



The Yukon Legislative Assembly

Number 11

3rd Session

24th Legislature

HANSARD

Wednesday, April 9, 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.

Government Members

(Progressive Conservative)

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)

Maurice J. Byblow	Faro
Robert Fleming	Campbell

Clerk Of Assembly
Clerk Assistant (Legislative)
Clerk Assistant (Administrative)
Sergeant-at-Arms
Editor of Hansard

Patrick L. Michael
Missy Parnell
Jane Steele
G.I. Cameron
Lois Cameron

Whitehorse, Yukon**Wednesday, April 9, 1980 — 1:30 p.m.**

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

Prayers

Hon. Mr. Graham: Mr. Speaker, I would like to draw the attention of the House to the presence of the Grade Five class from Selkirk Elementary School and their teacher, Mrs. Cowan.

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

TABLING OF DOCUMENTS

Hon. Mr. Pearson: Mr. Speaker I would like to table the answer to Written Question Number Two asked by the Honourable Member for Whitehorse West on March 25 concerning YTG employee statistics.

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

Are there any reports of Standing or Special Committees?

REPORTS OF COMMITTEES

Mr. Penikett: Mr. Speaker it gives me great pleasure today to table the report of the Yukon's first Public Accounts Committee.

Mr. Speaker: Are there any petitions?

Reading or receiving of petitions?

Introduction of Bills?

BILLS: INTRODUCTION AND FIRST READING

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that a Bill entitled An Ordinance to Amend the Motor Vehicles Ordinance be now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Tatchun, that a Bill entitled An Ordinance to Amend the Motor Vehicles Ordinance be now introduced and read a first time.

Motion agreed to

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Old Crow, that a Bill entitled Miscellaneous Statute Law Amendment Ordinance, 1980 be now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Old Crow, that a Bill entitled Miscellaneous Statute Law Amendment Ordinance, 1980 be now introduced and read a first time.

Motion agreed to

Mr. Speaker: Are there any further Bills for introduction at this time?

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

Notices of Motion?

Statements by Ministers?

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

QUESTION PERIOD

Question re: Pipeline

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

As the Government Leader is aware, the decision to go ahead with the southern part of the pre-build of the pipeline is imminent. In view of this, is the Government Leader satisfied that there is no weakening on the part of the Government of Canada's position that the whole of the pipeline must be built, as well as the southern part?

Hon. Mr. Pearson: Mr. Speaker, what has happened is the present legislation and Act say that no portion of the pipeline can be built until such time as funding is identified for the entire pipeline, both the Canada and the United States sections.

In today's money picture, that seems to be an impractical requirement and the Government of Canada is taking another look at that requirement.

It was put in the agreement at the insistence of Canada and they are now trying to determine whether, in fact, it is realistic to expect all of the money that might be required, as much as two or three

years from now, to be identified at this point in time.

I spent a considerable amount of time, Mr. Speaker, with the Honourable Mitchell Sharp, of the Northern Pipeline Agency, discussing this matter. He is of the opinion that should Canada go ahead with this, that it will strengthen our position in respect to the construction of the pipeline, that it will ensure the construction of the pipeline.

Mr. MacKay: Has the Government Leader received any specific assurances lately from Foothills that they intend to build the northern portion of the pipeline?

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

Mr. MacKay: Would the Government Leader be prepared to present, as a policy to the Northern Pipeline Agency, that at least the \$5 million of tax revenue that the Yukon Government should be getting for the northern portion, should be payable if the southern portion is approved?

Hon. Mr. Pearson: Mr. Speaker, Mr. Bob Blair is going to be in Whitehorse on April 16th, and I am going to be meeting with him at that time. I would guess that the \$5 million from Foothills will be the major topic of our discussions.

Question re: Yukon Act

Mr. Penikett: Mr. Speaker, I, too, have a question for the Government Leader.

In his communications with our new master in Ottawa, Mr. Munro, has the Government Leader specifically requested any amendments to the Yukon Act?

Hon. Mr. Pearson: Mr. Speaker, some months ago—I guess, probably, the answer to that question is no, directly. However, I would like to elaborate a bit.

Some months ago, we submitted, to the Department of Indian Affairs and Northern Development, a list of those amendments that would be required in the Yukon Act to enshrine in legislation what is in effect today in respect to this Government. We submitted a list of the amendments that would be required to do that. That is as far as it has gone.

We do not know whether the Government of Canada will some day propose those amendments to the House of Commons, or whether they will not. I think we did know with the former Government, we do not know with this Government. We have not followed that up to any degree at all.

Mr. Penikett: Mr. Speaker, did this petition to the Federal Government include amendments that would, in fact, using the Government Leader's word, "enshrine" the present level of responsible Government in Yukon and address the somewhat uncertain position of the Commissioner, as it is, under the Yukon Act at present?

Hon. Mr. Pearson: Yes, Mr. Speaker it dealt primarily with the term "Commissioner" and the position of Commissioner.

Mr. Penikett: Mr. Speaker, has this Government taken a position, given that the request might be granted, that such amendments would freeze the present stage of constitutional development for some period of time to come?

Hon. Mr. Pearson: No, Mr. Speaker, we have not taken any position at all. We simply thought that the Federal Government would like to know what amendments to the Yukon Act would be required to enshrine in legislation what is the way the Government of Yukon functions today.

Question re: Faro Utilities Expansion

Mr. Byblow: I have a question for the Minister of Municipal and Community Affairs on a local issue. There is considerable concern in my community over the absence of capital assistance monies to underwrite the utilities expansion going on this summer. I would ask the Minister if there has been any recent negotiation or headway with Treasury Board over the special submission on behalf of this project this past winter.

Hon. Mr. Lang: Mr. Speaker, we have a fair amount of concern about the issue that the Member is raising. There was a great deal of discussion with the previous Government on the matter. As you know, we went through a Federal election which was of no making at least from this side of the floor. They have just got their new Government into office. I raised the particular matter with the Minister when he was in Whitehorse and will be following up in respect to just exactly what the situation is.

Mr. Byblow: I would like to ask the Minister, Mr. Speaker, if in the absence of any new Capital Assistance monies being advanced from Treasury Board, what assistance or fiscal arrangements is this Government prepared to offer the town?

Hon. Mr. Lang: Mr. Speaker, we do not have the money that the Honourable Member is speaking of. I think for the knowledge of the

House, we are talking about \$3.5 million.

Mr. Byblow: Would the Minister indicate if it is possible or if he would be prepared to restructure priority allocations in other areas of his Department to permit some funding coming forth?

Hon. Mr. Lang: Mr. Speaker, I would suggest that we are pretty far down the garden path for any thought of that type of reallocation. The point that should be made, Mr. Speaker, is that some of my Departmental officials are going to Faro on Friday to discuss the situation with the City. I would like to have gone but unfortunately I cannot go myself. I hope to go to Faro, probably within the next month, depending how long the Honourable Members keep us in the House.

Question Re: Yukon Housing Corporation

Mrs. McGuire: Mr. Speaker, I have a question for the Minister of Yukon Housing Corporation, my favourite subject. In view of the fact that Yukon Housing Corporation must review their rent assessment policy for public housing, would the Minister agree that it is essential that YHC establish a ceiling charge for accommodations, Mr. Speaker, and would the Minister agree that people paying in excess of \$600 a month for subsidized housing are being exploited by this Government?

Hon. Mr. Lang: Well, on the first point of the question, Mr. Speaker, I do not know really what she is getting at but my automatic reaction is to say "no". The second part of her question, I am not too sure what she is referring to in respect to the rents that are being charged for various housing accommodations. I should point out that the philosophy on this side of the House is that we would like to see people building their own homes.

Question Re: Energy Needs in Yukon

Mr. MacKay: I have a question for the Minister of Energy, Mr. Speaker. Yesterday, in a public speech the Chairman of NCPC stated that NCPC had accepted the base case of the Foster Report on the Electrical Energy Needs for the Yukon in the Next Twenty Years, Mr. Speaker. Has the Minister of Energy had any input into that decision?

Hon. Mr. Pearson: Mr. Speaker, there is some dismay on this side of the House. We do not know who the question is addressed to.

Mr. MacKay: I hope I am not using up my supplementary in directing it to the Minister of Economic Development.

Hon. Mr. Hanson: You had me confused there for a minute, but, I would ask him to repeat that question again. I am sorry, I was trying to figure out who was the Minister responsible.

Mr. MacKay: I hope this is not my third supplementary, Mr. Speaker.

Mr. Speaker: Second supplementary, the Honourable Leader of the Opposition.

Mr. MacKay: Yesterday, in a speech by the Chairman of NCPC, he said NCPC had accepted the base case of the Foster Report on the Electrical Energy Needs for Yukon in the Next Twenty Years.

My question is, has the Minister of Economic Development had any input into that decision?

Hon. Mr. Hanson: No, I did not, Mr. Speaker.

Mr. MacKay: Has the Minister of Economic Development had his Department study the Foster Report and do they agree or disagree with the Foster Report as a realistic forecast for the Yukon?

Hon. Mr. Hanson: They have studied it. I have studied it myself and, personally, it is a piece of paper that gives you a bunch of figures. I do not agree with them.

Yet, in our studies so far, we do not have any figures of our own to disagree totally with them and say that they were wrong, from the few people I have talked to. It did not go far enough; it assumed a lot of things and I would say it is maybe a base to work from, but it is not the end-all paper that we were expecting.

Question re: Energy Development Update

Mr. Byblow: I have a supplementary to the topic, Mr. Speaker and I will direct it to the Government Leader.

Approximately two weeks ago, I asked the Government Leader for an update on the present activity and direction in the area of energy development. He said that he would approach NCPC for such an update. Is this forthcoming?

Hon. Mr. Pearson: Mr. Speaker, in the same speech as the Honourable Leader of the Opposition referred to, the Chairman of the Northern Canada Power Commission indicated that the Foster Report is being updated now and will be available about the end of July.

Question re: Ice Fog Conditions

Mr. Penikett: I have a question for the Minister of Community Affairs.

Has the Minister asked his officials to examine the recent article in MacLean's Magazine indicating health hazards exist because of the ice fog conditions which dominate the downtown area of Whitehorse sometimes in the winter due to automobile exhaust pollution.

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

Question re: Energy Policy for Yukon

Mr. MacKay: This question is directed to the Minister of Economic Development. Does the Minister consider it any part of his responsibility to be developing a Yukon energy policy?

Hon. Mr. Hanson: Yes and it is a subject my officials have been delving into with local people and in Ottawa.

Mr. MacKay: Would the Minister be prepared to say that the primary responsibility for the development of such a policy rests with the Yukon Government?

Hon. Mr. Hanson: Well, if I had about \$70 million to buy NCPC out—I am quite a bit short of the \$70 million. But if we were to put together a package to say that we were taking over the NCPC, then we would be the primary mover. As it is right now, it is a Federal Government that has the powers to do as they please in that Department.

Mr. MacKay: In view of the Minister's well known predilection for ensuring the rights of Yukon in these matters, would he be prepared to request a meeting of the interested players in this whole energy game of Mines, Energy Resources, NCPC, Department of Indian Affairs and his own Department to discuss a Yukon energy policy?

Hon. Mr. Hanson: Yes, I would like to sit down and meet with them, if you have got any "ins" with them so that I could talk to them.

Question re: Frontier College

Mr. Penikett: Mr. Speaker, I have a question for the Minister of Education. Frontier College has done a great deal of good work educating adults in Yukon in places like Elsa for the last ten years. I would like to ask the Minister of Education if he has received, from this organization, a request for financial assistance.

Hon. Mr. Graham: Not to the best of my knowledge, Mr. Speaker.

Question re: Gambling

Mr. Byblow: I have a question for the Minister of Justice and Corporate and Consumer Affairs. It is my understanding that representations have been made to the Minister's Department in an effort to permit legalized gambling and it is also my understanding that the Minister's Department is examining this. I would ask the Minister if it is the intention of this Government to review the existing legislation and policy surrounding legalized gambling?

Hon. Mr. Graham: No, Mr. Speaker.

Mr. Byblow: May I inquire of the Minister, Mr. Speaker, under what authority the legalized operation in Dawson operates?

Hon. Mr. Graham: I believe, Mr. Speaker, that it operates under a special exemption under the Federal Criminal Code.

Question re: Game Guiding

Mr. Penikett: I have a question for the Minister responsible for Renewable Resources.

Last Session, I asked the Minister a question about the definition of game guiding under the new amended Ordinance he presented.

I wonder if the Minister could now advise the House, at this time, whether the word "guiding" in the Ordinance includes those who guide but not for the purpose of hunting big game?

Hon. Mr. Hanson: Not at this time, they do not include those.

Question re: Health Transfer

Mrs. McGuire: Mr. Speaker, I have a question for the Minister of Health.

According to the Throne Speech, this Government planned to vigorously pursue the reinstatement of the Federal Health transfer. Will the Minister tell this House what the immediate plans are on this issue?

Hon. Mrs. McCall: Mr. Speaker, as we have had a change of government, I think that it will probably be predicated on the Land Claims settlement.

Hon. Mr. Pearson: Mr. Speaker, I would like to say an additional word on this, because we did say we were committed to this and that we were going to follow up on it and we have.

Mr. Speaker, the situation that was put to us by the new Minister of Indian Affairs and Northern Development was that it was his perception that our pursuit of a health transfer, at this particular time, would have some detrimental effect on Land Claims. The question was asked us whether we thought a health transfer was more important than Land Claims. We said that we thought Land

Claims were more important and that was where the issue died.

Mr. Speaker, if I may, I would like to answer a verbal question that was asked me by the Honourable Member for Kluane in respect to if the equipment owner is the spouse of a YTG employee, will the YTG employee come into the violation clause of the YTG Employee Conflict of Interest Policy?

The short answer, Mr. Speaker is "yes"; however, each case should be judged on its own merits, and will be judged on its own merits, because the policy, although rigid, we have tried to make as flexible as we can. I recognize a contradiction in terms but it is a hard thing to deal with and we have tried to make the policy one that everybody in the Territory can live with. In effect, yes, if you are the spouse of the owner of the equipment then that is it.

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

ORDERS OF THE DAY

MOTIONS

Mr. Clerk: Item Number 1 standing in the name of Mr. Penikett.

Mr. Speaker: Is the Honourable Member prepared to discuss Item Number 1?

Mr. Penikett: Next sitting day, Mr. Speaker.

Mr. Speaker: So ordered.

Mr. Clerk: Item Number 2 standing in the name of Mr. MacKay.

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

Mr. MacKay: Yes, Mr. Speaker.

Motion Number 7

Mr. Speaker: It has been moved by the Honourable Leader of the Opposition, seconded by the Honourable Member for Campbell, THAT this House regrets the failure of the Government of Yukon to implement a policy of power rate equalization across the Yukon.

Mr. MacKay: Mr. Speaker, to put this debate into context, I would like to note at the outset that residents of Watson Lake, on the upper limit of their bills, are paying 6.01 cents a kilowatt hour. Residents of Whitehorse are paying 3.26 a kilowatt hour. Residents of Old Crow are paying 17.62 a kilowatt hour. That is a brief example of the disparities in rates across the Yukon so the motion is very simple, Mr. Speaker.

This Government has failed to recognize, in the development of the Yukon, the need for equalization of power rates. The present situation is very complicated because of subsidies and tax credits and other Federal Government assistance which is coming or may be coming to the Yukon. I do not want to spend a lot of time in this debate discussing these programs except to say that they are heading in the right direction but they do not seek the best and the only solution. The best and only solution, Mr. Speaker, is the equality of rates throughout the Yukon. I mention that this is consistent with an existing Government policy of equalizing the cost of home heating oil across the Yukon to the Whitehorse price so I cannot see that there is any logical reason not to proceed towards the same goal of equalizing electrical rates.

I might say it has been a goal long sought after by many MLAs, both present and past, in this House and, indeed, as recently as 1978, the Public Utilities Board commissioned a study to determine how equalization might be effected and approximately at what cost. The Board presented that study to the then Government, with no recommendation, carefully noting that a decision to equalize must be made at the political level.

As a side note, it is interesting that the author of that non-political letter was none other than our Government Leader today, who was, at that time, Chairman of the Public Utilities Board.

Well, two years later, the Government Leader is no longer president of the Public Utilities Board. He is now in a position to make, or should have been in a position to make a political decision. It is still very much a political decision that should be made in this House, and is the kind of decision that inevitably is going to attract flak from some people in Yukon.

I do not think there is any defence, though, for the Government not to have moved on that report, in the time it has been in office.

Now it is certainly not a Federal Government decision to equalize. Hopefully, nobody is going to stand up and say, Mr. Speaker, that the Federal Government should equalize it, because we are giving up our own authority. We have authority in this area. This is something that we have to bite the bullet on. It is a Yukon Government decision.

No doubt, the defence will be raised that the Federal Government should provide us with the money to do this. That is not the issue at stake here, today, either. It is not a question of somebody coming from somewhere else and giving us money to make it a painless decision. This is, in fact, a painful decision. This is a decision which is going to hurt some people and it is going to help many people.

I think it is a responsible attitude on the part of the Opposition to bring forward this motion. It is not easy for the Member for Riverdale South, myself, to stand up and advocate, because this is precisely what I am doing, advocating higher rates for my constituents.

It is not the kind of thing that the Opposition Leader should be doing. It is not the normal thing to do in Opposition but I think it is a very responsible thing for the Opposition to be saying that we are prepared to bite this bullet. We are going to make it easy for you, we are going to come forward and tell you guys to do this, because we think that, for the good of the Yukon as a whole, this kind of policy must be brought forward.

My speech is short; it deals only with the principles involved in this, Mr. Speaker. I think the principle is clear. There should be rate equalization across the Yukon. I think that we can get into a wrangle about how much it costs after tax rebates and after various Federal Government programs which are cut off at will or brought in at will or announced during election campaigns. I think we can get into all that stuff but it avoids the main issue and that is whether or not this Government has the political guts to equalize electrical rates across the Yukon.

Mr. Fleming: Mr. Speaker, I seconded the motion and I think most Members realize that I do not have any problems with type of thing whatsoever because I am exactly on the other side of the picture from the Honourable Member for Whitehorse Riverdale South. However, I have stood up in this House many times before and said this should be done in the Yukon Territory.

I wonder about the Government philosophy and policies when I think of equalization programs that are in the Territory, that are necessary, I agree. I can name a few that make it look much more so that this motion maybe should have been carried out too. When you think of the equalization programs that help Welfare, when you think of our Medicare Program which is actually equalization across the Territory for each person to pay for something that is essential and Home Owner Grants and so forth, which are on the same principle and under the same policies that any Government may come up with.

I have always felt that the Conservative Government, though not being a socialistic government, still would, I think, in their constitution, or whatever else, feel that the policy should be fair for all and for the economy of the country as a whole.

I see that the Honourable Minister is laughing and I find that, Mr. Speaker, they take this matter very, very lightly, except on one issue: "Somebody is going to raise my power rates." I cannot do that. That is what they feel but that is not the case, Mr. Speaker. I am not here to raise anybody's power rates.

I think there is a possibility that if we got to work at it and tried to do this in the proper manner that possibly it may be able to be done without hurting people as much as possibly it will in the future when I suspect, Mr. Speaker, that it will have to be done for the economy of this country and the economy of all of the business places in this country, including Whitehorse, Mayo, Dawson City, south, anywhere you want to go.

Of course, as I say again, the issue comes up, Whitehorse does not wish to pay any more and I do not wish to see them pay any more.

We are getting government subsidies like you would not believe. In the area of residential power, I do not disagree with the Government when they say that we are being subsidized to the extent that we do not pay much more for it than Whitehorse does. I agree with that, it is right. But that does not create a program that is feasible and can be worked in this Territory.

When you have one power company charging half a dozen different rates all over the country, the whole program is more or less of a boggled-up mess, when it could be one base price across the board which would be much better. I would think the power company would be happy to see this motion, too, Mr. Speaker.

I would just like to give you a little example of what the prices are for a person, and I am not taking just anybody's light bill, because everybody uses different light bills, I am going to take it honestly and say that 1500 kilowatts across the board, not one fellow who pays \$300, because he uses more than the other fellow does who pays \$150.

But an average home, say, that takes 1500 kilowatts, will end up

paying a bill in Whitehorse of \$54.08. Of course, he has a slight rebate of 2.-something on that coming back. However, we should not be speaking of rebates in this general topic of whether we could equalize the power rate itself.

In the area of Teslin, using exactly that same amount, 1500 kilowatts, the bill will be \$182.59. Now, I know that many of you will say, "Well, look at the difference," Mr. Speaker, "\$54.08 in Whitehorse and \$182.59 in Teslin, if we tried to equalize power rates, we are going to be paying about, oh, we might be paying at least \$125. each, or something."

This is not true, Mr. Speaker. The outlying districts use approximately 25 per cent of what the City of Whitehorse does and I am speaking of the area that is handled by Yukon Electric. Forget NCPC, they are not in the picture right now, 25 per cent of what is used in Whitehorse, therefore, you would not split that figure in two. You would take that figure and you would have a quarter to split.

In other words, if you had a price of one cent up in Whitehorse, it would be four cents down in the outlying districts.

In the neighborhood of commercial rates, a person using, and these are exact figures, 8100 kilowatts which is a normal small business in Teslin and I might say this is my own, one month, however, every month is different, 8100 kilowatts, the total price would be \$1,232.85. In the City of Whitehorse, that same figure would be \$852.61. That is still quite a margin, but you must remember again that if you went to equalize it, that the power used in the outlying districts is only one-third of the power that is used in the City of Whitehorse. I have those figures from the electrical company so I am not making any mistakes there.

I am not going to belabour the subject any more than to say that it is time, for the good of businesses in the Yukon and for the good of the economy in the Yukon and all over the Yukon, not just parts of it, not just Whitehorse, not anywhere that it is taken a little bit more seriously and looked at which it should have been many years ago, then we would not have that problem today.

As for the NCPC picture that still comes in with this motion, in a sense, I just sometimes wonder what this Government intends to do when I hear the policy of NCPC through their Chairman and so forth of possibly a 20 year policy of how they are going to run the Yukon. I always felt that we were going to try to run the Yukon as a Government in this very area. If I were on the Government side, and even though I am on this side, I am very much opposed to having NCPC's policies for 20 years shoved down our throat.

Thank you, Mr. Speaker.

Mr. Penikett: I was watching the Member for Riverdale North, the Government Leader, listening to the Leader of the Opposition, the Member for Riverdale South as the Opposition Leader was making his kind and generous offer of assistance to the Government Leader and I could see him being reminded of his Sunday School lesson, "Beware of Scots bearing gifts."

Mr. Speaker, this is a serious matter, as one of the previous speakers has said, because it is, in fact, in the phrasing of the motion, I think clearly a non-confidence motion and, therefore, it is not, I think, simply a kind of polite and courteous request which the Government has been accustomed to hear from myself, but something a little more substantial.

When last we discussed this whole business, on March 26th, last year, just a little more than a year ago, I expressed some concern that we were not dealing in this House with the question of subsidies, which is clearly under the legislation, the business of this House. We got into some wrangles about who was subsidizing whom, but there did seem to be an agreement, both from the Member for Whitehorse South Centre, the Member for Riverdale South and a number of other Members, that there were, in fact, subsidies.

I think that is what we are talking about here. I think that is the big issue, one way or the other. It does not matter who is subsidizing whom, but somehow, we are talking about either effecting subsidies or not effecting subsidies or whose rates are going to be more than other people's. We are talking about a user/pay concept as opposed to some people not paying their way or some people paying more than their way.

As far as I am concerned, the way I define subsidies is there are subsidies in the system. I think it is a complicated subject, I think it is a difficult subject, but I think it is exactly the kind of thing that ought to be discussed by this House. I mean, I think if there is anything which we ought to be able to get our teeth into, perhaps in a non-partisan way, perhaps this is the kind of issue we ought to be getting into as constituency MLAs more than partisan politicians, this is it.

I, therefore, Mr. Speaker, would like to move, seconded by the Member for Campbell, that Motion Number 7 be referred to Com-

mittee of the Whole for consideration and that the Committee report to the House on this motion.

Mr. Speaker: It has been moved by the Honourable Member for Whitehorse West, seconded by the Honourable Member for Campbell, that Motion Number 7 be referred to Committee of the Whole for consideration and that the Committee report to the House on this Motion.

Motion agreed to

Mr. Clerk: Item Number 3, standing in the name of Mr. Tracey.

Mr. Speaker: Is the Honourable Member prepared to discuss Item 3?

Mr. Tracey: Yes, Mr. Speaker.

Motion Number 8

Mr. Speaker: It has been moved by the Honourable Member for Tatchun, seconded by the Honourable Member for Old Crow, THAT it is the opinion of this House that the Government of Yukon should undertake active negotiations with all concerned Federal Government departments for the purpose of facilitating the expeditious installation of all equipment necessary for providing radio broadcast reception to the residents of Pelly Crossing, Stewart Crossing and Old Crow, and

THAT the House urge the Government to introduce amendments to the Community Assistance Ordinance which would relieve residents of smaller communities of any charges for the installation, operation or maintenance of community television systems.

Mr. Tracey: As everyone in this House is probably aware, the subject of radio and TV reception in outlying communities has been raised on the floor of this House on more than one occasion in the past decade.

On most of these occasions, the House has been in agreement with the principle that these communities should be provided with basic radio and television reception.

As I stated in my reply to the Speech from the Throne, it is almost unbelievable, in this day of ultra-high radio technology, that such a sizable population of the Yukon situated in these communities should be deprived of the most basic of electronic communication.

Surely in this day and age when we can communicate tens of millions of miles into space, we can provide this communication at very little cost for the few miles it is necessary to reach these communities. We who enjoy the services are prone to become apathetic when confronted with the requests of these people; however, I would like to have everyone in this House today take a moment to consider themselves in the same position day after day. Consider that you do not hear the news until early in the evening on television, you are deprived of all the programming of a local nature, you must wait for days-old newspapers, or rely on telephone conversations to know what transpires in the Yukon on any given day.

You never hear a current weather report or notice any of the current political, social or sports events. If you were suddenly deprived of these amenities this minute, I am confident that before the day was out, we would have most of them, if not all of the service, restored. And yet for years the majority of the population of Yukon has refused to listen to the requests of these people.

We have always found reason why it cannot be done. It is always excuses such as, "It is too expensive." Or, "We are negotiating with some Federal bureaucracy and we are waiting a reply." Or, "We agree and we will look at it for implementation next year."

Well, Mr. Speaker that next year has long since passed. It has passed us by and these people are still waiting. It is time we brought that wait to an end. It is time we invested the small amount of capital required to help these people, our neighbours, join with us as much as possible in the mainstream of society. It is time that we put a stop to the rift we cause between our larger population centres that enjoy these benefits and the smaller areas that do not.

We are not only doing this by not providing radio reception to these areas, but we are doing it by forcing people to pay for television maintenance in all outlying communities.

We ask them to pay an extra \$1,000 a year to maintain these television facilities and what does this amount to? It amounts to \$8,000 for the eight communities involved.

Now I ask you, Mr. Speaker, and I ask the other Members of this House, is it worth it? Are the hard feelings generated between users in these communities who pay and the users who do not pay, worth it? I say it is not worth it as I am sure all of the rest of you do. If we cannot find \$8,000 which amounts to less than one-one thousandth of our O&M Budget to put an end to this dissension that we cause then I say it is not showing the responsibility that we should be showing to these people.

The total cost to this Government to implement radio reception

to these communities and to do away with TV maintenance could amount to as little as just over a \$30,000 Capital investment to this Government and an increase in yearly O&M costs of about \$15,000 a year.

Surely we have unanimous consent to pass this motion before us, a motion which, if passed, would show that we are responsive to the needs of our populace and perhaps we should take a leaf out of the native position on Land Claims, in fact, let us take the title page which says "Together Today for our Children Tomorrow" to start to put this principle into practice.

Mr. Penikett: Mr. Speaker, I want to commend the Member for his speech. I think it was an excellent speech. I will support the motion. I think it is absolutely disgraceful that the Government has not done anything about this. I think the Member is quite right to criticize his front bench for their failures in this area. I share his criticism. I hope that this motion will pass the House unanimously and I think that this is a very worthy motion and it deserves the support of all the Members of the body.

Mr. Njootli: Mr. Speaker, I stand now, but I am not criticizing the Members of the front benches here. I am sure that they will take the views of the backbenchers. I have not presented a motion for the House on behalf of my constituency but now that I have the chance to second one, I would just like to express some of my views on the subject. I think it is a very important subject. My constituents are deprived of something that they should have the right to have which is to hear messages from their own people.

Last year, approximately 23,000 square miles of northern Yukon was being used by most of the people of Old Crow. During that part of the year, there was a lot of darkness. People had visited their traps, and sitting inside their tents had radios, but were having a difficult time getting something on those radios.

Because of that, I think it is very important for this Government to look into some sort of radio reception that is strong enough to get the local news, national news, as well as messages from their relatives who are living in Old Crow, which is a settlement where people reside part of the year. I urge that negotiations start immediately and that the results of these negotiations would be on the positive side.

I should also point out that the need for personal money, what little the people of Old Crow have, goes towards the high cost of fuel, food and items of necessity. Based on those facts, I think that Government should take the responsibility of installing these needs that we have in Old Crow.

Thank you, Mr. Speaker.

Hon. Mrs. McCall: Mr. Speaker, I would like to inform the Member for Whitehorse West, who seems to have gotten into the habit of criticizing the front benches, that I put in a brief to the CRTC a few weeks ago on exactly this subject, a long brief, very much in favour of this.

Mr. Fleming: I have a very warm welcome for the motion that is on the floor of the House today. I intended to do that very thing in the area of the television and I am glad that the Honourable Member has also included the television and the radio reception in this Territory in it.

I realize, too, being here when, I think, the Minister who is responsible and myself were here at that time, when television was brought into the smaller communities, that it was a problem. It was a problem to say, no, that we would not collect \$1,000, or something at that time, because we either accepted what Telesat Canada offered and so forth and so on and had to dig up lots of money or we did not get it.

It is not only a matter of the \$1,000; it is a matter, I think, of \$14,000 or \$15,000 for every station that is there and I know that. The \$1,000 is a token from the community to help the cause at the time and the \$750 they also put up to bring that into being.

I sympathize with the Minister if this motion goes through and he has to do something with this, because he will have to dig up considerable money somewhere.

But again, I certainly, as I say, welcome the motion and will be voting for it, because it is another area and we will say "equalization" again, that we, as people in Canada, are all paying and have been paying for television for years and some have not received it. Of course the bureaucrats have and the poor have not. That is the picture and I cannot believe in that philosophy.

I would hope that the Government does away with that \$1,000 collection because that is a problem. In fact, I had a question for the Minister which I have not asked yet as to whether all eight of them have paid up this year or not. I can tell you in the Teslin area we have \$840 so far to pay our \$1,000 with and it should have been paid on April 1, and is not paid yet today because I have to collect, myself as Chairman of the Committee. It is becoming a problem to collect.

I think that it is time something was done and the Minister of course has spoken many times that he felt more or less the same way.

I will not belabour the subject any more; I will be voting definitely for this motion, no problem whatsoever but with sympathy for the Minister who has to carry it out.

Hon. Mr. Lang: Mr. Speaker, I would just like to point out to the Honourable Member, to refresh his memory, if you recall a number of years ago prior to 1974, each Member of the House was allowed so many dollars for what was loosely-termed a slush fund and if my memory serves me correctly, all Members in the House at that time donated their few thousand dollars towards the television program for the rural communities so it is not a question of Whitehorse versus the rural communities, it was a question of equalization.

There are some problems here though, Mr. Speaker, and I think it has to be pointed out and that is that in the first part of the resolution, it is primarily the responsibility of the Government of Canada but it is one that we are investigating very thoroughly. I should say that the Member from Tatchun has been very active working with me on this matter seeing whether or not we can get radio to the various communities who do not have it.

It is interesting to point out that when the CRTC, which my colleague, the Minister of Health mentioned, was in the Yukon and held a hearing here in Whitehorse a number of weeks ago, they were discussing better television reception, yet at the same time we have a number of communities in the Yukon that do not have radio. In fact, they have television but they do not have radio. That is rather an ironic situation.

At any rate, I am hopeful that we can come forward with a package working with the various Government agencies and hopefully resolve the question of radio reception for those communities that do not have it.

The second part of the motion, Mr. Speaker, I have a lot of sympathy for what the Member from Teslin has said, also the Member for Tatchun in respect to the \$1,000 a year that is required under the Community Assistance Ordinance.

I am prepared to make this commitment, Mr. Speaker, that this will be the last year that it will be charged. I am prepared to bring in legislation this coming fall.

If you recall, over the course of the last Session there was some discussion on this matter. We are in the process of negotiating with Telesat Canada and the Member from Campbell was very right in saying that most of the money goes to Telesat Canada. We have a five year agreement with Telesat Canada that requires X amount of dollars to be paid per year per station.

We are right in the midst of negotiations. I am optimistic that we can come up with a much lower figure than what we are paying at the present time, which will then translate to us to be able to take the requirement for the \$1,000 charge to the communities.

I, for one, am prepared to bring the legislation forward in the fall regardless of where the negotiations are.

But dealing with the Federal Government, even with Telesat Canada, they are subject to CRTC and any changes that they have, they have to submit to CRTC as well.

Mr. Speaker, I have no problem supporting the resolution. I am prepared to make the commitment that this will be the last year for the charge for television. With respect to radio, I am hopeful that we will have something to announce within the next couple of months.

Motion agreed to

Mr. Clerk: Item Number 4 standing in the name of Mr. Falle.

Mr. Speaker: Is the Honourable Member prepared to deal with item 4?

Mr. Falle: I am.

Motion Number 9

Mr. Speaker: It has been moved by the Honourable Member for Hootalinqua, seconded by the Honourable Member for Whitehorse North Centre, THAT this House recommends to the Government of Yukon the advisability of undertaking such action as is necessary to provide television coverage in the northern part of the electoral district of Hootalinqua, and in particular, from Mile 928 to Mile 932 on the Alaska Highway and from Mile 3 to Mile 6 on the Mayo Road.

Mr. Falle: Mr. Speaker, this seems to be the communication day, but in my riding, I have about 50 homes who cannot receive television and they are only 15 miles outside of Whitehorse.

I think I have heard all the arguments on the last motion and I have to agree with them 100 per cent. In my riding there are people that are deprived of television service and that is because a moun-

tain is in the way.

I have been looking into the matter and I have had just about everybody who would listen to me looking into the matter, too. I understand that a reflector in a certain area would reflect the signal to both sides of the mountain which seems to be in the way, giving everybody around that mountain television service. I would definitely like to see this Government pursue this matter.

Thank you, Mr. Speaker.

Mr. Penikett: I am glad to hear the Member's motion and the Member's speech. I was a little puzzled by the motion at first, in that it referred to television coverage. I was wondering if the Member originally was proposing that CBC come out and take pictures of him in his riding, at the north end of it.

But it is quite clear what the Member has in mind and I think it is something that we have probably all heard about. He mentions that these people are 15 miles outside of Whitehorse. I have some constituents who are inside the City of Whitehorse who complain that they cannot get TV reception. Of course, what they are talking about is they get CBC, but they do not get cable. In fact, I have one prominent Liberal landlord, who is very upset with the Conservative-owned cable company because they will not provide cable to his trailer court. That is a dispute that I am not intimate with all the details, but, clearly, it is the kind of problem that I think the recent developments in television technology will probably solve. I do not think we are very far away from a situation where the kind of problem identified by the Member for Hootalinqua will be removed.

I am not suggesting for a minute that the Minister of Municipal Affairs should go out and move that mountain that is in the way, because, clearly, well, it is under Highways, yes, but moving mountains is clearly not within the Minister's purview.

I think all Members share, in the kind of climate and the kind of winters we have here, that there is need for better television reception. I think we did hear some briefs from one Member of this Government, I guess a couple of Members, recently, when the CRTC were here, but I do want to tell the Member for Hootalinqua that I will support his motion and that it is not only people who are just outside the City who have a problem, there are people inside the City, too, who feel they have a problem, as well.

Mr. Fleming: I will also be supporting this motion, however, I have a few little problems with it, in the area of coverage, of course.

I think of the areas such as Upper Liard, because there is a mountain in the way there, they do not get very good television and they would like to have it improved, too, and all of the people along the Alaska Highway, here, there and everywhere, that just are not able to get television at all, whether it is unclear or clear, they just do not have any.

However, a motion such as this, we understand and I think probably is needed and could probably be a boost to the station or something in town here, whether it is possible or not, I do not know, because I have talked to the people who operate them and they are really not that enthusiastic about trying to boost the television coverage in some areas.

However, I think that just the motion being put to the House and to all of our aspirations and everything being spoken on the motion and so forth, the Government will understand that all of us would like to see everybody have television when it is possible and when it can be paid for.

I will support this vote.

Mr. MacKay: Actually Mile 928 to 932 is a fascinating topic and I would love to know why Mile 933 does not deserve the same type of encouragement. I would like to suggest to all the Members that they should try an experiment which I have been going through in my home the last three weeks. When the television broke down, it was not replaced and I strongly suggest to all of you that this is a very worthy experiment to try. I think that sometime a motion banning all television in the Yukon might be in order here.

However, recognizing that morals are such as they are, everybody should have television. I will be supporting this motion of the Honourable Member in the hope that his constituents will become better informed and be able to make proper judgments on all the social and political issues of the day.

Hon. Mr. Lang: Mr. Speaker I am just going to make a few comments in respect to this. First of all, it is not beyond our ability to move a mountain, it is a question of whether or not we want to. I would just like to advise the Member from Whitehorse West of that.

I would further point out, Mr. Speaker, and I trust that all Members recognize that the more and more we become involved in the area of communications, that the time will come that there is going to have to be some reorganization within Government to provide

for the responsibility that we take on.

I recognize this resolution is not asking us to take on further responsibility, but that possibility does exist. In view of what the Members Opposite have said, I would suggest, that if it does come about, that we have to do something along that line, that they would not be accusing the Government of going into the world of propaganda just because they see my picture on the screen every day. I would suggest that they take that very seriously.

In respect to the situation that has developed out in the Hootalinqua riding, we have been working with the CBC. They are in the process of undertaking a signal strength measurement this coming spring, I believe in May. If there are enough people out in the area, they may be able to provide the necessary capital outlay to provide the reflector that the Member spoke of, so that television could be provided to his constituents. I will definitely bring the resolution to CBC's attention and we will see what kind of action we can get out of it. Mr. Speaker.

Mr. Speaker: Order, please, the Honourable Member has already spoken on this debate.

Mr. Penikett: I wonder, Mr. Speaker, if the Member who just spoke would permit a question, though.

Mr. Speaker: Question has been called. Are you agreed?

Motion agreed to

Mr. Speaker: May I have your further pleasure?

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, 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 Hootalinqua, 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 will call Committee of the Whole to order and declare a brief recess.

Recess

Mr. Chairman: I will call the Committee of the Whole to Order. The first thing we will be discussing this afternoon will be the motion of Mr. MacKay that was referred to the Committee of the Whole: THAT this House regrets the failure of the Government of Yukon to implement the policy of power rate equalization across the Yukon.

Mr. MacKay: Is it in order for me to proceed or the person who moved it into Committee, Mr. Chairman?

Mr. Chairman: It does not matter in Committee of the Whole who speaks first.

Mr. MacKay: Okay, I would be happy to continue discussion of this motion. As we have not heard anything from the other side, I would like to, perhaps, hear from the other side at this point.

Mr. Tracey: Mr. Chairman, I am glad to see that the Members from the other side of the House support equalization of power rates because that is part of our political platform. We have been actively working on it. As a member of the past Public Utilities Board, I, myself, was very outspoken on the equalization on the power rates as the past Chairman can probably agree to when he gets his chance to speak.

We are actively trying to put together an equalization plan. We have been dealing with the Federal Government in this regard. When I was the Minister upstairs I can say that we were doing an awful lot to try to get equalization of power so I cannot agree with the motion that this House regrets the Government is not working to equalize power.

I would like to propose an amendment: it is moved by myself and seconded by Mr. Falle, THAT Motion Number 7 be amended by deleting the words "regrets the failure of" on the first line of the Motion and by substituting therefor the word "urges".

I think this says what everybody in this House really feels about equalization of power in the Yukon and I think that we will certainly vote for the motion.

Mr. Chairman: It has been moved by Mr. Tracey, seconded by Mr. Falle, THAT Motion Number 7 be amended by deleting the words "regrets the failure of" on the first line of the motion and by substituting therefor the word "urges".

Hon. Mr. Pearson: I regret that I did not get a chance to speak in the House, however, in Committee, as far as I am concerned, is as good a place as any to speak to this motion and now to the amendment which I appreciate very, very much.

The Honourable Leader of the Opposition, in speaking to the motion, expressed the opinion that there was no logical reason for a political decision to have been made by this time. Mr. Chairman, I am inclined to agree with him that there is no logical reason, but there is a financial reason why there has not been a decision made, the hard political decision made, in respect to equalization.

I am positive, Mr. Chairman, that in moving the original motion, the Honourable Leader of the Opposition was not suggesting, in any way, that either I, or any of my colleagues, have changed our long standing conviction that there should be equalization of electrical rates in Yukon.

Now, Mr. Chairman, I appeared before this House as a witness at one time and stated emphatically that I did not think that it should be too much of a problem to equalize electrical rates in Yukon if we could equalize the cost of booze in Yukon.

I think it is much more important that electrical rates be equalized.

However, we have run into a problem. I do not think it is insurmountable, but it has caused considerable delays and it has caused us to be in a quandary at this point in time.

The problem, Mr. Chairman, is that we do get money from the Federal Government that we put into what is now our subsidy scheme. We are hopeful that we will be able to change our subsidy scheme into an equalization scheme. I think it would be much more beneficial to the whole Territory.

The money that we get from the Federal Government is realized by way of a rebate of 95 per cent of the income tax that is payable by the private utility each year. Just prior to their defeat, the former Liberal Government tabled a Bill in the House of Commons that said that they were going to reduce that 95 per cent to 50 per cent. It would have had major impact on us.

This Government was lobbying the Federal Government very, very hard, at that point in time, that that change should not affect those people living north of the 60th parallel in Canada, because of our extraordinarily high rates.

I think, Mr. Chairman, that we were getting a sympathetic ear in the lobbying that was going on at that point. However, the Government was defeated, we heard no more about it and went on our merry way, developing what we thought was a pretty sound equalization plan.

Then there was another election called. There were a few statements made during that election campaign that could have quite an impact on any kind of a scheme we put into effect in the Territory. We are trying now to determine, in fact, whether any of those statements are going to come to fruition, whether there are going to be more Federal funds pumped into Yukon for electrical rate rebates of some kind, shape or description.

Also, Mr. Chairman, the last word that we have from Ottawa now is that the Government intends to re-table the Bill cutting back the rebates from 95 per cent to 50 per cent.

So really we are back to that square again.

Now it means a fair amount to us, Mr. Chairman, in that it could mean as much as about \$200,000 per year that we either get or do not get from the Federal Government. To our 26,000 people, that is a lot of money. If we have that \$200,000 to put into an equalization scheme it makes it a lot more palatable to the whole Territory than if we do not have it. The alternative to not having it is to vote our own funds.

I would also like to point out one other thing, Mr. Chairman, just in case anybody thinks that all that this Government has been doing over the years is pay back into the scheme that has been in effect those funds that we received from Ottawa. I have a couple of numbers here.

I appreciated the Leader of the Opposition's statement that he did not want to deal in numbers, but I thought that these would be of interest to him.

This rebate scheme was developed by the Government of Canada in 1966 and since that time Yukon has received \$3,008,000 from the rebates plus interest added to that money, that, in effect, was kept from year to year. This money has been received now up to March 31, 1980.

But, Mr. Chairman, in the same period of time we have paid out \$4,356,000, so our scheme, to date, has cost the people of the Territory \$548,000. We still do not have equalization. This is just the subsidy thing.

I agree 100 per cent with the Member from Teslin when he said that the subsidy scheme is not fair, but it was, I think, the best that could be thought up at that particular point in time.

There is no doubt about it, if we do go to an equalization scheme, and I am convinced that we are going to, electrical rates in

Whitehorse will be higher. It does not matter that only one-quarter or one-eighth of the electricity is used outside Whitehorse. Electrical rates will, in fact, be higher because of the cost of producing power in the outlying areas is so much greater than it is here in Whitehorse and oddly enough, it is cheaper to produce in Mayo than it is in Whitehorse.

So really when it comes down to it, in any kind of a subsidy scheme that we have, if we are going to equalize rates throughout the Territory, in fact, those areas that now get their electricity by hydro will be subsidizing those areas that have to get their electricity through other means.

We find nothing wrong with the principle involved at all.

Mr. Fleming: Yes, I am very interested in what the Government Leader said, because what he says is true, in many cases.

I can well remember when we had the problem here before, because of the income tax that was being taken from Yukon Electrical and brought back to the Government. The very same type of motion, more or less, that is in the House today was in the House at that time.

I am very happy to hear from the Member for Tatchun on the wording of the motion, because, upon seconding the motion, I know this was not the intent of anybody to make it look like a non-confidence motion, but it does look a little in that respect, but it was not the intention of the Member who moved it, the Honourable Leader of the Opposition, and it was not my intention in seconding it, either. We just felt something should be done and that was the way, to the best of our knowledge, that we put that motion forward at that time. I am very glad to see the amendment.

I think, though, and I agree that Whitehorse, as a whole, does look as if it has got to go up a little bit, if this program went through. But, I cannot agree, when the Honourable Leader says that it does not really matter whether there is only a quarter used outside of Whitehorse. I think how he meant it is probably right, but it does really matter, because it will not rise as much as if we were using the same amount outside of Whitehorse.

If we were using as much as Whitehorse and were paying 20 cents and Whitehorse was using the same as we and they were paying two cents, naturally, there would be a great monstrous rise in theirs.

However, that is not the case. I can quote close to the figures: in Ross River, it is over 20; Teslin starts at around 20 somewhere; Haines Junction is around 16. That is the beginning, you know. Then you go to Watson Lake, which, in turn, is quite a centre and does use quite a bit of power, and it is around 14 that they start at.

Consequently, you are going to have to balance those figures somewhere at around 16 to 17 cents and then down to the price of Whitehorse. As I said before, depending on how much is used outside and how much is used here, to collect the same amount of money, you do not come up with a figure right square in the middle of that, of either one of them.

Just to show you economically what can happen along the Alaska Highway, and I do not think that my bills are any different than anybody else's bills, if they are in Teslin, in some places, of course, it may be more; in Ross River they would be more if you used the same amount of power; but although an establishment such as my own and I think the Honourable Leader, the fact that he does my books for me, can verify this very well, with less than \$200,000 worth of business in a year, my power bill hits right up around \$12,000. It is just a little bit much.

The power bill was \$1187.64 in December for 6700 kilowatts and actually that is what you have to look at to find out just what people are paying, is the amount of kilowatts they use. You can say I only pay a \$2 bill if I use the minimum but you balance it out with the figures.

In January, \$1,573.05, another one in March for \$1,566.73. I am looking at another one coming, I suppose now, around that \$1,300 or \$1,400 for six little motel units and of course I have electric heat and somebody says that is why you pay so much power. That is not why I pay so much in power bills. It is the rate that causes me to pay that power bill. I do not use 8,000 kilowatts but due to the demand charge on a commercial rate of 22, everything is multiplied by 22. I use 400 or 500 and it is multiplied up by that much.

I think that the Price-Waterhouse Report came in and I think there is some area there that came up with a program that they did this very thing that Whitehorse would be raised from three and a half to four, or somewhere in that neighbourhood, and that was in the lower bracket, not the first few kilowatts, to 7-something. If you read the Price-Waterhouse Report, you will find that they were not really taking the subsidies and handing them back to everybody, too, as they should.

You must remember that the \$4 million that is spent, that \$3 million is spent, if that is going to be spent in the next few years, too,

and wherever we are getting it from, the Federal Government, income tax, digging it up ourselves, or wherever, you must remember that if you equalize the power you must also give Whitehorse their share of those equalization payments across the board and that may make the picture look a little bit better, quite a bit better I would say.

Some of the places outside of Whitehorse are even lower than Whitehorse, on the NCPC side, if you ever get control of that, would not bring them a way up, it would probably help the situation in Whitehorse a little bit.

I do not think there is any use to go on. There are too many figures here for one or two people to just figure out themselves, but nevertheless I feel it is a necessity to try and do something about it because I can see over the next two or three years, business along the highway may be improving. We hope we have the Pipeline. If we do not, okay.

If we do not do something about it, the price of oil is going to keep going up and up and up. Right now we have a rider at three cents tacked on every kilowatt that is on here. That is three full cents on every kilowatt used, not the first 40 or the first 1200, that is on every kilowatt that is used. That rider is in effect today, 3.1 since the first of April. If the oil goes up more, we will be getting another rider.

Now Whitehorse does not get that same rider although they did get one for .69, too. They have that. They will continue to get that. Ours will just be going up in the long run. It will probably get so that it is just an impossibility to run a small business in the Territory if we do not do something about it, one way or another.

The subsidies that are coming to us in the residential areas make it very hard for me to stand up and say the Government is not doing a good job of subsidising us and almost giving us the prices we are paying in Whitehorse. But that program is not that good.

In the commercial field, there is only the 15 per cent and it has been there for many, many years and that has not changed. That is the area that I really worry about is, is the business sector, small business.

I think that that area was going to be looked at, and I agree, by the Conservative Government at that time. It was our Member of Parliament who stated very emphatically that it was before the House and had gone to Treasury, that we would get 1000 kilowatts. To stand up and say that that is not any good would be foolish, in a way. But I will stand up and say that that was not any good for this Territory, because what it actually would do and if it comes through now, what it will actually do is to take the incentive away from this Government to act on their own and do something about the equalization of power, take you off the hook. I might say this, for the next two years while you are here.

I know the Minister of Community Affairs likes to be taken of the hook but, you know, we cannot give him that one.

I hope that possibly is back into Parliament again and back to Treasury and maybe they will give that 1000 but that is not going to solve the problem as far as I am concerned. That is going to help the odd one very much, such as a small place that was mentioned, Old Crow was mentioned. It would help Old Crow very much. It would help a small place like Johnson's Crossing Lodge, one single lodge, to the extent of \$100 or so a month. That is great.

But for a small business that is larger and uses more kilowatt hours, that is not going to help that situation here that is this big. In my opinion, I think we have to do something about it ourselves here, in Yukon.

Hon. Mr. Pearson: Mr. Chairman, there has to be some clarification made to the Honourable Member for Campbell.

When we are talking equalization here, Mr. Chairman, we are talking equalization of residential electrical rates. There are two more kinds of electrical rates involved. One is commercial and one is industrial.

Now, Mr. Chairman, the Honourable Member had better hope that that Federal scheme gets back on the drawing board or else the commercial users in the Territory are in jeopardy of losing the 15 per cent rebate that they get now. We have not got that money. We do not have that money, nor have we ever had it.

Mr. Chairman, the equalization scheme that we are dealing with here allows us to spend some \$400,000. The Price-Waterhouse Report, which is the Report that they did for the Electrical Public Utilities Board, deals only with residential electrical rates; it does not deal with commercial rates at all.

Also, Mr. Chairman, I seem to get the impression from the Honourable Member that he anticipates some kind of a scheme for equalization that is going to be on top of the current subsidy schemes. Not so at all. The subsidy schemes go out the window in their entirety. Everybody is then back to paying the cost of producing the power in that particular community and, at that point in

time, we take the \$400,000 and we equalize electrical rates.

As a consequence, Whitehorse, where the cost of producing is cheap, will pay more than the cost of producing, so that Teslin, where the cost of producing is very expensive, can pay the same as what Whitehorse is paying. That is what equalization is.

Into that pot we can throw this \$400,000, but we cannot be subsidizing on one hand and then equalizing on the other hand. We would have total chaos then.

Mr. Fleming: I have been misunderstood many times in the House. I do not misunderstand what is going on in the Federal Government or this Government, really.

I am saying, again, that the program that we should be going into is an equalization program and, of course, monies from wherever we get it, and I think I have said that before, no matter where we get it, but the price goes across the board and you can look after it that way, rather than have 20 cents here, 30 cents.

I do not disagree with the Honourable Leader when he says that the City of Whitehorse probably will go up and I sincerely hope that it would not be too much and if it was, I would be the first one to stand up here and say maybe that subsidization should go to them for a few years, more so than the outlying communities, to give them a partial balance-off on that, because I do not believe in being unfair to anyone.

For the economy of the country, I must say again, we have just got to do something about it, that is all.

Mr. MacKay: I will not take any more time of the House, except for my 40 minute speech. I am glad to hear the Government Leader, as Government Leader, unequivocally support the equalization of power rates. That is a step forward and for the Member for Riverdale North, that is probably a step backward. I think that he is to be commended for his political courage, hardly equalled in this House by the Member for Riverdale South.

The amendment is acceptable to me, Mr. Chairman, it has produced an unequivocal commitment on the part of the Government, not just a Party and its resolutions because we all are a little cynical about some election promises not being carried out.

I am glad to see this particular election promise now enshrined in a resolution of this House that will, I am sure, spur on the Government Leader to greater efforts to reach a conclusion in his negotiations with the Federal Government and to implement, as soon as possible, power rate equalization across the Yukon.

Mr. Byblow: I think perhaps just for the record, I face the same situation as do many Members whereby the rate, under equalization, could very well mean an increase. I believe under the situation whereby Faro is on the Whitehorse grid, we are fortunately in a very favourable position with respect to the rate structure in terms of outlying communities. We are certainly the lowest community.

I would like, on the topic, to just question the Government Leader with respect to the 95 per cent rebate that comes from the income tax portion on utilities. Which utilities are you referring to and I am not sure that I completely understand the equalization program that he is proposing in using that \$400,000?

Hon. Mr. Pearson: Mr. Chairman, privately-owned utility companies in Canada are subject to corporation tax, the same as any other private business in the country. Some years ago, 1965-66, the Federal Government adopted a policy whereby they said, to each of the Provinces and the two Territories, "We are going to give you back, each Province and each Territory, 95 per cent of the money that we collect from the private utilities that produce electrical energy in your Province or Territory."

In our case here in Yukon, of course, it is Yukon Electrical, the only private utility company. NCPC does not pay any taxes, is not subject to any tax. As a consequence, the Federal Government is not able to give us anything in respect to their profits on a year.

Over the course of the years, because of this scheme, this Government has received \$3,008,000, not in net money, but that \$3,008,000 includes the revenue that we received, plus interest that we have added to that fund, because we have had the money and we have been able to collect the interest on it over the years.

There were a number of years where there was not as much money being paid out as there was money coming in. That changed dramatically here a few years ago, when, all of a sudden, the profit picture for Yukon Electrical changed dramatically. As a consequence, their income tax became less, because their profits went down. Some people have attributed this to the Electrical Public Utilities Board.

So, in the meantime, we had the scheme going and, over the years, we have paid out and, in fact, we have paid out in excess of \$500,000 more than we have collected on that scheme. So, that is how that 95 per cent number came about.

The Government of Canada now says that they are going to amend that legislation and instead of rebating the Provinces and the Territories 95 per cent of the income tax, they are only going to rebate them 50 per cent of the income tax. It would mean a difference of a couple of hundred thousand dollars a year, we anticipate, to our revenues, in respect to this.

The equalization scheme that we propose is exactly that. We throw all of the costs into a pot and try and come up with a number whereby the payments that are made to Yukon Electrical and to the Northern Canada Power Commission, the two suppliers of electricity in the Territory, they will get all of their money, but it will be from different sources.

Mr. Chairman: Is there any further discussion on the amendment?

The amendment reads, THAT Motion Number 7 be amended by deleting the words "regrets the failure of", in the first line of the motion, and by substituting therefor the word "urges".

Amendment agreed to

Mr. Chairman: The motion now reads: THAT this House urges the Government of Yukon to implement the policy of power rate equalization across Yukon.

Mr. Fleming: One last word, because this has been dear to my heart for a long time. I would like to remind the Honourable Minister of Community Affairs that he also, even though his price is very low at his house, does get a 2.5 rebate on his bill, too, if he takes a good look at it.

However, I am very glad, I hope this motion passes. I have great faith in the Conservative Government sitting across the floor that they will, even though I have seen this Motion so many times and it never says really "do", but it urges and it pushes. I have great faith that this Government will do something in the next year or two.

Motion agreed to

Hon. Mr. Graham: Mr. Chairman, I move that you report Motion Number 7 as amended.

Mr. Chairman: It has been moved by Mr. Graham that I report Motion Number 7 as amended.

Motion agreed to

Mr. Chairman: I will now refer you to Bill Number 9 which is the Garnishee Ordinance. We had three sections held over. We are, this afternoon, going to consider these three sections. The first section was Clause 2 on Page 2.

Hon. Mr. Graham: That was Page 1 was it not?

Mr. Chairman: Page 2, Clause 2.

Hon. Mr. Graham: I have here Clause 2(1), the definition "due" - "due" means owing, payable, due or accruing due", is that correct?

Mr. Chairman: Yes.

On Clause 2(1)

Hon. Mr. Graham: Mr. Chairman, the reason that we added "due or accruing due" in the definition of "due" was simply to cover all avenues. We felt that "due", meaning owing or payable, would not cover all debts, such as debts that are due to a contractor upon completion of the job. They are not due at the time the garnishee order is given because the work has not yet been completed, but they are accruing due because as work progresses, these debts are accruing, the money is accruing due to the contractor.

I have been assured by the Legal Department that by including this in the definition, it captures all debts that could possibly be due to a debtor, a person that is in a position to be garnished. That was the simple reason behind that.

It is simply to make the definition all-encompassing.

Clause 2(1) agreed to

Clause 2 agreed to

On Clause 15(2)

Hon. Mr. Graham: Mr. Chairman, Clause 15(2) is really a fairly desirable provision. Under this subsection, a partnership is now liable for the debts of the individual partners, only for a full partnership debt.

A partnership bank account cannot, therefore, be attached unless the original action was taken against the whole of the partnership. Naturally, this provision is favourable to the innocent partners and keeps them out of complications caused by the private action of one of the partners.

That is the reason 15(2) is there.

Clause 15(2) agreed to

Clause 15 agreed to

On Clause 35(1)(2)(3)

Hon. Mr. Graham: Mr. Chairman, I do not remember exactly why this one was set over, but the explanation is as follows: in the ordinary case, when money is collected under a garnishment order and paid into court by an employer or other person who owes money to the debtor, the creditor has to go to court to take it out.

If there is no dispute over the affair, he can take out the money, thereby satisfying the debt or portion of it. I remember the conversation we had now. This was due to the fact that a creditor must satisfy the court that the money is due to him and that the creditor knows of no other person, other than the creditor, who is interested in or entitled to the money paid into court. That was the problem we had.

If, however, there is a problem about it, meaning the debt, then it has to go before the judge to settle a problem. Paragraph (c) is part of that system. Before he takes the money out, the creditor must file an affidavit proving that the debtor has been served with the required documents under Section 34 and also, that he, the creditor, is the only one now entitled to the money.

If, for example, there was a joint account situation, the court clerk would be alerted, because the creditor is obliged to tell him. Perhaps the bank or someone else might claim the money. Again, it would be wrong to allow the creditor to seek out money through the court clerk, when another is claiming the same money.

In other words, we were concerned in areas such as where two people have a claim against the money. The creditor must satisfy the court that he is the only one that has that claim and that he is legally entitled to the money that is being held by the court.

Mr. MacKay: The question at issue was the business of filing an affidavit and what onus was being put upon the creditor to ensure that when he signed that affidavit that he was not, in fact, signing a document that could later be proved to be false by virtue of circumstances that existed at the time.

I will give you an example, if a creditor is owed money, garnished it, it goes into court, and even if he is aware of the possibility, it seems to me, that perhaps the Workers' Compensation Board has not been paid by the debtor, Revenue Canada has not been paid by the debtor for wage deduction and that kind of thing. I do not know how he can swear an affidavit saying that he is the only one entitled to this money when common sense could easily tell him that there are many others who need it.

When you get to garnishing, obviously the debtor is in a lot of trouble and obviously he is going to have other creditors chasing him. So I have this problem of him swearing an affidavit, and I am thinking now in terms of some of the affidavits that are sworn to get money out of the Government on completion of contracts which are leading to a lot of difficulties. That is my concern, perhaps you can answer it.

Hon. Mr. Graham: Mr. Chairman, we are not worried about creditors who have not yet filed with court. What this section is trying to capture is, in cases where I have a joint account with my wife, if you serve a writ of garnishment on me, you can garnish that whole account even though it is a joint account. You then know that my wife has some interest in that money, in fact, you cannot garnish the whole account because she has an interest in that money and you cannot garnish her money or you cannot receive a writ stating that her money can be paid over to you.

In that case, you would be forced to tell the court that there is someone else who has an interest in that money. If nobody else has served a garnishee summons on that joint account, then it is not up to you to inform the court of other debts outstanding.

We are talking about where no person, other than a creditor, the debtor, and the garnishee, who is interested in or entitled to the money paid into court, so we are talking only about people who have an interest in the money that has been paid into court such as a joint account. Those are the ones that we are trying to capture because we do not want that money paid out of court to you if, in fact, my wife should have received 50 per cent of the money that I owed you.

That is the situation we are trying to capture. We are not asking the creditor to go to court and say he does not owe anybody else money. We are just saying that that money that is being paid into court was actually the debtor's to pay. No one else has an interest in that money.

Mr. Fleming: Yes, Mr. Chairman, would I be right in assuming then that (d) covers the other portion of it where the clerk of the court has received no notice. Each section speaks for itself, that any person other than the creditor, the debtor and the garnishee may be interested in and entitled to money paid into court.

Hon. Mr. Graham: That is basically right, Mr. Chairman. We go against Section 34, because we want to make sure that the debtor has been served with the required documents under Section 34 which is the notice to the debtor. We want to make sure that the

creditor has given that notice and that no one else has expressed an interest in that money that is being paid into court. If no one else has expressed an interest, there is no legal interest in that money.

Mr. MacKay: I appreciate the Minister's explanation of what he is trying to capture. I still have problems with the wording of the section in terms of producing desired results. When it says "...the creditor knows of no person..." what does "knowing" mean in law? Is it that he has received notice from somebody or that in the course of his business he is aware of it?

I just have some difficulty at the breadth of which this affidavit has to be sworn because what does "knowing" constitute? How do you define that word?

Hon. Mr. Graham: Mr. Chairman, we went through this in getting this explanation prepared. What (c) does is provide a safeguard for third parties. They ought to get a chance to make their claim before a judge and it is as simple as that.

If someone else has an interest in that money, and they have served notice that they have an interest in that money, then it is up to you to make sure that they are safeguarded as well as yourself as a creditor. We attempted to re-word it so that it would be more clear, but we found, in attempting to re-word it, we simply did not get the desired meaning.

Under this, the court must be satisfied that the money is being paid to the right person and that everybody concerned knows where the dollars are going.

Unless we do it this way, we felt that we would be missing too many people. I hate to be rigid, but we find that it satisfies the requirements that we wanted and we feel that it is not so encompassing that we are going to capture somebody into making a false affidavit when, in fact, he did not know he was making a false affidavit. We are quite convinced that it is the proper section.

Mr. MacKay: Well, I appreciate the Minister's efforts to try and get around the problem. I would remind him of the three ardent members of the RCMP Fraud Squad who would just love to look at affidavits and find fault in them. I hope that this is not going to be one more cause for them to do that.

Hon. Mr. Graham: Mr. Chairman, I am willing to make some kind of a commitment that if it does not appear to be working after some use, that we are willing to take a second look at that section.

Mr. Chairman: Is there any further discussion on this section?

Clause 35(1)(2)(3) agreed to

Clause 35 agreed to

Mr. Chairman: Those were all the subsections that were stood over. All the other clauses have carried.

I refer you back now to the Preamble.

On Preamble

Preamble agreed to

On Title

Title agreed to

Mr. Chairman: I now declare that Bill Number 9 has cleared Committee of the Whole.

Hon. Mr. Graham: Mr. Chairman, I move that you report Bill Number 9, Garnishee Ordinance, out of Committee without amendment.

Mr. Chairman: It has been moved by Mr. Graham that I report Bill Number 9, Garnishee Ordinance, without amendment.

Motion agreed to

Mr. Chairman: I now refer you to Bill 34, Executions Ordinance. On this Ordinance, we had three subsections stood over.

The first subsection was subsection 5, on page 3.

On Clause 5(1)

Hon. Mr. Graham: Mr. Chairman, there were some problems here with the fact that the sheriff is not compelled to tell creditors where articles that are available for seizure are. The purpose behind this is the simple fact that many members of the public, and unfortunately, many lawyers, have a completely wrong view of the sheriff's functions, and also the court's, for that matter.

The business of the court is to resolve disputes and to enforce its own orders. Many people think that all they have to do, really, is to get a judgment in the court and the court and sheriff combined will carry out the necessary action as a collection agency.

In fact, the sheriff is not a collection agent. His business is simply to seize property which is identified to him by a creditor as the property to be seized. As a matter of courtesy, the sheriff often knows where property is located and at the request of a lawyer will keep an eye open for a car or a truck or a boat or something of that effect that may be seized.

Many lawyers and many people in the Yukon seem to think that it is the sheriff's responsibility to go out and find some article to seize. That is not true, and that is what we are trying to spell out in Clause 5.

The sheriff, through courtesy, may inform a creditor where a specific article is because of the fact that normally these debtors have more than one person after them. So, the sheriff becomes aware of where these things are but as a normal matter of course, the sheriff will not do this. It is up to the creditor to locate the article that he wishes to have seized. It is up to the creditor to inform the sheriff where the article is. The sheriff will then go out and seize that article. It is not up to the sheriff to search the banks to see if the person has a bank account. It is not up to him to search the motor vehicle registers to see if he has a registration. It is simply up to him to seize an article that a creditor has informed him he would like to have seized.

Mr. Penikett: Mr. Chairman, while we are on the subject, this may not be the pertinent section but I would like to ask the Minister if he now has answers to two questions that were raised in the previous Committee discussion on this Bill in connection with the role of the sheriff. What I have in mind is, one, whether the Minister has yet determined what are permissible occupations for moonlighting sheriffs. And two, whether under any circumstance an employee of this office is permitted to trade in seized articles.

Hon. Mr. Graham: Mr. Chairman, it has come to our attention that, in fact, some members of the Government staff are moonlighting in an area that we do not consider right or proper. Unfortunately I do not have a firm answer, but we are in the process of checking whether or not it is legally, as well as morally, not proper to do so. If it is not proper legally, the people in question will be requested to give up their moonlighting and carry on their normal Government job on an 8 to 5 basis without moonlighting in a related field.

The other one was the trading of seized items. In fact, there should be no trading by the sheriff in seized items except in selling the items when directed to do so by a creditor. There are things that he must do under the Ordinance but as far as the sheriff himself purchasing articles that have been seized, we do not feel that it is right, unless of course it is on a bid basis and even then, we feel that there is a bit of a conflict there so we are making it a general policy that the sheriff may not bid on items that he has seized and may not deal with items except as a disinterested party.

Mr. MacKay: I am glad to hear the Minister's two previous statements. Returning to the section at hand here, sometimes if you look at this Ordinance, I guess my concern was I did not see where the sheriff was actually getting his instructions to go and do the work in the Ordinance which I presume would be the keystone to the whole Ordinance, what section instructs the sheriff to go about his work. Presumably he gets his instruction from the court. I am not sure where that section is that says, "You will now go and seize this under these circumstances".

Hon. Mr. Graham: Mr. Chairman, the sheriff is an instrument of the court. If the court gives an order to a creditor, the creditor applies to the court for a Writ of Seizure. If the Court does grant that Writ, the creditor may then go a person who acts as an instrument of the Court, the sheriff, in this case, and say, "I now have this Writ. The item is located at 604 Black Street. Would you please go there and seize that item for me? Here is my Writ." The sheriff is obligated to do that.

I do not know if there is a specific section in here that says the sheriff shall act at the direction of the court, but I think the Ordinance generally outlines the sheriff's duties. I am sure that it says in there somewhere that he acts at the direction of the court. I could not pick out the exact section but I know it is there.

Mr. MacKay: It has been some time since we went through it so I am having difficulty finding it myself. I feel sure that there has to be a section in there that says that.

A lot of things seem to be couched in, like 7(1), "before he seizes any personal property..." or 6(1), "A writ of execution binds the personal property of the execution debtor..." but does not affect the interest of this. It gives all the exceptions of the thing but it does not seem to have any compelling section that says "the sheriff shall do" which is the reason I raised the query in 5(1) in the first place. This seems to give all the exceptions to the sheriff but it does not seem to compel him to do his work at any point.

Hon. Mr. Graham: Mr. Chairman, it does say, in 4(2), also, that "no person other than the sheriff shall effect a seizure or sale of property". So, in that, it is implying that the sheriff shall do it.

I am sorry, I am not even certain that in the Judicature Ordinance or something to that effect, the sheriff is not compelled to do it. I am just not certain, I am sorry. I would have to take notice on that and I am sure I could get the information for the Member at some time.

Mr. Fleming: Well, Mr. Chairman, I find it a little confusing. The

sheriff is not required to make any inquiry as to the existence or location of the property, but, in the Ordinance, it does state that the sheriff shall affix a notice on that property. So, it is really saying—that is over on 10(1), 10(2), 10(3), keep a record of all notices.

So, I do not quite understand where it does say the sheriff is not required to make any inquiry as to the existence or location of the property. I would think that he would have to make that inquiry, anyway, because he is going to have to find it sooner or later.

Hon. Mr. Graham: No, Mr. Chairman, that is not right. As I explained before, it is up to the creditor to find that item that he wants seized and to tell the sheriff where it is. The sheriff will then go out and seize it. It is not up to somebody to come into the sheriff's office and say, "Well, I know that guy owns a 1964 Chev, because I have seen him driving it" and then the sheriff hustles out and finds the car in Ross River or wherever and seizes it. That is not the way it goes.

The creditor says he owns a 1964 Chev and it is located at such and such a place and here is the writ of seizure that I have received from the court. It is then up to the sheriff to go and place that writ or to place that vehicle under seizure.

Clause 5(1) agreed to

Clause 5 agreed to

On Clause 19(1)

Hon. Mr. Graham: Mr. Chairman, this is where Mr. MacKay had a suggestion that we make the sale of shares pro rata. We discussed this and we discussed the various pros and cons of making the sale of shares pro rata, and what we finally discovered, after consulting with some high priced legal help, was that we have taken the market away from the seller if we force him to sell the shares on a pro rata basis.

Say the fourth shareholder in a company of four shareholders, what we are allowing the shareholder to do, under this section, is sell his shares to the highest bidder. We are not taking that away from him.

If we forced him to sell on a pro rata basis, everybody would know exactly how many shares they get and they would be offering the lowest possible price for those shares. Therefore, we have effectively taken his market away from him.

The advice we received is that we make them available to the shareholders first, therefore we do not restrict him to only a certain group of people on a pro rata basis and we allow him to take them to the highest bidder among the shareholders in the company.

It could, in effect, change the ownership of a company, in some instances, but we did not think that we should be taking away that person's right to go to the highest bidder, as long as it is within the group of people that own that company.

Mr. MacKay: I do not think the Minister correctly interpreted what my point was. My point was that it should be disposed of, under the provisions of the bylaws of the company, which may or may not provide for pro rata distribution. Commonly, they do, though.

The reason that I thought that they should be under the bylaws of the company is that it is likely a member of a society or a club or anything like that, once you join a private, limited company, you agree to abide by these rules that are in the bylaws and everybody lives by these rules. So, they are there to protect the other members of the company just as much as they are the individual in question in this section.

So, it seems to me that, in fairness, while I appreciate the rest of the section, it deals with all the permutations of what could happen. I think the first creditor, the problem should be to go by the bylaws of the company, failing that producing a satisfactory solution, to then go on to what you have got here. That was the argument I was making.

Hon. Mr. Graham: Mr. Chairman, I can answer that one, too. In some cases, the bylaws of a company could be worded in such a way as to restrict the sale of those shares to no one except other officers in that company. It can also be done in such a way as to force or to disallow any strangers being brought into the company.

We thought of the fact that company rules could be written in such a way that they would prevent those shares from ever being sold; therefore, you would defeat the purpose of the court order getting, requesting that those shares be sold, because the company bylaws would not allow those shares to be sold. You would defeat any creditor ever collecting money, based on the sale of shares in a company.

If the Articles of Association were such that they could, in effect say, "No creditor can collect a debt due to one of the shareholders

by the sale of the shares."

We do not think that we should be in a position to allow that to happen. The bylaws can be written to suit the officers of that company.

In essence, what you could do is put all of your savings into a company with three other persons, write the Articles of Association in such a manner that would prevent anybody from forcing you to sell your shares, and then run up debts anywhere you wanted, knowing that your total cash was secure in your company and your shares could not be sold and the funds that you had in that company could not be seized by a creditor.

That was the problem we ran into, which is the reason we decided that we would like to leave it the way it is, because, under this section, anybody can be forced to sell their shares in order to pay a debt.

Mr. MacKay: I compliment the Minister's high priced legal help for coming up with the weirdest explanations for sections.

I think that what you have painted is unlikely, in the extreme, ever to happen. We are dealing, I think, with general businessmen. If somebody wants to avoid the law, they can pretty well set out to do that. They just have to put their money in a Swiss bank to have exactly the same effect of what you have described and you cannot get at it, or put it in a BC bank, for that matter, because there is no jurisdiction there.

So, I think there is a very convoluted reasoning that you have got for not following the bylaws.

I think that the original points you made about these bylaws having certain restrictions on them is very true and that is why I am suggesting that they should be considered, because when you enter into a company and subscribe to shares and agree to operate under these rules, you are making an agreement with your other shareholders that that is what you are going to do. These shareholders operate on that assumption all along and do business on that assumption. Mr. Chairman, to come along and have the whole thing thrown out by an action of a third party, seems to me a little arbitrary.

That is one point.

Another point is by putting in "subject to the bylaws of the company" initially, but then allowing for the other things to occur, if there is no satisfactory bidder comes up under that, usually the bylaws of the company provide for that exact situation. There always is a way of selling shares.

So, I think your high priced legal help should take a look at what the bylaws of companies say.

Hon. Mr. Graham: Mr. Chairman, that is the exact problem we have. We do not have any control over what those bylaws say. Many of the bylaws are just normal bylaws, they are all tossed into the Articles of Incorporation and that is that.

We do not have any control over what some shady outfit will do in their Bylaws of Association. We feel that it is safer to ensure that the sale of shares, in the first instance, can only be made to the shareholders in that company. By doing that, we protect the shareholders in that company.

I do not think that we should go any further than doing that. That is basically what we say. The property shall be offered for sale at a reasonable price to the other shareholders of the company and if it remains unsold for 30 days, it can be offered to the general public.

We think that by doing that it prevents the seller being forced into accepting a ridiculously low price from the other shareholders in the company, which has happened before. It also allows a seller of shares to put in the position of doing a little bit of bargaining and getting the best price possible for his shares.

Mr. MacKay: He is stubborn on this one, I must say. I think it is easily enough done, to accept my argument, if you read the whole of section 19(1), if at the end of Section 1 say, "...to the other shareholders of the company, in accordance with the bylaws of the company". Then when you get to Section 19(5), you cover this eventuality of not being able to sell by saying, "Where no sale of personal property that consists of shares of private company is made under Subsection (1) within 30 days..." then you can close the market. So it seems to me you have got the "out". All I am suggesting is that the first cut at it should be in accordance to the bylaws and agreements which the shareholders have lived under and should continue to live under.

Hon. Mr. Graham: Again, we run into all kinds of problems. First of all, if there are no bylaws, we have a great problem. Secondly, those bylaws can specify at what price those shares shall be sold and I do not think that is reasonable. You know, you can put a minority shareholder totally at the mercy of the major shareholders in the company and you can force them into a position of

selling the shares for peanuts. We do not want to do that.

Your bylaws can say virtually anything. We think that we would be put in a very untenable position if we allowed the bylaws of the company to regulate the sale of shares that have been seized. We just think it would untenable.

Mr. MacKay: I think I now have the problem down to where we could probably agree on what we are trying to say. I do not disagree with Clause 19(1) where it says "...for sale at a reasonable price". The only concern, my sole concern is that they are offered in such a manner equally or whatever the people have agreed they should be offered in, in quantities to their shareholders. That is my only concern, you can put in everything you like about reasonable prices and fair prices and all these things; all I want is to make sure that the minority shareholder in this instance has the right to sell his shares to whom he wants according to the bylaws of the company.

That is all I am looking for. I appreciate that there should be a clause for reasonable price; I appreciate you have got to have a market beyond the other shareholders. You have got all that in there. All I am saying is, you pointed out earlier that you can substantially control the company based upon this clause because the ready-cash is not available to one shareholder or some other shareholder had the availability and yet they are all living under that Agreement which permits them to buy pro rata.

Hon. Mr. Graham: Mr. Chairman, I have some problems with that because I think what you are trying to do is frustrate the free market system. If a person has some shares for sale and another minority shareholder happens to be the highest bidder and by combining two minor shareholders, they get 51 per cent of the company, it is difficult for me to stand here and say I do not agree with that because I think I do.

I think that is the free market system. If you can afford to pay, you get the shares. It is as simple as that. If you want something badly enough and are willing to pay it and somebody else is willing to sell—

Even after considering—, we went through the Hansard, the objections of Mr. MacKay and after considering everything very carefully, we still feel that Section 19(1) is a reasonable section the way it is.

Hon. Mr. Pearson: Mr. Chairman, the Honourable Leader of the Opposition raised a question in respect to where in this Ordinance the sheriff is told what to do. In the explanatory section, Section 2, the definition section of sheriff, reference is made to Sections 61 and 62 of the Judicature Ordinance which, in effect, outlines what the sheriff does when he receives a Writ. If the Honourable Member wishes, if he takes a look at 61 and 62, I am sure it will become clear to him then.

Clause 19(1) agreed to

Clause 19 agreed to

On Clause 33(3)

Hon. Mr. Graham: Mr. Chairman, this is the section that deals with face value and discount values. If the sheriff can easily sell the cheque, bill of exchange, or whatever else he happens to have, there is no problem. He sells it, he pays off the creditor and turns over to the debtor whatever the balance is.

If, however, it cannot be sold easily or if it fetches far less than its face value, the creditor may offer to accept it, nonetheless at its face value, provided the creditor will accept it in exchange to pay the debt. This is a voluntary action of the creditor and that is basically what we are saying here. It is also voluntary action of the debtor to some extent because he must get ten days' notice of what is going on and if he thinks he can do better than the offer, he has the time to, in effect, try and get a better offer at some other place.

On Clause 33(3)

Clause 33(3) agreed to

Clause 33 agreed to

On Preamble

Preamble agreed to

On Title

Title agreed to

Mr. Chairman: I now declare that Bill Number 34, Executions Ordinance has cleared Committee of the Whole.

Hon. Mr. Graham: Mr. Chairman, I move that you report Bill Number 34, Executions Ordinance with amendment.

Mr. Chairman: It has been moved by Mr. Graham that I report Bill Number 34, Executions Ordinance with amendment.

Motion agreed to

Mr. Chairman: Before we start on Bill Number 13 perhaps we should take a 10 minute recess.

Recess

Mr. Chairman: I shall the Committee of the Whole to order. Before we discuss Bill Number 13, I will call on Mr. Lang.

Hon. Mr. Lang: I just want to clarify a few questions that were asked yesterday during Vote 09. One question was asked with respect to the Cantung Road and the maintenance there. Just for the record, I want to set it straight that the Government of the Yukon Territory maintains 80 miles of the Cantung Road and the mine maintains roughly 41 miles, of which only seven miles of that are within the Northwest Territories. That is under an old agreement when they first went into production. Two thirds would be maintained by the Government of the Yukon Territory as the agency on behalf of the Government of Canada and one third by the mine, in this particular case, Cantung.

The other question that was asked was by Mr. Fleming, if the material crushed for the Teslin Airport would be placed on the Airport this year. The answer is "no" because of the financial restraints of MOT for this year and I hope it will be placed next year.

There was some debate also, Mr. Chairman, in respect to determining objectively whether or not the Department was carrying out its duties efficiently. I just want to clarify for the record, we are prepared to compare our highway maintenance operations to that of the provinces, but it has got to be pointed out that it is going to be very difficult. In a lot of cases, it is going to be like comparing apples and oranges; it is a case of whether they apply calcium chloride or do they not, how many passes do they make with a grader and this type of thing. So I think we will look at it more from an activity point of view as opposed to a total departmental point of view as far as any comparison.

The transfer payments to third party, that is the \$60,000 and I believe it was a question by Mr. Byblow, that is the money for the Tote Road Trail Assistance. Transfer payment is just basically a transfer payment from the Government to various mining interests if they want to construct an airport or tote road. It is all Territorial money, at one time it was Federal. It is a responsibility we have taken on.

Mr. Chairman: We are considering this afternoon, Bill Number 13, the Second Appropriation Ordinance, 1980-81. We will be discussing this afternoon the Public Service Commission, which will be found on Page 162.

Hon. Mr. Pearson: Mr. Chairman, the Public Service Commission, as its name implies, is a service department of the Government of Yukon. Its primary functions are the supply of personnel to the various departments and branches of the Government. They do the advertising for the positions that are necessary. They assist in the classification of these positions.

They conduct negotiations with the various unions that this Government is involved with during the course of the year. They also have a small half man year component in respect to the Emergency Measures Organization, and as part of the jobs that we are putting the emphasis on this year, they are also responsible for coordinating the training of YTG personnel. We have asked them this year to put emphasis on that aspect of their work.

Coincidental with that, to emphasize local hire. To try and not spend as much money in the future advertising outside, rather spend that money on training so that we can hire locally, something that we would really like to get down to work at. I think, Mr. Chairman, the major changes in the Department during the course of the year were the resignation of Mr. John McPhail, who was the Public Service Commissioner for some ten years, and we have since hired Mr. Paul Roddick. He is the Public Service Commissioner now. He has come to us with many years experience, and I am sure is going to be an asset to this Government. It is also one of the few departments where we have increased man years during the course of the year. Again, because of the emphasis that we wanted to put on recruitment, local hire, and on training, this Department has increased by three man years during the course of the year. I do not think that I have anything further that I want to say now. Hopefully, we will be able to answer questions of interest to the Members opposite.

Mr. Penikett: I would like to thank the Government Leader for his statement and express, from my point of view, a welcome to Mr. Roddick, too, to the position.

Last year, I think, the discussion on these Estimates was perhaps the most elevating of all the debates. I was extremely pleased to hear, at that time, the commitments from the Government Leader, in regards to the ratio between training and recruitment.

I was very pleased to hear, again, in the Throne Speech this year, the commitment to affirmative action.

I think these are all desirable, but I do want, when we are talking about these Estimates today, to initially ask some general questions of the Government Leader, but then get into some specifics in this question.

The ratio between recruitment and training is something that may be one of the few issues in which, I think, there was universal accord in this House on the question. I would like to hear some more details from the Government Leader about that, because, as this commitment is reflecting the Budget, there seems to be a small beginning and a real beginning, but it is not that substantial, and I am not for a minute imagining we would have had a reversal of the relationship between the \$100,000 and \$550,000 or anything like that, but I would like to hear more from the Government Leader about his plans in this connection, to see if he can anticipate exactly what further shift there may be in that spending relationship in the coming year and how long it may take before we can really be getting most of our employees or generating most of our talent and doing most of our promotions from inside your own service there, if, indeed, that is even a practical goal in the near future.

The second question I want to ask about is affirmative action. I was chided last year by the Minister of Education when I moved my resolution on the affirmative action program for women for not including native people and handicapped.

I think, Mr. Chairman, that it would be appropriate at this time for me to briefly explain why I did not. I have a member of my family who is involved in the affirmative action program for native people and, while I do not think that is, in fact, a conflict, I think it probably would be inappropriate for me to pursue resolutions and that kind of issue in the House, given my relationship to a person involved in that kind of a program in the public service.

However, as a personal and philosophical matter, I am committed to affirmative action programs and, at the time, a year ago, I presented to the House some figures about the relationship and incomes of the male and female employees of this Government. At that time, I presented a motion which asked for an affirmative action program to be implemented.

The Government spokesman at the time, as I recall, fudged the motion and said rather than implementing one, said continue to develop an affirmative action program. The motion was passed and that commitment was expressed then. It was further stated in the Throne Speech.

At the beginning of this Session, I filed a written question to see how, in the past year, the numbers compared with the previous year on the salary statistics by sex.

Not that I expected miracles or any dramatic change in one year, I wanted to see what kind of progress, if any, had taken place. Given the fairly rapid rate of inflation here, it is not always possible to make adequate comparisons.

Last year, I was looking at \$17,000 as being the great divide. It seemed to be an average salary in this Government, and last year, I think 80 per cent of the women workers in this Government were earning less than that, and only 20 per cent of the men were earning less than that.

That compares this year, I notice, in the figures provided to me by the Government Leader today. Only 60 per cent of the women are getting less than that, and only 8 per cent of the men. I suspect, though, a more realistic comparison may be with the \$19,000 benchmark, where I notice that, still, 77 per cent of the women employees of this Government are earning less than that, while only 20 per cent of the men are. The figures, of course, look much worse as you go up the salary scale.

I do note, however, that the total number of permanent employees seems to be up 63, according to the computer printouts, and the percentage breakdown of male and female employees are the same. There are 46 per cent women and 54 per cent men, although I think there were 35 women hired last year, and 28 men. That may or may not mean anything at all.

Last year, the highest paid woman was \$33,000 a year. This year, I noticed that the highest paid woman in Government services is up around the \$43,000 to \$45,000 range, but there are still 13 men in that bracket, so women are not greatly in evidence in the upper management ranks of this Government. Last year there were 29 men earning more than \$33,000 a year. This year there are 51 men and 5 women. Last year there were 7 women in the \$25,000 plus bracket and 95 men. There are a lot more figures like this, but that is not pertinent. What I want to do, Mr. Chairman, is to find out from the Government Leader exactly how much money has been committed to this affirmative action program, and how many man years have been committed to achieving the goals outlined in the Throne

Speech.

There are one or two other small matters I would like to ask the Government Leader about. Last year I asked him about flex time. I have heard rumours to the effect that there is some experiment going on in this regard, and I would hope the Government Leader could report to us on that.

As well, in Question Period last year, I asked the Government Leader if he, or the Public Service Commission, had any serious reservations about implementing job-sharing where there appeared to be a demand for it within the Yukon Public Service and I am going to ask the Minister a couple of questions about the demand for implementation of that kind of program.

Mr. Chairman, as I said, I just talked in a general way about the Commission. I have shared the stated goals. I support the stated goals of the Commission as expressed by the Government Leader. I would just like to hear some more details on some of the questions I have raised.

Hon. Mr. Pearson: Well, Mr. Chairman, it is very difficult to determine when there might be a diametric change in the ratio between recruitment and training. It is going to take some time; it will take a long time. Our base for recruitment in this Territory is small. We just do not have that many people to choose from.

What we have committed ourselves to do is make a conscious effort to try and choose people in Yukon, to ensure that we are looking first and hardest here in the Territory. I cannot say that we can do a switch in any given time, but I submit that it is something that can come about and should come about, and I am sure if we retain the commitment, it will come about in the future. But we always are faced with the problem, particularly when it comes to highly skilled, the highly technical jobs, there just are not the people in the Territory that we can choose from.

Another factor that is going to enter into it, and I have heard this argument before, is if we, as a Government, all of a sudden start hiring stenographers on a local basis, we have a tendency to disrupt the private enterprise of the City considerably. Likewise, if Northwestel, all of a sudden, decides to hire a whole bunch of people, they disrupt. We have to cognizant of this all of the time, that we are not falsifying the job market in Whitehorse in particular.

In respect to the affirmative action, Mr. Chairman, again I have a hard time apologizing or taking any credit for the number of women that may be working as opposed to the number of men, or the number of native people as opposed to the number of non-native. It is, again, I think, an educational program. It is a slow process; it is one that we are going to have to work very, very hard at.

Overall, in this Government, in respect to affirmative action, we have three man years that are devoted to it and I would estimate approximately between \$150,000 and \$200,000 of the budgeted money, primarily in the Department of Education and in this vote, that are earmarked for such a program.

Flex time has been suggested as an alternative that we should look at. It will be introduced on an experimental basis in some selected departments throughout the Government in the very, very near future.

It is an experiment. We have had some requests from employees to look at this. We think that it can work. Again, our primary concern has to be the service that we provide to the public off the street. We have to ensure that, for those services, the normal hours are in effect. But, where we can, we are going to try and institute a flex time program that, hopefully will not be disruptive and will be beneficial to the employees.

In relation to the job sharing project, the Minister of Education tells me there are some 52 teachers in the Territory now working on the job sharing scheme and it may well be one that is going to go very, very well for us.

Mr. Penikett: I thank the Government Leader for his answers.

I just raise one point. He raised an interesting question about stenographers. I am often reminded of Brendon Behan's (?) that the preoccupation of public servants with the three "p's", pay, pension and promotion. I can understand the concern of the private sector in this town that the more highly qualified stenographers would be attracted to government service, initially, because of the pay and the benefits and the job security.

Interestingly enough, once stenographers find themselves in government employ, they often develop a different attitude over a period of time. If there is a single group of people who, from my conversations with them, seem to feel aggrieved at their lack of their promotional prospects in government, it is stenographers.

This group of women, it seems to me, particularly, and it is women, in part, because there are not very many men in the field,

feel badly. It seems to me that a stenographer is a dead-end job, especially if they are a good stenographer, that whoever is employing them or is their supervisor will try to hang on to them and hang on to them in that job forever.

A number of stenographers, even in this Government, observed to me that if you are a male clerk starting at initially the same level, that in fact your career prospects or promotional prospects are much greater because you are not locked into this clerk-typist, or I can not remember the job description, but this type of role definition. I would like to know from the Government Leader if any of the Government employees have been so bold as to talk to their employer about this, and whether anything is going on.

Hon. Mr. Pearson: Mr. Chairman, one stenographer who has been promoted to a research job comes to mind immediately. It happens, again, probably not as often as it should, yet, but I am sure that we will make it happen as often as it should in future. There are an awful lot of people working for this Government that would like to be promoted. It is an instinctive thing, I think, and it does not only apply to the men. The ladies working for the Government would like to be promoted, as well. Some of them are prepared to work at it, others are quite happy with the jobs that they have. There are promotions to be had within the Government, and if they go after them, yes, some of them do make it.

Hon. Mr. Graham: Mr. Chairman, I just would like to get in on this discussion, because I know of one stenographer personally that we recently agreed to release to go back to university to further her education, and in fact will probably return in some other capacity with the Government. I know of a couple other positions in Mr. Hanson's Department where we are not filling positions simply to upgrade the ladies that are working, and fill the jobs with people within the Department, so it is going on in many departments that I am sure Mr. Pearson is not aware of at the present time, but it is a long slow process.

Mr. Penikett: Granted, Mr. Chairman, I am just glad that it is going on. You are not going to get any beefs from me about doing more of it. I would just like to ask one final, general question, and the Government Leader may not be able to comment on it, but I understand that negotiations with the YTPSA have temporarily broken off. I understand the outstanding issue is money. I can guess that it would have been much more of an issue if this moratorium thing had not been reimposed, but I wonder if the Government Leader could give any report at this time? I am not asking for confidences at the bargaining table to be betrayed, but to kind of give us his assessment of where the Government is in these negotiations right now.

Hon. Mr. Pearson: Mr. Chairman, I cannot, really, other than that it has gone to conciliation, and that is about all I can say about it.

Mr. Penikett: Have you any idea how long you might have to wait for a conciliation report?

Hon. Mr. Pearson: I am not absolutely sure. I believe that there is a time, whether it is one week, two weeks, I am not sure how long it takes, but I think there is a specific time in respect to conciliation. The conciliation officer has to report back in a specific length of time.

Mr. MacKay: I would like to address, in a general way, the concerns to which the Public Service Commission, I think, could address themselves.

As an employer myself, I hire my staff and I fire my staff and I have some empathy then with the problems which the PCS people have in finding suitably qualified people and interviewing them and selecting them, and rejecting them, as the case may be.

I would like to offer a few thoughts on that matter, to the Government Leader. I would like to start off by saying that I think that for many people working in the Government, it is not the most exciting job in the world. I think that many Government employees tend to sink into a routine where performing the duties that are assigned to them is very much a thing that they do from eight to five and the real excitement can start afterwards.

Now, that is a general comment which can be shot down by specific examples of employees, to whom you can point, that have a greater degree of dedication and are real interest in their job. There are many people in the Government like that.

But I hire many other people from the Government, who come to me and say, "Well, I know that I will not get paid as much. I will not get paid a pension, but at least I will be involved, I will be doing something. I will feel part of something. I will feel like I am needed."

I think that tucked away in the bowels of this building are many government employees who do not feel as if they are needed, who do not feel as if their job is meaningful.

I am not criticizing the employees in this regard. I am saying

that I think the Government, and this is, I think, a common problem with all large bureaucracies, has a tough time in motivating their employees every day to be upfront and really working for the public good.

It is partly politicians' fault, too, because they are easily the most affronted by bureaucrats. You know, we use that word in a very derogatory term, derogatory way. We dump on our civil servants quite often, politicians do.

That is something that we, as politicians, should re-think sometimes, while we are doing that. I think there has to be a re-thinking of the role of the civil servant, of the Government employee. It should be a proud occupation, it should be something much sought after, it should not be a kind of end-of-the-line job for some people. "Well, I will sit back and enjoy all the fruits of the pay, pension and promotion, but I will not really be that involved with my job." This, unfortunately does exist.

As I say, I do not think at the senior end of any department you will find very much like that; I think most of them are very dedicated because they are excited about what they are doing, they are involved in decision-making, they are in the process of governing. I am talking about your middle and lower end. That is why I am very keen in seeing and promoting this Training Program. I think that is one way of involving your employees in ambition, in a way of improving themselves.

To be blunt, it improves the Government itself, it is a self interest situation you are involved in. It is very much in the interest of this Government to be able to get many employees involved in improving themselves, because as they improve themselves they improve the Government and the calibre of the service rendered to the people.

I would like to see the training program upgraded. I would like to see it structured more where there would be definite rewards for success and achievement. There would be ways of showing to other employees who have not made the effort to upgrade and have not made the effort to take on additional education, that there is a definite reward for doing this. So there should be incentives for improvement.

I think that your leadership not only within the political level, but also at the upper level of your Departments, should realize that for the good of their own Department, they should be offering constant encouragement and constant leadership to those employees who are willing to sacrifice some of their spare time to study more and to upgrade the skills. I think that is very important because if you are a junior employee and on a Saturday morning you are going off to take an exam and nobody in your Department knows or even cares whether you are taking that exam, does not even ask you if you passed or failed it two weeks later, then you become very discouraged.

I think that is an employer attitude that has to be developed, a personal interest in your employees and that is hard to do when you have 1200 employees, but if you break it up into departments and start working down from the top, you can do it. I think you can produce a much higher morale within your Department.

These are areas I think that are leadership areas more than pay scale and pension areas. I think they are the key to an efficient government and the key to delivering the services as cheaply and efficiently and as cheerfully as one can.

I think that the role of the civil servant has to be re-thought; it has to be upgraded; it has to be a desirable occupation again. I fear that in the last number of years, because of proliferation of Government Services that the number of civil servants has been frowned upon and that being part of that massive workforce has become rather negative factor in one's thinking, rather than a positive one. I would like to see that trend reversed. The only way to do it is by leadership from the top and provoking, within the civil servants' ambition, a desire to effect their own lives and to be able to control their own destiny more within the confines of the Government Service.

Training programs and incentives will do that.

Mr. Chairman, these are my philosophic thoughts for the day for the PSC.

Hon. Mr. Pearson: Mr. Chairman, I do not know how to respond, other than to say thank you very much to the Honourable Leader of the Opposition.

Mr. Penikett: Mr. Chairman, I know that all Members of the House have been swept away with the emotion and sentiments expressed by the Leader of the Opposition. However, I would caution the Government Leader that when given the options of rewarding people with love or money, and I think, clearly, Mr. MacKay was proposing, I think, the option of love rather than money, most public servants in the employ of the Government, no matter how

much they might appreciate job enrichment programs, and personal attention from management, still, on balance, probably will settle for money.

Mr. Chairman: Is there any further general discussion?

As there appears to be no further general discussion, we will start with Program 10000, Administration, \$285,700. Is there any discussion? Shall this amount clear?

Some Members: Agreed.

Mr. Chairman: I declare Program 10000 clear.

Now, Program 20000, Recruitment, \$550,000. Is there any discussion? If not, shall this program clear?

Mr. Penikett: Mr. Chairman, I would just like to ask the Government Leader, if, in fact, as he, I think, indicated, the major problem in recruitment is still for people in the senior positions in this Government. I know we have had problems getting an internal auditor, but is that still substantially the area where we have to do most of the recruiting?

Hon. Mr. Pearson: Yes, Mr. Chairman. Again, we are trying to make sure that we are not hiring outside if we can, in fact, hire locally, in the Territory.

We do not anticipate that our recruitment costs are going to be going up any more. We would like to see this number reduced, because this number is primarily one for advertising. We want to cut that down, and cut it down an awful lot.

Mr. Chairman: Is there any further discussion on Recruitment? If not, shall Program 20000, Recruitment, carry?

Some Members: Agreed.

Mr. Chairman: I declare this Program carried.

Your next program is Program 30000, Benefits, \$119,600. Your information pages, by the way, are 167 and 168. Do I hear any discussion?

Shall Program 30000 clear?

Some Members: Agreed.

Mr. Chairman: I declare Program 30000 clear.

Your next program is 40000, Emergency Measures Organization, \$32,400. Information pages are 167 and 168.

Hon. Mr. Pearson: Mr. Chairman, once again I want all Members of the House to be cognizant of the fact that our Emergency Measures Organization, locally, in the Territory, really came to the fore and did an excellent job during the Dawson flood. If ever this was money well spent, it was during that particular time.

Mr. Chairman: If there is no further discussion shall Program 40000 clear?

Some Members: Clear.

Mr. Chairman: I declare Program 40000 clear.

Your next Program is 50000, Training, \$100,000. Information pages are 169 and 170.

Mr. MacKay: After the philosophy, now for the practical details. You are going to spend \$100,000 on training this year. Can the Government Leader give us some breakdown how he plans to spend \$100,000, how much of it is going to be spent on course fees, how much in internal seminars, how much in bringing in experts from outside to lecture and what kind of programs there will be?

Hon. Mr. Pearson: Mr. Chairman, I can give the Honourable Member a list of some of the things that we intend to do. There is air-photo interpretation, French language training, drug-handling procedures, in respect to wildlife, Yukon Vocational and Technical Training Centre instructor diploma courses, pre-retirement seminars for those people in our service who are reaching retirement age, special programs for women in management. We are hoping to have a seminar on zero-based budgeting during the course of the year. We will possibly talk about it a little more in Vote 12. We are looking at programs such as accounting and auditing updates, alcohol and drug counselling skills, Building Inspector Association examinations, first aid courses, group therapy process workshops, managerial skills, family practice conferences, business English, et cetera.

Mr. MacKay: Is it the Government policy to pay for the fees of employees who are taking courses on their own time?

Hon. Mr. Pearson: Mr. Chairman, in some cases, employees make application to us for time off, part-time off, tuition fees. We have a program where, yes, we do, in some cases, pay for courses that we can see would be of benefit to this Government with that employee having that course.

Mr. Penikett: The Government Leader just expressed the hope or the commitment that in the future he would like to see the recruitment budget, the advertising money come down. Could I ask him

his general intentions in connection with the training budget? Does he anticipate raising it by the amount that he will be able to reduce the recruitment budget, or does he have any larger goals than that?

Hon. Mr. Pearson: No, Mr. Chairman, although there is a relationship because of the ratio, I do not think that we should ever tie ourselves to a specific that we are going to only spend that much money on training that we can save on recruitment. I would not be prepared to do that at all.

Mr. Penikett: I can understand, then, from the Government Leader, without regard to what happens to the recruitment budget, you can anticipate that this training budget will probably increase in the coming years?

Hon. Mr. Pearson: I certainly hope so, Mr. Chairman.

Mr. MacKay: Does the Government have any system of rewarding employees who successfully complete courses?

Hon. Mr. Pearson: Not that I am aware of, Mr. Chairman. As I say, we try to provide assistance to those who go on courses that are beneficial. Rewarding them? Possibly they will get a promotion as a result of it, if that can be considered a reward. I do not know.

Mr. MacKay: So there is no formal notification, shall we say, to the Government of the results of its employees taking various courses. You have no way of monitoring that, officially, and no way, therefore, of acknowledging success, other than by, perhaps, promotion further down the road?

Hon. Mr. Pearson: Mr. Chairman, in the case of teachers, there are definite rewards. I mean, their pay is contingent upon the amount of formal education that they have had. So, there is a definite reward system in place there.

In some of the departments, I think probably that might be true, as well, social workers and so on, but not generally throughout the Government.

Mr. MacKay: It slipped my mind what I was going to ask. I guess I was concerned about the feedback that you get if you do not consider some way in which the Government can get feedback from its employees with respect to their progress in these areas. In other words, should there not be some official way of encouraging them to upgrade themselves?

Hon. Mr. Pearson: Mr. Chairman, I am not absolutely sure just what the Honourable Member is leading to on this. We have 1200 employees and we have to be very cognizant of costs.

We can encourage, I think, employees to upgrade themselves by making courses available to them, but I have a problem frankly, Mr. Chairman, saying that, "As an employee we are going to pay you to upgrade yourself." There has to be some kind of commitment on the part of the employee as well, Mr. Chairman. That employee has to want to be upgraded and they have to demonstrate their willingness to do this as well. I do not know that the Government, as an employer, has the responsibility to be rewarding people for upgrading, not in all instances.

Mr. MacKay: I was not necessarily thinking of financial rewards. I was thinking more of morale-boosting type of actions, that type of thinking. In the process of management of each Department, is there any formal way in which an employee is evaluated on any regular basis? I am talking about a permanent employee now. Does he or she have an interview every year or six months and is given an evaluation of his or her progress?

Hon. Mr. Pearson: Yes, Mr. Chairman, there is a formal process where every employee is evaluated by their superior once a year and that evaluation is gone over with the employee and that evaluation is then put on their personal file. It is a Public Service Commission evaluation done by the person's supervisor.

Mr. Chairman: Is there any further discussion on Program 50000, which is Training? If not shall Program 50000 clear?

Some Members: Agreed.

Mr. Chairman: I declare this program cleared.

You will notice that we have Expenditures Recoveries on Page 171, we have Transfer Payments on Page 172. They are there for information only. Do you have any questions on these two items?

Mr. Chairman: As there appears to be no questions, shall the total appropriations for the Department of Public Service Commission, for 1,087,700, clear.

Some Members: Agreed.

Mr. Chairman: I declare this amount cleared.

I now direct you to page 176, Office of the Pipeline Co-ordinator.

Hon. Mr. Pearson: Mr. Chairman, as all Members are aware, this Branch of our Government is in a state of some flux. It is a rather unique thing. It is one that we created immediately after coming

into office, because we felt that there was a real need to get some kind of co-ordination, and handle, on exactly what was happening in respect to the pipeline.

The Branch has been able to do that, and do it very, very successfully, I submit, and, because of the make-up of the Branch, the people who are involved in it, they have proven to be very adept at identifying problem areas, looking at them preliminarily on behalf of the Government, and giving us some help in deciding just where we should go. They have become very much of a research unit for us, so the business of whether the pipeline goes or not has just about become secondary as to whether this Branch, in its present form, exists or not, because I do not think there is any doubt about it. If the pipeline is going to be closed down, then there is a lot of other work that this organization, as such, can be doing.

Mr. MacKay: I think that was a rather obtuse compliment to the Head of this Department, that no matter what befalls the Government, there will always be a job for Mr. Ferbey. I am glad to hear that he has certainly had a wide experience from the Department of Education to pipeline. I will look forward to see his next conquest. I do not know if Hansard picked that up or not.

What I would state is that I am glad that the Government Leader has seen the logic of taking this pipeline office out of the Budget, if the pipeline is not going to happen, and that seems to be a fairly logical position to take. I think it does provide the Government with some leverage, when they do talk to Foothills, that they have, in fact, spent some \$1 million so far, and another \$350,000 coming along, working on Foothills pipeline.

I feel that there are a number of things that should issue from this Department fairly soon. I would hope, if the pipeline is going to go ahead, that will give us some idea of where the Government is heading with respect to the Heritage Fund, as it is called, and also with respect to the means by which we will actually levy the Yukon property tax. I wonder about the latter aspect not already being before the House, since the time for it has obviously arrived.

No doubt, these things are all in the works and will be produced in due course, but I would not like it to be thought, at any time, that this Government was so slow in producing the necessary legislation that we, in fact, missed the boat and the \$5 million.

If there is anything left to be done by this Government in order to put its position more strongly, I think they should move very quickly to do that, so that by the time this Session ends here, we have some legislation in place that will enable the Minister for the Pipeline to issue his bill. Otherwise, Foothills can always come back and say, "Well, they do not really have any legislation under which they can tax us". That might be a legitimate argument for them to take.

I am not going to spend anymore time on this particular \$350,000. I get rather blasé about these big numbers, but it seems that the Pipeline Co-ordinator has been doing a reasonable job and I hope that his work will be seen in public very soon.

Mr. Penikett: I would ask the Honourable Member for Mayo to park his horse for a minute, or at least hold it. We will be getting to him in a few minutes.

I was kind of disappointed that the Government Leader did not reply to that last question of Mr. MacKay's because it is an interesting one.

I guess, if I were Mr. Blair, I am not nor am I likely to be. I would kind of wonder what this \$5 million bill is for. It is in the Canada/U.S. Agreement, but is it a bill for property tax, is it a bill for a major projects tax, is it a social nuisance tax, is it, I do not know, special Foothills Pipeline Tax? I am interested in the form of billing, because, normally, when you get a bill, even when I get bills for \$5 or whatever, which is more like the kind I am used to getting than \$5 million, it usually says what it is for and probably does not just say "per Canada/U.S. Pipeline Agreement". I would like to ask if there is some legislation contemplated where we say, "Well, we are going to increase the property taxes on that building that Mr. MacKay owns to \$5 million," or whatever it is.

They say they do not own anything here, but it would not surprise me at all if, knowing the accounting skills of Mr. MacKay, he could pass on that bill fairly effectively to his client.

I would be interested in knowing how that is going to be done. I have a couple of specific questions that the Government Leader, I am sure, will be eager to answer. Last year the Government Leader said that the then Employment and Immigration Minister, Ron Atkey, I do not know how many of you remember him, a little fellow from Toronto, who wanted to move Jerusalem to the Embassy or the Embassy to Jerusalem, or something, who said was brief quotes on the effects the pipeline will have on Yukon's work force.

I would be interested in knowing exactly what he was told, and if

this is the basis of some documented study done by the Pipeline Branch, and if it would be possible to get a hold of this document or a similar kind of briefing from the Pipeline Branch. That is one question.

The second question is, and I am going to ask a very naive, direct one, because I am getting a little confused about it, and that is, exactly who is responsible for controlling social and economic impacts in Yukon? That is the first part of the question. The second part of the question I will ask the Government Leader, same question, is the Federal Government's view, or answer, to that question, the same as ours? Are we on identical points of view on that question? I will leave it at that. That is something I would like to pursue if the answers are unsatisfactory.

Hon. Mr. Pearson: Well, maybe I will start at the back, Mr. Chairman, and work towards the front, if I have not forgotten the questions. Who is responsible for the social and economic impacts of the Pipeline? The Northern Pipeline Agency, by legislation, the Act is explicit. I think it is our view as well.

We have input into the Northern Pipeline Agency. It is the one-window concept. The Northern Pipeline Agency was developed by the Government of Canada as the one agency that would deal with the Pipeline on all Government matters. All Federal and Territorial Government Departments, if they have anything they want to say in respect to that Pipeline, should, in effect, be saying it to the Northern Pipeline Agency, which has the responsibility to determine whether it is a valid statement, and then, if it is, in fact, pass the concern on to the proponent. So, the responsibility is the Northern Pipeline Agency's. We have a responsibility to the people of the Territory to ensure that their well-being is looked after, and we do this through the Northern Pipeline Agency.

This Branch, the Pipeline Branch, deals a tremendous amount with the Agency, and has a very, very close working relationship with the Northern Pipeline Agency. I am not absolutely certain, Mr. Chairman, just what information we can give the Honourable Member in respect to impacts on employment, but I am certain that the Branch will make available whatever it possibly can to the Honourable Member, at the earliest possible date.

Mr. Penikett: There is one part of the question that he did not answer but I assume that we are going to propose to go ahead and tax Mr. MacKay's highrise. Mr. Chairman, lest it be thought that I was asking a frivolous question about the social and economic impacts, I was not, because I know of one local group and I would be prepared to communicate this to the Government leader privately here, a local citizens' group, an interest group that was told by a Federal official, a very senior Federal official in answer to some questions of theirs that "YTG was responsible for controlling social and economic impacts". Now, it may have been just a misinformed Federal public official, and those of us who are not Liberals have occasionally met people like that, but I was just raising it because I felt perhaps there might have been some mysterious shift in policy at the Federal level that we did not know about.

Mr. MacKay: I was going to ask the Government Leader to enlighten us as to how he proposes to tax the pipeline.

Hon. Mr. Pearson: Mr. Chairman, at the appropriate time there will be legislation put before this House in respect to the taxation of the pipeline. It cannot be done without legislation coming to this House.

Mr. MacKay: Now we are getting down to the reasons why it is not in the Budget. If you have not got legislation in place to legally raise the \$5 million, you cannot put it in the Budget, is that correct?

Hon. Mr. Pearson: This \$5 million must not get confused with the property tax on that pipeline because that is not what it is.

Mr. MacKay: Well, at the appropriate time when this legislation comes forth, will that be the authorizing legislation to enable this Government to send a bill for \$5 million?

Hon. Mr. Pearson: No, Mr. Chairman, not at all.

Mr. MacKay: Then enlighten me as to what the \$5 million is, if it is nothing that we can raise as a tax, what is it, a bribe?

Hon. Mr. Pearson: Mr. Chairman, the Honourable Member has the same capabilities that I have to read that Act. He has read it and he has read it exactly the same way that I have. We do not need legislative authority or it is our interpretation that we do not need legislative authority to collect that \$5 million.

Mr. Penikett: That is fine. I just want to understand, Mr. Chairman, in the grandest royal tradition under which we operate, this tax, is it a gift, or is it a tribute such as was known in the medieval times?

Hon. Mr. Pearson: Mr. Chairman, possibly the way to look at it is that it is a franchise fee. Foothills does not have any improvements in this Territory, in respect to that pipeline, to tax, at this point in time.

Mr. Fleming: I have been a bit confused ever since last year. We had an agreement in front of us last year here that was to be signed by this Government and the Government of Canada, presumably. At that time, the Government Leader and the witness, and I do not have it here today, but I can certainly get where I did read it in Hansard of last year, where we asked specific questions, myself, in fact, as to whether that legislation was really needed to collect the taxes that were due and payable to us, as the Yukon Territory.

We were assured at that time, that yes, that was the reason it was there. Now, I might ask the Government Leader, has that agreement not been finalized and negotiated or are we just sitting without anything today?

Hon. Mr. Pearson: Oh, yes, Mr. Chairman, that agreement was finalized and negotiated and that is why we are saying that Foothills owes us \$5 million. It is because of that agreement. It is not because of any other legislation, it is because of that agreement.

Mr. MacKay: We seem to go around and around in this thing and I listen carefully to everything that the Government Leader says. I honestly do and I listened to him today and I found that he is saying, really, that it comes right down to the only way we can talk to the Foothills people is through the NPA. The NPA is a single window agency, is the single authority, really, legally involved to deal with the pipeline company.

It also happens to be established by a Federal law which is senior, I think, to ours. It also has the task of dealing with the pipeline, through all its construction stages, and interpreting whether or not positions taken by various people affected by the pipeline are valid.

I would like the Government Leader's opinion as to whether he feels that the ultimate resolution of this \$5 million problem is going to be decided by the Northern Pipeline Agency and that is where it is going to begin and end?

Hon. Mr. Pearson: Mr. Chairman, I think I have to say it may be, because I honestly do not know. I certainly hope not, but it may be that that will be the ultimate authority. I am not prepared to accept that interpretation, at the present time. Somebody is going to have to convince me that NPA does, in fact, have vast authority to deal with the taxation thing, because, Mr. Chairman, we have the legislative authority to tax in the Territory. That agreement does not say that the Northern Pipeline Agency is going to get that \$5 million, it says that the Government of Yukon is going to get that \$5 million.

So, I am not convinced in my own mind, yet, that it is a responsibility of the Northern Pipeline Agency, or that we should look for it to be a responsibility of the Northern Pipeline Agency.

Mr. Penikett: If, Mr. Chairman, the Government Leader comes to the conclusion that it is the responsibility of the Northern Pipeline Agency, may I then presume that he will submit the \$5 million bill to the NPA, and kindly ask those gentlemen to collect it?

Hon. Mr. Pearson: Oh, if, in fact that is the case, Mr. Chairman, that is normally how these things are done. We enter into cost-sharing arrangements on wildlife studies. Our bill will go to the Northern Pipeline Agency, not to Foothills. Foothills eventually will pay, but they pay Northern Pipeline Agency, so, in fact, that is what would happen, if that was the decision that had to be taken.

Mr. MacKay: Mr. Chairman, I would like to go on record as being somewhat concerned at the growing role of this NPA, as it seems to loom as the pipeline goes ahead, and that I hope that our relationship, which was so cordial with the NPA, as stated, will remain that way, and it seems to me the only way it should remain cordial is if we get the full support of the NPA in our efforts to obtain what is justly due Yukon.

Hon. Mr. Pearson: We do everything in our power to ensure that our relationship with the NPA remains cordial.

Mr. Penikett: Mr. Chairman, I fail to see how it could be otherwise with good ol' boys like Ken McKinnon down there. I just do not see how it could be any other way.

Mr. Chairman: Any further general discussion? If not shall Program 10000 for \$353,000 clear?

Some Members: Clear

Mr. Chairman: I declare this amount cleared.

Shall the total appropriation of the Department of Office of the Pipeline Co-ordinator for \$353,000 clear?

Some Members: Clear

Mr. Chairman: At this time we will recess until 7:30 this evening.

Recess

The following Legislative Return was tabled April 9, 1980:

80-3-5

Salary statistics: YTG Employees (as of March 27, 1980)

(Written Question Number 2)

The following Sessional Paper was tabled April 9, 1980:

80-3-13

Report of the Standing Committee on Public Accounts (Vol. 1)

