



The Yukon Legislative Assembly

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3rd Session

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HANSARD

Wednesday, April 16, 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 16, 1980 — 1:30 p.m.

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

Prayers

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

DAILY ROUTINE

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

TABLING OF DOCUMENTS

Hon. Mr. Graham: Mr. Speaker, I have two Legislative Returns for tabling. One is to a question asked by Mr. Byblow on April 1, 1980 concerning the Y-Canada Program. The second is in answer to a question asked on April 2, 1980 by the Honourable Tony Penikett, the Member for Whitehorse West concerning the investigations done by the Consumer and Corporate Affairs Department with regard to an investigation of insurance in the Yukon.

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

Petitions?

Reading or Receiving of Petitions?

Introduction of Bills?

Notices of Motion for the Production of Papers?

Notices of Motion?

Are there any Statements by Ministers

MINISTERIAL STATEMENTS

Hon. Mr. Pearson: Mr. Speaker, some Members of the Executive Council met with officers of Foothills Pipelines Limited this morning to consider a number of issues related to the Alaska Highway Natural Gas Pipeline which are of direct concern to this Government and the people of the Yukon.

The subject of the Yukon Property Tax was one of the major items under consideration. Foothills reiterated its earlier position that the wording of the Northern Pipeline Act does not contemplate the payment of \$5 million in 1980 under circumstances where construction of the pipeline has been delayed.

However, Foothills recognizes the cost that had been incurred by this Government and indicated its willingness to contribute to these pipeline-related costs.

To this end, a draft legal agreement concerning this matter was submitted to the Executive Council. The draft agreement was accepted without prejudice on our part and it is our intention to give the proposed agreement our careful consideration.

Needless to say, this acceptance, rejection or revision of the agreement will be determined entirely on whether or not there is a basis tenable in law that would enable this Government, pursuant to the terms of the Canada-USA Agreement, to collect the Yukon property tax in 1980.

This particular matter is still under investigation and I do not anticipate that we will be in a position to take any concrete action in this regard within the next month or two.

Some considerable time was spent discussing the viability of the project, since recently there appeared to be some question as to whether or not the Alaska Highway project was still alive. We were assured that although the project appears to be on hold at the moment, all indications are that the required critical decisions, both in Canada and the USA, will be made by late May.

It is hoped that the necessary assurances from the USA will be forthcoming at that time to ensure, to Canada's satisfaction, that the entire project will proceed if the prebuilt portion and associated exports are allowed to proceed by Canada.

It was noted that the rapidly escalating cost of Canadian natural gas exports was being felt in the USA and that some reduction in consumption had been noted.

Since Canadian natural gas export prices are now tied to the price of foreign crude imports, Canadian gas is no longer the attractive, economic energy source it was in the past. As a result, the Federally price-regulated Alaska gas reserves, inclusive of transportation and processing costs, are rapidly becoming as economic as Canadian gas, thus enhancing the viability and financability of the project.

Therefore, it can only be concluded that the Alaska Highway

Natural Gas Pipeline Project will proceed and that this Government will be required to continue its involvement, albeit at a slower pace, in pipeline-related matters.

Mr. MacKay: Mr. Speaker, I welcome the Government Leader's statement today and also the optimistic tone which his Government is taking toward the continuation of this project. I had hoped to see him table a \$5 million cheque today from Foothills. Recognizing that banks are a little hard to deal with these days, I accept the fact that he is still negotiating.

I would like to comment that perhaps there is even better news elsewhere today, Mr. Speaker, from Washington, wherein a major breakthrough seems to have been made with respect to the financing of the Alaska portion of the pipeline. Exxon is putting considerable amounts of money now in conjunction with two other producers. I think that is probably more critical than anything else, that kind of thing.

Finally, I would like to suggest to the Government Leader since his Government is going to appear before the NEB hearings, and since it appears that critical decisions are so close to being made in the States, that it would not be an improper position for his Government to take that the pre-build should be contingent upon these critical decisions being made in the States that will guarantee the whole Pipeline.

Hon. Mr. Lang: Mr. Speaker, as all Members know, the White Pass Railway is no longer functioning in view of the fact that a bridge has been wiped out due to a landslide.

I just wanted to inform Members that I have been in communication with the State of Alaska, as well as the White Pass Corporation. We are looking at all the various options that are open to us at the present time and I expect to be able to inform Members, in specific terms, within the next week with respect to the actions that this Government could take to ensure that we do have a supply line to the coast.

Mr. Penikett: Mr. Speaker, I appreciate the statement from the Minister. I would appreciate, though, if he can give it to the House, an indication as to how long the line may be out, whether the responsible parties in Alaska have, as yet, indicated the reconstruction schedule that they are contemplating, whether any estimate has been put on the cost of repairing the damage, and too, an assessment, if he can give us one, on the ability of the responsible parties for completing the repairs.

Hon. Mr. Lang: Mr. Speaker, the only request from the Member that I can answer is the projected timeframe to fix the bridge is estimated from three weeks to eight weeks. So, there is no real fixed timeframe in respect to it.

It is my understanding that they are flying in engineers today to have a look at the actual damage that was done and then they will assess it and look at the timeframe it will take to complete fixing it.

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

This then brings us to the Question Period.

QUESTION PERIOD

Question re: Foothills Property Tax

Mr. MacKay: Mr. Speaker, I would like to ask the Government Leader some questions with respect to the Foothills' meeting this morning.

Since no agreement has been reached by the Government with Foothills with respect to the Yukon property tax, can he tell us what general position Foothills is taking on the payment of future tax revenues?

Hon. Mr. Pearson: Mr. Speaker, both Mr. Blair and Mr. Pierce on behalf of Foothills, made it very, very clear that they do not anticipate any trouble meeting all of their commitments in respect to the taxation requirements that they have been faced with.

Mr. Speaker, the basic question in respect to this \$5 million is one where Foothills is having a problem because of the delay that they submit was not anticipated when that agreement was put into force.

Mr. MacKay: Mr. Speaker, did the Government leader elicit from Foothills any commitment to pay the 1980 \$5 million retroactively when the pipeline begins construction in 1981-82?

Hon. Mr. Pearson: Mr. Speaker, I am going to have trouble answering that question because we are negotiating with Foothills on this matter and there are, I submit, going to be a number of alternatives, both from this side and from their side, before this thing is resolved. Their first reaction to us is a result of some of those negotiations. We are looking at all of the alternatives.

Mr. MacKay: I was pleased to see that the Pipeline Branch will probably continue on a lower scale. In connection with that, in the

long term planning of this Department, has any work been done or has any discussion occurred with respect to the Dempster Lateral with Foothills?

Hon. Mr. Pearson: Mr. Speaker, the Dempster Lateral, I submit, is still somewhere in the future. Our immediate concern is the Alaska Gas Pipeline. I have a personal opinion that I would be happy to express to the Honourable Leader of the Opposition in respect to the Dempster, but it is simply that we have not had an opportunity to delve into that matter at all at this point in time.

Question Re: Food Prices

Mr. Penikett: Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. The latest price survey from this Government shows prices in Whitehorse as still increasing at a faster rate here than down south and food prices are still increasing at a rate of more than 10 per cent in Whitehorse.

Has the Minister, as yet, obtained any explanations for why this disparity exists between food prices here and southern Canada?

Hon. Mr. Graham: Well, Mr. Speaker, I suppose that I could speculate as to the price differential between here and southern Canada, but I do not think that is why we are here. We are in the process of communicating both with Kelly Douglas and the major food retailer, the Super Valu Store, in the City of Whitehorse, in an attempt to determine exactly why their costs are so much higher than they are in the south. As soon as we receive something definite I am sure that I will be more than happy to bring it to the House.

Mr. Penikett: Mr. Speaker, last week the Minister said he was getting "up to date" figures on wholesale price comparisons between Vancouver and Whitehorse. He appears not to have those figures now. Does he contemplate receiving them in the very near future during the sitting of the House?

Hon. Mr. Graham: It is my hope that I will, Mr. Speaker.

Mr. Penikett: Mr. Speaker, may I ask the Minister if he has committed himself to a thorough examination of the reasons for the difference between the wholesale price differential and the retail price differential in these conversations which he contemplates with the major wholesaler and retailer in town?

Hon. Mr. Graham: Yes, Mr. Speaker, I hope to do that. What we are trying to avoid, Mr. Speaker, is any indication of a wholesale food prices inquiry by the Government of Yukon Territory. Quite frankly, Mr. Speaker, it would probably cost us more money than it is worth and it would probably show the exact same thing that a previous study by the Combines Investigation Act found, that there was, in fact, no collusion in the food marketing area in Whitehorse.

What we hope to do is determine whether or not the retailer and the wholesaler are ripping off, to use a common term, the consumers of the City of Whitehorse. I am sure that both Kelly Douglas and Super Valu as well as other food outlets in the City of Whitehorse are more than interested in assuring this Government, as well as the people of the Yukon, that they are not, in fact, making excessive profits, therefore I expect their full co-operation in the investigation that we are now carrying out.

Question re: White Pass Rail Movement

Mr. Byblow: I will direct my question to the Minister of Municipal and Community Affairs. Moments ago he announced that he was appraising himself of the situations surrounding the curtailment of White Pass rail movement. I would specifically ask the Minister if he can indicate whether this incident may affect any alternate route activity in terms of Cyprus Anvil ore shipments.

Hon. Mr. Lang: Mr. Speaker, it is quite obvious that Cyprus Anvil and, for that matter, all the people in Yukon have been affected due to the situation that has developed with the railroad.

As I said in my opening remarks, we are looking at all the various options and alternatives available for the White Pass Corporation and we are working in co-operation with them and I hope to be able to report something very specific to the House in the very near future.

Mr. Byblow: I would thank the Minister for his response. I address this question to the Government Leader.

Yesterday, on the topic of White Pass, the Government Leader indicated that the White Pass rail division was looking much better financially. Can he confirm whether, in fact, White Pass profited from last year's operation on the rail division?

Hon. Mr. Pearson: No, Mr. Speaker, I cannot confirm that or deny it. I honestly do not know.

Mr. Speaker, my statement was based on the statement made to me by the Vice President of the company, that, in fact, things were looking better. That was as far as the statement went at this point in time.

Mind you, again, Mr. Speaker, I must impress that was just prior to the bridge going out.

Mr. Byblow: With respect to the Government Leader's response, I would pursue whether or not the Government Leader still feels that his Government has no responsibility with respect to the matter of compensatory rates?

Hon. Mr. Pearson: Mr. Speaker, compensatory rates are something that we do not know anything about. Compensatory rates are something that are established by the Canadian Transport Commission through some magic formula that they have. We have no input into those rates at all.

Question re: Mad Trapper Movie/Arts Council Protest

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

The Yukon Arts Council has written the Government Leader seeking support in their protest of historical distortions in the film Arctic Rampage, which was allegedly based on the story of the Mad Trapper.

Has the Government Leader replied to the Arts Council letter and, if so, may we know the substance of his reply?

Hon. Mr. Pearson: Mr. Speaker, I received that correspondence the day before yesterday and not only did the Arts Council seek our support, Mr. Speaker, but the suggestion in the letter was that we could possibly do something of a legal nature, in respect to this.

Mr. Speaker, I have referred that correspondence to the Minister of Justice and anticipate hearing from him very shortly on that.

Mr. Penikett: Mr. Speaker, perhaps I could ask a supplementary to the Minister of Justice then. Might I know from the Minister of Justice if he is consulting his officials with a view to a possible complaint of illegal advertising to Federal authorities against the promoters and producers of this particular Hollywood drama?

Hon. Mr. Graham: Mr. Speaker, I have referred to the matter to the Justice Department with the intention of taking any action that is possible to take under the laws of the country. Personally, we have also discussed this at some length. I believe over dinner one evening, I, personally, have also written, on behalf of myself and the people in the Cultural Department, a letter of protest, protesting this violation, would you say, of Yukon history.

Mr. Penikett: Mr. Speaker, I should tell the Minister that I, too, have written a letter on the same subject but I would like to know if the Minister can tell me, or if not he, then the Government Leader, that given the long history of the theft of Yukon cultural property, heritage, such as the Klondike Days, for example, if any officer of the Government has considered a direct protest to the producers of this film.

Hon. Mr. Pearson: Mr. Speaker, that very well may be the option and the best one for us to take. As the Minister of Justice has indicated, we thought that we should get some legal advice first. I would suggest that this direct approach may well work because it has worked in the past once before in respect to a very extensive advertising campaign by one of the automotive companies. The gist of this advertising campaign was that, if their cars could stand to go from Whitehorse to Dawson City on Yukon roads, they could stand to go anywhere in Canada. Mr. Speaker, this Government was instrumental in getting that advertising campaign scotched.

Question Re: Hunting in Kluane Game Sanctuary

Mr. Fleming: Mr. Speaker, I have a question this morning for the Government Leader concerning the possibility of some societies being unable to hunt in the Kluane Park area if it is forthcoming. I would ask the Government Leader who has the final authority for hunting, if there was to be any done in the Kluane Park area, the Federal Government or the Territorial Government?

Hon. Mr. Pearson: The Federal Government, Mr. Speaker, has complete control of the Kluane Park.

Mr. Fleming: Then, Mr. Speaker, I will take it that the Government Leader would not endorse any rights, other than what is possibly in the Indian Act or the Federal Government would be proposing in these areas?

Hon. Mr. Pearson: I am sorry, Mr. Speaker, I do not understand the question. I wonder if the Honourable Member could be a bit more explicit.

Mr. Fleming: Supplementary, then, to the Government Leader, would the Government Leader endorse, in very plain language, would the Government Leader endorse hunting in the Kluane Park?

Mr. Speaker: I think that question would be out of order, in that you are seeking a personal opinion of the Minister, not necessarily related to government policy. So, I would have to rule that out of order.

Question re: White Pass/Yukon Development Corporation

Mr. MacKay: Mr. Speaker, a recent brief that was given by the Whitehorse Chamber of Commerce to the Minister of Indian Af-

fairs suggested the establishment of a Yukon Development Corporation to go to the assistance of White Pass.

Has the Whitehorse Chamber of Commerce made any such suggestion to this Government?

Hon. Mr. Pearson: Mr. Speaker, I am very pleased to report that I and the Minister of Tourism and Economic Development, the Minister of Health and Human Resources and the Minister of Highways and Public Works met for breakfast with the executive of the Whitehorse Chamber of Commerce about a week and a half ago. They were kind enough to provide us with a copy of their submission to the Minister and we have that under advisement at this time, Mr. Speaker.

Mr. MacKay: In view of the Government Leader's previous statements about the many options open to this Government, with respect to White Pass, would he consider a Yukon Development Corporation a particularly viable option at this time?

Hon. Mr. Pearson: Mr. Speaker, I do not know whether I can consider it a particular viable option at the moment, but I would certainly like to consider it a very hopeful option.

Mr. MacKay: Would the Government Leader have considered, at this time, whether such a Yukon Development Corporation would be leading to a larger and larger role on the part of government in the private sector, or would he just consider it specifically for the White Pass situation?

Hon. Mr. Pearson: Mr. Speaker, I would suggest that the Honourable Member and I are ranging a little far afield at the moment, in respect to what our considerations might be, but I would think that a Yukon Development Corporation could be a vehicle for unwanted intrusions into the private enterprise field, in certain instances, specifically, the White Pass Railway.

It could also be a vehicle, Mr. Speaker, for some kind of Government control of utilities in the Territory some time in the future.

Question re: Dental Profession Ordinance

Mr. Penikett: Mr. Speaker, I have another question for the Minister of Consumer Affairs. With regard to a complaint I raised recently concerning the Dental Profession Ordinance, has the Minister been able to determine, to his satisfaction, whether there was an investigation made to determine specifically whether Section 22(2) of the Dental Profession Ordinance was breached.

Hon. Mr. Graham: Mr. Speaker, we did conduct an investigation. We contacted the dental profession in the Territory with respect to the complaint. We were informed that at the time the alleged complaint took place, we were operating under the old Dental Profession Ordinance.

The old Dental Profession Ordinance, in fact, did not take into consideration dental therapists and the various classes that we now have in our Dental Profession Ordinance. It had only dental assistants. Dental assistants' duties were not very clearly defined in that Ordinance which is the reason that we proposed and, in fact, passed a new Ordinance in the last sitting of this Legislature.

Consequently, in our best judgment, there were no infractions committed under the previous Dental Profession Ordinance however, if the same circumstances took place at the present time, I believe, in my opinion, under this Ordinance, it would be an infraction.

Mr. Penikett: Mr. Speaker, I thank the Minister for his answer. It clarifies the situation considerably. Can I then assume that the Minister has given his undertaking that if similar circumstances arise again, or in an identical situation, there will be an investigation as defined by the Ordinance, given the same kind of complaint?

Hon. Mr. Graham: Mr. Speaker, it would probably depend a great deal on the nature of the complaint, but I can see no reason at the present time, if a complaint was at least partially substantiated by my Department, why an investigation under the Ordinance could not be carried out.

Mr. Penikett: Mr. Speaker, can the Minister, once and for all clarify that it is not permissible in the Yukon Territory for a person, other than dentists, to work on permanent teeth without the physical supervision of a dentist?

Hon. Mr. Graham: Mr. Speaker, I do not have the Ordinance here in front of me, but to the best of my recollection, that is the way I understand the Ordinance that was passed in this Legislature.

Question Re: Automobile Insurance

Mrs. McGuire: Mr. Speaker, I have a follow-up question for the Minister of Consumer and Corporate Affairs concerning auto insurance. Other than posting signs and publishing literature outlining auto insurance requirements in the Yukon for the benefit of foreign-owned vehicles using Yukon roads, can the Minister tell us what other measures of precaution has this Government taken to enforce compulsory insurance on vehicles using Yukon roads other

than Yukon drivers? Does this Government have this very important issue under study?

Hon. Mr. Graham: Mr. Speaker, we publish the information in various tourism brochures that are produced. I am sure that the people in the tourism booths around the Territory who had constant contact with visitors in the Territory make that information available if it is so requested.

But short of stopping every vehicle that is not registered with Yukon plates at the various borders entering the Territory, I do not know of any way that we could ensure that every vehicle that comes into the Territory has insurance and it would mean that we would have to turn back anybody who does not.

Perhaps that is the desirable thing, I am not here to make that judgment right now but I cannot see it being workable either in terms of us having adequate manpower or the time necessary to do it. As far as having the matter under investigation, no, we do not at the present time.

Question Re: Alcohol Treatment Facilities/Record-Keeping

Mr. Byblow: I have a question for the Minister of Health and Human Resources. It is my understanding that over the past couple of years, Yukon received a Federal grant to develop a system of record-keeping for clients of alcohol treatment facilities and according to its developers, the system was to increase treatment efficiency and save money. Could I inquire of the Minister whether this system is presently in use?

Hon. Mrs. McCall: Mr. Speaker, to the best of my recollection that is just now going into effect.

Mr. Byblow: Can the Minister indicate whether this system of record-keeping will be expanded into the other social service areas?

Hon. Mrs. McCall: Yes, Mr. Speaker, we have had another data system incorporated into the Department of Human Resources. Someone to do this work is being recruited just at this moment and that will affect the flow of services in that way.

Mr. Byblow: Can the Minister indicate where the records will be kept and what will be the policy with respect to access to those records?

Hon. Mrs. McCall: No, Mr. Speaker, I cannot at this time.

Hon. Mr. Pearson: Mr. Speaker, yesterday, the Honourable Member for Whitehorse West asked a question on proposed legislation for air pollution.

I can now advise the Honourable Member that, indeed, Environment Canada and ourselves have been co-operating on this matter. Regulations governing particle emission in the mining industry and asphalt plants are in the hands of the legal draftsman for final scrutiny and I anticipate that these will be issued in the very near future.

These Regulations, I understand, answer the most pressing needs until an all-encompassing clean air bill can be produced.

Hon. Mrs. McCall: Mr. Speaker, in answer to a question asked by the Honourable Member for Whitehorse West regarding white hand or white finger disease, also known as Raynaud's Phenomena, the above disease, along with other industrial diseases, has been covered under the Workers' Compensation in Yukon since 1978.

May I answer further, for the information of the Honourable Leader of the Opposition, Mr. Speaker, regarding a mental health program, a day program is being initiated and will provide treatment to psychiatric patients admitted to Whitehorse General Hospital. It will be covered by Yukon Hospital Insurances as part of insured in-patient services, in the same manner as the use of the operating room is for surgical patients.

The treatment area will be within the hospital complex, but not located within the physical building of Whitehorse General Hospital. Renovation and remodelling costs will be borne by regional, Federal, and not Government of Yukon.

This will also enable, once we recruit a psychiatrist, to provide a much improved out-patient treatment to residents of Yukon.

Question re: Health/Hiring of Psychiatrist

Mr. MacKay: Perhaps a supplementary to the Minister in her previous answer, can she give us a progress report on the hiring of a psychiatrist?

Hon. Mrs. McCall: Yes, Mr. Speaker, I think that a psychiatrist is being actively recruited at this very moment.

Question re: Raynaud's Disease

Mr. Penikett: Supplementary, too, to the same Minister on the question that she just answered, Mr. Speaker, is the Minister aware that, as yet, no pension payment from Workers' Compensation has been made for permanent or partial disability for white

hand?

Hon. Mrs. McCall: Yes, Mr. Speaker. A permanent disability award is considered two years after definite diagnosis has been made.

Question re: Education/Contracts

Mr. MacKay: My question is to the Minister of Education with respect to contracts arising under his jurisdiction.

Can he tell us if school yard maintenance contracts are given out by invitation only?

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

Mr. MacKay: Can the Minister, also on the subject of contracts, tell me the reason for the expansion of the school bus contract tender call?

Hon. Mr. Graham: I will take that question under advisement also.

Mr. MacKay: It sounds as if the Minister is not even speaking to me, Mr. Speaker. Perhaps the Minister could tell me if he is aware that the school bus contract, which appears to be advertised extensively in southern newspapers, was advertised in a local newspaper?

Hon. Mr. Graham: I would imagine that it was, Mr. Speaker.

Question re: Faro Utility Expansion

Mr. Byblow: I would normally direct this question to the Minister of Municipal Affairs, however I must direct it to the Government Leader. Could I have any progress report respecting the critical fiscal situation facing the Municipality of Faro over their utility upgrading and expansion?

Mr. Speaker: Order please. When Honourable Members are asking for progress reports, it sounds to the Chair as if you are asking for a great deal of information that may be obtained in another matter.

Questions in the Question Period ought to be questions of some urgency and should be as brief and concise as possible. Perhaps in phrasing the questions, Honourable Members would be kind enough to keep this in mind.

Hon. Mr. Pearson: Mr. Speaker, the Minister of Municipal Affairs, I thought, went into great detail yesterday with the Honourable Member who has asked this question, as to exactly what has been done and where we are at. Mr. Speaker, it is now 24 hours later and nothing has changed.

Mr. Byblow: With respect, Mr. Speaker, the matter is of critical urgency respecting the entire Yukon. However, I believe I have made my point. I would direct this to the Government Leader, as to whether or not any official representation has been made from the Municipality of Faro respecting the expansion of its boundaries to include the major immediate mining interests.

Hon. Mr. Pearson: I am sorry, Mr. Speaker, I really do not know. I would respectfully suggest to the Honourable Member that the responsible Minister was here for a large portion of the Question Period. He had ample, I submit, opportunity to ask him that question while he was here. He has left the House because he has a sick child and wants to go and visit it. Now if that is the point that the Honourable Member wanted to make, let us have it out.

Mr. Byblow: With respect, Mr. Speaker, I will leave my question for the proper Minister tomorrow.

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

ORDERS OF THE DAY

MOTIONS

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

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

Mr. Tracey: Yes, Mr. Speaker.

Motion Number 11

Mr. Speaker: It has been moved by the Honourable Member for Tatchun, seconded by the Honourable Member for Campbell, that the First Report of the Standing Committee on Statutory Instruments be concurred in.

Mr. Tracey: As this is the first report of the Statutory Instruments Committee to this Legislature, as well as being the first that myself, as Chairman, and one other Member of the Committee has participated in, I would like to thank the Members of the support staff for the many hours of hard work they put into the Committee function. They are, in a large part, responsible for any re-

semblance to an intelligible report.

There were two questions asked by your Committee that you may wish to deal with today. The first is on page six and asks if this House wishes to authorize the Committee to review all Regulations under the Area Development Ordinance. The second is on page 12 and asks the same regarding the Lands Ordinance.

Your Committee feels that all these Regulations should be reviewed to assure all Members that the regulations do, in fact, conform to regulation-making practices.

It is with anticipation that your Committee awaits comments from Members that are beneficial to your Committee for future reports, and we are especially awaiting a response from the Government to the findings and recommendations of your Committee. It is with this feedback that your Committee can assess the performance of its duties.

Thank you, Mr. Speaker.

Mr. Penikett: Mr. Speaker, I do not propose to reply in detail to the issues raised in the Report today, for one reason, it seems to me to have a proper discussion of the issues raised, the Minister primarily responsible is absent, for the good reasons the Government Leader explained, and that is unfortunate.

However, I do want to say how very impressed I was with the Report of this Committee. I must say in commenting here that it is much more brief and precise than the Committee Report we are also dealing with today for which I am partly responsible.

I do commend the Members of the Committee for their brevity, for their recommendations. I think they are very clear, they are very firm and I would, pending the reply from the Government benches on the particular matters, I would say they probably sound highly advisable.

Thank you, Mr. Speaker.

Hon. Mr. Graham: Mr. Speaker, most of the comments made in this review are strictly of an editorial nature. A number of the comments are readily accepted by my Department of Justice and others are not.

Reference is made occasionally, also, to the handbook entitled How to Prepare Statutory Instruments. This, Mr. Speaker, is a handbook of general application for officers who are drafting statutory instruments in the Territorial Government. It is merely a policy manual, Mr. Speaker. It is not the law.

In a number of cases, we have "we" meaning the Department of Justice, have given permission to depart from the rules set out in this handbook. In other cases, the Department of Justice has varied from the rules set out in this handbook itself.

To that extent, Mr. Speaker, we therefore cannot accept some of the comments in relation to the use of the handbook, as indicated by this report.

We have used library and technical notation numbering in regulations dealing with technical matters being used by trades people. We wish to maintain uniformity with the provinces in this area and to make it very easy for our staff and the public to understand.

When comments are made that sections or regulations are unnecessary or redundant, it is strictly a judgment call. It is the judgment of the Statutory Instruments Committee that these things are, in fact, true.

Sections are often repeated from ordinance for the convenience of those using the regulations. We find, in many cases, Mr. Speaker, that people do not bother to pick up a copy of the ordinance when they come in to ask what are the rules in relation to this specific area. They pick up only regulations. To that end, we feel that, in some cases, it is very important to include parts of the ordinances in the regulations.

These items will be continued, but any editorial matters placed or commented on in this report, we appreciate very much. We find that some of them are very true and they will be picked up when the particular regulation that they are speaking of is next revised.

In the comments respecting a number of ordinances, notably some of the ordinances that the Member for Whitehorse West was speaking of, the Area Development Ordinance, Financial Administration Ordinance, Lands Ordinance, Liquor Ordinance, Municipal Ordinance, Plebiscite Ordinance, et cetera, the laws set out in the report are not, in essence, correct.

All of the regulations are, in fact, in accordance with the law and the Executive Council of this Government have the authority to make those regulations.

One comment made by my Deputy Head of Justice is that the McRuer Report is not, as set out in the Report, a Royal Commission Report on Canada. It was an Ontario Royal Commission and did not establish any legal rules. The recommendation of the Committee is not binding on this Government but merely cautioned the

draftsman as to how he should guide himself in preparing subsidiary legislation.

This Government will be accepting the Report without any great deal of debate. We appreciate, as I said before, very much the editorial job that the Members of the Committee have done. We also appreciate very much the great number of hours and work that they have put in.

I would like to invite the Members of the Committee to request that the Department of Justice be consulted in future drafting of these reports, where the law is concerned and what the purpose of the regulation is, before making comments suggesting that the regulations are illegal or that the Government has no authority to make them.

Sometimes the areas in which we are given the authority to make regulations, are not clear from the ordinances and I would like the Justice Department to be put in the position of being requested for any information or any light that they can shed on the illegality or the legality of several of the regulations.

One of the reasons for this, Mr. Speaker, is that the existence of these comments in the Statutory Instruments will tempt members of the public, some misinformed members of the public, to disobey or unlawfully break certain regulations that have been termed illegal or not binding. This worries me very much and I hope that we can avoid this type of thing in future.

All in all, Mr. Speaker as I said before, we accept the report in total, we appreciate the work being done and many areas of concern pointed out by the Statutory Instruments Committee will be taken into consideration as quickly as possible and when these regulations are revised the necessary changes will be made.

Thank you, Mr. Speaker.

Mr. Fleming: Mr. Speaker, I appreciate all the Minister of Justice's words, however, I cannot totally agree with him. I appreciate the fact that he is accepting the Report. I also accept the fact that possibly the handbook is just a policy document to carry on your work.

However, as an instigator of forming this Committee years ago, I feel very strongly that it should have the right to speak freely. When we do speak of something that we feel is illegal in a regulation, possibly to be able to go to the Justice Department and maybe make sure that it was somehow or other, to get some advice from them, maybe all right, but we also have legal advice and until such time we have been told by the Government that legal advice is not good, I think that that should be accepted.

The Government has many ways of and many happenings that go on, when they make an ordinance and then come forward with regulations. I think the fact that the Government just has a problem, needs the regulation, sometimes it is made and it slips by, everybody's attention is just where the actual authority comes from or even, sometimes, whether the regulation is needed.

Over the years I have found that there are many, many regulations, some of them are illegal, there is no question about that in my mind, some of them are subordinate, very subordinate. Some of them are redundant. We have had many of them.

It may be an example to say that this happens through probably no fault of anybody's, but we can understand ourselves here. I think, when we put ordinances through this House sometimes, that sometimes the ordinances do not read exactly the way they are supposed to and in the long run we find that they are not exactly the way they should be. I think that is what happens in regulations and I think we should be given a fairly free hand to say what we feel about them.

I will not belabour the subject at all, Mr. Speaker. I am very happy that they are accepting this Report and I think the Committee will try to co-operate in every way they possibly can with the Government side. However, we feel, also, that, you know, let us not tie us down too tightly.

I would appreciate, in the area, as the Honourable Member for Tatchun and the Chairman of the Committee has said, that we would appreciate being able to study more in that area, due to the fact that the regulations do seem to be very, very loose in those two sections.

Thank you, Mr. Speaker.

Mr. MacKay: I, too, would like to congratulate the Members of this Committee for producing a very strong Report, I think.

I would like to make a couple of points with respect to how important I think this Committee is, because it has been noted many times in recent years that the power delegated from this Assembly, having passed legislation, the power delegated to make regulations, is a very onerous and difficult power for any bureaucracy to accept and to implement. Of course, the purpose of this Committee is to try and ensure that the bureaucracy, while im-

plementing the wishes of the Assembly in the form of the ordinances that they have passed, will not exceed or confuse or misinterpret what that legislation is supposed to say.

It is, therefore, very useful to have a committee like this to come along behind. These are made up of the same members who eventually pass these laws, therefore the same minds are working on the interpretation of these laws as have passed them, for these Members to come along and present a report on how the implementation of their wishes is proceeding.

I think it is incumbent on the Government to listen carefully, particularly when the Committee does have the benefit of legal counsel. That Committee's Report must be taken very seriously because it is not unnatural for the bureaucracy, who wrote the regulations in the first place, to find them perfect. It is not unusual for people to defend their own work and I think that that is possibly what is happening here.

I am no lawyer myself, but I do know how to read legal opinions and I think that the opinions expressed in these reports should be taken very, very seriously by the Government. I am glad therefore that we are accepting the Report. I think the wording is actually "concurring in the Report" so I presume that is what they are going to vote for in concurring with the Report. I am glad that that is happening. It is a good sign that they have an open mind to the situation.

Finally, I think that it is apparent that some of the regulations are being drafted by Members of the line department which is trying to implement the regulations and while they may get some assistance from Justice in this regard it may well be that the Justice Department is somewhat short-staffed to give full assistance because, for example, the Child Care Ordinance Regulations appear to be drafted by that Human Resources Department so I think that may be part of the problem arising due to the regulations not being as professionally done as they should be. So I shall be supporting the concurrence in this Report, Mr. Speaker, and once again, congratulate the Members of that Committee for doing a fine job.

Hon. Mr. Hanson: Mr. Speaker, it is pretty hard for me to understand, once again, the Leader of the Opposition. One minute he is saying that the Department of Justice is interfering with the making of the regulations. I must point out that he should know if he pays attention to what goes on in this House, the Departments involved with the regulations, make the regulations up. The only thing that the Department of Justice does is check out legality.

A little later on, he reverses what he said in the first place, so it is a little confusing to me. However, as the Minister of Justice has already said, we agree with the Report by the Committee.

Mr. Tracey: Mr. Speaker, I would like to thank the House for the support that the Committee has been given. I would especially like to thank the Minister of Justice for his comments and the Committee will be anxiously awaiting a detailed report on the parts of the report that he feels are not actually totally in the right. When we do receive those, we will take measures to correct ourselves where we are wrong.

However, as the Member stated from across the floor, we also do have legal counsel and, perhaps, midway somewhere in there is where it is right.

Thank you, Mr. Speaker.

Motion agreed to

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

Mr. Speaker: The Honourable Member for Whitehorse West, are you prepared to proceed with Item 2?

Mr. Penikett: Yes, Mr. Speaker.

Motion Number 6

Mr. Speaker: It has been moved by the Honourable Member for Whitehorse West, seconded by the Honourable Member for Faro, THAT it is the opinion of this House, that the Yukon Territorial Government should make available to child care facilities in the Yukon direct funding of a level at least sufficient to cover the costs of implementing Government regulations or standards for such facilities.

Mr. Penikett: Obtaining quality day care that is both affordable and accessible, is proving an uphill struggle in Yukon. As all Members know, generally speaking, any issue which involves children is emotionally charged. The issue of day care has been the centre of controversy for such a long time because it is further complicated by a philosophical dichotomy: is child care the private responsibility of parents or is it, in part, the public responsibility of society? The topic has even been more complex because it has been defined as a women's issue, because women are becoming an increasingly

larger part of the paid labour force and are no longer able to stay home and care for the master's children in the way that was their role throughout history.

There are some very basic principles which appear to be forgotten in the debate over day care. First and foremost, day care is, in my view, ultimately a working person's issue. If people are to work, provision must be made for the quality care of their children.

Day care should not be tied too tightly with women's issues. Parenting, in my view, is a dual responsibility and good quality child care should be a concern for both fathers and mothers regardless of parental relationships. Third, children are obviously the future of this community, this country, and society has a direct stake, therefore, in assuring that they are nurtured, stimulated and educated as well as possible so that they can be responsible and productive adult members of the community.

We tend to think of day care as a problem imposed on society by women, when really the lack of day care is a problem imposed on parents by a society unwilling to accept its social responsibility which requires, in current economic circumstances, both parents in many families to work in order to survive.

Day care in Canada has been in a deplorable state because of tight purse strings and narrow thinking. Through present funding schemes, affordable day care is largely available only to the poor and ironically, to the wealthy. Subsidy eligibility is so restricted in most parts of Canada that 70 per cent of available subsidies go to children of single parents or "at risk" children. Because of the lack and cost of adequate day care facilities, 80 per cent of working parents make informal arrangements with friends, neighbours or relatives for child care.

Studies have shown that this type of care is largely custodial.

These facts are not new, nor, unfortunately, are they changing. This situation must be altered, Mr. Speaker. We can start now by making quality day care affordable and accessible, a high priority issue.

As some Members may know, day care centres have existed in Canada over 120 years. Like their counterparts in other countries, Canadian centres evolved as a response to changing social conditions, the pressures of inflation and industrialization, and women's need to work outside the home.

Generally, day care was needed by widowed parents or immigrant families where both parents needed to work in order to survive financially. Child care was provided as a charity by women's organizations or churches. Government support was, in the beginning, very limited though Municipal and Provincial Governments would occasionally provide small annual grants or per diem subsidies. The ideal standard remained the care of an individual mother in her own home, and there was no intention that day care ever become an acceptable alternative to home care, or an enriching experience for children.

The intense labour shortage caused by World War II resulted in the recruitment of more women into industry placing heavy strains on the few existing day care centres. In 1942, the Minister of Labour of Canada of the day offered a cost-sharing arrangement with any provincial government interested in establishing day care facilities. The cost-sharing agreement was limited to spaces used by children of mothers who were working in "essential industries". After the war, this cost-sharing agreement was withdrawn and there was a concerted effort on the part of the Government to entice women back into their homes. The introduction of a family allowance benefits was thought by many to be a measure intended to soften the economic effects of women leaving the paid labour force.

The percentage of married women in the paid labour force, however, continued after the war and is continuing to grow today. According to the 1978 Status of Day Care Report there were 795,000 children under the age of six whose mothers were in the labour force in Canada. Day care, whether we are talking about the Yukon or Canada, has never been able to meet the demand. It should be noted that even when Government was taking some responsibility for day care it also took on traditional attitudes towards the service it was providing. Even today, Federal day care money comes from the welfare pocket, the Health and Welfare Budget. Day care never outgrew the stigma of its charitable origins or its reputation as a low status, inferior substitute for home care. The underlying issue has been where the children and child-bearing should be a private or a social responsibility.

Mr. Speaker, it is time to face the facts. Day care is not welfare dole. We, in our society, are in the process of great change. This change is basically an attitudinal one. The situation is becoming acute. The demand for day care must be uppermost in our minds, not because more and more women are returning to the work force but also because the two-parent family is undergoing erosion leav-

ing an increasingly large number of single parents. The overwhelming evidence is that mothers enter the work force either as the sole provider or because they find one salary insufficient to meet the rising cost of living. Government must take more responsibility in providing quality day care at a reasonable cost, readily accessible, and affordable to those who need it.

Mr. Speaker, funding affects all aspects of day care—site, salaries, equipment, fees, and subsidies.

It is directly linked to the quality of day care and even where some provinces have reasonable standards, they may have put unrealistic ceilings on the operating costs which they are willing to subsidize. Though the number of staff members may be sufficient and their qualifications good, low salaries cannot help but affect staff morale, staff turnover and, ultimately, quality of day care itself.

The most prominent reasons for day care's slow growth is that the service is, by and large, not tax supported. Parents' fees are the main source of operating funds and, at present, not all jurisdictions offer access to capital funds to build or renovate new centres.

Yukon has not even got to that point yet, though I happen to believe that capital grants would prove, or might prove, the most immediate method of funding without strings.

At present, the main vehicle for Federal day care funding is the Canada Assistance Plan. Thus, day care assistance for the Federal Government is explicitly a welfare program. Under this plan, the Federal Government contributes to day care subsidies by matching funds on a 50/50 basis to provinces and territories. "for persons in need or likely to become in need if day care service were not provided for them"

Federal involvement is on a funding basis only. Individual provinces and territories are responsible for setting regulations and ensuring that these regulations are adequate and are being observed. We are now in the process, I gather, in Yukon, of finally adopting regulations here. Now, provinces and the territories administer these Federal subsidy programs and the Federal share is paid to them once the service and the subsidy has been provided.

Because of the restricted eligibility requirements for subsidies, it is almost impossible for the average, middle income family to receive a subsidy. Approximately 70 per cent of the subsidized day care spaces are used by children of single parents or children who are referred to day care by social workers. With day care fees in this country averaging around \$3,000 to \$4,000 per year for each preschool child, supervised child care is beyond the reach of many average Canadian families. To make matters worse, a family is allowed a maximum child care deduction on their income tax of \$1,000 per child.

Now, in Yukon, fees average only \$2,000, which suggests to me something terrible about day care standards and day care workers' salaries, as they have existed up until now. The regulations that are coming will help the standards, but not the workers, nor the children whose parents cannot afford to have them in day care.

Now, as we have talked about before in this House, there are two kinds of day care. There is licensed day care and the family home day care. Children in both these kinds of facilities can be subsidized if they qualify and the qualifications include things like, in most parts of the country and, I expect, here, building standards and staff/child ratios and per diem rates and health standards and food standards and so forth. These kind of day care centres can offer a wide variety of quality care.

It is interesting, though, in this county—I tried to find the Yukon figures, but they are not easy to calculate, but in this our country, only 20 per cent of Canadian preschool children, whose mothers work, use licensed day care. I would suspect that the figures would be somewhat similar here.

Now, if you look at the Canadian picture, totally, there has been a significant drop in the spaces in day care centres in the last two years in a row. This alarming trend indicates that the future of day care centres in Canada and Yukon, especially in the community-based, non-profit sector, is being jeopardized.

Now, Mr. Speaker, day care centre staff are traditionally female, underpaid and unorganized. In most provinces, the qualification requirements range from early childhood education diploma to "being sympathetic", to "suitable" or, if you go back to the really Victorian standard, "a person of good character". Trained workers may have diplomas or degrees in early childhood education, yet most are often perceived as simply as substitute mothers.

Sickness is an occupational hazard. However, because paid sick leave at most centres is minimal, being sick is a luxury that most day care workers cannot afford.

Workers are frequently expected to do housekeeping chores as part of their job: sweeping, light cleaning and preparing of snacks

for the children. Professional development days are almost non-existent for them as they are for teachers.

In addition to poor benefits and largely unsatisfactory working conditions, the pay is very low. The average annual income is between \$7,000 and \$10,000 a year. The majority of day care workers, as I said, do not belong to a union and they have no job protection. In fact, I would point out that the total wage bill last year, for the two-and-a-half workers in the child care centre which my son attends, was, I believe, only \$17,000 a year.

Now, we have had some discussion before, when we were debating this Bill, about the non-licensed child care centre. I would like to say a word about that, Mr. Speaker.

The number of mothers entering the workforce has continued to increase, while the number of licensed day care spaces has remained static over the last few years. While those surveys indicate that the majority of parents prefer centre care as the ideal arrangement over other forms of care, most parents do not have access to centre care because of eligibility factors, high costs, location and lack of spaces.

As a result, as I pointed out, 80 per cent of working parents use unlicensed care, for example, relatives, neighbours or friends, for their children. These informal and unregulated arrangements are set up and paid for by parents. The fees range from nothing to about \$30 per week, about half the cost of licenced care or even less than that.

The two major problems with unlicensed day care are provider working conditions and pay, and the quality of the care provided. The job, as anybody who has done any parenting knows, and that includes most of us, is very demanding. There are constant interruptions, noise, mess and mess. Emotional satisfaction of the job does not justify an income far below the minimum wage. The caregiver is isolated and does not have the opportunity to interact with other adults, as workers outside the home. There is no job security for the provider. Further, child care may be good or poor depending entirely on the individual person offering the care.

Now an overview of the literature in this field suggests that unregulated day care is, as I said before, basically custodial and does not contribute greatly to the development of these young citizens, the children.

Now, Mr. Speaker, I do not apologize for the fact that my Party has tried to make this an issue and will continue to try to make it an issue of political importance in the Territory. I believe the economic changes that we face and the social changes we face in the coming years justify this concern. We believe social programs like this are in the best interests of society and that the public, society, must share in the responsibility for its youngest citizens.

Mr. Speaker, I believe, as others have said, and I will say it again, it is unfortunate that we must appeal to, if you like, welfare budgets for funding. I, frankly, would prefer the child care be something which we would call early education and that we could fund it from education budgets which seem to be much more sacrosanct and less subject to attack than other budgets. I would like to see, if it were possible, the mandate of the Department of Education changed so it could include day care.

Last spring and fall I moved in this House a Motion similar to the one I am presenting today, the basic point of which is that direct funding should be made to a level at least sufficient to cover the costs of implementing the YTG regulations or standards.

I believe that this should become a budget commitment of the Government. I believe that while there may be a debate about whether the standards will cost money or not, that I fall on the side of argument that says they will cost, in fact, the present financial situation for day care in Yukon do justify the expenditure by Government.

I believe that with proper facilities and trained staff, day care can foster the emotional, physical and intellectual development of a child. It can promote and strengthen the well-being of the family. It is not merely babysitting. It is not a frill.

If day care centres cannot flourish in Yukon, I believe children and their families, and eventually the community as a whole, will suffer. In the end, minimal dollars this Government should put into funding for day care centres can be seen as a preventative measure in the traditional policy of the Department against the potential waste of human resources. In the end these monies will save much more being spent in the area of corrective social services.

I say again, Mr. Speaker, let us not forget the increased revenues our community will see if women are free to go to work. The increased tax base, the increased purchasing power, the increased demands for goods and services not presently affordable. It seems to me, Mr. Speaker, that those benefits would accrue to the Territory with very little expenditure on the part of this Government.

As I have said, day care is a labour intensive service. At present,

day care workers here are earning near the poverty level wages. In Yukon, some of them earn around \$600 or \$700 a month. Even the directors of day care who have been trained, some of them earn only in the neighbourhood of \$850 to \$900 a month. But it is largely because of these low wages that day care centres can continue to operate. I do not think that day care workers can be continued to expect to exist on fresh air, sunshine, and the fact that they enjoy working with children. To a very great extent, they are presently subsidizing the cost of day care service, a situation which I do not believe is fundamentally fair.

At the moment, we are not even asking for monies to cover increased wages to the workers, we are asking for minimal amounts to enable existing day care facilities to improve their facilities to meet these Government standards. As I say, it is not a great amount. It is only a matter, I believe, of a few thousand dollars. I urge the Government to come up with that amount from somewhere.

As I noted, Mr. Speaker, in the spring debate, the centres now operating in Whitehorse face continuing financial problems. All are financially in tough shape. Previous Conservative Members of the Executive Committee realized that day care regulations would be impossible without "the necessary financial incentives to permit achievement of these standards". I think it is unfortunate that the belief in funding did not survive the change in government.

Mr. Speaker, I do not believe that PC MLA's opposite agree with the position their Caucus took on my resolution last spring and last fall. This is their opportunity, Mr. Speaker, to do what they know is right. I urge them to reconsider the principle of this question of funding.

Hon. Mrs. McCall: Mr. Speaker, I think the Honourable Member opposite has brought up some very worthwhile points and I would like him to know that the matter is under thorough consideration by my Department at the moment. We are awaiting more information so I move that we adjourn debate on the motion.

Mr. Speaker: It has been moved by the Honourable Minister of Human Resources, seconded by the Honourable Member for Faro, that we do now adjourn debate.

Motion agreed to

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

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

Mr. Penikett: I am prepared to go ahead with it, Mr. Speaker.

Motion Number 10

Mr. Speaker: It has been moved by the Honourable Member for Whitehorse West, seconded by the Honourable Member for Whitehorse North Centre, that the Report of the Standing Committee on Public Accounts, presented to the House on April 9th, 1980, be concurred in.

Mr. Penikett: Mr. Speaker, I want to say at the outset that my work on this Committee has been a real pleasure for me and I hope that the other Members of the Committee share that feeling.

I am going to leave to other Members of the Committee to deal in more detail with the substance of the Report, but I did want to say a word or two before we get into the debate about the procedures and the way the Committee has worked.

As you know, the Committee was established last fall. It has five members, three from the Government side of the House and two from the Opposition. In the best tradition of Public Accounts Committees, it was chaired by an Opposition Member and it was felt by the Members of the Committee that the other Opposition Member was more competent and qualified to lead the attack in the deliberations of the Committee and, therefore, it was free to me to assume the other Opposition role, that of the chairman of the Committee.

We did do some things which are slightly different from other Public Accounts Committees. We did not have a steering committee, because we were only five and we felt that having a separate committee for this purpose was unnecessary. We did decide that the work of the Committee could be done primarily when the House was adjourned or prorogued and the number of hours and the number of meetings we had, I think, prove that that was the wiser decision. It would have been impossible for us to conduct formal hearings while the House was sitting.

We did decide that the chief witnesses before the Committee should be Deputy Heads of the departments. We felt that we wanted to deal with administrative questions and not policy questions and to have Ministers as witnesses, with one exception, would have produced a lot of policy debate.

I think, on the whole, that decision was a wise one and was borne out with experience. I think, as a whole, the Committee avoided the policy debate and stuck to its mandate.

We did decide that we would request from the Auditor General of

Canada that expert advisors from the Office of the Auditor General join the Committee in its deliberations. I think that, too, was a wise decision and formally, at this point, I would like to thank on behalf of the Committee members, the assistance we received from two very senior members, officers of the Auditor General's Office. Their advice to the Committee in its first time round I think was invaluable.

I think we made the decision that the Committee should have the right to examine all Territorial Accounts, all the published Reports of the Auditor General and all financial information being used by the Auditor General when preparing his Reports. We did observe the tradition, the very old one, of allowing the Auditor General's reports to initiate our discussion.

I think significantly, too, we did assign to ourselves another item for consideration and that was the Tourism Branch, which was not raised by the Auditor General, but which was something which Committee Members felt they wanted to examine.

I would suggest that the discussion that was initiated by the Auditor General's Report on the Department of Finance was not only fruitful but I think, highly educational for all Members of the Committee. I believe that all Members of the Committee came away from the experience of those hearings with a far better appreciation of the operations of this Government and the kind of financial aspects of the administration of Yukon. I think we learned a lot there and I think it will be to our eternal benefit.

The Committee decided that if it was a matter of urgency we might issue special reports from time to time. As yet, we have had no cause to do that. It has been our first time around, but we may yet in the future.

We decided, Mr. Speaker, to hold formal hearings in this Chamber and I think that is interesting because it allows the Committee Members to sit on the same side of the House together and allowed the witnesses to sit opposite us and allowed us, I think, to have some kind of unity of perception, some kind of non-partisan co-operative approach that was enhanced by the physical surroundings.

I think, too, that the fact that we held hearings in this Chamber dignified the hearings considerably and enabled the witnesses appearing before the Committee to recognize the importance and seriousness with which we reviewed the matters before us.

It is an interesting feature of our proceedings that we had three different types of meetings. We avoided procedural wrangles or divisive arguments about procedure on the business before the Committee by holding basically, our planning sessions in executive sessions which were closed.

We held our formal hearings in this Chamber, in-camera, even though there was a transcript and we also held informal meetings, a number of them, one with all department heads. I think it is extremely fortunate this time around that we held the formal hearings in-camera. It was an accident of history that the hearings happened to be going on in the middle of a Federal election and I think had we had public hearings at that time, I, as Chairman, do not quite know how I would have, with the best will in the world, controlled the proceedings. I have no doubt in the world that even though we are all gentlemen here and all of us here only just a little bit partisan, there would have been some fairly fractious discussions if there were newspaper headlines to be obtained therefrom.

I think the fact that we did hold the meetings in-camera and that the results have now been published with the Report, I think, was probably the wise way to go. We may not do that, always, in the future but I think it was a happy accident for the first time around.

Traditionally, Public Accounts Committees have dealt with items of a past nature. Some of them have dealt with horror shows, waste, or inappropriate expenditures made by Government officials.

We concentrated somewhat in a different way with the past practice, with the record of the Government in the previous year. The orientation of the Committee was very much towards identifying the problems, soliciting from the officials before us a commitment to correct the problem, and then hopefully, in the future, we will be monitoring the implementation of that corrective action.

I think, in summary, we observe the process of the Auditor General recommending, if you like, us hearing a response to the recommendations from the Government officials and then making our own decisions and our own recommendations to this House about future action.

I will say, in closing, because other Members of the Committee want to speak, that we had insufficient knowledge of time to dwell, I think, in as much detail or as much insight as we would have liked in some matters, but I think no doubt the performance of the Committee will improve in this way in the future.

I think there were times when it was probably a very tough

experience for the one Cabinet Minister on the Committee, because ultimately a Cabinet Minister is always going to be torn between his responsibilities to the House and his responsibilities to the Government. However on balance, I think the advice and the expertise that that Cabinet Minister was able to bring to the Committee was offset by any frustration he may have felt by the experience.

In closing, Mr. Speaker, I do want to say I hope that all Members of the House have an opportunity to read this Report sometime in the next few weeks. I hope you will consider the recommendations that we have made very seriously. I do not any of them are too profound or earth shattering but I think they are important, they may be small but they are significant.

I thank all the Members of the House for having appointed me to this Committee. I thank the Members of the Committee for having appointed me Chairman and I look forward, Mr. Speaker, to the work of the Committee in the coming year.

Hon. Mr. Pearson: Mr. Speaker, we have reviewed the Report of the Standing Committee on Public Accounts and wish to express our appreciation for the objective manner in which these meetings were carried out. The recommendations that form part of the report, in general, appear to be quite reasonable and productive.

I am pleased to note, Mr. Speaker, that my officials from the Department of Finance adopted a frank, co-operative and forthright approach to these proceedings as was acknowledged by the Committee in their report.

Mr. Speaker, there are a number of recommendations in the report, starting at page 25, some 14 in total and I would like to, with your permission, react to each of these recommendations on behalf of the Department of Finance at this point in time. I will omit speaking to Recommendations Number 11 and 14 which, in fact, were made directly to the Department of Tourism and Economic Development and the responsible Minister will reply to those two.

The role of the Territorial Treasurer, Mr. Speaker, will be clearly defined and his authority re-emphasized with the issuance of eight chapters of the new Financial Management Control Manual, within the next few weeks.

In respect to Recommendation Number 1, we support this recommendation and agree that the House should make no change in the Committee structure or procedures, at this time.

Number 2, the Financial Administration Ordinance was changed several years ago to direct that the Territorial Accounts shall be laid before Council by the Commissioner on or before the 31st day of October next following the end of that fiscal year, or if Council is not then sitting, within any of the first fifteen days next thereafter that Council is sitting.

We have had difficulty in receiving the Auditor General's Report in time to finalize the Territorial Accounts by October 31st. Although the 1978-79 Auditor General's Report was dated June 14th, 1979, the Government of Yukon did not receive it in time to finalize the 1978-79 Territorial Accounts by October 31st, 1979.

The Department of Finance will continue to press the Auditor General of Canada to meet this deadline. With the initiation of the Public Accounts Committee, we are hopeful that this additional impetus will help us reach this goal.

Number 3, Government of Yukon remains committed to further improvements in all aspects of the financial management and control. The 1980-81 Budget has the amount of \$204,500, which includes the salaries of three man years, to carry out this mandate.

Recommendation Number 4: At this point in time, the Government of Yukon has not adopted the Government of Canada's Treasury Board guidelines for the administration of major projects. Depending upon individual circumstances, appropriate project management techniques are employed.

Recommendation Number 5: The Government of Yukon presently requires that its departments prepare timely, regular and adequate variance reports per Policy 3/12 and its related procedures.

As is the case in all organizations, some staff do a better job than others. As well as continuous education by the Department of Finance staff to all departments in this area, the new classification of accounts and new financial management reports should improve the performance of departments in this important task.

Recommendation Number 6: It certainly is the intent of the Department of Finance to develop improved financial training techniques to help carry out our role of providing sound financial training programs for departments. We will liaise with the Public Service Commission on this project.

Number 7, the Government of Yukon recently appointed a Junior Auditor who will commence work on May 20. Although interviews were held to fill the Chief Auditor position, we were not successful. The Public Service Commission has reviewed this position and

decided to increase the salary substantially and again attempt to find a suitable candidate for this position.

Number 8, the Government will reactivate the Internal Audit Committee and appoint an elected Member to chair the Committee in the near future. The Audit Services Bureau will be directed to report to the Internal Audit Committee on any work that they do until the Government has filled the Chief Auditor position. The Treasurer will advise on the scope and coverage of the work of the Audit Services Bureau through the Internal Audit Committee.

Number 9, as indicated previously we have raised the limit of the Road Equipment Replacement Account from \$1 million to \$3 million. As well the Department of Finance will co-ordinate a review of this account in the 1980-81 fiscal year and will report their findings to the Subcommittee on Finance.

Number 10, the Department of Finance will provide more narrative descriptions in the Estimates commencing with the Budget for 1981-82 fiscal year.

Recommendation Number 11 will be answered by the Minister of Tourism and Economic Development.

Number 12, at the present time, the Financial Administration Ordinance, the contract regulations, the contract policies and procedures, provide suitable guidance for contract control. The individual departments must make proper use of the approved guidelines.

Number 13, the Government of Yukon is considering methods of delegating signing authority to Cabinet Ministers. The current delegating authority to deputy heads will be maintained and deputy heads will continue to be responsible for re-delegating authority to staff within their own departments.

Mr. Speaker, Number 14, the final recommendation, is one again that has been directed to Tourism and the Minister will reply.

In closing Mr. Speaker, I would again like to express this Government's satisfaction with the comprehensive report tabled by the Standing Committee on Public Accounts. I trust my foregoing explanation of existing and proposed new financial management and controlled techniques cover the items raised in the Committee's recommendations.

Hon. Mr. Hanson: Mr. Speaker, recommendation number 11, the Department should take action to improve the quality of its statistics so that it can adequately develop programs and measure their effectiveness.

It is correct that the statistics base of the Department is inadequate to properly measure the impact of the tourism industry, to project trends, develop programs, and evaluate their effectiveness. This data base is presently limited to a monthly volunteer accommodation/occupancy survey, information centre registrations, an occasional and often incomplete exit survey, and data provided by other agencies such as international border crossings and tourism attraction attendance rates such as at museums and Parks Canada sites.

In 1977, a study was carried out by the Management Services Division of BC Research to determine the information required to develop a comprehensive tourism data base. To implement this data base would require one man year and related support costs plus \$50,000 in professional services or an annual cost of \$90,000 plus an additional \$100,000 every three or four years to carry out a major exit survey. It is primarily because of this cost factor that the Government is not prepared to implement the development of an enlarged tourism data base at this time. However, we intend to request the Management Committee of the Tourism Subsidiary Agreement for funds to carry out an evaluation of the tourism marketing program during the current year.

Recommendation Number 14, the contract with the Yukon Visitors' Association should be reviewed and clarified as to whether it is a grant or contract. If it is a contract for services, then the Yukon Visitors' Association should provide periodic billings for the services so that they can be approved and paid according to the procedures of the Government.

The Yukon Visitors' Association Agreement is both a grant and a service contract. The grant component of the Agreement consists of a contribution towards the administrative costs such as salaries, rent and telephone expenditures of the Yukon Visitors' Association. The service contract component of the agreement consists of a provision by the Yukon Visitors' Association of hospitality training programs such as Yukon Hosts, industry communications such as a newsletter and co-operative marketing initiatives, the latter of which is cost-shared by Government and the Yukon Visitors' Association on a 50/50 basis. The Yukon Visitors' Association Agreement is presently administered as a service contract and does provide for periodic billings for services so that they can be approved and paid according to the procedures of the Government.

Mr. MacKay: I would like to thank the two Ministers, who have just spoken, for their responses and perhaps take up an issue on a couple of items that were discussed in it.

But first of all, I would like to say that I very much appreciated the opportunity given me in the House to serve on this Committee and that it was particularly interesting to be in on the initial formation of it and to watch the skill with which our normally partisan Member for Whitehorse West managed to ride two or three horses at the same time and put together a committee that seemed to function quite well. I congratulate him for that and I am sure that his non-partisan attitude could be well emulated by several other Members of the House, including myself.

I think that, on that basis, I will try to talk to the recommendations on a non-partisan basis.

I think it should be said, at the outset, I just want to discuss the matters relating to the Treasury Department, as I believe another Member from the Committee will be talking on the Tourism items.

The Auditor General, some years ago, at the request of the Yukon Government originally, did a study with respect to the financial management controls in place. This was, indeed, done and the report presented and the Territorial Government of the day agreed in principle with the implementation of the report.

The Committee was concerned, I think, originally, with the speed at which the implementation process was occurring and I think that was one of the major reasons for examining the Treasury Department.

I think the general impression we all got after having heard from the Treasury Department, that there were so many things to be done in this area, not only the recommendations of the Auditor General's Report, but also just the on-going fire fighting that goes on in such a department, that, indeed, progress had been made and that progress was continuing to be made.

So, our Recommendation Number 3 clearly urges the Treasury Department to continue the hard work involved in implementing these procedures and we are hopeful that, when the Public Accounts Committee meets again, that we will be able to receive an update on how that project is going.

The central issue, I believe, addressed by that study was the role of the Treasurer in the Government. I look forward anxiously to seeing the issue of the manual, which will partly contain that role as defined.

Fervently I hope that the role of the Treasurer will be regarded as a crucial one by this Government in the control of his expenditures. I believe that that is what is going to happen. I just hope that when we read it that we will not be disappointed.

Project management, the answer that the Government Leader gave indicated that there are some possibilities for improvement, I think, in this area. I hope that he will take that recommendation as a concern. I think, that the Committee has that while there was nothing particularly that we were referring with that recommendation, it just became apparent that the value for money aspects of project management were of concern and that there are many ways of evaluating the worth and the efficiency of projects and its management. We are suggesting that ways should be found for the Territorial Government to measure the effectiveness of their project management.

Variance reports, I think the new system being introduced as of April 1st, will definitely improve the quality of these statistics. It does not matter how many good statistics you get, the ultimate answer is that the head of that department must take his variance reports seriously and make thorough inquiry as to why they occur and how they can be avoided.

Training programs, I think that recommendation is well accepted and I think that I would mention that, in considering training programs, it is very useful to have people to train who have some previous experience in the field that they are being trained in. The Committee did have some concern that the line departments were getting a lot of onus put upon them to provide the financial data, but the individuals within the line departments may not have had the previous experience necessary to provide accurate accounting figures.

So, training programs was a recommendation. However, there is another way of looking at it and that is trying to hire, in the first place, people who have a little more expertise.

Internal auditor, it is too bad that we have been unable to hire this internal auditor. We are pleased to hear of the increase in salary. This only makes it harder for other members of the profession of auditing to hire people, too, but I appreciate the significance that the Government is placing upon hiring an internal auditor quickly.

The Internal Audit Committee, I think that recommendation is entirely accepted. I am pleased to see that.

The Road Replacement Account, I would hope that, in view of the fact that it has been a contentious issue and was actually the subject of specific mention in the Auditor General's report, that ways and means can be found of implementing the recommendation of the Committee.

Form and Content of the Main Estimates, I am pleased that that was accepted and I look forward to the narrative descriptions in the 1981-82 Budget.

The Contract for Proposal Evaluation, again, we were told there are approved guidelines. I am afraid that fact escaped our notice when we were going through the particular contracts. I believe that, in fact, that had escaped the notice of the people handling the contract too. We hope that every department will become aware of these guidelines and that the Committee probably would look into this again to see if, in fact, some of the value for money items are included in the guidelines.

On delegation of authority, I am pleased to see the Government is accepting, or trying to accept, this recommendation. I hope it does not get into any other too difficult an area in doing so.

I leave the comments on Tourism to the other Members.

I would like to close by saying that this Report represents quite a lot of work on the part of the Members from the Committee, but I think that without the Auditor General and his staff, without the Clerk to the Committee doing an awful lot of work and without the Chairman generously sacrificing his time, this report would not have been presented to you in such a timely way or in such a thorough fashion.

Mr. Lattin: It has been an honour for me to be a part of this Committee. I was quite impressed with the non-partisan approach that was taken by all Members. I think at this time it would be remiss if we did not recognize the valuable assistance and help we got from the Assembly Office. I think without their support we would not have proceeded in the manner in which we did. I would, at this time, like to go on record saying, "Thank you".

On Tourism Statistics, Recommendation Number 11, it would appear to the Committee that the statistics seemed to fail in what they were trying to accomplish. They did not seem to give us the information wanted, and one area that we noticed that there was a distinct weakness in was the definition between a tourist and a person coming up here on business. By the statistics, we were not able to see if the money we were spending on advertising to obtain tourists was producing any effect.

That was one of the things that really seemed to be weak in the situation.

The other one, on the Yukon Visitors' Association Contract, I heard the remarks of the Minister but it would seem to the Committee that if it was a service billing, the Government was expending money, the accountability did not seem to be there. I think there is room for some improvements. He mentioned that part of it was a grant and part of it was a billing. I (unintelligible) his comments there but I still say it would seem to the Committee, and we were of the opinion at that time, that the billing should be subject to more accountability.

I had a couple of comments on the contract proposal evaluation by the Minister across the way and the delegation of authority, he has mentioned those. I will not take any more of your time with that.

I would like to conclude in saying that it was a very satisfying experience for me to be part of the Committee and I see in the future that this Committee can be very valuable in keeping a control on the public purse.

Hon. Mr. Graham: Mr. Speaker, I had not intended to enter into this debate at all but I feel I must. It is true, the point that all previous speakers have made that it was an admirable Committee. It showed a great deal of impartiality and went about the business in a very commendable manner.

However, I think it only fair that I point out some of the things that I observed during the period that I attended these Public Account Committee meetings. One of the things that came to my attention and I am very happy to say, all Members agreed that it was a legitimate concern, was one that I had that almost anything can be corrected with sufficient manpower employment, however, unfortunately we must look at raising the funds and the manpower necessary to correct many of the deficiencies that are alleged to exist in the financial control of this Government.

I think that this Committee made an excellent effort to take into consideration the variables between having perfect financial control, which would entail a Treasury Department the size of the Education Department, some 500 members, and no financial control, which would mean we had a Territorial Treasurer who sat up there and signed cheques at our request.

I think that that, more than anything, is what impressed me with the Committee, their ability to weigh the advantages and the disadvantages of all of the recommendations in the report. I am happy to say that we did eventually arrive at a compromise in some areas and, all in all, I am very happy with the report and, as all Government Members, will be voting with it.

Motion agreed to

PUBLIC BILLS AND ORDERS

Mr. Clerk: Second reading, Bill Number 101, standing in the name of Mr. Penikett.

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

Mr. Speaker: So ordered.

We will now proceed to Government Bills and Orders.

GOVERNMENT BILLS AND ORDERS

Mr. Clerk: Second reading, Bill Number 17, standing in the name of the Honourable Mr. Graham.

Bill Number 17: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that Bill Number 17, An Ordinance to Amend the Transport Public Utilities Ordinance, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Hootalinqua, that Bill Number 17 be now read a second time.

Hon. Mr. Graham: Mr. Speaker, I consider this one of the more important bills that we will be considering in this Session of the Legislature.

The changes to the Transport Public Utilities Ordinance that we have before us today is basically a relatively hurried response to the many problems that this Government has experienced over the past few months, in relation to the enforcement of our present Ordinance.

We still intend to bring in a totally new ordinance at some point in the future, but we do think that these changes meet the present needs and requirements of the industry in the Territory.

We have found it extremely difficult to regulate the transportation industry effectively in the ways intended by the present Ordinance. Consequently, we find that the changes in the present provisions governing the issuance of operating certificates and trip permits to truckers operating in the Territory, is essential.

Mr. Speaker, this Government has undertaken to sweep every possible class of motor vehicle into this Ordinance. This is a radical change from the past practice. In the present Ordinance, an attempt has been made to include all classes that the Government of the day felt the Ordinance should apply to.

This has caused no end of problems to us, Mr. Speaker, with truckers coming into the Territory, claiming an exemption under the Ordinance or they did not understand the Ordinance, therefore they should not have to purchase trip permits and that type of thing. Our enforcement agencies are in the position of also not really knowing what the present Ordinance means, so, in many cases, the offending vehicles are allowed to proceed without being impeded or any proceedings taken against them whatsoever.

The proposals, as outlined in this Ordinance, as I said, Mr. Speaker, will draw in all classes of motor vehicles and then we will grant exemptions to specific groups. However, we will also retain the right to force, by regulation, any group or individual to apply to the Transport Public Utilities Board for an operating certificate. This will give us the flexibility to require anyone operating a vehicle for hire to apply for authority to operate in the Territory.

We shall also create a new position in the Public Service, Mr. Speaker, with this Ordinance and that is the one of Secretary to the Transport Public Utilities Board.

I might add that I will not be requesting any new man years from Government, Mr. Speaker, for this position. We will be finding funds and manpower in the Consumer and Corporate Affairs Department.

I will briefly outline some of the responsibilities of the Secretary that have changed over the present Ordinance. The Secretary will be the designated aide to the Transport Public Utilities Board. He will provide the board with assistance in determining what the Ordinance means. He will also help the Board in drafting new regulations, if the Board feels they are required. He will also be responsible for the enforcement and general administration of the Ordinance. We hope that he will provide a focal point or a single person that any truckers or law enforcement officers in the Territ-

ory can go to for either interpretations of the Ordinance, or to inform him that they feel someone is breaking the law and should be investigated. The Secretary to the Board will have that function and, hopefully, it will clear up some of the problems that we do presently have.

The RCMP who, legitimately, have some complaints, do not know who to go to in Government. They do not have any one specific person they can go to and say, "What did you intend this to mean? Should we prosecute, should we issue a trip permit, overweight permit", this type of thing. Hopefully, this will clear up many of those problems.

We will also be changing the system of certificates and permits, not to correct any problems we presently have with the Yukon truckers, Mr. Speaker, on the contrary. I believe that Yukon truckers have shown great patience and have helped a great deal in preparing these changes for the Legislature.

What these changes will do is allow us to give an identification plate to any vehicle which has an operating certificate in the Territory. This will allow a quick visual check of the operating authority of any service vehicle operating in the Territory by law enforcement agencies.

Also, we have provided for a yearly review of operating certificates, but, in doing so, Mr. Speaker, have given truckers the ability to retain their identification plates, even though they are not in use for a period of 12 months. This is without review. They also have the ability to apply to the Board for a further period of retention of those identification plates if they can justify to the Board that the economic slow-down in the Territory has caused them not to use those identification plates.

Currently the practice in the Territory requires an operator or a businessman to purchase every licence plate that he intends to use for the year, and if he does not purchase those plates, at a cost of \$1000 to \$1,500, I believe, he loses the use of the those plates permanently. He must then re-apply to the Board for an operating authority if at some time in the future his business expands to the extent where he needs five trucks instead of only one.

We currently have a lot of \$1,000 public service vehicle licence plates sitting on half-ton pickups parked in the bush that have been wrecked several years ago. It is an expensive practice and a practice that we feel is not necessary.

Another major departure from the present Ordinance is the permit system which I will be introducing in this Ordinance. The Permit System is a radical departure again from the present Ordinance. In the present Ordinance, Mr. Speaker, in regulations, I believe that any business is allowed only four or five permits into the Territory in any single year. It is totally unworkable and we find, in some instances, truckers from outside the Territory coming into Yukon, telling the weigh scale operator that they are pulling a load into the Territory for a local company. They are given a permit based on Loiselle Transport, Canadian Freightways, Yukon Freight Lines or something like that and the owners of these companies know nothing about the permit being issued. So the next time their truck pulls into the weigh station, they request a permit, quite legitimately but cannot get one because some other trucker has already used up their four permits. It is almost impossible to enforce.

So what we will be doing is giving an unlimited number of permits to any trucker who wishes to haul a load into the Territory. However, these permits will be reasonably expensive. We have not set an exact schedule of fees yet, we are investigating that area further and it will be in the Regulations, however, a general price range seems to be in the \$250-\$350 range. We feel that a permit, at that price, will be one that will be a disincentive to people hauling regularly into the Territory. However, it is not a total disincentive to someone just hauling in a set number of loads into the Territory for one period of time and does not want to go through the problems of applying for an operating certificate in the Territory.

We will also be making the permits extremely visible to law enforcement agencies. We have discussed several methods of doing this. Again, these will be in the regulations so we have not really set the method by which we hope to issue permits but we are attempting to make it very easy to enforce. Some of the problems that we have had in the past, Mr. Speaker, are, quite frankly, that the Ordinance, the regulations are unenforceable. The RCMP do not want to enforce them. We do not have any inspectors on the roads to enforce these regulations and it has caused nothing but problems throughout the past year and a half, two years.

So, in conclusion, Mr. Speaker, I think that this Ordinance could be described as an Ordinance to, as the Honourable Member for Whitehorse West put it, "catch all them guys coming into the Territory illegally". I do not think he put it quite that nicely, but this is basically what we are trying to do. We are not attempting to change the present operating authorities of any trucker operating

in the Territory or operating in the Territory from outside with a legitimate Yukon authority. What we are attempting to do is restrict the operation of vehicles from outside the Territory who are operating illegally and costing us a great deal of money. We hope that we will increase the revenues to the Consumer and Corporate Affairs Department, we do not know by how much, but hopefully, it will be enough to request a further man year for an official inspector in the coming years.

Mr. MacKay: I would like to thank the Minister for his very thorough second reading speech and comment briefly on the proposals.

It seems that having a more readily enforceable Ordinance will be a very beneficial thing to the health of the industry and it certainly is a favourable advance, in my opinion, because I think the only people who could enforce the previous Ordinance were the rival truckers and that is not a particularly healthy situation for industry to be in so I appreciate that.

I would like to say that it is good to see that the industry has been so thoroughly consulted on it and that I, myself, have had no hearing of any complaints from members of that industry with respect to the Bill so I can only assume by the silence, although I have asked for comments, I can only assume from the silence that indeed there are not a lot of problems for the industry. Indeed, I think it is well to their advantage of the domestic industry.

I would also like to say that I think that the Transport Public Utilities Board that has been in operation, has been doing a good job under very difficult circumstances and it had to face up to some very tough decisions over the past year or two, particularly with respect to major issues that affect the Territory such as White Pass and others. I think it is commendable that they have done that kind of job and I hope you will continue to do so under this new Ordinance.

I will be voting in favour of it at this stage and will look forward to detailed debate.

Mr. Fleming: Yes, Mr. Speaker, I would also like to thank the Minister for bringing forward about this portion of the Transport Public Utilities Ordinance. I think, as the Minister has well said, the regulations that were, and partially through regulations, from the Ordinance were not workable in this Territory. You might say that the last Standing Committee on Statutory Instruments had the same view at that time. I would like to thank him very much for bringing it forward now. Maybe we will have something worthwhile.

Motion agreed to

Mr. Clerk: Third Reading, Bill Number 20, standing in the name of the Honourable Mr. Hanson.

Bill Number 20: Third Reading

Hon. Mr. Hanson: Mr. Speaker, I move, seconded by the Honourable Government Leader, that Bill Number 20, Energy Conservation Agreement Ordinance be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Economic Development, seconded by the Honourable Government Leader, that Bill Number 20 be now read a third time.

Motion agreed to

Hon. Mr. Hanson: Mr. Speaker, I move, seconded by the Honourable Government Leader, that Bill Number 20 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Economic Development, seconded by the Honourable Government Leader, that Bill Number 20 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I declare that Bill Number 20 has passed this House.

Mr. Clerk: Third Reading, Bill Number 31, standing in the name of the Honourable Mr. Graham.

Bill Number 31: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 31, Human Tissue Gift Ordinance be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Tatchun, that Bill Number 31 be now read a third time.

Motion agreed to

Mr. Speaker: Are you prepared to adopt the title to the Bill?

Hon. Mr. Graham: Yes, Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 31 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of

Education, seconded by the Honourable Member for Tatchun, that Bill Number 31 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I shall declare that Bill Number 31 has passed this House.

Mr. Clerk: Third Reading, Bill Number 4, standing in the name of the Hon. Mr. Lang.

Bill Number 4: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Whitehorse North Centre, that Bill Number 4, An Ordinance to Amend the Government Employee Housing Plan Ordinance, be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Whitehorse North Centre, that Bill Number 4 be now read a third time.

Motion agreed to

Mr. Speaker: Are you prepared to adopt the title to the Bill?

Hon. Mr. Graham: I move, seconded by the Honourable Member for Whitehorse North Centre, that Bill Number 4 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Whitehorse North Centre, that Bill Number 4 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I declare that Bill Number 4 has passed this House.

Mr. Clerk: Third reading, Bill Number 35, standing in the name of the Honourable Mr. Lang.

Bill Number 35: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that Bill Number 35, An Ordinance to Amend the Liquor Tax Ordinance be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Hootalinqua that Bill Number 35 be now read a third time.

Motion agreed to

Mr. Speaker: Are you prepared to adopt the title of the Bill?

Hon. Mr. Graham: Yes, Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that Bill Number 35 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Hootalinqua, that Bill Number 35 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I shall declare that Bill Number 35 has passed this House.

Mr. Clerk: Third reading, Bill Number 21, standing in the name of the Honourable Mr. Lang.

Bill Number 21: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 21, An Ordinance to Amend the Liquor Ordinance be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Tatchun, that Bill Number 21 be now read a third time.

Motion agreed to

Mr. Speaker: Are you prepared to adopt the title of the Bill?

Hon. Mr. Graham: Yes, Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 21 do now pass and the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Tatchun, that Bill Number 21 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I declare that Bill Number 21 has passed this House.

Mr. Clerk: Third reading, Bill Number 8, standing in the name of the Honourable Mr. Graham.

Bill Number 8: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua that Bill Number 8, An Ordinance to Amend the Motor Vehicles Ordinance, be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Hootalinqua, that Bill Number 8 be now read a third time.

Motion agreed to

Mr. Speaker: Are you prepared to adopt the title to the Bill?

Hon. Mr. Graham: Yes, Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that Bill Number 8 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Hootalinqua, that Bill Number 8 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I declare that Bill Number 8 has passed this House.

We are now prepared to receive Mr. Administrator in his role as Lieutenant Governor to give Assent to certain Bills which have passed this House.

Mr. Administrator enters the Chamber

Announced by the Sergeant-At-Arms

Mr. Speaker: May it please your honour, the Assembly has, at its present Session, passed a number of Bills, to which, in the name of and on behalf of, the Assembly, I respectfully request your Assent.

Mr. Clerk: Frustrated Contracts Ordinance, Reciprocal Enforcement of Maintenance Orders Ordinance, Perpetuities Ordinance, Yukon River Basin Study Agreement Ordinance, Energy Conservation Agreement Ordinance, Human Tissue Gift Ordinance, An Ordinance to Amend the Government Employee Housing Plan Ordinance, An Ordinance to Amend the Liquor Tax Ordinance, An Ordinance to Amend the Liquor Ordinance, An Ordinance to Amend the Motor Vehicles Ordinance.

Mr. Administrator: I hereby Assent to the Bills as enumerated by the Clerk.

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

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 shall call Committee of the Whole to order.

At this time, we are going to consider Bill Number 2, but, perhaps before, we will have a recess.

Recess

Mr. Chairman: I will now call Committee to order. This afternoon we are considering Bill Number 2, An Ordinance to Amend the Companies Ordinance.

On Clause 1(1)

Hon. Mr. Graham: Mr. Chairman, this Ordinance, as I said in second reading, is basically an omnibus type bill. They are basically non-policy items that we have changed to either increase efficiency in the Department to insert new definitions or clarifying authority under which the Department does operate.

Mr. Chairman: If there is no other general discussion, we will commence a clause by clause discussion.

Hon. Mr. Graham: Mr. Chairman, possibly as we go through I will explain basically the changes as we go and that might limit the questions somewhat.

Mr. MacKay: I find that very agreeable, Mr. Chairman.

Mr. Chairman: We will call on you, Mr. Graham, when we need you.

Hon. Mr. Graham: "Insurance" is a new definition from the Insurance Ordinance to clarify the meaning of the term in Section 6. I believe, of the Ordinance, whereby the Yukon may not incorporate an insurance company.

Clause 1(1) agreed to

Clause 1 agreed to

On Clause 2(1)

Hon. Mr. Graham: The Registrar has a duty to enforce the Ordinance and this new section clarifies this authority by detailing reasons for rejection of documents submitted for filing.

Clause 2(1) agreed to

Clause 2 agreed to

On Clause 3(1)

Hon. Mr. Graham: Mr. Chairman, this just eliminates Section 11(2)(e), (f) and (g). Actually it eliminates Section 11(2)(g) which is the notice of the Yukon registered office. This section is now required under Section 69, I believe.

Clause 3(1) agreed to

Clause 3 agreed to

On Clause 4(1)

Hon. Mr. Graham: Mr. Chairman, this just provides for the Government to publish the notice of change of name, not the company. We are doing this because we do not require companies to publish name changes in all instances, only when we feel that the name change affects the public materially. We do not require name changes when all they do is add the French equivalent onto the present name change, that type of thing.

Mr. Byblow: This is just somewhat related. I wonder if the Minister could clarify just what constitutes the Yukon Gazette?

Hon. Mr. Graham: It is in the Interpretations Ordinance.

Hon. Mr. Pearson: Mr. Chairman, the Yukon Gazette, at the present time, is any newspaper published in the Territory that the Queen's Printer chooses to use as a Gazette. It must be a paper that is distributed within the Territory and throughout the Territory.

Clause 4(1) agreed to

On Clause 4(2)

Clause 4(2) agreed to

Clause 4 agreed to

On Clause 5(1)

Hon. Mr. Graham: The only change here is we changed "shall" to "may" to allow some discretion of the registrar to publish only when required for public notice and not every time a notice is made.

Clause 5(1) agreed to

Clause 5 agreed to

On Clause 6(1)

Hon. Mr. Graham: Well, this eliminates the reference to fees calculated on membership, because of the fact that we do allow single shareholder companies in the Territory.

Clause 6(1) agreed to

Clause 6 agreed to

On Clause 7(1)

Hon. Mr. Graham: This clarifies Section 20 and allows for automatic changes in company regulations by choice of the company. This is a problem that we have had for some time.

Clause 7(1) agreed to

Clause 7 agreed to

On Clause 8(1)

Hon. Mr. Graham: This just replaces "director or secretary" as acceptable signatories to statutory instrument to "officer or director".

Clause 8(1) agreed to

Clause 8 agreed to

On Clause 9(1)

Hon. Mr. Graham: Clause 9 just provides for alternate filing dates. It is stipulated in Sections 33(1) and 33(6) that alternate filing dates are available and this just provides for them, in Section 33(3).

Clause 9(1) agreed to

On Clause 9(2)

Clause 9(2) agreed to

On Clause 9(3)

Clause 9(3) agreed to

Clause 9 agreed to

On Clause 10(1)

Hon. Mr. Graham: This removes the requirement that the copy of the resolution be filed under company seal, which sometimes does not exist because we do not require them in all cases, and allows for certification by an officer or agent, rather than by the secretary of the company.

Clause 10(1) agreed to

On Clause 10(2)

Clause 10(2) agreed to

Clause 10 agreed to

On Clause 11(1)

Hon. Mr. Graham: It provides that the registered office in the Territory is a place at which a company may be served. Clarification of what is considered a practical and common situation.

Clause 11(1) agreed to

On Clause 11(2)

Clause 11(2) agreed to

Clause 11 agreed to

On Clause 12(1)

Hon. Mr. Graham: Clause 12 is to provide an opportunity for a company to hold its general meeting out of the Territory. That is currently not allowed under our present Ordinance and we wanted it to be.

Clause 12(1) agreed to

On Clause 12(2)

Hon. Mr. Graham: Clause 12(2) is just elimination of a regulation, that is all.

Clause 12(2) agreed to

Clause 12 agreed to

On Clause 13(1)

Hon. Mr. Graham: This removes the requirement for filing a consent to act as director with the Registrar. It is another case of a regulation that is not really necessary, so we eliminated it.

Clause 13(1) agreed to

Clause 13 agreed to

On Clause 14(1)

Hon. Mr. Graham: This just attempts to clarify the reporting requirements. Section 14 or 82(1) is actually meaningless under the present Ordinance.

Clause 14(1) agreed to

Clause 14 agreed to

On Clause 15(1)

Hon. Mr. Graham: This removes the reference to "seal". As I said before, we do not require the seals anymore so it just removes any reference.

Mr. MacKay: I would just like to say how much I appreciate that amendment because anybody who has been involved with companies usually finds that at the eleventh hour of the eleventh day of signing any agreement, they cannot find the seal.

Clause 15(1) agreed to

Clause 15 agreed to

On Clause 16(1)

Hon. Mr. Graham: This eliminated stating the amounts thereby secured because not all documents have the amount of the mortgage and charges.

Clause 16(1) agreed to

On Clause 16(2)

Hon. Mr. Graham: Section 16(2) just removes the maximum fee of 25 cents.

Clause 16(2) agreed to

Clause 16 agreed to

On Clause 17(1)

Hon. Mr. Graham: Mr. Chairman, Clause 17 removes any reference to private company.

Clause 17(1) agreed to

Clause 17 agreed to

On Clause 18(1)

Hon. Mr. Graham: This increases the inspection fee from 25 cents to 50 cents.

Clause 18(1) agreed to

Clause 18 agreed to

On Clause 19(1)

Hon. Mr. Graham: Mr. Chairman this increases the fees from 10 cents to 25 cents.

Clause 19(1) agreed to

Clause 19 agreed to

On Clause 20(1)

Hon. Mr. Graham: Mr. Chairman, this Section 118 of the Ordinance is a redundant section that has not been used for some years. It is another instance of de-regulating.

Clause 20(1) agreed to

Clause 20 agreed to

On Clause 21(1)

Hon. Mr. Graham: Again, Mr. Chairman, we are striking out the reference to the seal of the company.

Clause 21(1) agreed to

Mr. MacKay: I just wanted to raise a point with the Minister because we are up to Section 121 and Section 122 is the Section of the Ordinance whereby an auditor is required to be appointed. I am wondering if the Minister has considered, in his proposals to amend this, that, I think in every other jurisdiction in Canada now there is an escape clause for a small private company not to have to appoint an auditor and that because it is generally accepted that it is not required for a closely held company. I am wondering if this has been considered by the Minister.

Hon. Mr. Graham: Mr. Chairman, I do not believe we considered it in this Ordinance, but it is something that we are considering, and in fact, we will probably be bringing in another Omnibus Bill, which we have already partially prepared, for the next sitting.

On Clause 22(1)

Hon. Mr. Graham: Mr. Chairman, this is just to clarify the expression that we refer to this as a Special Act of Parliament, not just any act.

Clause 22(1) agreed to

Clause 22 agreed to

On Clause 23(1)

Hon. Mr. Graham: We no longer license companies, Mr. Chairman, so it is redundant.

Clause 23(1) agreed to

Clause 23 agreed to

On Clause 24(1)

Hon. Mr. Graham: I do not have any notes on this one, Mr. Chairman. I think this one adds the word "insurance", which we now are including under Section 6 of the Companies Ordinance.

Clause 24(1) agreed to

Clause 24 agreed to

Mr. MacKay: On this particular section, I do not know how closely the Government has looked at it, but it came to my attention and, I think, every air operator in the Territory about four or five years ago they were all quite illegally incorporated, and in fact no such companies existed. The reason I mention it now is I believe everybody is now reincorporated federally, but I suspect there may be some others floating around.

On Clause 25(1)

Hon. Mr. Graham: This just extends the time for which a Certificate of Good Standing is accepted.

Clause 25(1) agreed to

On Clause 25(2)

Clause 25(2) agreed to

Clause 25 agreed to

On Clause 26(1)

Hon. Mr. Graham: Again, Mr. Chairman, in 26(1) we are removing reference to seal, and in 26(2) we are attempting to clarify the head office, non-Territory section.

Clause 26(1) agreed to

On Clause 26(2)

Clause 26(2) agreed to

Clause 26 agreed to

On Clause 27(1)

Hon. Mr. Graham: This section is repealed because it is covered in the Securities Ordinance, and it is just redundant in this Ordinance, as well.

Clause 27(1) agreed to

Clause 27 agreed to

On Clause 28(1)

Hon. Mr. Graham: Mr. Chairman, I realize it looks like a long section. Actually, it is for a very simple purpose.

It is to provide for a continuation of a company into Yukon. This is where a company wishes to move, and it allows the company to move into the jurisdiction of a corporation, subject to comparable legislation in other jurisdictions. In other words, if we have another province in Canada that has similar legislation in the field of companies to ours, they can then move into the Territory without having to go through all of the rigmarole of applying and receiving certification under our Companies Ordinance.

Mr. MacKay: I just wonder if the Minister could clarify that? As I understand it, once they came in under this section, they could actually allow their previous existence to die, and they would be incorporated under the Yukon ordinance by this section. Is that correct?

Hon. Mr. Graham: Yes, that is correct, Mr. Chairman. I am sorry. I do not explain those things very well.

Mr. MacKay: This is an area that I ran into a problem with in the Ordinance, and I appreciate seeing it here now and, for the benefit of my friend to the left here, who enjoys hearing about tax avoidance schemes, when Yukon becomes the tax haven that it is now, this section will be used extensively by oil magnates from Alberta to escape heavy taxation in Alberta by moving into Yukon. So, it is definitely a progressive step.

Mr. Penikett: Mr. Chairman, I am only just disappointed to hear that they are not required to hold their annual meetings here.

Clause 28(1) agreed to

Clause 28 agreed to

On Clause 29(1)

Hon. Mr. Graham: Again, Mr. Chairman, this Clause 29 refers to a Special Act of Parliament, and not just any act of Parliament.

Clause 29(1) agreed to

Clause 29 agreed to

On Clause 30(1)

Hon. Mr. Graham: Mr. Chairman, the same as both 29 and 22, it again refers to a Special Act of Parliament.

Clause 30(1) agreed to

Clause 30 agreed to

On Clause 31(1)

Hon. Mr. Graham: Mr. Chairman, this is just to reduce the number of issues that we are requiring for notice of process against unregistered extra-Territorial companies.

Clause 31(1) agreed to

Clause 31 agreed to

On Clause 32(1)

Hon. Mr. Graham: Mr. Chairman, both 32 and 33 are in keeping with the change made in 31(1).

Clause 32(1) agreed to

Clause 32 agreed to

On Clause 33(1)

Clause 33(1) agreed to

Clause 33 agreed to

On Clause 34(1)

Hon. Mr. Graham: Mr. Chairman, this is in keeping with the fact that we do presently allow single member companies and, under the present Ordinance, if we allowed this to stay, we are forced to wind up the company if the number of members falls below two, so this clears up that problem because of the fact that we do allow single member companies.

Clause 34(1) agreed to

Clause 34 agreed to

On Clause 35(1)

Hon. Mr. Graham: Mr. Chairman, it says "in the form prescribed," and we do not prescribe any forms, so we found a great deal of difficulty with the clause.

Clause 35(1) agreed to

Clause 35 agreed to

On Clause 36(1)

Hon. Mr. Graham: Mr. Chairman, this removes the reference to objects of companies. We no longer require them, and it is just in keeping with the general clearing-up.

Clause 36(1) agreed to

Clause 36 agreed to

On Clause 37(1)

Mr. Chairman: Mr. Chairman, this is another case of just a clause that was redundant. It is covered in Section 301(2) in the Ordinance, so we just are eliminating one of the references.

Clause 37(1) agreed to

Clause 37 agreed to

On Clause 38(1)

Hon. Mr. Graham: We are just removing the reference to corporate seals.

Clause 38(1) agreed to

Clause 38 agreed to

On Clause 39(1)

Hon. Mr. Graham: I do not have much, again, on this one, Mr. Chairman. I think this is a typing error, in that the heading said "Schedule 1" and it should have said "Schedule 2".

Clause 39(1) agreed to

Clause 39 agreed to

On Clause 40(1)

Hon. Mr. Graham: Mr. Chairman, in Forms A and B, we are not really interested in citizenship status, so we felt that any reference to that requirement was ridiculous, so we took it out.

Mr. MacKay: There are no foreseeable circumstances where the Minister can see where an indication of citizenship would be useful to the Government? I am thinking in terms of some other jurisdictions that restrict the ownership of lands, for example, to Canadian citizens. I am speculating, perhaps, on future policies of this Government, because we do not even have any land for Canadian citizens, but I was wondering if the reference to citizenship does not have some use?

Hon. Mr. Graham: Mr. Chairman, the discussion on that specific section comes back to me now. That question was asked and, evidently, we are not interested in citizenship for purposes of incorporating a company. For purposes of owning land, it would come under the Lands Ordinance. Under that Ordinance, we feel that we can restrict ownership of Yukon land to Canadian citizens, if we so desire.

Mr. MacKay: I suppose under the Games Ordinance, in terms of fishing, that would be where it would come under, "hook it?"

Clause 40(1) agreed to

Clause 40 agreed to

On Clause 41(1)

Hon. Mr. Graham: Clause 41 is just to correct a typing error.

Clause 41(1) agreed to

Clause 41 agreed to

On Clause 42(1)

Hon. Mr. Graham: Mr. Chairman, Clauses 42, 43, and 44 are all changes in forms to comply with the revisions that we have already passed in the Ordinance. The changes in forms were necessary to comply with the other revisions.

Clause 42(1) agreed to

Clause 42 agreed to

On Clause 43(1)

Clause 43(1) agreed to

On Clause 43(2)

Clause 43(2) agreed to

Clause 43 agreed to

On Clause 44(1)

Clause 44(1) agreed to

On Clause 44(2)

Clause 44(2) agreed to

Clause 44 agreed to

On Clause 45(1)

Hon. Mr. Graham: Mr. Chairman, this form was eliminated because the need for it was eliminated.

Clause 45(1) agreed to

Clause 45 agreed to

On Clause 46(1)

Clause 46(1) agreed to

Clause 46 agreed to

On Preamble

Preamble agreed to

On Title

Title agreed to

Mr. Chairman: I now declare that Bill Number 2, An Ordinance to Amend the Companies Ordinance, has cleared the Committee of the Whole.

Hon. Mr. Graham: Mr. Chairman, I move that you report Bill Number 2, An Ordinance to Amend the Companies Ordinance without amendment.

Mr. Chairman: It has been moved by Mr. Graham that I report Bill Number 2, An Ordinance to Amend the Companies Ordinance without amendment.

Motion agreed to

Mr. Chairman: Our next Bill under consideration is Bill Number 3, Miscellaneous Statute Law Amendment Ordinance, 1980.

On Clause 1

Hon. Mr. Graham: Mr. Chairman, the Miscellaneous Statute Law Amendment Ordinance, 1980, commonly known as the Omnibus Bill, is simply, again, changing various sections in Ordinances that we have in the Government where we have found that we have either had a typing error, or a change in reference, or small editing changes, in the main. I have given this Bill to all Members of the Legislature, previously, I think, quite a while before the Legislature started this time, and had anticipated if there were any problems that I would be more than happy to answer them at that time. Since I have not had any previous discussion, Mr. Chairman, with any of the Members, I do not really have a section by section explanation of what this Bill says.

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Hon. Mr. Lang: Mr. Chairman, I am just wondering in respect to the order of business and the procedure in respect to a Bill of this kind. All members have had a copy of this Bill for quite some time. I am wondering if it is necessary to go through it clause by clause, or if we could perhaps go through it page by page.

Mr. Chairman: I think it would be a little easier to handle clause by clause. I do not think it will hold us up too long.

Mr. Fleming: I would also suggest, because the Bill is of this nature, that you go a lot slower than the other bills, because you have to try to remember back or have notes back a mile and a half to where, in some Ordinance you have something on the Ordinance. Of course, they say it is non-controversial, however, there may be some areas in it that are not.

Hon. Mr. Graham: Mr. Chairman, that was the reason that I gave this Ordinance to all Members of the Opposition. If there were any problems with this Ordinance, as I requested then, tell me about them and I would remove the sections from the omnibus bill and bring them in as a separate amendment that we would debate.

I had anticipated no debate because of the fact that I received no communication from any Members that there were problems with any of the sections in this Bill.

Mr. Fleming: There has been no problem and no big debate and there probably will not be. However, I would, there are some that maybe it would not hurt a little bit if we checked them carefully as we go along.

Mr. Chairman: I would direct your attention to subsection (2)(1), the fifth word. You will note the typo error, an error in spelling.

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause 8

Clause 8 agreed to

On Clause 9

Clause 9 agreed to

On Clause 10

Clause 10 agreed to

On Clause 11

Clause 11 agreed to

On Clause 12

Clause 12 agreed to

On Clause 13

Clause 13 agreed to

On Clause 14

Clause 14 agreed to

On Clause 15

Clause 15 agreed to

On Clause 16

Clause 16 agreed to

On Clause 17

Mr. Chairman: I notice on Clause 17, the last word, I have a note in my book here, third section should be the first.

Hon. Mr. Graham: Mr. Chairman, I have a written amendment if you would like. It is that Bill Number 3 entitled Miscellaneous Statute Law Amendment Ordinance, 1980 be amended in Clause 17(1) at page 4 by deleting the phrase "1977 Third Session" in the last line and substituting the phrase "1977 First Session".

Mr. Chairman: I have an amendment here by Mr. Graham that Bill Number 3 entitled Miscellaneous Statute Law Amendment Ordinance, 1980 be amended in Clause 17(1) at page 4 by deleting the phrase "1977 Third Session" in the last line and substituting the phrase "1977 First Session".

You have heard the amendment.

Mr. Fleming: I will not be speaking on the amendment but I wanted to ask a question of the Minister, explain the amendment, please. I would ask the Minister to explain what the amendment actually means and also Section 17(1).

Hon. Mr. Graham: Mr. Chairman, the amendment that is before us is quite simple. We are talking about a typing error in "1977 Third" to "1977 First" but the Section 17(1), if that is what you are talking about well, perhaps we will pass the amendment and then we will get to 17(1) and I will let the Honourable Government Leader explain it to you because I do not want to.

Mr. Fleming: I would like to thank the Minister for, a very accurate way to get it done anyway.

Amendment agreed to

Hon. Mr. Pearson: Mr. Chairman, I think the House should be aware that this amendment is as a direct result of a number of questions placed in this House over a series of about two years by the Honourable Member for Campbell.

It seems, Mr. Chairman, that he had a bee in his bonnet in respect to this legislation and I am very happy that we have been able to remove that bee and that doubt for all time from the Honourable Member's bonnet.

Mr. Fleming: Mr. Chairman, I thank the Honourable Leader for his remarks, because, you know, that is fine. I had a problem and I was concerned. It did not look quite right.

However, I will say this, while we are on the liquor area here and from here on, if the Honourable Minister of Community Affairs wishes to go on in a hurry, I am willing, too. But, I will say that amendments to the Liquor Ordinance are never going to repair and fix up the Ordinance, as it is today. If the Liquor Ordinance is not brought in here in total and whole and done something with it in the next few years, this country is going to be in a worse mess than it is today, which is pretty good, except for the Liquor Ordinance.

Clause 17 agreed to

On Clause 18

Clause 18 agreed to

On Clause 19

Clause 19 agreed to

On Clause 20

Clause 20 agreed to

On Clause 21

Clause 21 agreed to

On Clause 22

Clause 22 agreed to

On Clause 23

Clause 23 agreed to

Mr. Fleming: Mr. Chairman, you are already at 22(1), are you, and passed it?

Mr. Chairman: Yes, but I will, considering that I am speeding along, I will let you have a voice.

Mr. Fleming: Clause 22(2)?

Mr. Chairman: I have already finished 22(2), but go ahead, I will--

Mr. Fleming: Boy, you are really going by fast, Mr. Chairman.

Mr. Chairman: I am sorry, I will let you--

Mr. Fleming: I was just wondering, the subsection, "...the Pioneer Utility Grant Ordinance is repealed and the following substituted..." so the whole Ordinance is being repealed, in other words, Mr. Chairman, I would say.

On Clause 24

Clause 24 agreed to

On Clause 25

Clause 25 agreed to

On Clause 26

Clause 26 agreed to

On Clause 27

Clause 27 agreed to

On Clause 28

Clause 28 agreed to

On Clause 29

Hon. Mr. Lang: Is it the Chairman's wish that he is going to read through that section?

Mr. Chairman: No, Mr. Lang, I will tell you how we are going to handle it as soon as I find out where we are going to end.

Clause 29 agreed to

On Clause 30

Clause 30 agreed to

On Preamble

Preamble agreed to

On Title

Title agreed to

Mr. Chairman: I now declare that Bill Number 3, Miscellaneous Statute Law Amendment Ordinance, 1980 has cleared the Committee of the Whole.

Hon. Mr. Lang: I just want it to go on the record that I am rather disappointed that the Minister did not stand up and give us a very good description of each one of these Ordinances that are referred to in Subsection 29.

Mr. Penikett: I would like to join the Minister of Municipal Affairs, just for this one occasion only, and express my disappointment that I did not hear more about the Yukon Overland Express and Transportation Company and the Svendsgard Drug and Hospital Company. I would really liked to have heard about them.

Hon. Mr. Graham: I would like to interject on all the smart comments that are going on and get down to something serious.

I move that Bill Number 3 be reported with amendment.

Mr. Chairman: It has been moved by Mr. Graham that Bill Number 3 A Miscellaneous Statute Law Amendment Ordinance 1980 be reported with amendment.

Motion agreed to

Mr. Chairman: We are now considering Bill Number 17, An Ordinance to Amend the Transport Public Utilities Ordinance, Bill Number 17, I direct your attention to page 1.

On Clause 1

Hon. Mr. Graham: Mr. Chairman, I think that after that second reading speech there should be no questions on this Ordinance. We should just pass it right now and then we can get onto Mr. Penikett's favourite Bill, Bill Number 5.

Mr. Chairman: I hope your comments are well taken. It would appear that there is no further discussion on Clause Number 1. We will commence a clause by clause discussion.

Mr. Fleming: I would take it that the Minister would answer this question. I think the identification plate issued under Section 24-- it will be in the Regulations because there is nothing in Section 24.

Hon. Mr. Graham: Mr. Chairman, the ID plate will be new. As we see it, the way the system will operate is that anybody operating a commercial vehicle in the Territory will be sold a commercial plate. The identification plates will be issued only to those people who have an operating certificate in the Territory, much like the present system of issuing public service vehicle license plates to anyone who has an operating authority.

So, the system will not change. It is just the system of identifica-

tion that will change. So now they will have a general commercial plate on their truck and they will then be issued an identification plate, a small plate probably, that will be either colour coded or number or letter coded, to indicate what the operating authority of that specific vehicle is.

Mr. Fleming: I might ask a question on the goods "include asphalt, earth, water, garbage, refuse, snow and sewage".

I wonder was the reason just for those specific ones being in there, that that goods would not have covered that before?

Hon. Mr. Graham: Mr. Chairman, what do you call these things? The definition of the word "goods" is already in the present Ordinance and we are just including this in the present definition of "goods".

Mr. Byblow: Unless I have a wrong copy or not an updated copy of the Ordinance, "goods" is not included in the original Ordinance.

Hon. Mr. Pearson: Mr. Chairman, when it comes to definitions in legislation, "goods", or the definition section is normally written in such a way so that the term, in its normal usage, is accepted. So "goods" would include anything that we now accept to be goods.

In addition, these specific items will also be considered to be goods: asphalt, earth, water, garbage, refuse, snow and sewage, which, under normal circumstances, are not considered to be goods. But, in this legislation, they are considered to be goods, hence the definition is required.

Normally, Mr. Chairman, in the definition section, you only put in those words where there are additional things required. So the normal meaning of goods is accepted as being a part of the legislation.

Hon. Mr. Graham: That is right, Mr. Chairman, we are expanding the Ordinance to take into consideration gravel trucks, and trucks of this type. That is the reason for this definition.

Mr. Byblow: Whereas goods normally mean commodities, it now includes this as well.

On Clause 1

Clause 1 agreed to

On Clause 2

Hon. Mr. Graham: Mr. Chairman, perhaps I could go through it quickly, section by section.

Clause 2(3)(1) deals with who is going to be incorporated under this Ordinance. As I said in the Second Reading Speech, what we are doing is drawing in all motor vehicles that are used for the purpose of transporting goods or passengers in the Territory. None of them can operate unless a certificate or permit has been issued.

We then eliminate certain classes of automobiles. In Clause 2(3)(2), we eliminate the pilot cars, which are owned by the person or company who is operating the motor vehicle provided. If someone is bringing an overwidth trailer into the Territory, and the person operating the trucking company also owns the pilot cars they do not need an operating certificate.

We are also eliminating Government vehicles. We are also exempting vehicles which have been exempted by the regulations from the application of this Ordinance. This is to exempt things like church buses, buses that haul children to church events in the summer, and that type of thing. We are also eliminating all vehicles that are operated to haul goods, but they are not operated for hire. We are also eliminating any trucks that are hauling only the owner of that vehicle's goods, not for re-sale.

We get to Clause 2(3)(2)(3), which is Government Contracts. This is a major change in the present Ordinance. We could have just passed it over and you would never have caught it, but being as honest as I am, we have made the policy decision that anybody who gets a Government contract for re-building a section of road somewhere in the Territory, should be given the ability to bring any vehicles that they own into the Territory to work on that specific contract, without applying for an operating authority under this Ordinance. In other words, the prime contractor on a Government highway job can bring in gravel trucks that he owns, to work on that contract. However, if he leases any other vehicles, or brings any other vehicles into the Territory for hire, or, say, if he leases a bunch of hire operators in B.C. and brings them into the Territory, each one of those operators will have to have an operating permit.

Mr. Penikett: Mr. Chairman, why did the Minister do that? Has he had a problem in the past with people obtaining Government contracts to do work here, then experiencing difficulty in obtaining other operating permits, or has there been a problem the other way? I presume that one of the realities of the present situation is it might prove an additional incentive for local contractors, under certain circumstances.

Hon. Mr. Graham: That is true, Mr. Chairman. One of the problems

that we have run into is that a contractor in B.C. who wishes to bid on a contract in the Territory, under the present Ordinance, is almost obligated to apply for an operating permit in the Territory before he even bids on the contract.

In that method, we sometimes eliminate a lot of people from bidding on contracts, because they have no chance of finding out whether or not they can get an operating authority in the Territory. The other problem we run into is a problem that I can remember quite clearly in Haines Junction, last year, where nobody quite understood the Ordinance, so we had trucks out and working on a job out there that were hauling gravel with commercial plates.

These were residents of the Territory, so the prime contractor brought in a bunch of trucks from BC because none were available in the Territory, and they all bought commercial plates and they were operating on that job as well, and that, we want to make sure, is illegal in this Ordinance. What we will be requiring is that anyone who hauls gravel for a prime contractor for hire will need an operating authority, but small contractors in the Territory that presently bid on crushing jobs for gravel distribution on the highway, and many of them are small Yukon operators who do not have operating authorities.

What we are allowing them to do in this Ordinance is apply for those small contracts, get them, and never have to worry about getting the proper operating authority. They will be able to operate in the Territory with only commercial plates. Very inexpensive.

Mr. Fleming: I appreciate that very much, the concept. I have a problem with this, the distinction between a large contractor and a small contractor, which seems to be there. If he is a large contractor and comes in because he owns his own vehicles, he will still have to get PSV licenses, and if that is not so, then I think we are turning something loose to be really abused in this Territory, and I am sure we are, and there is no way.

Hon. Mr. Graham: Mr. Chairman, what we are requiring a prime contractor to do is own any vehicle that he brings into this Territory to use on a job. If he owns those vehicles, and he can show to us that he does own those vehicles, then he does not have to apply for an operating certificate. If he wishes to bring with him lease operators from any other Province in Canada, or any State, they have to apply for an operating certificate in the Territory. They have to apply to the Transport Public Utilities Board and get an operating certificate from that Board before they are allowed to operate that truck in the Territory.

Mr. Tracey: Mr. Chairman, I would like clarification on one item here. A lot of companies, nowadays, do not purchase vehicles, they lease vehicles.

Would lease vehicles under these circumstances be included as owned vehicles?

Hon. Mr. Graham: They are considered owned vehicles if they are registered in that company's name, insured by that company, and operated by an employee that is hired only as an employee of that company. Under those circumstances, those vehicles can be considered to be owned by that company.

Mr. Penikett: I cannot exactly envision those circumstances, but, has the Minister contemplated at all the possibility that a contractor might bring into the Territory vehicles, under this provision, to work on, perhaps, a very long-term contract, and perhaps one that is continuing, and by this backdoor method, if you like, obtain authorities, and then use those vehicles, even though they were the same equipment that was being used on that job, and also, with those authorities, be able to do other work?

Hon. Mr. Graham: No, Mr. Chairman, I think it is highly unlikely, because what our intention is, is that if a prime contractor gets a job in the Territory that requires leased operators, and there are no leased operators available in the Yukon Territory, then we will allow him to bring in leased operators, gravel trucks, say, from other jurisdictions in Canada.

However, those people will apply for operating authorities, and it is our intention to restrict those operating authorities for the duration of that job. When that job is done, if they wish to stay in the Territory, and operate, or if they wish to make application in the first instance for an overall operating authority, they will be considered for that. But it is our intention to make these operating authorities only last for the duration of that job.

What we are also attempting to do is to get the local trucking industry to form a little, shall we say, more sophisticated association, and give the Secretary of the Board a contact person that this Government can go to and find out if there are, in fact, any leased operators, or owner-operators in the Territory, that are available for a job. We will then be in a position to inform prime contractors that when they come into this Territory to operate, and they request the operating authority for leased operators, we can say no, because we have a list here provided to us by the Transportation Association that tells us there are currently 15 leased operators in

the Territory who are looking for work in the gravel business. Once those people are hired, then we will allow operating authorities from outside of the Yukon Territory.

Mr. Penikett: Let me try this one on the Minister. The Minister, and some of his colleagues, get the Honourable Danny Lang Memorial University underway. It is a several year contract. Remember, it is a Memorial University. The job gets underway, and because of some shortage of local operators, they bring in some gravel trucks, lease operated. What is to prevent those lease operators moonlighting during the period that that job is underway?

Hon. Mr. Graham: The terms and conditions of their operating authority. If their operating authority says that they will operate on this job and for a specific amount of time, or for the duration of that job, that is what their operating authority will say. That is what their certificate will say.

Believe me, the trucking industry in the Territory is close enough that we get reports immediately that somebody is operating without an authority.

Mr. Falle: I would just like to get one thing clear in my mind. The prime contractor that comes in does not have to get a license, is that right, Mr. Chairman.

Hon. Mr. Graham: Yes, that is correct, Mr. Chairman. The prime contractor does not need an operating authority for any vehicles that he owns.

Mr. Fleming: I think I understand it all, even though I do not like it, but anyhow, in connection with the pilot cars, I think in the past you did not have to have any special permit, if you owned your own private car and you were hauling a trailer somewhere, and you were using yourself, or a friend or something, as long as there was money. We did not have to have any special licence, or anything, and I think you do have to get a permit or something now if you operate and collect any monies. However, I am a little worried that possibly the pilot car business that we do have in the Territory may be put out of business because of the way it is written up here, and I just maybe would like a little explanation of that from the Minister.

Hon. Mr. Graham: Mr. Chairman, the way this Ordinance is written, pilot cars that are owned by the person that has the permit or authority to haul goods in the Territory will not be required to have an operating authority. In other words, if we have somebody hauling over-wide trailers into the Territory, and they require pilot cars, as long as they own those pilot cars, and those pilot cars are not being operated for payment of money, they do not need an operating authority.

However, if someone hires, in the Province of Alberta, to come into the Territory as a pilot car for an over-wide trailer then they must have an operating authority once they get over that border at Watson Lake. If they do not have an operating authority they will be required to purchase a permit. So, in other words, if you are operating a pilot car business you are required to have an operating certificate in the Territory.

Mr. Falle: Are we not losing a lot of money by letting the prime contractor getting away without having operating authority.

Hon. Mr. Graham: Mr. Chairman, I guess it is a matter of where you are going to lose the money. You are either going to lose the money in that you are going to only have a limited number of people bidding on jobs up here because nobody knows if they are going to get operating authority or not before they get the job, or else you are just going to be in a position where you will have to give anybody that gets prime contracts as many operating authorities as they want, or you are going to find that everybody from outside the Territory is going to say, why should we ever bid on a job up there because we do not know if we are going to have enough trucks to do it, so it is six of one and half a dozen of the other.

We thought, after consulting with the trucking industry in the Territory, this is the best way to go. They feel comfortable with this, the trucking industry in the Territory has some responsibilities, in that we are asking them to set up a central agency that we can go to to find out if there are unemployed owner-operators in the Territory, and by the same token we are giving something to prime contractors that they do not presently have.

Mr. Tracey: Mr. Chairman, the Minister just made a remark here a second ago about issuing a permit to a pilot car. If some company came up the Highway, and they reached Watson Lake, and they did not have a licenced pilot car, he made mention that they would issue a permit to them. Is not this not protecting the pilot car companies that we would have in Yukon?

Hon. Mr. Graham: Mr. Chairman, no more than it is protecting the trucking industry we have in the Territory by requiring every truck that comes into the Territory to have an operating authority or permit.

Mr. Chairman: If you have any questions, would you kindly address the Chair, please.

Mr. Fleming: Mr. Chairman, I just want to think for a moment. A pilot car coming into the Territory, hauling trailers, and such, in the Territory, and is owned by a trailer hauler outside, and he is bringing in trailers. Then, that pilot car could feasibly stay in the Territory, go back and meet others, but then you say that the onus is on the ownership of the vehicle to operate in the Territory.

If he was operating for that same owner, it would not matter how many trailers he brought in, or who they were for, or anything else, he could stay right here and operate within the Territory. What I would like to know, is if he is from outside the Territory, does he not have to get a permit to operate in this Territory, anyway, if he is going to be here for long?

Hon. Mr. Graham: Mr. Chairman, I have a great deal of problem understanding the question, because I think it is fairly clear. If you, as an owner of a truck, are bringing goods into the Territory that you require a pilot car service for, and you own a pilot car as well as your truck, and you let that pilot car drive out in front of you to warn everybody that you are over-width, then you do not need a permit separate from the authority that you have on that truck. You have to have the authority on the truck.

You do not then need a separate authority for the pilot car. However, if that pilot car decides to stay in Yukon and work for somebody else, then they must have an operating authority.

Mr. Chairman: We are considering Clause 2.

Hon. Mr. Graham: Mr. Chairman, if we got over those crumbs, then perhaps we will just keep on truckin'.

Mr. Chairman: We are still considering Clause 2, Mr. Graham.

Hon. Mr. Graham: Yes, in Clause 2, the last Section is Clause 2(3)(4)(1), "...where the Board is of the opinion that the operation of a motor vehicle on a highway may be operation required to be authorized, the Board may order the owner of the vehicle, at his option, to apply to the Board."

So, what we are doing here is saying that if there is in this Ordinance a fuzzy area, and we do not feel that the person is operating legally in the Territory, then the board can simply require that person to apply for a permit, and this, we feel, gives us the flexibility to take into consideration every conceivable vehicle, automobile, truck, or whatever, that comes up the Highway. We can force them all to apply to the Board, and that is the intention of this Ordinance, to make it flexible enough to take into consideration everything that comes up that Highway.

Mr. Fleming: I do not know whether the Ordinance has really changed in that respect, as far as heavy transport is concerned. I was thinking of a company such as Kelly Douglas, Hudson Bay, any of the big companies that wish to have a fleet of transports come into the Territory now and own those transports and they would not need PSV licence to haul their own things. They would not need anything extra at all other than what? What type of certificate or permit would they have to have to haul through the Territory back and forth.

Hon. Mr. Graham: All they need is a Yukon plate; if they are hauling into the Territory and dropping off at the Hudson Bay store and as long as they haul nothing but goods for that store, then all they need is a commercial licence plate to operate in this Territory. As long as they are hauling only goods for that Hudson Bay store and as long as those trucks are all owned by Hudson Bay store.

Mr. Chairman: I see it is 5:30.

Mr. Chairman: Are there still further questions on Clause 2? I want you to be perfectly clear of all the subsections that we are considering at this time.

Perhaps at this time we will take a recess and we will commence again with Clause 2. If you have any questions, kindly think about them and we will get them off when we get back. I now declare a recess until 7:30.

Recess

The following Legislative Returns were tabled April 16, 1980:

80-3-6

Alcohol education programming
(Written Question Number 4)

80-3-7

Investigation of the possibility of a government-owned insurance corporation in Yukon

(Oral Question - April 2, 1980 - Page 126)