course, just for your information. Of the eleven, I believe all eleven not only are passing but are doing extremely well and some have expressed an interest in continuing. Hopefully this will be an extremely good program in the future.

Mr. Chairman: Program 20000, shall this program clear?

Some Members: Clear.

Mr. Chairman: I declare this program cleared.

Our next program at 30000, French Language, \$139,200.

Hon. Mr. Graham: Mr. Chairman, the French Language Centre and its co-ordinator will continue in the upcoming year, as in the past, to offer services in three areas. These are French Programs in schools, the courses for both Territorial and Federal Government employees, and the Adult French Non-Credit Extension Courses in communities around the Yukon Territory.

Mr. Chairman: You will note that the information on this program is on pages 43 and 44. Now do I have any discussion?

Mr. MacKay: I think the Minister, in the previous remarks about the school programs, came as I have heard him to indicate that the French Immersion classes have been carefully studied and not yet really rejected. So, I would encourage him to continue that.

I do not know how many government employees in Yukon feel it necessary that they do learn French and I notice that there is some \$25,000 budgeted in that area. I am sure that, for the sake of the children, some of these people might be persuaded to give it up.

Mr. Penikett: Mr. Chairman, if I might elaborate on that point, it seems to me we have got to be careful when we are looking at Government programs to see that they are not working at cross-purposes. Sometimes, there might be two goals which seem to be equally commendable objectives, but which may be contradictory.

In the debate on the Estimates last year, we were all warmed by the assurances of the Government Leader that he would change the historical emphasis of this Government from outside recruitment on to in-house training and development of local talent and so forth. I think that is highly desirable and we all commended him for that in the past.

Here we have a program which stated purpose is to provide funds to promote the French language in education in Yukon. The public servant who avails himself of this opportunity to learn a second language will no doubt do so for a number of reasons, but among those reasons are going to be their increased career mobility and the opportunity to advance themselves inside the public service, particularly the Federal public service, will be increased by their working knowledge of French.

Unfortunately, most of those positions to which they can aspire where knowledge of the French language is an asset are not located in Yukon. If this program were highly successful, it might, in fact, contribute to the increased outward mobility of the public servants in this Territory, in a small way, which is something I do not think is entirely desirable and may be working at cross-purposes with the other programs we have, which is to train local people and keep them here.

I know that these things are tied together and there are a lot of Federal strings and this kind of thing, I would like to express the view that I think I agree with the Leader of the Opposition, if the French language is useful, it is most useful in the early years.

The opportunity for someone to reap a permanent benefit from such a skill is best in the early school years. I know that we are not going to be able to effect a radical shift this year, but I would hope the Minister, in future Budgets, would give serious consideration to looking at the same amount of money and some of the money that is available here now to seeing if the immersion program that has been proposed to him could be—and I am sure we would be quite happy to see it located at Whitehorse Elementary, but see it established and off the ground.

Hon. Mr. Graham: I would love to, Mr. Chairman.

Mr. Chairman: If there is no further discussion on program 30000, shall this program clear?

Some Members: Agreed.

Mr. Chairman: I declare this program cleared.

Our next program is 40000, Teacher Training for \$294,200.

Hon. Mr. Graham: The Yukon Teacher Education Program is now entering its fourth year of operation and although there have been no new three year programs introduced since January, 1978, the people that did start in that three year program, January, 1978, have entered their final year as of January, 1980. We sincerely hope that a continuing high number of students who graduate from this program will be employed in Yukon schools. I believe, all people

that have graduated from YTAP programs over the past three years have found employment with the Government if they so desired.

Mr. Chairman: You will note that the information is on pages 45 and 46.

Mr. Penikett: I just wanted some clarification from the Minister. He did indicate some uncertainty about the future of this program. Could he elaborate?

Hon. Mr. Graham: I did not indicate any uncertainty of the program. I just said no new three year programs have started since January of 1978. When the first bunch of students graduate from that three year program then we will be in a position to reassess the three year part of the program. The other part has continued at the YTAP facility here in Whitehorse and I have no intentions of ending it.

Mr. Chairman: Shall program 40000 clear?

Some Members: Clear.

Mr. Chairman: I declare program 40000 cleared.

Our next program is program 50000, recreation, \$665,600.

Hon. Mr. Graham: Mr. Chairman this is one of the areas that we have increased by a man year. We felt this man year should be made available due to the rapid development of the Arts and Cultural fields in the Yukon.

The person that we will hire will be a recreation consultant available to community groups around the Territory as a resource person as are the entire facilities of the branch available to all Yukon communities. The activities of the Branch cover the following areas:

Program Administration which is the Administrative component of the Recreation Director and his program activities.

The Community Program which is recreation assistance, community boards

The Pool Program which the Branch supports with respect to communities. I believe we operated eight portable pools throughout the Territory in the last year.

The Arctic and Canada Winter Games, the Recreation Consultant coordinates various games, activities throughout the year. The Arctic Winter Games is a perfect example. We co-ordinated the Yukon contingent and the branch also provides various training programs for various Yukon residents.

Mr. Penikett: Mr. Chairman, lest I disappoint my artless friend to my right, I will ask the Minister if he could elaborate on the new cultural emphasis in his Department beyond simply the hiring of a Co-ordinator.

Hon. Mr. Graham: Mr. Chairman, we are working reasonably closely with the Yukon Art Society and various other cultural groups throughout the Territory in an attempt to organize them to bring them more into the public attention to let the public become more aware of what they do and what they are attempting to do.

We are also making the resources of the Recreation Branch available in the area of the arts and culture to Yukon residents. We participate in the Festival Canada Program which the Honourable Members opposite just voted some supplements for. We bring in a lot of cultural groups. We have recently brought several art shows to the foyer of the Government building. We are just attempting to promote the arts and culture, in general, around the Territory. Hopefully, the person that is given the job description of Recreation Consultant will help to promote cultural and art activities around the Territory.

It is a policy of the Department that we are hoping to promote. Here it comes, I am even becoming an artsy type person.

Mr. MacKay: I hesitate to venture into this area, so much culture has been thrown around. I would like to ask the Minister about the arrangements he changed during the year, whereby the lottery was being handled by the sports body and he turned it over to the Advisory Committee. Perhaps he could tell us how that is working, whether the proceeds on the lottery are going up or going down, and whether the emphasis on the spending of the proceeds of that is changing from what it was before.

Hon. Mr. Graham: Mr. Chairman, from the last report I had from the Lottery Commission, the proceeds of the lottery were going up in relation to the last year that the Yukon Sports Federation had the lottery. That could be just as a result of this activity that we have had in the Territory over the last while. I am not sure. But the total ticket sales have gone up.

The Yukon Lottery Commission granted something in the neighbourhood of \$24,000 or \$25,000 to the Arctic Winter Games Yukon Contingent. That allowed the contingent to bring in a lot of

the special help that they had. Several times during the course of the Arctic Winter Games, I made comments on the professional help that several sports in the Arctic Winter Games had. In fact, several sports approached me and told me that the special help that was provided made the Games worthwhile. I know we had a couple of coaches come from Edmonton in the area of judo. They held coaching clinics and a couple of other clinics while they were here, and some of the people involved in judo in the Yukon felt that those coaching clinics and the expertise that was available to them, would not have been available to them had it not been for the grant from the Yukon Lottery Commission. I am not sure where else they have granted any money.

But I am quite confident that the people we appointed to that Commission, and I might remind you that we all did appoint one member to that Commission. I am quite confident that they are going to show great wisdom and exceedingly good judgment in the disbursement of all lottery funds over the next couple of years.

Mr. Penikett: I cannot let the Minister's remark about the Commission go unremarked upon. I want to say I am sure it is working well. One of the reasons that is working well is that we all did nominate people to it and to my great regret that is about the only body left to which we have any power of appointment.

Mr. Byblow: Under the vote, the Community Programs, transfer payment appears to be substantially reduced, if I am reading that correctly. Could the Minister elaborate on that?

Hon. Mr. Graham: Bear with me for a moment, Mr. Chairman and I will have an answer. I am not sure if it is just an accounting change or if, in fact, there has been a reduction in the total funds available.

Mr. Chairman, I do not see any place at which the Community Program was deleted, so I imagine it was just a shift in the funds that are available from the Community Program down to the Advisory Committee, because I believe that some funds in the Advisory Committee were available through Community Programming last time. I believe that that is the way it is. I can assure you that no Community Programs have been cut so it must be just an accounting transfer.

Mr. Chairman: Since there appears to be no further discussion, shall Program 50000, Recreation, clear?

Some Members: Clear.

Mr. Chairman: I now declare Program 50000 cleared.

Hon. Mr. Graham: Yes, Mr. Chairman, it was, there were several grants that were eliminated, in fact, they are the Community Assistance grants. That is something that we are looking at at the present time and if we do decide to continue the Community Assistance Program, it will be coming in as a supplementary.

Mr. Byblow: Could I ask for an explanation of that shift in policy?

Hon. Mr. Graham: Mr. Chairman, the Ordinance states that the Community Assistance Program ends after three years. The three years ended in 1979-80 so under the Ordinance we cannot provide any more assistance this year unless we change the Ordinance.

Mr. Chairman: Program 60000 - Adult and Continuing Education, \$2,986,500. Your information will be on pages 49 and 50.

Hon. Mr. Graham: The Adult and Continuing Education Branch is responsible for the development, management and provision of adult training and continuing education programs in Yukon. The basic objective of Adult and Continuing Education is to facilitate the development of Yukon's human resources. The activities of the Branch are guided by various Ordinances established by the Yukon Legislative Assembly.

The Branch is also responsible for the planning, management and delivery of pre-employment, pre-apprenticeship training, community training, trades and short courses, upgrading, night school, apprentice trades qualifications and certification and other related activities, such as the Trades Advisory Committee.

Mr. Penikett: Mr. Chairman, I would like to ask the Minister about the extent to which they have been able to get these Adult Education Programs out to the communities and what plans he may have for growth in that area, and any problems he may have such as the location and hiring of instructors for programs in rural Yukon?

Hon. Mr. Graham: I do not know how much of a problem we are going to have offering some of these courses in the communities. I know we are anticipating a little bit of trouble hiring instructors to be travelling around the Territory with a mobile unit.

In private conversation with instructors at the Vocational School that I have had, — I have had several conversations with them. I go for lunch every once in a while due to the fact that I have a personal interest in it over there, — some of these instructors have expressed to me the opinion that they would not continue teaching if their

courses were moved to any communities outside Whitehorse, so I anticipate we may have some problem if we attempt to move them out. But I think in the normal growth of the Vocational educational system in the communities with the fact that we are building our schools so that we have facilities to run night courses and run courses in the schools for vocational training. I think that will facilitate a much easier time hiring teachers or hiring instructors in the communities. Night school courses we are offering in several communities now and we anticipate continued growth, not a phenomenal growth, but we anticipate continued growth in that area.

Mr. Penikett: Mr. Chairman, something I have noticed about academic courses in this area which might apply as well to courses in craft fields or simply general information or general knowledge courses and that is something about the availability of instructors.

I am continually impressed with the number of people in the Yukon community who have not only university degrees but, in fact, advanced degrees. I know, there are quite a few people in this Government who have Masters degrees or better in fields which might be unrelated to their work and who might welcome the opportunity, for their own stimulation, to occasionally give courses in those fields in which they are expert or have some expertise.

I have noticed at the same time that, for very obvious reasons, we continue to hire instructors from down South or from universities that are putting on programs to give undergraduate courses locally in various subjects. I am wondering if the Minister has had any opportunity to consider the development of some kind of inventory of potential instructors or educators, parttime educators for the Territory.

I can think, just right off the top of my head, of half a dozen people who have Masters degrees for example, in areas in which courses are being offered here but are not being used as instructors and who might be willing to be instructors.

Hon. Mr. Graham: Mr. Chairman, that is true in part. We are probably experiencing a great drain on the University of British Columbia. A few people have come up here to teach in our YTAP Program and have resigned their professorship with the University and have chosen to stay in the Yukon, in most cases, not teaching.

We are attempting to involve these people in teaching in the Territory. Some of the problems associated with this are the fact that we do not always want to offer the courses that they have expertise in. The other is, of course, we cannot afford to pay them a whole lot of money for teaching.

We are continually advertising, as a matter of fact, for instructors, or people that are interested in teaching specific courses in the Territory. As our ability to offer courses grows, and you must remember that our ability is severely curtailed by the amount of room we have, we are running roughly 680 students a year through the Vocational School in various courses and it has got to the point now where we either need to curtail the amount of courses offered or we have to build a new facility.

But, Mr. Chairman this is a direction that the Department of Education is going in. In fact we have instituted a policy that no one will be hired from outside the Territory to teach these courses unless the Superintendent and myself are both assured, in our own minds, that there is no one in the Yukon available to teach those courses.

Mr. Penikett: I am pleased, Mr. Chairman, to hear that. Let me just pursue one other possibility with the Minister. Right now he has, I think, probably got the right arrangement in terms of the chicken/egg problem, deciding what course they were going to offer and then seeing what people are available.

However, it occurs to me that in some of the smaller communities there may be from time to time a person out there who is an atomic physicist or has a Masters degree in anthropology. It does not really matter what.

There may also be in that community, some people who would like to take in the evening some adult education course, perhaps a university level undergraduate course in some subject, who are not very particular about what it is, but who would just like for their own recreation to take such a course.

I just would like to suggest to the Minister that perhaps he could think about this, that we do some fairly wide ranging exploration and just see what kind of potential instructors there might be without regard to the programs we want to offer, but there may be someone in Dawson City, for example, who can teach something and that may be reason enough to offer a course in that subject.

Hon. Mr. Graham: Mr. Chairman, we will take that under advisement, that is for sure, and I assure the Honourable Member opposite, if we decide to follow his advice, I will take full credit for doing

So.

Mr. Penikett: I would not want to think that anything but the normal practice would apply. Mr. Chairman, in this case.

Mr. Fleming: I just might ask the Minister. I think the Minister is aware that there is possibly a letter from the outlying communities, the problem of when a person taking adult courses in the City here, of course, is fairly reasonable. They can be unemployed, you can be whatever and have the time to go and do these things.

I think there is some possibility that you will run into some problems in the area of, for instance, Teslin, Watson Lake, someone who wanted to come here to take it, if you were on unemployment insurance. The very fact that you are on unemployment insurance and, according to their regulations and standards, you must be where you are supposed to be, home and available and so forth.

I wonder if the Minister has had any problems this way and if he has maybe contacted the unemployment office or anything in this regard?

Hon. Mr. Graham: Mr. Chairman, many of our positions in the school are filled by Manpower, through Unemployment Insurance. If a person is unemployable, on unemployment insurance, the Manpower Department directs him to the Vocational School and he takes a course for upgrading or something to further his chances of employment.

So, we run into that a lot. In fact, many of the people going to the Vocational School are on some kind of an education allowance.

I, personally, have not run into a problem of a person on unemployment from one of the communities losing his unemployment because he came to take a course at the Vocational School.

Mr. Byblow: I am sure that when the Minister is planning to construct his new facility, we certainly would appreciate a wing of it in Faro.

Just on the Budget itself, perhaps I missed the answer, but you deleted the short courses and community courses. I assume that you transferred this into other areas, conceivably Adult Education, Administration or Apprenticeship Training. Is that correct or are you saying that those are deleted programs?

Hon. Mr. Graham: No, Mr. Chairman, we have not deleted them. We have just included them all in other areas such as Adult Education and Night School.

Mr. MacKay: Just two things: perhaps the Minister could elaborate a little bit on how the apprenticeship training program aspect of this vote is going to be improved. I see you have got an extra man year in there.

Also, while he is on his feet, there is an item under Adult Education, Administration, with respect to Professional and Special Services of \$155,000. It seems to be quite a large increase from last year. Could we have an explanation of that?

Hon. Mr. Graham: Mr. Chairman, bear with me again for a minute and I will find the answer.

The resource development core activity is \$125,000. That is a major increase right there.

We also have training for public servants. The major increase is in the Adult Occupational Training, which is a \$125,000 item. That is the occupational training that will be carried out in the Renewable Resources Workshop, if that project goes ahead, in the Marwell area. What it basically is is bringing people from the communities outside the City of Whitehorse to Whitehorse, training them on a 60/40 per cent basis with Ottawa; they are paying 60 per cent, we are paying 40 per cent, and then allowing them to go back to their communities with some kind of training that will enable them to get a job, hopefully with Renewable Resources.

That is the basic increase in that Department.

Mr. MacKay: I have a question which is related to the Apprenticeship Training Program, some explanation as to how you are going to improve it.

Hon. Mr. Graham: Mr. Chairman, as I have already outlined, we are reviewing the total Apprenticeship Training Ordinance. The investigative committee on vocational and career education will also have some input into the Apprenticeship Ordinance. We are also working with all of the present Apprenticeship Boards that we have. Many of them have some problems. I cannot summarize most of the problems that they have brought forward because I do not remember them all. I just remember that they impressed me sufficiently with the problems they had with the present Ordinance to agree that we should go ahead with a complete review of the Ordinance with their input.

Mr. Penikett: Mr. Chairman, a couple of questions on the subject raised by Mr. MacKay: some time ago I asked the Minister if he

were pursuing the possibility of making mining a designated trade in Yukon and I would be interested to know how far his enquiries are along in that line.

Secondly, I would be interested in knowing if the Department is aware of any problem in matching apprentices to journeymen in any particular trades, where there may — the Minister seems to be signalling me with his hand.

Mr. Chairman: Would you care to repeat it? I do not think he caught the question.

Mr. Penikett: Does he wish me, Mr. Chairman, to repeat both the questions or just the one I was on.

Mr. Chairman: The second one.

Mr. Penikett: The second one is: I would like to know if the Minister is having any problem, or is aware of any problem in matching journeymen to apprentices, if there are any trades in the Yukon where there are an insufficient number of journeymen to train the persons who wish to enter that trade and who wish to apprentice in that field.

I can understand there might be a problem, Mr. Chairman, because in areas where we may need skilled tradesmen, there may already be a problem in terms of shortages of journeymen. We talked about this last year but I am again struck by the national figures which showed the average age of journeymen in this country is something approaching 50 years of age and that is a problem of great concern.

The last question I would like to ask and it may have more bearing on the Minister responsible for the Public Service Commission than the Education Minister. I would like to know if this Government is aggressively looking for apprentices of its own.

I understand that with the present Collective Agreement and some of the job descriptions and so forth, this may be difficult.

It occurs to me that it may be possible for this Government, where it has journeymen on its staff, electricians, carpenters, whatever, to take on apprentices, in fact, for someone with enough formal education on the side of the programs, usually do allow someone to enter a trade in Government Services.

Hon. Mr. Graham: Mr. Chairman, in anticipation of the mining as a designated trade, I did a little checking before we got to the Education Budget today and I do not have a firm answer. I understand there are some problems, though, in designating mining as a trade, union problems and I do not understand it at the present time, because I do not have all the background. As soon as our investigations are complete, I will make that available to the House.

The other area of journeymen/apprentice ratio, we have not had any problem, Mr. Chairman, in the trades we are presently teaching or turning out apprentices for.

As for the Government hiring these apprentices, Mr. Chairman, it recently came to my attention that the Highways and Public Works Department was upset at the Vocational School recently because the Vocational School allowed all of the graduates in one course to be hired by private industry and did not save any for the Government. So, yes, I would say that the attitude of Government now to the Vocational School is very good. In fact, we are finding that the attitude of private industry to the Vocational School is improving, a lot because of the fact that we are now involving private industry in planning the courses and being involved in the apprenticeship trades boards and things like that.

We are finding the attitude of private industry in the Territory is turning around and, hopefully, it will continue to do so when we offer new trades and upgrade the trades that we are already offering.

Mr. Chairman: Is there any further discussion?

Shall Program 60000 clear?

Some Members: Agreed.

Mr. Chairman: I declare Program 60000, Adult and Continuing Education, cleared.

Hon. Mr. Graham: Mr. Chairman, I fully had anticipated finishing this Vote before we adjourned this evening, but I am getting a lot of snide comments thrown at me over here.

I will move that you report progress on Bill Number 13 and beg leave to sit again.

Mr. Chairman: It has been moved by Mr. Graham that I report progress on Bill 13 and beg leave to sit again.

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 Mr.

Speaker do now resume the Chair.

Motion agreed to

Mr. Speaker resumes the Chair

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

May we have a report from the Chairman of Committees.

Mr. Lattin: Mr. Speaker, the Committee of the Whole has considered Bill Number 14, Financial Agreement Ordinance, 1980, and directed me to report the same without amendment.

Further, they considered Bill Number 13, Second Appropriation Ordinance, 1980-81, and directed me to report progress on same and beg leave to sit again.

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

Some Members: Agreed.

Mr. Speaker: Leave is so granted.

May I have your further pleasure?

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that we do now adjourn.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Hootalinqua, that we do now adjourn.

Motion agreed to

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

The House adjourned at 5:29 o'clock p.m.