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HANSARD

Wednesday, April 16, 1980 — 7:30 p.m.
Thursday, April 17, 1980 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

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DEPUTY SPEAKER — Geoffrey Lattin, MLA, Whitehorse North Centre

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Whitehorse, Yukon

Wednesday, April 16, 1980 — 7:30 p.m.

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

Before recess, we had been discussing Clause 2.

Hon. Mr. Graham: Mr. Chairman, I think before we get into the more serious business of the evening, I should draw to the attention of the Committee my new tie. I received this tie tonight from a member of the Canadian Council for Unity, in attending a dinner with the Yukon representatives, in the Canada Week celebration. I just think that it should be brought to the attention of the House that the Canada Week celebration, as everybody I am sure realizes, takes place one week before the July 1st weekend, culminating in the July 1st weekend.

I think that everybody here will be only too anxious to offer their assistance to the Canada Week program. I would like you to know that I volunteered all Members' assistance during the week. Mrs. Whyard, the Chairman of the Committee, informed me that she would be accepting all of your offers of help that I extended on your behalf tonight and that she will be contacting you in the very near future to see exactly what you will be doing for the Canada Week celebration.

Thank you, Mr. Chairman.

Mr. Chairman: Am I to consider that a statement? I suppose I have to have everybody reply now.

Mr. MacKay: Equal time.

I would like to congratulate the Minister of Education for his new found duty and his tie. I have a constructive suggestion to the Government in support of Canada Week, that they take a small part of the Budget, maybe $2,500 out of their Budget and give it to Canada Week. If they do not have any room for it in their excess, they can take it out of the Canada West Foundation Grant.

Mr. Penikett: Mr. Chairman, I have to, I am afraid, get up on a fairly serious question of privilege, which I have been advised I ought to do.

This morning I asked a question about the Mad Trapper film being made by the Hollywood guys and I neglected to advise the House, as I am told I should have, that I am the author of a film on that subject made by a couple of foreign producers Time-Life Films and BBC-TV 1972. Someone advised me that I should have informed the House of that when I was asking a question this morning so I do so now.

Hon. Mr. Lang: Mr. Chairman, I am prepared to accept the point of privilege as long as the Member is prepared to give my a typewritten copy of what he has written.

Mr. Chairman: As there seems to be no further extracurricular discussion we get back to the Bill under discussion. I refer you now to page 2.

Mr. MacKay: Mr. Chairman, I was reading Section 3.1(3). I was not getting much sense out of it and I was going to ask the Member for Mayo to translate it but if the Minister in charge of the Bill would care to—. I just have trouble where it says "as one for which". I am not sure what the "one" is.

Hon. Mr. Graham: Mr. Chairman, as I read 3.3(3), that section simply gives the Board the ability to exempt any specific individual, person, or company from applying for a certificate if the Board so determines that that certificate is not required.

I think I said in my second reading speech that we gave the Board that ability to exempt such vehicles as buses that are owned by church groups who wish to take children to camps in the summer, that type of vehicle, we will probably exempt under the regulations but we would like to give the Board the option of determining for themselves whether or not a vehicle should be exempted.

Mr. Fleming: Mr. Chairman I have one more question on this whole area of this section, I guess it covers part of it and then I will be quiet for a while.

There is one thing I would like to know. Now, the operation of a contractor coming into this country and that is the guy I am thinking of, I am thinking again of the big stores or the big suppliers of goods and so forth who may wish to put a fleet on the road. However, instead of doing that themselves, a contractor may come in. Now under this Ordinance, if a contractor comes in with his own vehicles, he would be able to use them in the Yukon Territory without a PSV. Now would not the contractor for them, the same as if he was contracting for the Government, be able to bring in a fleet and use them without PSV?

Hon. Mr. Graham: No, Mr. Chairman, he would not. The only people who are exempt are people that are the prime contractors on a Government contract or vehicles which are hauling materials owned by and for the use of the people who own both the vehicles and the goods that are carried in those vehicles, such as the Hudson Bay trucks that we were talking about previously. Those are the only ones that would be exempt.

Mr. MacKay: I guess I am going to have to belabour this one. I go back to my previous question on 3.1(3). The Minister's reply was that they were trying to allow for church vehicles and things like that. I think he was referring to 3.2(1) which is a permit is not required, a certificate is not required for a vehicle travelling for which no compensation is payable.

I go back to 3.1(3) and I ask him just to read it for a minute. I will read it out, "This Ordinance does not apply to the transportation of goods that are exempted by the regulations as one for which a certificate or pemrit is required." I read the "as one". I do not know what it refers to. Is it referring to the transportation or to the owner? Okay, so plural then it becomes singular, is that it?

Hon. Mr. Graham: Yes, Mr. Chairman, possibly it is bad English, but where we are talking about "as one" which follows directly "by the regulations", we are talking about the goods, the goods for which a certificate or permit is required.

Mr. MacKay: I would entertain, as a typo, changing "one" to "those". No? Tell me why.

Hon. Mr. Pearson: Mr. Chairman, I really do not want to say this, but in legislation, singular is plural and plural is singular. Mr. Chairman, I honestly think that if the Honourable Member reads it, once again, with the concept that it is the goods that are going to be exempted, then I think he will find that that is the proper terminology that is there now.

Mr. MacKay: I will probably have to call in my English advisor here, but, how about "transportation of goods that is exempted"?

I will shake my head over that one and assume that some lawyer will enjoy that one.

Clause 3.2(3), this is the question that has been alluded to before, and I can understand the Government wishing to make it easier for a contractor coming in to do a road job, so that it is not an unnecessary barrier to him coming in, but I see that it says not only construction, but maintenance of a highway. That would appear to be a slightly different concept and I am thinking now about the small truckers around the Territory who have, say, a water hauling contract or something like that, will now face, it seems, competition from outside firms who maybe do not winter here and send up a water tanker from somewhere where they keep it busy in the winter and send it up in summer and competes quite strongly with somebody who is hauling water in the summer only here and sitting with an empty bank account all winter.

So, I do not know if that was intended or perhaps there is another interpretation that you could put on it.

Hon. Mr. Graham: Mr. Chairman, the intent is to ensure that anybody who is a prime contractor does not require a PSV, a public service vehicle license or an operating certificate, before they apply or bid on a contract.

Now, this could apply to a small contractor in the Territory who wishes to bid on a water hauling contract for the Territorial Government. They would not require an operating certificate in the Territory to apply for that contract. As long as they use their truck only for that contract, they would require only a commercial vehicle plate; they would not have to get the operating certificate which entails a visit to the Transport Public Utilities Board and about a $1,000 licence plate, et cetera. They would be able to get by on the very nominal cost of a commercial plate. Now, that is the intent.

If someone comes in from out of the Territory and applies for that same contract, if they can afford to leave a vehicle tied up in the Territory for that period of time, then this Ordinance is also going to apply to them but they will not be able to use their truck for anything but that water contract for as long as they are in the Territory unless they apply for an operating certificate.

Hon. Mr. Pearson: Mr. Chairman, if I may, I think the real problem we are trying to get around is the Board is faced, each time we let a contract, with a fait accompli because what happens is the successful bidder goes to the Board and says, "I have just been awarded a contract by the Government of the Yukon Territory to do this job. Now, your regulations require that I have PSV licensing and I am here making application for that licensing so that I can fulfill my contract with the Government."

We want to get around the Board being faced with that problem every time and it is also inevitable, Mr. Chairman, that the cost of getting that license is well-known to the contractor and it is built into the cost to the Government and to the taxpayers.

We think that this is a fairer and easier way around this and

eliminates the necessity for everyone to go to the Board to get a license that becomes meaningless because it is just a nuisance factor to the Board at that time.

Hon. Mr. Graham: The other problem that we are currently faced with is that when we have a contractor who gets a bid in the Territory, he runs around and hires as many trucks as he requires. Those trucks, in the past, have had a commercial plate attached to them and that was that. We do not want to allow that to happen anymore.

You see, under the present Ordinance, we have a problem, we have not had a test case yet, but we do not know if our Ordinance is worded in such a manner as to capture those people who are coming in from BC, on a lease basis to a private contractor, putting a commercial licence plate on their truck and hauling gravel for that prime contractor.

In this Ordinance, there will be no doubt. They have to have an operating authority or they will not be allowed to operate in the Territory. Not only that, we will be in such a position as to inform the Board whether or not there are sufficient operators in the Territory at the present time.

I will tell you, if there are sufficient operators in the Territory, leased or owner operators to fulfil the terms of that contract, then there will be no operating authority granted to people resident outside of the Territory.

In that instance, we hope that this will be an incentive to hiring Yukon trucks and Yukon drivers.

Mr. MacKay: If that is the intent, we are talking about where you are subcontracting out the main contract, it will catch that. I agree that will help.

I am just wondering, though, I was referring to the small owner/operator in the Territory, is he going to face competition from outside? I do not know if that is such a bad thing either, really, to have that. What about the neighbouring jurisdictions in BC? Could a Yukon truck driver in Watson Lake go down and perform as a prime contractor anywhere in BC, without having to get a PSV there?

Hon. Mr. Graham: Mr. Chairman, it is my understanding that as long as they are a prime contractor, yes, they can. The Province of B.C. is split into zones and they require operating authority in each of those zones.

As I understand it, there currently are quite a few Yukon contractors who are operating, in the Province of British Columbia, as prime contractors. They do not require on their trucks anything but our equivalent of a commercial vehicle licence plate. However, if they are subcontracting, then they require operating authority in the zone in which they are operating in BC.

By doing this Ordinance in this manner, we think that we are going to be very well co-ordinated with the Province of BC and, in fact, although I have not checked their legislation, we think that their legislation is similar, in intent, to ours.

Clause 2 agreed to

On Clause 3

Hon. Mr. Graham: Mr. Chairman, maybe I could run through the subsections as they appear. The total of clause 3 deals with the Secretary, his duties and the delegation of authority to the Secretary by the Board et cetera.

Section 14(1) which just designates the person to be Secretary of the Board, we do not anticipate, as I said before, hiring an additional individual in the Consumer and Corporate Affairs Department.

Section (2) outlines the responsibility, the duties of the Secretary to the Board. Some of the changes are that the Secretary will, at the direction of the Chairman or the Commissioner, investigate and make reports respecting the provision of transport services to the public in the Territory.

In the past we have more or less left it up to interveners to carry out this function. We feel that it is, in fact, not a fair thing to do because we find that many people who would like to intervene do not have the resources or the expertise to put together an excellent case to present to the Board.

We also feel that the Secretary, as investigator, would probably submit a more unbiased report, shall we say, to the Board for their deliberation.

14.1(1) is simply the conferring of Federal powers to the Board where two Canadian Acts give it to them. The Board may delegate the administration of many of the functions to the secretary and other officials. These other officials would probably be weigh scale operators. Other than that, Section 3, I think is fairly self-explanatory.

Mr. MacKay: Section 14.2(3) indicates that the decision may be made by the Secretary, on behalf of the Secretary, under this section is deemed to be the position of the Board which is fine. I concede that it expedites the business and allows him to act quickly. But it subsequently may be overruled by the Board. I checked to see how often the Board meets. It does not meet at any particular regular time and I am wondering if there should not be some situation of a time limit beyond which the Board should review these decisions that the Secretary is making.

Hon. Mr. Graham: Mr. Chairman, this has, in fact, been a problem with the Board in the past, that they have not met on a regular basis. What we intend to do is have the Board meet on a monthly basis, therefore we will be in a position to guarantee anyone who is applying for an operating certificate from the Board that they would wait no longer than one month. By doing this we hope to eliminate almost totally the necessity for interim operating authorities. This has been a real problem in the past because we find that truckers from Alberta or British Columbia request an interim operating authority for a period of one month, pending the receipt of approval from the Board for an operating authority.

During that one month period, they finish a contract that they started, of hauling, say, 200 loads up the Dempster Highway to Inuvik and then they just drop their application for an operating authority to the Board. They have hauled 200 loads into the Territory at no expense to themselves, they have not had to buy any licences, they have not had to apply to the Board for operating authority and this interim operating authority is giving them the ability to fulfil a contract of, say, 200 loads. We hope to eliminate that totally.

We will be saying to people who apply for interim operating authority that we are very sorry, you will not get an interim authority. If you wish to bring a few loads into the Territory, you can bring them in on a permit system but it will cost you and you will have to wait for at least, say, a three week period until the Board has time to sit and deliberate and decide whether or not you should have an operating authority.

Mr. Fleming: Mr. Chairman, I wonder if, under 3, it says, "The Secretary of the Board has and may exercise all the powers of an inspector appointed under" so and so section, so you are giving the Secretary all the powers of an inspector and then you go on to say that every decision made by or on behalf of the Secretary, under this section, so it would be deemed to be the decision of the Board but subsequently may be overruled by the Board. Now, that is fine, the Board can overrule the Secretary but they also overrule the inspector's decision too?

Hon. Mr. Graham: Mr. Chairman, I think it should be quite evident that the board is almost all-powerful under this Ordinance. The Board has the ability to do virtually whatever they decide is necessary in any instance. So, I cannot answer your question positively because I simply do not know if they could overrule the ruling of an inspector but I would imagine they could, yes. I do not see any reason why they should not be able to.

Mr. Fleming: So would this entail a police officer also in this case?

Hon. Mr. Graham: Mr. Chairman, on points of interpretation coming under this Ordinance, yes, I could imagine the Board overruling a police officer as well. A police officer may determine, on the highway somewhere, that a person should have an operating authority and he will tell that person that they must apply to the Board for an operating authority and I could envision circumstances whereby the Board would say, "No, that is not correct, you do not have to apply for operating authority, and you may go through." So, yes, I think they have the ability to overrule both an inspector and a police officer.

Mr. MacKay: This is not directly connected with the clause, but I am just a little concerned about the Board and all its powers.

I have not been able to find anywhere a section which suggests that any Board member who has a conflict of interest must not sit on a case, as we find under the Business Development Ordinance. There is a section that says any board member who has got a conflict shall disqualify himself.

I think that is quite important in terms of the situation here, and perhaps the Minister has considered it and rejected it for some reason?

Hon. Mr. Graham: Mr. Chairman, I have not, in fact, considered that suggestion, but I think that perhaps we should not pass this Bill out of Committee of the Whole until we have had time to talk to our legal counsel and decide whether or not it is a desirable clause to put in here and I am prepared to do that.

Mr. Chairman: That would be a separate clause.

Hon. Mr. Graham: That is correct, Mr. Chairman. I think that we can pass the sections that are currently in the Ordinance and we

will add it as a separate clause if we think that it is necessary. I do not see any reason why it should not be.

Clause 3 agreed to

On Clause 4

Hon. Mr. Graham: Mr. Chairman, this Clause was inserted because it seems that the board is coming under increasing pressure to grant operating authorities and both interveners and applicants have been bringing legal counsel with them when they appear before the Board.

We put this section in to enable the Board to obtain the advice of the Legal Department of the Government of Yukon and, if they wish, to have a member of that Justice Department with them at hearings, for advice and interpretation of various ordinances. That is the only reason it is there.

Mr. MacKay: I was interested in what the Minister was saying about the previous section and then reading it in conjunction with this.

Would he visualize the Board taking on a more aggressive self-starting role than, say, the existing Board? In other words, let me draw an example, in Alaska, when you have a public utilities hearing on electrical rates, the Board's own counsel will often go after the points against the utility and therefore acts more or less like a public intervener in some ways and carry the case a little further than perhaps we do on this side of the border.

I am wondering if you visualize the Board operating in this way.

Hon. Mr. Graham: Mr. Chairman, the past two hearings that I have attended when applications have been received by the present Transport Public Utilities Board, I find that, in my estimation anyway, they are taking a much more aggressive and assertive role in determining who gets operating permits or operating certificates and who does not. I expect that they will continue to do that.

We have envisaged the secretary of the Board as perhaps almost a non-voting member of that Board so that it would be his duty to investigate the application and could suggest questions to members of the Board and ask questions if he so desires or if the Chairman wishes him to.

This Board, I think I should add, has received a certain amount of direction. We have given them our general overall transportation policy as regards their field of jurisdiction. The Board has, I think, made some excellent decisions in the recent past. This Board, I would probably venture to say that they have become the best Transport Public Utilities Board this Government has ever had, especially in the last six months. I think that some of the decisions that they have made show a great deal of wisdom. I hope that all members of that Board will continue to operate and improve even more than they have already.

Mr. MacKay: I do not disagree with what the Minister said about the Board. I think it has done extremely well with fairly limited resources too. I actually wonder whether having legal counsel for the Board will only make it more inhibited in their decisions and less common sense.

I guess the question was answered. One thing the Minister did say that I find interesting is that the Government has indicated its general transportation policy to the Board. Was this done as a public communication or is there such a written document somewhere where the people in the Territory have a view of it.

Hon. Mr. Graham: Mr. Chairman, we basically outlined our policy. I did it at a luncheon meeting with members of the Board; I basically told them that as far as we were concerned this Government was in full support of them and their decisions but we would like them to take into consideration the consumers of the Territory as well as the jobs created and held by the transportation industry in Yukon, to consider all facets of the transportation industry and all of the ramifications of any decision when they are making them, so that they would not consider only the transportation industry as have some boards in the past. They would not consider also only the consumers, because we must be very cognizant of the reality of the situation which is simply that if a lot of Yukon truckers fold up and no longer operate in the Territory, there will be a great number of Yukoners out of jobs. We have to also consider those people.

So, as a consequence, I think the Board then assumed a more aggressive role simply because they knew they had the support of this Government in their decisions. We have had no reason, to date, to deny that support. In fact, we support them wholeheartedly in the decisions that they have made recently.

Clause 4 agreed to

On Clause 5

Hon. Mr. Graham: Mr. Chairman, I have an amendment for Clause 5(1). I would propose that Bill Number 17, entitled An Ordinance to Amend the Transportation Public Utilities Ordinance, that it be amended by adding the following new section: 5.(1)(1) Subsections 22(1) and 22(2) of the Ordinance are amended by striking out the expression "transport public utility" and substituting therefor: "holder of the certificate".

The reason for this change, Mr. Chairman, is quite simple. What we are attempting to do is allow any person to file a complaint with the Board concerning the service handed out by any holder of the certificate and, in doing so, we think that the consumers of the Territory will be more adequately served in that they may make a complaint to the Board concerning any certificate holder and the Board may hold a hearing if they so desire.

Mr. Chairman: I have an amendment, moved by the Honourable Douglas Graham, that Bill Number 17, entitled An Ordinance to Amend the Transport Public Utilities Ordinance, be amended in Clause 5 by adding the following new sections: 5.(1)(1) Subsections 22(1) and (2) of the Ordinance are amended by striking out the expression "transport public utility" and substituting therefor the expression: "holder of a certificate".

Amendment agreed to

Clause 5 agreed to

On Clause 6

Hon. Mr. Graham: Mr. Chairman, again maybe I will just go through the sections in order. Section 24(1) is basically setting out the terms for the issuance of certificates.

Section 24(2), the Board, in its discretion, may grant or refuse an application which is just a normal clause.

Section 24(3) describes the contents of the certificate. By doing this, we hope to show that anyone who has a certificate issued by the Board, it will be readily apparent to any enforcement officers in the Territory, exactly what the terms and the conditions of that operating certificate are. We envisioned that the certificate will be carried on the truck, but the plate that will also be attached to the truck, will either, as I said before, be colour-coded, number or letter-coded, so that an enforcement officer on the highway will, by glancing at the identification plate, be able to determine if that person should be hauling gravel only, or snow, or whether they should be hauling ore from the Cyprus Anvil Mine and not a refrigerator van from Edmonton or Vancouver. We hope that enforcement will be made much easier by that section.

Section 24(5) just describes the ID plates.

Section 24(6) is an enforcement section. That is basically the whole Section 6(1).

Mr. Fleming: I wonder, does this, by any chance, have control over a PSV licence that a person has to haul certain things? We know that a fifth wheel can be used for a van, a high boy, a low boy, everything. I am wondering and I think this is what some of the small operators were wondering about just a while ago when this Ordinance was contemplated, is if, for instance, they were hauling freight in a van from here to Edmonton back and forth and then all of a sudden they were told by the company to run out and hook onto a cat and high boy and go down the highway, that they would be stopped and told that they are not carrying the proper load.

This is the one question which I really would like the Minister to answer, just how they would operate?

Hon. Mr. Graham: Mr. Chairman, we do not want to interfere with any trucker presently operating in the Territory with a public service vehicle license plate. These certificates of operation will replace the present PSV plates, however, we do not intend to restrict Yukon operators in any way that they are not currently restricted.

In other words, if a person presently has a PSV plate and that plate has been issued to him to haul general freight from point to point within the Yukon Territory, that is the ID plate that he will be issued when this Ordinance passes and when we finally get the Regulations together.

We have no intentions of restricting any Yukon trucker's operating authority. If they wish to have authority to haul snow in the winter, gravel in the summer, and, shall we say, hay from Fort St. John to Yukon, at some point in the fall for horses over the winter, all they have to do is apply to the Board to have those authorities or that authority granted to them. It will appear on their certificate and that is what they can haul. If they get a general PSV plate, as they do presently, if they have a general PSV plate, then they will be given a general identification plate and they will be able to haul exactly the same things that they are hauling right now.

Mr. Fleming: Mr. Chairman, I take it then that they are not going to be restricted any more than they are now, but there is a possiblity, if they were going into something really different in the area

of something that might even be exempted right at the moment, then they would have to come in for another, or to have it placed on their certificate.

Hon. Mr. Graham: Yes, Mr. Chairman. The intention is not to restrict them any more than they are restricted right now. In fact, if anything, this Ordinance will open up a few more areas for them to haul and that is the intention.

The intention of the Ordinance is not to hurt the Yukon truckers. The intention of the Ordinance is to catch the people coming into the Territory from somewhere else who are not paying their fair share, in the words of a famous, nondescript Party member. That is the total intention of this Ordinance. It is to catch the people who are coming into the Territory and not paying their share of the maintenance.

Sorry, Tony.

Mr. MacKay: Somebody is going to leap up on a question of privilege. Obviously, the Member from Whitehorse West did not recognize the description.

I appreciate the Ordinance being broad enough for those who already have a licence. Does that same broadness apply to future applications, or will the applicant have to be very specific in what he plans to haul, if he is a Yukon trucker?

Hon. Mr. Graham: No, it should not be any different than it is presently, Mr. Chairman. Presently, a person has to apply for a specific operating authority or else a general operating authority and that will continue.

Mr. Byblow: Mr. Chairman, in the case of an outside transport utility bringing goods into the Territory and perhaps taking a different type of goods back out, would two certificates have to be authorized in the application?

Hon. Mr. Graham: No, Mr. Chairman, if he has an operating authority to haul specific goods into the Territory then he can haul them in. If that operating authority also allows him to haul general freight out then he can. If he is coming in on a permit, though, and we will get to that section sooner, if he is coming in on a permit, a permit that he receives at Watson Lake to haul those goods into the Territory that permit in only good for hauling in. If he wishes to haul some other material out, he must obtain another permit so the permit system is different than a certificate. On your certificate, will be outlined exactly what you can haul and what you can take into the Territory and out of the Territory or from point to point in the Territory. That is what the certificate will say.

Clause 6 agreed to

On Clause 7

Hon. Mr. Graham: Mr. Chairman, this deals strictly with notices and hearings held by the Board requiring or giving notice to interveners and when a hearing is required, what late interveners may do. It is basically a re-write of the present Ordinance with a few changes. There is no great policy change here.

Clause 7 agreed to

On Clause 8

Hon. Mr. Graham: Mr. Chairman, this gives the Board a little more power, actually not a whole lot more power than they have right now. This enables the Board to amend or revoke an operating authority after they have given the certificate holder some notice. It also gives them the ability to suspend an operating certificate if they so desire and it also outlines the fact that the Board may hold a public hearing with respect to the amendment or revocation of a certificate.

Clause 8 agreed to

On Clause 9

Hon. Mr. Graham: This is simply a wording change.

Clause 9 agreed to

On Clause 10

Hon. Mr. Graham: This is a clause we have thrown into many of the Ordinances dealing with Boards, simply that the Board is not bound by the technical rules of evidence. The reason for this is they are not considered to be a legal court of law.

Mr. MacKay: I notice further on in the Ordinance when we get into the courts, the court is bound by the findings of facts that the Board produces. I am wondering if the findings of fact are based upon evidence not under oath, whether or not we are creating a bit of a problem for the court further down the road.

Hon. Mr. Graham: Mr. Chairman, what the court may determine is whether or not an applicant, shall we say, has been unfairly ruled upon by the Board. If the Board determines the simple fact that there are currently 120 licences operating in the Yukon and really, there are 122, that is an item that will not overturn the application. I cannot remember the exact reasoning that was given to me for this article. Perhaps when we get to it, I will be able to explain it, but this does not restrict the court in ruling on a decision made by the Board.

Mr. MacKay: I presume the court will be able to hear its own evidence in any event, in any appeal like that.

Hon. Mr. Graham: That is right, Mr. Chairman.

Clause 10 agreed to

On Clause 11

Clause 11 agreed to

On Clause 12

Clause 12 agreed to

On Clause 13

Hon. Mr. Graham: This is the clause dealing with the permits, perhaps I should go through it item by item.

The first, 35(1), deals with the fact that the Board may issue a permit, providing the specific items are fulfilled as outlined.

Section 35(2) sets out the fact that the permit should be in the prescribed form and what information should be on that permit.

Subsection 3, "No permit shall be issued under this Section in respect of more than one vehicle". It simply states that the permit, once issued at the border, is good only for the vehicle that it is issued to.

The time limit, we have put a 14 day time limit on the permit, because we feel that if a person with a vehicle enters the border at Watson Lake, 14 days is more than sufficient for that vehicle to take its cargo to any point in the Territory and drop that cargo off.

What we are attempting to do is give an operator of a vehicle the ability to bring a load into the Territory, without a Yukon licence plate or a Yukon operating authority and we will allow him, by issuing a permit, to have all the rights and privileges of an operating authority for 14 days, concerning that load.

Emergency permits are to make allowance for the fact that there are specific emergencies that we should not be charging $300 a permit for, a good example was the Alaska earthquake in Anchorage. If rescue vehicles were coming up the Highway that would normally require an operating authority, I am sure that this Government would wish to see those vehicles travel through the Territory as quickly as possible, without paying a $300 fee per vehicle.

The special permits, 35.2(1), is a permit issued to a special vehicle to haul a specific load. One example that comes to mind is a special vehicle that hauls a piledriver for building bridges in the Territory. That vehicle is not available anywhere in the Territory at the time, as I understand it, and a special permit is required for that vehicle each time it comes into the Territory to haul that piece of equipment from one point to another in the Territory. We do not see them paying $300 a permit, simply to come into the Territory, because we are not protecting anybody in the Territory by doing that. Nobody is here presently doing it.

The contents of the permit basically state the things that will have to be on the permit. Clause 35.3, the ID sticker, this is again our attempt to ensure that law enforcement officers will be able to spot a vehicle operating in the Territory immediately. One of the suggestions made to us is that we issue a different coloured permit every month or every two weeks and that when a person is sold that permit, they have to stick it in the window of their vehicle, in plain view for officers to see.

If that permit is not displayed very clearly in the window then they commit an offence. That will come under the regulations but that is the intent behind this Ordinance. We will then be able to check immediately, and with no doubt whatsoever, which vehicles are operating under the law and which ones are not.

As we see it, if a person drives into the Territory, purchases a permit, does not put it in their window and is stopped by an enforcement officer, as long as that permit is not on the window, then an offence has been committed, therefore, he is being stopped legitimately. That is what we are trying to do, enforce the regulations, enforce the law in the Territory, catch the guys that are not operating under the law in the Territory.

Section 35.4 just allows us to revoke permits if a complaint has been received.

Section 35.5 allows us to vary permits, if we so desire.

Section 35.6 indicates that we will not issue permits to motor vehicles that are not registered legally under some jurisdiction in Canada.

Section 35.7 simply states that the vehicle in question must conform to the laws of the jurisdiction in which they are licensed.

That pretty well covers Section 13.

Mr. MacKay: Will the regulations set out the form in which payment can be made for these special permits and if so is the Minister going to take just cash only? Is there some other way in which these truckers can pay, because I know it causes some difficulty sometime.

Hon. Mr. Graham: That is true, Mr. Chairman. That specific problem has been brought up but we have not addressed it yet. As I said, that will be addressed in the regulations. The whole permit system will be addressed in the regulations. We do not see the regulations being completed for this Ordinance probably for a couple of months because we have a great deal more research to do.

Actually, this Bill is being rushed because we expected the Legislature to sit longer than it has. We expect that small problems will crop up from time to time even in this Ordinance but we feel it is flexible enough to allow us to do almost anything that we would like to do under the policies set out.

As we see it, the ideal situation is of course to enable the truckers to pay with Mastercharge or Chargex or cheques but we have not yet determined whether that is feasible or not.

Mr. Penikett: I was fascinated by a comment by of the Minister, just how long is the legislature going to sit?

Hon. Mr. Graham: Mr. Chairman, it depends entirely on the Members opposite, how much they are going to argue with these absolutely wonderful pieces of Legislation that I brought to the House.

Mr. Penikett: Mr. Chairman, I just wanted to know that it was up to us.

Mr. Byblow: Could the Minister say how many places will be the places prescribed for making applications?

Hon. Mr. Graham: Mr. Chairman, as I see it, all border crossings will have the ability to issue permits and probably if we ever have mobile inspectors on the road, they will be in a position to issue permits too. Let us face it, we do not want to impede the traffic in the Territory; as long as they pay, they can operate. That is what we are interested in. As long as they are not operating illegally, and if they buy a permit then they are not operating illegally, and that is the part that we want to make sure is done, that they are operating legally and we get their money.

Mr. MacKay: Is there a border crossing on the Skagway Road that would be able to do this or would the first stop be Whitehorse? Will the customs officers be issuing these things? I doubt it.

Hon. Mr. Graham: Mr. Chairman, I am not certain. I do not think the customs officers, because of the fact that they are not employees of the Government of Yukon, I do not imagine they will be in a position to issue permits, but that is one of the holes that we have to plug. The other one, of course, is on the Stewart-Cassiar Road. We have to do something with that road because we think there are a great number of illegal loads coming over that road at the present time. We are investigating many, many methods of plugging that hole from establishing another weigh scale there to setting up a permanent inspector on that road to catch everybody that goes by. It is something that we have not solved yet but we are investigating various alternatives.

Mr. Fleming: It is very nice to hear that the inspector is wise to what is going on out there, such as the Cassiar Road, however, the weigh scales are actually where most of the permits will be issued when you are coming into the Territory anyway.

Hon. Mr. Graham: That is correct.

Mr. MacKay: Section 35.4(1) talks about a holder of certificate making a complaint, or any other person affected by the issuance of a permit. That is pretty broad; is it meant to be virtually any citizen of the Territory? There has to be some sort of direct connection.

Hon. Mr. Graham: Mr. Chairman, I did not catch which section you are talking about here.

Mr. MacKay: Clause 35.4(1).

Hon. Mr. Graham: Could you run that question by me again, possibly?

Mr. MacKay: The phrase about people who can make complaints of "any other person affected by the issuance of a permit", that seems like a very broad description of the type of complainant. It would seem to me I could make a complaint because it was affecting the business climate of Yukon, giving out too many permits. How broad is it really defined?

Hon. Mr. Graham: Mr. Chairman, we saw that as including not only the operator of the vehicle, the owner of the vehicle if it was, say, a vehicle owned by a company such as Kingsway Trucking from Edmonton. We would allow Kingsway to make the complaint, the driver to make the complaint, the receiver of the goods, if the truck had been stopped and parked, seized in Watson Lake, the receiver of the goods may have a complaint if the goods are perishable and he does not get them in time. So, those are the persons that may apply to the Board to have the permit amended or revoked.

Mr. Byblow: Is any part of this Ordinance intended to, perhaps, control traffic over a certain road in the form of bans during seasonal periods, with respect to weightloads?

Hon. Mr. Graham: No, Mr. Chairman, we have no intentions of controlling traffic over any roads. That comes under Mr. Lang's portfolio.

Hon. Mr. Lang: For further clarification to the Member, it is very specific in the Highways Ordinance, in respect to the authority vested with the Department of Highways, in respect to designating loads, load restrictions, bans, this type of thing. That authority strictly lies with the Department of Highways.

Mr. MacKay: Just, then, to clarify and maybe we have passed the section, but in the description of the permit that could be issued, it says it will describe the highways upon which the vehicle may travel. I assumed, perhaps like the Member for Faro, that that did have some implication about which highways. Will it just say all the highways of the Yukon?

Hon. Mr. Graham: No, Mr. Chairman, some operating authorities are granted to companies to only operate between specific points. For instance, Yukon Freightlines currently has an operating authority that authorizes them to operate between Edmonton and Whitehorse or Vancouver and Whitehorse, and then they have another one that allows them to operate between Whitehorse and Inuvik. They cannot operate from Whitehorse to Faro or from Whitehorse to Ross River. So, they cannot operate on those highways.

The Board is of the opinion that there are sufficient authorities in that area, so they will not allow anyone else to operate in that area.

That is what is meant by this special permit.

Clause 13 agreed to

On Clause 14

Clause 14 agreed to

On Clause 15

Clause 15 agreed to

On Clause 16

Hon. Mr. Graham: Mr. Chairman, maybe there is a little bit of discussion to be done on 15. I realize it has been passed but maybe I can explain it a little.

Section 40 of the Ordinance was amended to read, "the Court shall not draw inferences that are inconsistent with the facts expressly found by the Board". "Facts that are expressly found by the Board" may be such that the Board considers there is sufficient operating authority granted between Ross River and Faro and therefore the Board will not permit any other operating authorities in that area.

The court could not rule that in the court's opinion there are insufficient operating authorities in that area, that is the reason behind this. The court may rule on questions of law, perhaps, or questions other than facts that have been expressly implied by the Board.

When the Board makes a decision that there are sufficient operating authorities, therefore, they will not grant any more, then, that is final. The person turned down may apply to the Board to have that decision revoked in light of other facts that they are willing to submit but a court cannot overturn that opinion.

Mr. MacKay: The sale of shares under (3) and ordered by the Board in (4), there seemed to be an inconsistency and I wonder why, on the one hand, it says that if you transfer the shares before you come to the Board, that is a contravention of the law. Yet, in (4), it says, "A corporation may, before or after shares in the corporation are issued," applies to the Board, so it seems to be implying that you can make the share transfer and then come to the Board after. That is in contravention to the previous section.

Hon. Mr. Graham: Mr. Chairman, the idea behind this is to disallow capitalization of operating authorities granted by the Board. That is a decision taken by this Government and it is a decision that is being written into all of our Ordinances. What we are essentially saying is that any owners of trucking corporations or companies that have operating certificates in the Territory, issued under this Ordinance, should check with the Board before they sell the shares in that company or before they sell the company itself to anybody outside the Territory, or to anybody inside the Territory for that matter.

Basically this is putting all trucking operations on notice that the

Board should be requested for their opinion before the shares are made. The Board may, in fact, disapprove a transfer of shares in a company, and if they do that, then they have the ability to revoke all of the operating certificates issued to that company. So what we are basically doing is saying if you intend to sell your company, let the Board know and get the Board's approval before you sell it or you could have a problem.

The reason behind this specific clause is the recent transfer of shares in a local trucking company that fetched a reasonably high price for an operating authority that was not really being used. The operating authority was then expanded and used by a company that wished to establish a foothold in the Territory. That company never really had to apply to the Board for an operating authority. They were able to move into the Territory simply by purchasing a company that was almost defunct. That is what we hope to avoid by doing this.

Mr. MacKay: I can understand that and I think that the law before did not allow capitalization either except they did not do anything about it. But (4) does seem to permit the transfer of shares to occur and then for application to be made to the Board. Applications made before or after shares in the corporation are issued or transferred apply to the Board. That "or after" seems to leave it pretty wide open.

Hon. Mr. Graham: Take into consideration, if only 25 per cent of the shares are issued, I do not imagine that the Board will have a great problem because operating control of the company probably has not been affected to any great extent.

What (4) is basically trying to say is that if you decide that you want to sell your company or sell shares in your company, our advice is to apply to the Board before you sell those shares. But, if you have already sold 25 per cent and although the actual control of the corporation has not changed hands, our advice is still to contact the Board and let them know that you have sold 25 per cent of your shares and that somebody else is buying into your corporation, basically.

Mr. MacKay: I can see the difference now. Clause 3 just talks about control and Clause 4 does not.

The other question is in the world of business that I deal in, if a guy has a licence that is valuable because it gives him an exclusive or a restricted right to haul between two points and he makes a large profit from operating that, and somebody comes along and offers to buy his company or his operation, I guess if he just calls it goodwill, I guess he is okay and he puts a dollar value for the licence and away he goes. It seems to me we are really not achieving anything by this section.

You are not going to stop people to be able and sell an established business that they have built up over the years. Hopefully, we are not going to do that, because I think a licence is something that, if a citizen uses it well, the goodwill value should well accrue to him, rather than to the Government.

Hon. Mr. Graham: That is correct, Mr. Chairman, and that is our basic philosophy, too. We do not want to prevent the sale of corporations of going concerns, shall we say. What we want to prevent is a sale of a bunch of operating authorities or a bunch of operating certificates and licence plates that have not been used for, say, 12 months and a corporation is attempting to move in from outside the Territory to gain control of a specific market. That is what we are trying to prevent.

What we want to make sure of is that when these companies are sold, it is a going concern. I would imagine that any trucking company in the Territory that is operating at the present time, and they wish to sell their company, if it is a going concern, we do not have any problem with it at all. What we do have problems with is in the case of the instance that I am sure we all realize happened very recently. We do not want to see that happen any more.

I think the Board finally resolved that problem in withdrawing all of the operating authorities of the company in question, but I do not think it should take six months to have a hearing and have all of the information presented to have that authority withdrawn. It should be mandatory that they apply to the Board before those transfers of shares ever took place.

Mr. Fleming: I take it now from the Minister, what he is saying, some of the old PSV licences that were in the Territory and as we know some personal people own them, companies own them, and so forth, and so on, were never using them and were waiting for a chance to make a dollar, which none of us are against in that respect. I take it now that any of those old licences or old PSVs are probably revoked at this time, and if not, how long would they have now before they would be revoked?

Hon. Mr. Graham: Mr. Chairman, they have twelve months. There will be a hearing every year into each holder of an operating certificate in the Territory. Therefore, the Board will basically review their performance if necessary and review whether or not they have made use of the operating certificate. If they have not, the board has the ability to take that operating certificate away and give it to somebody who is going to use it because that is the intention, to make use of every operating certificate that has been issued in the Territory. That is what stimulates the competition.

If we issue twenty certificates to three different companies and only one company uses their five certificates but we withhold issuing any more because there are twenty already issued and we feel that is enough, then we feel that all twenty should be operating so we have the competition stimulated.

Mr. Fleming: I agree wholeheartedly with the Minister.

I would ask him though, he has said twelve months and I am just asking, there is no intention to revoke them now, they will still have an opportunity to go before the Board and then they will have twelve months and during that time, of course, if they do not do anything, it is possible that they can lose it.

Hon. Mr. Graham: Yes, Mr. Chairman, they will appear before the Board and have a chance to present their case.

Clause 16 agreed to

Recess

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

We are on Bill 17, considering Clause 17.

On Clause 17

Clause 17 agreed to

On Clause 18

Mr. Fleming: On Clause 18, I am just wondering if the Minister could just give me an answer as to why it says "and in either case"? First, I guess I should read the old Ordinance. I have got too much paper here.

"A person who fails to comply with the requirement of this Ordinance commits an offence and is liable on a summary conviction". Then it goes on to say, "and in either case". Why "in either case"? As soon as the offence was commited, you would not worry about the liable part, would you? You would not have to worry about it.

I just wonder if there is some explanation for saying "in either case"?

Hon. Mr. Graham: Mr. Chairman, what we are saying is that if he commits the offence or if he fails to comply with the requirements of this Ordinance in some other area, then in either of those two cases, whether he commits an offence or whether he just fails to comply with the Ordinance, his vehicle may be impounded.

So, in other words, when an inspector stops a truck on the highway, who does not have his sticker displayed clearly in the window, then he can impound that vehicle and tell him, "You shall stop here until such time as you comply with the Ordinance".

Mr. Fleming: Another general question, I do not know if it really refers here, but I think it is a possibility, when we passed the Frustrated Contracts Ordinance the other day, I was wondering whether it was going to have some bearing on this case, whereas a contract was issued, a specific contract, not just any contract, but a contract to haul, for instance, liquor, by the Territorial Government, was given to a trucking firm, or let us say one individual who had a truck, PSV, the whole works, to haul this for whatever was necessary, which he would not have to have, as you know. He would be licensed to operate.

He came along and a policeman or an inspector, it would be an inspector in this case, stopped him on the highway or at one of the weigh scales and said, "Pull over," and he was trying to impound the vehicle, or did impound the vehicle for so many days. As the Minister said, the Board could overrule that possibly, if there was something wrong. If, in this case, the Board overrules the inspector, the truck has been sitting there for two weeks, then would not that person have a case under the Frustrated Contracts Ordinance? I am wondering if he would have.

Hon. Mr. Graham: No, Mr. Chairman, the Frustrated Contracts Ordinance deals only with contracts that have been frustrated through any act unforeseen by either of the parties of that contract, before such time as they enter into a contract. In this case, I think it is very apparent that if you are operating in the Territory, you need to have operating authority. If you have operating authority and you were stopped illegally by an inspector, I would imagine that you would have a civil case against the Government for illegally stopping and impounding your vehicle.

Clause 18 agreed to

On Clause 19

Mr. MacKay: The way I read (4) and (5), that refers to when the vehicle or goods are stolen. Is that the only instance where you could make an exception to this?

Hon. Mr. Graham: Yes, Mr. Chairman, or in the other case that I referred to earlier, where an illegal operator entered the Territory at Watson Lake, told the weigh scale operator that he was running a load through for Yukon Freight Lines, therefore should be issued a permit under their name. Therefore, technically under this Ordinance any, offence committed by that vehicle would be attributable to Yukon Freight Lines when they did not even know that the guy was operating in the Territory.

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

Mr. MacKay: Perhaps the Minister could explain what this process of review will be. Will all certificates be issued on the same day each year and if not, will this be an ongoing review on the anniversary of each certificate? Is it not really quite a burdensome thing to review every one every year?

Hon. Mr. Graham: Mr. Chairman, this is one of the duties of the secretary, it will be one of the duties. If the Board is reviewing the operating authority of a going concern, operating in the Territory, say, Canadian Freightways or Loiselle Transport, the secretary could be made well aware immediately whether or not they were fulfilling the obligations and their duties to the public under the terms of their operating authority, so I do not imagine that the Board would have any great trouble reviewing that type of authority.

What we were hoping to catch in this instance are operating permits or certificates that have been issued for, say, twenty licences for an individual company and they are only using two for year after year after year and they are holding on to the other eighteen in the hopes that they can sell those twenty licences to somebody from Edmonton or Vancouver, and come into the Territory and open up a large trucking firm.

What we are attempting to do is ensure that everybody uses the licences that they have been issued. If they do not, they have those eighteen permits twelve months free and after that they must justify having those twelve certificates or else they are taken back by the Board. So, essentially, that is what it is for. I can see the review process for going concerns being a simple two minute exercise where the Secretary simply says to the Board, "In the best of my opinion, they are meeting the terms and conditions of their operating certificate", and that should be that.

Mr. MacKay: Let us assume that the Secretary decides that there is a problem with a particular licence. What would be the process then, would the particular licence holder be summoned in? Is it laid out in the Ordinance? Does it refer back to some of those sections where he has got the right to be heard before it is revoked, and so on?

Hon. Mr. Graham: Yes, Mr. Chairman, it is some distance back. No permit can be revoked without a hearing by the Board if the holder of that certificate so requests. So, technically, I see the procedure as the Secretary reporting to the Board, saying "This person is using only one of the 20 certificates that we have issued. In my opinion, he has no intentions of using the other 19, therefore I believe they should be revoked."

The Board would send him a letter to that effect, that his licences will be revoked unless he can justify holding 19. There will be a hearing and if anybody choses to intervene, they may. I would imagine that it would be up to the holder of the authority to justify those 19 certificates or he would lose them.

Mr. Penikett: Mr. Chairman, in those circumstances, what kind of instructions to the Board, or advice to the Board, would this Government give by way of policy?

What I have in mind is to contemplate a situation where, given our history, we could have some booms and busts and be going to an economic downturn. Business gets very tough for all the trucking companies. There is not enough business for any of them. Much of their fleet may be under-utilized. We start to have the Board being used for some sort of fractious competition between the various companies about who should have licences and who should not, that they are under-utilizing the permits and so forth.

Will the Government have any method, for example, of deciding that it does not want the Board to hear a lot of this kind of litigation, which really is unfounded? Will you advise the Board that such applications, if on the face seem unfounded, can be dismissed readily without tying up the Board for a long time in those kind of disputes?

Hon. Mr. Graham: Mr. Chairman, I am glad that this question was asked, because we believe that Section 23 as written, gives the Board the option, after 12 months. You see, they are allowed to hold the extra authorities for 12 months, even if they do not use them, they are allowed to hold them. Only after that 12 month period do they have to justify the retention of those authorities without actually using them.

Well, the fact of the matter is is that there is a general economic slowdown in the Territory, therefore, probably none of the operators in the Territory will be utilizing all of their licences.

So, we consider that the Board is quite capable of making that decision on their own and to determine that some licences should not be withdrawn simply because the authorities have not been used.

In the past two years, I think, for truckers in the Territory, there has been an economic slowdown and the authorities have been used. I think the number of dollars that we are retaining from operating authorities has indicated that. Hopefully this takes into account those periods of time.

Mr. Penikett: So, if I understand the Minister, the Government would be prepared to tolerate a situation if it were, for some unfortunate reason, necessary to have many more permits out or issued and being held, than there were vehicles operating, even if that unfortunate circumstance was to continue for a long period of time.

Hon. Mr. Graham: Yes, Mr. Chairman, I think under certain circumstances, we would be willing to tolerate.

Clause 23 agreed to

On Clause 24

Mr. Fleming: I wonder if I can get the Minister to explain why they took the RCMP area out of the Ordinance.

Hon. Mr. Graham: Mr. Chairman, because of the fact that under the present Ordinance it stipulated only an inspector or the RCMP may have those powers. What we are saying is that anybody appointed by us under this Ordinance, now has this power.

If we appoint an inspector, he has the authority, if we appoint a Secretary, he has the authority. I think we are also stipulating that weigh scale operators have the authority to issue permits and do certain things under the Ordinance that RCMP officers have done in the past. That is the reason for eliminating them and saying inspectors.

Mr. Fleming: Does the Minister contemplate having more than this type of person, being more or less peace officers, you might call them?

Hon. Mr. Graham: Mr. Chairman, at the present time the Secretary to the Board will be considered an inspector. We do not have any plans at the present time to hire a full time inspector to spend time travelling throughout the Territory, enforcing the regulations, but the thought has definitely entered our minds and in my opinion, a full-time inspector would be more than capable of earning his wages in fines and permits.

Clause 24 agreed to

On Clause 25

Clause 25 agreed to

On Clause 26

Mr. MacKay: I do not think I have any questions, particularly. I just wanted to clarify something before we rush the thing through.

Mr. Chairman: We are holding it over for another day.

Mr. MacKay: Yes, I appreciate that. Perhaps I could ask the Minister, though, with respect to the problem of issuing certificates for a multiple number of vehicles. The concern has been that more permits would be issued that vehicles were using. What about the opposite, where less permits are being issued than vehicles are using, and the permits are switched around from vehicle to vehicle, as the case may be, is that a problem?

Hon. Mr. Graham: Mr. Chairman, we do not have any great problem with that at all, as long as that certificate is only being used on one vehicle at a time. It is impossible to use it on any more than one vehicle.

We do not have a great deal of problems with an operator having three different vehicles in his yard, one hauls water, one hauls gravel, and one is used for something else, with only one operating certificate. As long as the operating certificate encompassed all those areas of operation, he could switch it from vehicle to vehicle,

and we do not have any problem with that at all, because that vehicle cannot be operated as a vehicle for hire unless it has that certificate on it, so he could only operate one of those vehicles at a time and that is alright. As long as he is paying the fee for an operating certificate, no problem at all.

Mr. MacKay: Is the fee not variable, though, according to the number of vehicles, so that this would be one way of reducing the cost of the operator?

Hon. Mr. Graham: No, you see, we have to separate this into an operating certificate. That is the general certificate that says a trucker is allowed to haul various goods between Whitehorse and Watson Lake. That is the overall certificate.

Then he is issued the individual licence plates, or identification plates, to put on his vehicles. If the Board grants him seven identification plates then he may run, at any one time, seven trucks between Watson Lake and Whitehorse. He might own eleven trucks, but think that he has only got the ability to use seven of them at the present time, and which seven he uses does not matter to us, as long as his operating authority or his operating certificate says that he is hauling only specific goods between those two areas.

It is the operating certificate that he is going to pay a great deal of money for, then each individual plate will be at a set dollar fee depending on what he is hauling. It is going to cost, probably, I can see it anyway, more money to haul tractor trailer units full of general freight from Whitehorse to Vancouver than it is going to cost to haul a five ton truck full of specific goods from Whitehorse to Vancouver.

That is how we base the fee, on what he is hauling, what weight he is hauling.

Mr. MacKay: I am probably wandering a bit from this section, but I would be interested to know what is the basic philosophy behind the different tariffs? Are some licences deemed more valuable than others?

Hon. Mr. Graham: Mr. Chairman, it would depend on the operating authority, yes. A general public service vehicle licence, as is presently issued under the Territory, is more valuable than a restricted permit. A general licence now would enable you to haul gravel in the summer, snow in the winter, haul hay whenever you wanted and get the odd contract to haul water for the Territorial Government, whereas a restricted permit is one that allows you to haul only specific goods between two points in the Territory.

So, there is where the value is determined.

Mr. Fleming: Yes, I see in 26.(1), where they are striking out the expression "public service vehicle" and then striking out commercial vehicle. But I presume that the Government will still be selling commercial plates, in that sense and PSV plates in that sense, too.

Hon. Mr. Graham: No, Mr. Chairman, we will not. We will be selling commercial vehicles for every vehicle operated for hire in the Territory. That is a fact.

What we will then be doing is issuing operating certificates or identification plates, little plates, I do not know what size they are going to be, but smaller plates, which will identify that vehicle as a vehicle that can haul specific goods in the Territory, or possibly it will be a general identification plate that says that vehicle could haul anything it wants to haul, and anywhere in the Yukon Territory.

Those will be the things that are going to be valuable, the identification plates that determine what you can haul and where you can haul it in the Territory.

Mr. Byblow: Is the Minister saying that, in respect of permits issued to transport vehicles coming in from the Territory with goods, will the value of the goods be this factor in determining the fee for that permit?

Hon. Mr. Graham: Mr. Chairman, that is one school of thought. When we are talking about permits, we have not decided yet which method we are going to use. One school of thought is that we have a variable rate and we charge a different rate for each commodity and vehicle that happens to come into the Territory.

The other school of thought is that we should charge a flat fee, for example, $250 or $300 for a permit, and therefore everybody that comes into the Territory, without a Yukon operating certificate, knows they are going to have to pay $300 when they come over the border.

We have not yet made that decision. That will be part of the regulations and, as I said, we are working on them now and we just have not developed that specific item yet.

Mr. Byblow: I suspect, because the permit will be restricted to a specific period of time, probably the flat fee would be the easiest to impose.

Hon. Mr. Graham: No doubt about it at all, Mr. Chairman, to my way of thinking, a flat fee for every load that comes over the border is the easiest way to operate administratively, as well as for the truckers. They will then know how much it is going to cost them, there will be no doubt in their mind whatsoever.

Clause 26 agreed to

On Clause 27

Hon. Mr. Graham: Perhaps we should not clear Clause 27 until such time I have had time to investigate and report back whether or not we are going to request Board members to disallow themselves from sitting when they have a conflict of interest.

Mr. Chairman: The Chair's attention has been called to Bill Number 3, which we have already considered this evening, that we have two sections 29. I would suggest, before reporting them, that we should have an amendment on these subsections.

Hon. Mr. Graham: Mr. Chairman, is that simply a typing error? As I see it, that is simply a typing error, and with the permission of the Chairman perhaps that typing error could be corrected.

Mr. Chairman: The Chair has a little bit of difficulty in considering that a typing error. I think we had better deal with it by amendment.

Hon. Mr. Graham: Mr. Chairman, perhaps I can move that we amend Bill Number 3, Miscellaneous Statute Law Amendment Ordinance, to reflect the re-numbering that will be necessary. Every section after Section 29 should be renumbered in order.

Mr. Penikett: I might ask the indulgence of the House. Perhaps the Clerk could assist the Minister in phrasing a procedurally correct Motion.

Mr. MacKay: On a Point of Order. Are we finished considering Bill Number 17? I thought, on Clause 27, although it is cleared, we might want to have some discussion on it.

Mr. Chairman: We have considered Bill Number 17 as stood over, at this time, as we are anticipating one more section being added, and that is the last clause before we clear the whole Bill.

Hon. Mr. Graham: Mr. Chairman, if you want to discuss Clause 27, it is perfectly all right with me. I would be more than willing.

Mr. Chairman: Order, please. At this time, we have an amendment. Let us dispense with the amendment on Bill Number 3, first.

Mr. Penikett: Just so that we are not all hopelessly confused, I wonder if the Chair might entertain a suggestion that we complete the discussion, even though we do not clear Clause 27? We have a brief discussion on Clause 27 so if there are any outstanding issues, the Minister may be aware of them. At the conclusion of that discussion, we could then deal with the amendment to Bill Number 3.

It seems to me it would be out of order right now to deal with an amendment to Bill Number 3 when we are discussing another Bill.

Mr. Chairman: That being the case, and while the amendment is being phrased, I would draw your attention back to Bill Number 17. We will consider Clause 27.

On Clause 27

Mr. MacKay: I would just like to get some idea from the Minister of how long this is going to take, having brought it in slightly prematurely, how much longer it will take to have the regulations in shape so that this can be proclaimed?

Hon. Mr. Graham: Mr. Chairman, we initially thought that two months was a good timeframe. However, due to the speed with which the Consumer and Corporate Affairs Department and Justice Department work, we expect that the regulations will be in place in roughly one month. We then hope to do a large advertising campaign to make sure that every trucker in the Territory, and every trucker that hauls into the Territory, realizes what the changes are. After that, we will proclaim the new Ordinance.

Mr. MacKay: I guess the one question I have is what happens to a transaction, for example, sale of shares that is going on right now, that would be caught in the net of this particular thing? Is there a retroactive aspect to this Bill or will any transactions entered into in the interim, before proclaimation of this Bill, not fall within this Bill's provisions?

Hon. Mr. Graham: Mr. Chairman, under the present Ordinance, the Board has the right to revoke operating authorities if they so desire. So, under the present Ordinance, anybody who is selling or transferring shares in their company is well-advised to go to the Board, because the Board has the authority to revoke their operating authority, if they feel that transfer was not in the best interest of the citizens of Yukon.

So, even under the present legislation, I do not think anyone is well-advised to transfer shares or sell their company outright,

without first of all at least checking with the Board, because as has already been shown with the Fred Cook operating authority, the Board will, in fact, revoke the operating authority if they feel that the transfer of shares was not in the best interests of the citizens of Yukon.

Mr. Penikett: Just so I can have the Minister on record on this, who is going to be writing the regulations for this Ordinance?

Hon. Mr. Graham: Mr. Chairman, regulations will be drafted by the Justice Department in consultation with legal draftsmen, in consultation with the Consumer and Corporate Affairs Department, and myself.

Mr. Penikett: The Board, as it is presently constituted, will not be consulted on these regulations then.

Hon. Mr. Graham: We have every intention of consulting the Board, however, they will not be writing the regulations.

Mr. Penikett: One last question, Mr. Chairman, out of whose Budget is the advertising campaign going to be coming?

Hon. Mr. Graham: Mr. Chairman, I would not get tied down by answering that question right now.

Clause 27 agreed to

Hon. Mr. Graham: Mr. Chairman, I move that you report progress on Bill Number 17, An Ordinance to Amend the Transport Public Utilities Ordinance.

Mr. Chairman: It has been moved by Mr. Graham that I report progress on Bill Number 17, and beg leave to sit again.

Motion agreed to

Mr. Chairman: I refer you now back to Bill Number 3. I have an Amendment in the name of Mr. Graham, that Bill Number 3 be amended in Clause 29 and 30, pages 13 and 14, by re-numbering Clauses 29 and 30, Clauses 30 and 31.

Amendment agreed to

Hon. Mr. Graham: Mr. Chairman, I move that you report Bill Number 3 with Amendment.

Mr. Chairman: It has been moved by Mr. Graham that I report Bill Number 3 as amended. Are you agreed?

Motion agreed to

Hon. Mr. Graham: We will get things straight yet, Mr. Chairman. It is a bad night. Mr. Chairman, I move that Mr. Speaker do now resume the Chair.

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

Motion agreed to

Mr. Speaker resumes the Chair

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

Hon. Mr. Lang: I would just like to rise on a point of privilege, Mr. Speaker. We have in the gallery tonight, the Minister of Highways and Public Works, the Honourable Don Orchard, from Manitoba. I would like to put that on the record since he will not be here to visit with us tomorrow morning with the opening of House.

I should further say, Mr. Speaker, it is nice to see that colleagues from the southern part of Canada can come up and look at some of the areas that we are doing work in and we can perhaps contribute to their Government just as much as they can to ours.

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

Mr. Lattin: Mr. Speaker, the Committee of the Whole has considered Bill Number 2, An Ordinance to Amend the Companies Ordinance and directed me to report the same without amendment. Further, it has considered Bill Number 3, a Miscellaneous Statute Law Amendment Ordinance, 1980 and directed me to report the same with amendment; also considered, Bill Number 17, An Ordinance to Amend the Transport Public Utilities Ordinance and directed me to report progress on same and beg leave to sit again.

Mr. Speaker: You have heard the report of the Chairman of Committees. Do you agree?

Some Members: Agreed.

Mr. Speaker: May I have you further pleasure?

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

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

Motion agreed to

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

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

Whitehorse, Yukon
Thursday, April 17, 1980 — 1:30 p.m.

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 Documents or Returns for tabling?

Reports of Standing or Special Committees?

Petitions?

Reading and Receiving of Petitions?

Introduction of Bills?

BILLS: INTRODUCTION AND FIRST READING

Hon. Mr. Hanson: Mr. Speaker, I move, seconded by the Honourable Member for Whitehorse North Centre, that a Bill entitled An Ordinance to Amend the Game Ordinancebe now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Minister of Economic Development, seconded by the Honourable Member for Whitehorse North Centre, that a Bill entitled An Ordinance to Amend the Game Ordinance be now introduced and read a first time.

Motion agreed to

Mr. Speaker: Are there any further Bills for Introduction?

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

Notices of Motion?

Statements by Ministers?

MINISTERIAL STATEMENTS

Hon. Mr. Lang: Mr. Speaker, I would like to inform all Members of the decision that has been made in respect of the upgrading of the water and sewer infrastructure in the town of Faro. The system now in place in the municipality was designed to accommodate 800 residents. Measures are now being planned to upgrade the existing water and sewer system to meet the demands of 3,000 residents.

Such measures will require additional financial help from the Government of Yukon under our Capital Assistance Program.

Mr. Speaker, Cabinet, this morning, agreed to revise the spending priorities under the Capital Assistance Program and we will be making $1 million available to the Municipality of Faro so it may proceed with the necessary upgrading of its water and sewer system.

In the meantime, this Government will identify an additional $1.2 million to cover the estimated $2.5 million cost of the expansion in the upgrading of the Faro system. I am pleased to report that efforts are now in progress within this Government to find those additional funds.

Money to be provided to Faro will be administered under the existing terms of the Capital Assistance Program. The Government of Yukon will cover 90 per cent of the required costs while the Municipality will be responsible for the remaining ten per cent.

Mr. Speaker, there is no question in our minds that our decision will provide many benefits for the Yukon's economy. Cyprus Anvil Mine will be able to proceed with its construction and expansion program, private contractors will benefit from the new job opportunities, and new employment opportunities will be available to Yukon residents.

Needless to say, residents of Faro will benefit from the improved service and expansion.

Thank you, Mr. Speaker.

Mr. Byblow: Mr. Speaker, I--

Mr. Speaker: I am sorry. I am sorry, I cannot recognize the Honourable Member for Faro.

Mr. MacKay: Mr. Speaker, the Member for Faro would like to thank the Minister and his Government and commend them for finally responding positively to the critical situation in Faro.

He thinks that too often this Government treats Faro and the Cyprus Anvil Mine synonymously, not recognizing that a municipal entity exists in that community, outside the hierarchy of the mine.

The fiscal responsibility of this Government to the Municipality of Faro by ensuring that utilities expansion and upgrading goes ahead, can only benefit the entire Yukon in the long term.

The requirement of utility expansion to accommodate some 150 more lots in Faro can only be read as a commitment of stability and permanence to that community. It directly reflects an expanding workforce and operation of Cyprus Anvil ensures a stable taxbase to this Government. Something like $3 million accrued to this Government last year alone from the Company's profits.

Mr. Penikett: He also thinks that it only fair that some of the tax base be returned to the Municipality to provide the services necessary to maintain the community's infrastructure.

If there is a feeling by some that Faro is getting too much, then it should be noted, as the Minister has alluded, what spin-off effect there is to the Territory in employment and the contribution to the business sector, secondary services and the general contribution to Yukon's economy.

The Minister is correct in noting that Faro is one of the few bright spots in the present economic gloom in Yukon. That this Government has recognized its obligation to economic development by assisting the Municipality is certainly to be applauded.

He would note in closing that he hopes the fiscal advance to the municipality as announced will not detract from any future entitlements, as a penalty for this consideration.

Hon. Mr. Lang: Mr. Speaker, I think there are a couple of things that have to be clarified in respect to the position of this Government. Number one, we do recognize and we have made it very clear, I have made it very clear in this House, as well as other Members, we recognize that the municipality of Faro is a municipality. Cyprus Anvil happens to be an employer just like any other major employer in any other municipality. So I cannot accept that comment or derogatory remark that is put toward the front bench on this side of the House.

I would also further state, Mr. Speaker, in respect to the economic gloom in the Territory, I do not accept the premise of the Member opposite. I happen to have been raised in the Yukon Territory and I happen to think that we are right at the beginning of a very major economic boom for the Yukon Territory.

I think if all Members recall, one major aspect that is going to come into play is going to be the Venus Mine and others as well as time goes on.

Also, at the same time, Mr. Speaker, I want to say that we have a very good working relationship with the Mayor and the City Council of Faro, we do recognize their needs. At the same time, I am sure that we all recognize that the Capital Assistance Program in respect to the dollars that are available, we have to be prepared to attempt to meet all the demands of 22 communities throughout the Territory. Subsequently, I am sure, Faro will recognize that, as time goes on, some other project in another area of the Yukon has to be undertaken, and I am sure that they will be more than prepared to understand why the decision has to be made.

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

Hon. Mr. Hanson: This morning in a phone call, the President of United Keno Hill Mines, who also now have Venus Mines in consideration, told me that the decision of the company, providing that they get their application through the BC Environmental Branch of the Government, they hope to start up construction on the mine site at Venus on the first of September. This will give a winter works program to the community of Carcross and also provide additional funds in the Yukon where we traditionally have a slump in the winter time.

He also pointed out that the Directors of the company would be meeting in Elsa in August and they will be spending a considerable amount of money at that camp this year and in years to come to upgrade the facilities there. I will, at a later date, say more about it as the company makes the information available.

Mr. MacKay: I would like to make a couple of comments on the Minister's statement, which is indeed good news. I think that one of the problems that has arisen in previous statements should be pointed out by the Minister to the mine and advise them that it would be preferable if he can ship his ore by White Pass with respect to when the mine comes into production. I think that would certainly assist that railway when it reopens.

With respect to the continuation of United Keno Hill in Elsa, I think that has lifed a shadow that has laid over that area for a long time and hopefully the residents of the area can look forward to a prosperous and permanent economy there.

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

This then brings us to the Question Period.

Have you any questions?

QUESTION PERIOD

Question re: Budget Expenditures/Funding For

Mr. MacKay: Mr. Speaker, my question is to the Government Leader in his capacity as Minister of Finance. Mr. Speaker we have already passed, in this Session, some three Ordinances which commit this Government to almost $2 million worth of expenditures to match Federal Government grants. Can the Government Leader tell us how he plans to raise this committed money?

Hon. Mr. Pearson: Mr. Speaker, the monies for those matching grants are in the Budget. Expenditures were directly reflected in the Budget. This was one of the reasons, for instance, that the Department of Renewable Resources Budget was increased so dramatically this year.

Mr. MacKay: As these programs are continuing for several years, can the Government Leader assure us that the hotel room tax is not contemplated to fund these in the ensuing fiscal years?

Hon. Mr. Pearson: No, Mr. Speaker, I am not prepared at all to give that kind of an assurance.

Mr. MacKay: Is the Government Leader at all prepared to give us assurance with respect to a sales tax funding these agreements?

Hon. Mr. Pearson: Mr. Speaker, I am in no position to say yes or no to any kind of a question like this. We have identified funding for the current year. That is the requirement, that is what we have to do. As with every agreement, with any government, that agreement expires automatically on March 31st next, and it has to be at that time, if not renegotiated, at least refunded.

We will come up with the decisions in respect to how we are going to fund those programs next year.

Question re: Food Prices

Mr. Penikett: I have a question for the Minister of Consumer and Corporate Affairs.

Yesterday, I asked the Minister a question regarding food prices in the Territory and he referred to an investigation done by the Combines Investigation Branch of the Federal Consumer Affairs Department.

I would like to ask the Minister if he or his officials in this Department have studied the results of that Federal investigation?

Hon. Mr. Graham: Mr. Speaker, I have not personally. I would imagine that members of my department have, though.

Mr. Penikett: Given that this Federal investigation found "the possibility existed that distribution mark-ups were higher than they would have been in the presence of more effective competition", has the Minister instructed his officials to find out just how much more people here are paying, as the result of this lack of competition identified by the inquiry?

Hon. Mr. Graham: No, Mr. Speaker, I have not.

Mr. Penikett: Given that these Combines people also noted that it is no offence under the inadequate Federal consumer legislation for a company to charge extra prices in a virtually monopoly situation, has the Minister directed his officials in either Justice or Consumer Affairs, to examine legislation which might set price limits on essential foods in the Territory?

Hon. Mr. Graham: No, Mr. Speaker, I have not.

Question re: Faro Utility Expansion/Capital Assistance Program

Mr. Byblow: I will direct this to the Minister of Municipal and Community Affairs.

By way of prefacing my question, I would like to extend, on behalf of the Municipality, sincere appreciation for the announcement moments ago.

The Minister indicated that he will be readjusting spending priorities under the Capital Assistance Program and I would inquire of the Minister if there has been any communication with the Federal Government recently, to indicate whether there will be any supplementary funding coming forth this year and, perhaps in his answer he could indicate as to the status of possibility for capital assistance continuing as a program in future years?

Hon. Mr. Lang: Mr. Speaker, there were some administrative discussions between the Government of Canada and the Government of the Yukon Territory.

As you know, the decision had to be made fairly quickly in respect to the situation as it developed in the Municipality of Faro. We have made the conscious decision, as outlined in my Ministerial Statement, in respect to the position we have taken. There will definitely have to be some negotiations with the Government of Canada but, in any event, it is our intention to go ahead with the proposed project that the Municipality wishes to go with and we will cost-share that project.

With respect to the Capital Assistance, I made it very clear at least from our position, the Government of the Yukon Territory's position as far as the Capital Assistance Program is concerned, we are very concerned about it. It is our position that it will continue but in respect to the amount of finances that are available, that is a decision that the Member will be party to during the next Budget session.

Question re: Faro Boundary Expansion

Mr. Byblow: To a slightly different topic, Mr. Speaker, I would like to inquire of the Minister if he has had any official representation from the municipality respecting the expansion of its boundaries to include the mining properties.

Hon. Mr. Lang: Mr. Speaker, I cannot recall anything official coming across my desk in respect to the question that has been raised.

Mr. Byblow: I would further inquire, Mr. Speaker, then, that given that representation is made to that effect, would the Minister entertain the necessary changes to thereby permit the tax revenue presently accruing to the YTG of those properties to accrue to the municipality?

Hon. Mr. Lang: Mr. Speaker, I take that is a hypothetical question. To my knowledge, the official request has not been made. Once the request has been made, I will have a look at it.

Question Re: Auditor General Report/Alaska Highway Realignment

Mr. Fleming: My question is going to be to either the Minister of Public Works or the Government Leader. On the 8:00 CBC news this morning there was reference to the Auditor General and some remarks that he supposedly made that the realignment of the Alaska Highway is costing the Federal Government more money than what would ever be returned and he was very perturbed in that sense. I wonder if the Government Leader or the Minister of Public Works is aware of that newscast.

Hon. Mr. Lang: Yes, Mr. Speaker, I am aware of it. I do not always believe everything I hear across the news media. I am following it up just to see exactly what statements were made by the Auditor General and we will have a look at it at that time.

Mr. Fleming: I appreciate the answer from the Minister. The only thing that concerns me now is that, providing the House is not sitting and there are some decisions made to oppose, or whatever the case may be, would the Honourable Minister agree that he should notify the MLAs sitting in the House or otherwise?

Hon. Mr. Lang: Mr. Speaker, with respect to the question that the Member has raised, the finances for the upgrading of the Alaska Highway, to my knowledge, has been committed. Subsequently, and I am speaking of what I have read in the newspaper because it does not come under the jurisdication of the Department that I have responsibility for, but the contracts from the Federal end of it, from my understanding, are in the process of being let, if not let, so subsequently it is a long term decision, it is not a short term decision.

I am sure once I find out exactly what was said, we will have a look at it and probably have some discussion with the Government of Canada on the matter.

Mr. Fleming: My supplementary is more or less, Mr. Speaker, the same question because the Honourable Minister really did not answer that question. If he does have some discussion with the Government, would he inform the MLAs in Yukon, whether we are sitting in this House or not at that time?

Hon. Mr. Lang: Mr. Speaker, if it directly affects the Honourable Member, I will phone him.

Question re: Human Resources/Counsellor for Juveniles

Mrs. McGuire: Mr. Speaker, I have a question for the Minister of Health and Human Resources. Sometime in the near future, would the Minister entertain the idea of employing a person within the Department of Human Resources who will specialize in professional counselling dealing exclusively with teenagers and children, school drop-outs or otherwise, who are plagued with alcohol, drug and or mental problems.

Hon. Mrs. McCall: Yes, Mr. Speaker, that is under consideration.

Question re: Alcohol Treatment/Impaired Drivers

Mr. MacKay: Mr. Speaker, I would like to ask this question of the Minister of Justice. Is the Minister aware that under the impaired driving section of the Criminal Code of Canada, specifically subsection 236(2), it is possible and proper evidence to sentence people to alcohol treatment?

Hon. Mr. Graham: No, Mr. Speaker, I was not aware of that.

Mr. MacKay: Having been made aware of this, could the Minister inquire of his Department whether this is the only jurisdiction in Canada where this particular subsection has not yet been proclaimed?

Hon. Mr. Graham: Yes, I will inquire, Mr. Speaker.

Mr. MacKay: In view of the fact, Mr. Speaker, that the Yukon has by far the highest consumption of alcohol per capita and in view of the fact that the Yukon appears to have an increasingly high number of alcohol related crimes, will this section of this Code be proclaimed in the Yukon in the near future?

Hon. Mr. Graham: Mr. Speaker, I said I would inquire.

Question re: Education/French Immersion Program

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

During Budget debate, the Minister came close to confessing the desirability of a French immersion program here in Yukon, but there was no money this year. Can I ask the Minister if he is actively contemplating the inclusion of this program in his Budget for next year?

Hon. Mr. Graham: Mr. Speaker, we have not yet begun to discuss the Education Budget for next year, but it was my intention that we would definitely be investigating the possibility of including French immersion, because of the fact that I did not only seem to commit myself, I said that I was in favour of French immersion in Yukon schools and it was only a question of time and the available funds being made necessary.

Mr. Penikett: I thank the Minister for his answer.

I would like to ask the Minister if he could just reconfirm for the House that he has, in fact, identified not only teaching space for this program, but, as well, potential instructors and demand for it.

Hon. Mr. Graham: Mr. Speaker, we have not yet attempted to discover what the potential demand in the Territory is. We will not until we have decided to hold such a course in Yukon schools.

We do have space available. As many Members opposite know, the Whitehorse Elementary School is not fully utilized and that school would be more than suitable, I believe, for such a course.

Mr. Penikett: During the Budget debate, the Minister seemed to express some fear that the demand for this program might be too great, rather than too little. Can I get the Minister's assurance that if the demand is not only sufficient but even if it appears to be increasing, the Minister will still actively consider the program?

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

Question re: Health/Prescription Drugs for Elderly

Mr. Byblow: I have a question for the Minister of Health.

Most Canadian jurisdictions have a program, through their health insurance plans, that pays for the drugs prescribed to the elderly. One example of this is the Pharma-Care program recently enacted in the NWT.

Mr. Speaker, I would like to ask the Minister if she supports the establishment of something like a Pharma-Care program to provide reimbursement for prescription drugs to the elderly?

Hon. Mrs. McCall: Yes, Mr. Speaker, I do.

Mr. Byblow: I would like to ask the Minister if we can anticipate legislation to that effect within the next year?

Hon. Mrs. McCall: I cannot give an exact time, but it is something I very strongly support for the elderly.

Mr. Byblow: Could the Minister, in her deliberations on the preparation of legislation, provide the House with an estimate of costs related to the implementation of such a program that would accrue to Government?

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

Question Re: Tourist Marketing Program

Mr. MacKay: I have a question for the Minister in charge of the COPE Agreement in his capacity as the Minister of Tourism. Yesterday, the Minister said he was requesting the Management Committee of the Tourism Subsidiary Agreement for funds to carry on an evaluation of the Tourist Marketing Program. What form will this evaluation take, Mr. Speaker?

Hon. Mr. Hanson: Mr. Speaker, I am called the Minister of the COPE Agreement. I just wish when I look across the floor I was also the Minister of Immigration. Probably in that portfolio I would act as intelligently as my immigrant friend across the floor.

Mr. Speaker, on the question the Leader of the Opposition just asked me, at this time I am not going to answer it. On the Subagreement, I will not be answering any more questions until the Management Committee meets next week and then I will make available to all the Members, the recommendations of that Committee. At this time, I am not going to answer any questions on it at all.

Mr. MacKay: I think there should be a Minister of Emigration as well, Mr. Speaker. Perhaps if he is not going to answer any questions on the Subagreement, he would answer this question, Mr. Speaker. In view of the fact that this impending study casts doubt upon the efficiency of the present marketing strategy, will he be putting a hold on that program or will he be trying to speed up the inquiry?

Hon. Mr. Hanson: Mr. Speaker, once again I regret that we do not have a blackboard here so that I can explain things fully to the Member across the floor. Unfortunately, as he points out, I do not have the benefits of a higher education which I am proud of more and more as I listen to him. Mr. Speaker, it is our hope, at the end of this tourist season, that we will be able to start doing a data report on tourism for this year as we will have, at that time, all of the coupons available and wherever possible, we will have the names of the people who come into the Yukon for this year and we will be able to write to them and send them questionnaire asking them why they came here, what was their reason for coming.

Probably, if you ask me the question next spring, I am not too sure I will answer it, but I will do my best.

Question re: Raynaud's Disease

Mr. Penikett: I have a written question for the Minister of Health, who is reponsible for the Workers' Compensation Board.

Having just heard the reply from the previous Minister, I was not sure whether he was promising us a dada report or a data report. A data report would probably be more interesting.

In the light of the Minister's remarks recorded in Hansard for April 16th, regarding Raynaud's Disease, why did officials of the Workers' Compensation inform a representative of the United Steel Workers of America, in a letter of March 23rd, 1979, that "No permanent disability award is made in respect of this disease."?

Question re: Capital Project Funding

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

With respect to the allocation of funds to Faro utilities project, can he identify any capital projects that we approved last fall which will not go ahead as a result of this?

Hon. Mr. Lang: Mr. Speaker, if you will recall, last Session we voted our capital expenditures in order to get our contracts out early this year, which, in a large part, I think, we have succeeded.

I would say, Mr. Speaker, that the money was voted in a block, as opposed to project by project. There are a number of projects under review at the present time. I think there will probably be curtailment as opposed to completely stopping any particular project.

Also, at the same time, Mr. Speaker, there will have to be some discussions with the communities affected, if a community is affected.

Mr. MacKay: Will the Minister of Community Affairs therefore confirm that the Porter Creek Access Road may very well be one of these programs that is under some review now?

Hon. Mr. Lang: Mr. Speaker, I would like to refresh the Member opposite. The Porter Creek Access Road, which he, if I recall, agreed was necessary in respect to the growth of the City of Whitehorse, was voted as a line item. It is not in the realms of the Capital Assistance Program.

Question re: Government Owned Insurance Corporation

Mr. Penikett: Maybe one day it will go to Riverdale.

I have a question for the Minister of Consumer and Corporate Affairs. In the Legislative Return tabled yesterday regarding insurance in the Yukon, the Minister stated that because of high administrative costs, it appeared Government insurance in the Yukon was not economically feasible.

Can the Minister say whether this conclusion was based on a Yukon-only insurance scheme, or whether the investigation looked at contracting out the management of an insurance scheme to an existing scheme in a province such as BC or Saskatchewan.

Hon. Mr. Graham: Mr. Speaker, the study was done based on the assumption that the Government of Yukon would bring in their own insurance program. No studies were carried out under the assumption that we would become part of either the British Columbia or Saskatchewan Insurance Corporation.

Mr. Penikett: Is the Minister telling the House that no communication whatsoever was undertaken by phone, mail or other means with those governments with the view to seeing if they were at all interested in exploring the possibilities of a contractual arrangement?

Hon. Mr. Graham: Mr. Speaker, they have not, as yet, and in fact I was not aware of that; however, in conversations with my Deputy of Consumer and Corporate Affairs, I made that suggestion and when he returns from a business trip that he is presently on, we will explore that possibility further and perhaps write the letters.

Question re: Education/Industrial Training Co-ordinator

Mr. Byblow: My question is also for the Minister of Education. It is my understanding that an Industrial Education Co-ordinator has been recently appointed by the Department of Education. Can the Minister explain what this person's function is or will be?

Hon. Mr. Graham: Mr. Speaker, the position is that of Industrial Training Co-ordinator. This person will act as a liaison between the Federal Government Department of Canada Manpower, various apprenticeship boards in the Territory and the Vocational School in an attempt to co-ordinate the apprenticeship programs and apprenticeship training in the Territory.

Mr. Byblow: Could I ask the Minister if this will directly reflect in a creation of apprenticeship programs within the scope of the Vocational School?

Hon. Mr. Graham: Mr. Speaker, we already have several apprenticeship programs in the Vocation School. As we add new courses to the Vocational School curriculum, we hopefully will add new apprenticeship programs, if, in fact, there are apprenticeship programs available for the courses or the trades that we will be offering.

Mr. Byblow: I would like to inquire of the Minister, Mr. Speaker, to what extent will this person be involved with the Investigative Committee on Vocational Programming or with the school systems directly?

Hon. Mr. Graham: Mr. Chairman, this person forms part of the Department of Education and if the Investigative Committee on Vocational Programming wishes to have this person appear with some information or expertise then I am certain that the Department of Education will make him available to the Committee. As for consultations with the school system, he is, as I said, part of the Education Department and I am sure that is why we hired him, for his expertise in the school systems.

Question Re: Yukon Act

Mr. Penikett: The government benches are looking so glum today that perhaps I could ask the Government Leader a cheery question. Last week, or a little more than a week ago, the Government Leader told the House that the Government had suggested changes to the Yukon Act to the Federal Government which dealt primarily with the term "Commissioner". In view of the fact that the Order-in-Council that granted responsible Government to the Territory named the Government Leader as "President of the Executive Council", can the Government Leader say whether the YTG recommended that this term too be enshrined in the Yukon Act?

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

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

GOVERNMENT BILLS AND ORDERS

Mr. Clerk: Second reading, Bill Number 32, standing in the name of the Honourable Mr. Hanson.

Bill Number 32: Second Reading

Hon. Mr. Hanson: Mr. Speaker, I move, seconded by the Honourable Government Leader, that Bill Number 32, Business Development Assistance Ordinance be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Economic Development, seconded by the Honourable Government Leader that Bill Number 32 be now read a second time.

Hon. Mr. Hanson: Mr. Speaker, it is my pleasure to lead the debate on the Business Development Assistance Ordinance. I would first like to discuss some of the background philosophy behind this Ordinance so that the House can appreciate why we have come forward with this program at this time. I should then, Mr. Speaker, like to outline the objectives of the program. Some general description of the content, eligibility, criteria, assistance provided, and administration. After that, Mr. Speaker, I shall then describe some of the program content in more detail with specific reference to the Ordinance.

First of all, Mr. Speaker, the fact that the Yukon economy has been in a slump of late is well known. This Government is committed to economic development, growth and creating an economic climate where industry can invest, grow and prosper.

Essentially, our desire was to create a program which would provide assistance to its existing and potential businesses to operate in the Territory for the purpose of stimulating new business investment, which would lead to higher net income and employment in the Territory, as well as diversifying our economic base.

When considering what means the Government may have to stimulate business investment, our first choice, Mr. Speaker, was thorough review of a program already set up for this purpose, namely the Small Business Loans Program, which has been inactive for two years.

The Government initiated a review of the small business loans program last summer to determine if it could be used or modified to better meet the Government's intentions. This review concluded that the small business loans program was no longer effective as a tool to promote economic development in the Territory.

The factors upon which this conclusion was based were as follows: there are now a sufficient number of financial institutions and services available in Yukon, which are capable of meeting most small business' loans financing needs.

The guidelines for small business loans were too restrictive. The definition of small business loans annual revenue, under $50,000, the maximum loan amount of $50,000, and the maximum term of ten years severely limited the range and effectiveness of the program.

The interest rate on small business loans was no different than loans from other financial institutions, thereby providing little incentive, since to quailify for a small business loan, the applicant has to be refused by conventional lenders. The program ended up with a considerable number of high risk ventures who, subsequently, became bad loans.

The administration of a small business loans program became highly cumbersome. Progress of applications took six to eight weeks and proper administration of the program could not be done with only part-time staff.

The small business loans program was initially capitalized at $5 million for Yukon. To date, approximately $800,000 has been lent, leaving $4.2 million available. Our desire is to change small business loans programs to utilize the remaining unspent portion of $4.2 million more productively.

We have therefore requested the transfer of small business loans from the Federal Government to YTG so these funds can then be used to finance and administer the existing loans and Business Development Assistance Program.

With respect to the Business Development Assistance program, Mr. Speaker, it was our desire to develop a program that would:

1. meet the needs of the existing and potential businesses in the Territory;
2. include a commitment by the private sector;
3. be available to all people of Yukon;
4. would lead to a net increase in or at least prevent reduction of investment, income and permanent employment in Yukon;
5. should not duplicate but supplement other Government business incentive programs; and
6. require a minimum of administration.

We believe, Mr. Speaker, that the program outlined in the Business Development Assistance Ordinance satisfies all of these objectives. In looking into the problems of businesses in Yukon and in Canada generally, for that matter, we conclude the major problem consisted of higher interest rates and availability of short and long-term financing; difficulties in preparing project proposals and business plans; higher cost of infrastructure requirements in remote areas; insufficient cash flows during the first few years of operation; and management capability in terms of lack of skills and expert advice.

After several discussions with Yukon businessmen, financial institutions and the Federal Business Development Bank, it would appear that in terms of some of these problems, they have already been well looked after in Yukon.

Recently, there have been three major changes in the financial services available in Yukon that offset the need to increase the availability of financing for business ventures.

First of all, the Department of Regional Economic Expansion Programs, Special ARDA and RDIA, are now available in the Territory.

Secondly, the Federal Business Development Bank has now taken a much more active and aggressive role in the Yukon. Thirdly, the Chartered Banks have become much more active in providing long term finance. Consequently there does not appear to be any need for a YTG sponsored program which would provide additional access to capital at this time.

With respect to management skills and training, the Federal Development Bank has also stepped up their efforts to assist business in Yukon. Recently they have hired two Yukon counsellors to work under their case program. We will be encouraging FBDB to recruit even more Yukon residents as Case Officers. We feel that this is an excellent program which provides expert advice to business at a minimum of cost. These Case Workers will also be extensively used to assist in the development and ongoing management

of special ARDA projects.

It would appear, therefore, that based on our discussions that the gaps in the private assistance available in Yukon are related to (a) business plan preparation; (b) infrastructure costs in remote areas; and (c) insufficient cash flow.

Mr. Speaker, the Business Development Incentive Program addresses all these deficiencies firstly by a program known as Opportunity Identification, which assists potential entrepreneurs to develop project proposals; secondly through the Opportunity Equalization Program, which equalizes business opportunities in remote areas by assisting with infrastructure requirements; and thirdly, by a program called Interest Rebate, which rebates part of the interest paid on loans for new capital expenditures or expansion of existing facilities during the initial three years of operation.

In fact, Mr. Speaker, this program has purposely emphasized providing assistance to the most difficult problem - namely the cash flow deficiency in the early years of starting a business. This is a very common problem for business, especially smaller businesses, everywhere, not only in Yukon. To establish a business requires a heavy initial expense in recruiting staff, training staff and establishing a market. A critical problem also is the high interest charges during the first few years of operation. Recently this aspect of the problem has become even more acute because of inflation and the high interest rates.

We feel in particular that the interest rebate part of the Business Development Assistance Program will provide assistance to business to overcome initial difficulties and the effects of current high interest rates.

In considering the eligibility for this program, we based our choice on the desire to provide assistance to everyone but limit the total assistance so the most would be provided to those who need it, namely, small businesses, which make up the greatest percentage of businesses operating in the Territory.

Although some assistance may be available for everyone, the emphasis, Mr. Speaker, is to stimulate new business investment which will produce higher permanent employment in the Yukon. Hence, certain types of business investment which do not generate any increase will not qualify, such as investment in the development of real estate solely for the purpose of lease or resale.

Any financial assistance program, Mr. Speaker, particularly one involving assistance to business requires that decisions made respecting the provision of such assistance should be made by a non-partisan objective body, divorced from Government. This Government realizes, Mr. Speaker, that to the fullest extent, possible political interference should be excluded from the decision-making with respect to this program. For that reason, the management of the program will be given to a non-partisan objective advisory body, whose job will be to review the applications and make recommendations to Government as to what financial assistance should be made and under what conditions. This body is to be known as a Business Development Advisory Board.

The Business Development Assistance Ordinance will bring this program into being. The Ordinance essentially consists of three parts. Sections 23 to 26 which provide for the three types of financial assistance programs, Sections 13 to 23 which set up the Business Development Advisory Board, and the remaining sections which deal primarily with the administration of the program such as making applications, payments, and the protection of the Commissioner.

In conclusion, Mr. Speaker, we are excited about the prospects for this program. We will make a more productive use of the funds available in small business loan programs. We feel, Mr. Speaker, that it is a reasonable approach to business development in the Yukon. We feel that this program will go a long way to stabilizing business in the Territory as well as stimulating new business investment which will lead to higher employment opportunities in the Territory and developing our economic base.

As a caution, however, Mr. Speaker, I must point out that funding for this program is presently being negotiated with the Federal Government.

Our position from the start was that we wanted to use the remaining funds from the small business loans funds more productively. The Federal Government, namely the Department Indian Affairs and Northern Development, have agreed with our position and will be preparing the Treasury Board documents needed for the transfer of the funds to YTG.

Until such a transfer is made, we will be unable to implement this program. We wanted, however, to make the legislation ready and approved to enable us to implement it when the transfer occurs. The timing for implementation of this program still remains questionable. We have made no budgetary provisions for this program in 1980-81. Expenditures that may result will be voted as a supplementary.

Thank you.

Mr. MacKay: I am pleased to address the general principles of this Ordinance. I would like to say at the outset that I think the intentions of the Government are very noble in what they are endeavouring to do.

I must say, though, I have some reasonable doubts as to whether or not it will have any great significant effects upon the economy and the business climate in Yukon. I think my doubts are probably well outlined in the Minister's own speech, where he indicated that the market is already very well served in many areas with respect to helping small business.

Since the small business loan program came into effect in 1970, there have been many, many improvements in the supply of loan capital and of expertise to small business in Yukon. I think we should not lose sight of the fact, Mr. Speaker, I have said it in this House before and it is worth repeating, I think, that whereas this Government is committed to economic development, so much of the economy in the Territory depends upon factors well beyond the control of this Government, world metal prices, world political conditions elsewhere, determining where major mining companies and major resource companies plan to spend their money.

It is these kind of decisions that are made in the board rooms of Toronto and New York that will really have a major effect upon the economy and the future business climate of Yukon.

I think, though, that this program is attacking a very narrow need and I think that what it will do, if it is done right, it will enable a number of talented entrepreneurs, who have a good eye for business to be able to get into business where they might not otherwise do so.

I do not think there are all that many of them who are not able to get into business right now because of the other programs that exist. But there may well be some people, particularly in the more remote areas, who do not have the access to expertise and to the money market that exists in Whitehorse.

I think for that purpose, I thoroughly support this Bill. I precaution the Government though that the most important aspect of the program should be in the assistance in the preparation stage of a project. That is really crucial, because I think at that level, before you actually get into borrowing the money from whatever source and spending it, if you have done the proper amount of homework before that, you can save yourself many, many thousands of dollars later on, both not only the entrepreneur but the Government itself in their support programs. So I think that is a very crucial area and I am pleased to see money available in this Budget for that, albeit I should mention, some of the expertise might be supplied by business associates of mine.

I do appreciate the professional aspect of the Bill there. I think one of the major problems that the Small Business Loan Fund has, whereas it was being administered by a similar non-partisan board as suggested here, it had limited access to professional help and it placed the Committee also in the position of having to make judgments based on incomplete data and hopefully this new Committee will not be faced with that kind of dilemma.

I think it is important that the commitments of the Minister are carried out, that there will not be any duplication of the services presently given by other institutions. I am thinking particularly here of the Federal Business Development Bank, who have recently established a major office here and are in a position to provide not only loans but also the financial analysis and financial advice that should go with loans.

I hope that the Minister's Department will not get into a competitive situation with the Federal Business Development Bank, which does exist in other jurisdictions and I think, generally may work to the detriment of the people they are trying to serve. I trust this Ordinance will not do that and I take the Minister's assurance that it will not.

The concern I have may be that in coming to the Government for this kind of assistance, a small businessman may not realize that in order to qualify and to receive his money, he is going to be under additional constraints than he might be in dealing with a normal commercial banking transaction.

A bank will lend money to an individual for a program, the individual goes off and spends the money and makes money with it. If, in the middle of that project, the individual decides that he can best utilize his money slightly differently, he often does that and as long as he pays back the money there does not seem to be any difficulty with the bank.

I notice in this Ordinance though, Mr. Speaker, the Committee is going to be charged with ensuring the money is spent exactly the way it is and the Commissioner may revoke or cancel the loan if it is not spent exactly that way. I can understand the Government wanting to do that because they are spending public money, but it

makes additional constraint on the borrower to be very, very sure before he starts that he can complete the project in the way in which he plans it. It is just a word of warning.

The non-partisan advisory board, I am sure that the Minister has in mind some non-partisan people of some financial expertise in the Territory. I am sure that he has got certificates from them that they are non-partisan. I would suggest that he not worry too much about that because I think that, partisan or not, the main thing is that they have expertise. I can certainly suggest to him many prominent Liberal businessmen who would be very happy to put away their partisan swords and stand before the selection committee.

In summary I would like to say that this is a good Ordinance attacking quite a narrow need that the Government should not feel that they have to stimulate the economy all by themselves. I think that is fairly obvious and I think that we should not rely on Venus Mines to do it for us either as the Minister of Municipal Affairs has pointed out. Venus Mines, I could tell him, is what is termed a "ten-day" mine - it produces as much in a year as Cyprus Anvil does in ten days, so it is hardly likely to make a gigantic impact on the economy.

We are in economically tough times and it behooves every businessman to be very careful about getting into new ventures. It behooves the Government not to tempt them into things that are economic and not to get them into trouble. With these cautionary words from a very conservatively-minded speaker, I am sure that the Government will proceed with caution.

Mr. Fleming: Mr. Speaker, I commend the Government for bringing this Bill forward.

I definitely will be supporting it. I do not completely agree with the Honourable Minister in some of his remarks, when he refers to, I should say "existing", but it is not existing, the former small business loan, not really being as much help as it should have. I think that, possibly, the principle of that loan was a very, very sensible way for the Government to go at that time and, of course, the amount of monies that could be had at that time were very small, but, for the very, very small business, it helped in many ways. I do not quite agree with the Minister that you could do just as well in the area of banks and the loan companies and so forth, at that time.

I think that the Honourable Liberal Leader has alluded to the problem that probably was found in that area of the small business loans at that time, too, and may be found again in this one. When he speaks of the expertise, I agree with him. However, I wonder, too, if maybe that expertise should not be applied somewhere in the screening process when you do loan money to organizations, people and whatsoever. The principle is fine and if the money all comes from Ottawa we do not feel it so much and the case of this Ordinance, the money is coming from Ottawa, it is also coming from the Yukon Territory and, naturally, if loans go belly-up, as the old phrase is, we will feel the effect of those in the Territory.

It is fine to say that we will put out money in the Territory to people to create employment, to economically fix us all up in a way. That is fine, as long as we get it all returned as it should be.

I think that is the very, very area to look into, is when you put out the loans, they are loaned to the business establishments that are going to return the monies. If they are going to have the help, then you want to be sure they are prepared to honour whatever they have signed for. The old story still goes, too, the old theory you cannot get blood from a turnip and there is no way, if they cannot pay it back. That screening process, I think, should be very, very thorough. To me, that is one of the answers to anything that is in a loaning process of being in business and putting out loans or anything else, you must be sure that you are going to get your returns.

I am not saying that anybody in Yukon, you know, or anywhere else, would be dishonest or anything like that, it is a fact that before any bank or any system puts out money, they make sure there is the collateral there to get it back. That is one of my concerns, that, hopefully, this will be a different screening process, let us say, than what we have, under the ARDA programs and the Special ARDA programs today.

Thank you, Mr. Speaker.

Hon. Mr. Pearson: Mr. Speaker, I would like to rise, I think in a bit of defence of the former small business loans board and the program.

Mr. Speaker, this program was, in fact, a lending resource of last resort. The only people who could make application to that board were ones who could not get loans anywhere else. There were bad risks, of necessity there were some bad risks. Mr. Speaker, all of the expertise in the world was not going to avoid those kind of loans being made, because that is what the board was set up to do. That was the principle behind that board.

Mr. Speaker, we said, when it came time, that Yukon did not need that kind of assistance any longer. That was what, in fact, did away with that board. So, I think it is a mistake for us to be looking at the program that we are proposing now as being as a result of that board. What we have suggested to the Government of Canada is there was money made available there, hopefully, they will make money available for our program because that one we are not going to use anymore.

Mr. Byblow: I will rise in some support of this Ordinance. Probably what has not been said, but everybody has alluded to, is that this Ordinance provides more in the line of a service than actual direct capital assistance, a service in the sense that it is recognized that the market can only bear so much of businesses, that injecting more money into that market by the creation of more businesses does not necessarily increase the amount of market. It simply creates a higher risk situation for everybody involved.

This is where I am particularly supportive of what is happening with the available money under the original program, in that it is providing to the businessess that are having difficulty with setting up, with running their affairs.

The Minister has indicated that it is assistance in the form of expertise, often the situation that causes a business to go under. In the remote areas, you have the situation where the market is there but the business is not, so everybody travels to Whitehorse to do their marketing. I think this is in particular of assistance to allow that kind of a situation to improve.

The interest rebate is particularly good in that it provides for this high interest situation that has resulted in the recent months.

I think one point that has not been mentioned and that is with respect to the Federal Business Development Bank, I think all of us must be aware that their funding has been curtailed. So when we talk about not making actual assistance available, we are talking about a situation where the Federal Business Development Bank is not in fact providing the same amount of capital that was being provided. Perhaps that area could be re-examined if this is the continuing situation with Federal Business.

There is a tighter money situation, so along with the assistance that is being provided to business, perhaps the capital is also required as well. I would leave it at that and a number of points in the clause by clause should perhaps articulate exactly how the money is going to be judged to be disbursed.

Mr. Tracey: Mr. Speaker, I would like to rise in support of this Bill. As a small businessman from outside of the centre of Whitehorse, I have been actively protesting to get an Ordinance such as this into the Government for many years. There are two aspects of it that I feel are very necessary, one was the Capital Assistance to help develop the program, to get your feasibility studies done.

There are many people in the outlying areas, or even in Whitehorse here that come up with very good ideas, but they do not have the capital to get the proposal on paper, much as the Leader of the Opposition says, many of people can invest thousands of dollars and go broke just because they have not done the right feasibility studies.

Most important of all, I think is the help in the interest. Many people can come up with capital. They have got a good idea and maybe they have even got most of the footwork done where there is feasibility to get the capital but it takes three to five years to develop a business to where you get a return on your investment and in the meantime the interest rate is gradually, slowly putting you out of business. I think the most important thing was to get the help with the interest. I am very happy to see the Bill and I think most Members here are in unanimous consent on that.

Motion agreed to

Mr. Clerk: Third reading, Bill Number 2, standing in the name of the Honourable Mr. Graham.

Bill Number 2: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that Bill Number 2, An Ordinance to Amend the Companies 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 2 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 2 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 2 do now pass and the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I declare that Bill Number 2 has passed this House.

Mr. Clerk: Third reading, Bill Number 3, standing in the name of the Honourable Mr. Graham.

Bill Number 3: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 3, A Miscellaneous Statute Law Amendment Ordinance, 1980 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 3 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 3 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 3 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I declare that Bill Number 3 has passed this House.

May I have your further pleasure?

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

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

Motion agreed to

Mr. Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

At this time, we will have a short recess.

Recess

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

This afternoon we will start off on Bill Number 17, An Ordinance to Amend the Public Utilities Ordinance. Last day we were waiting for one more section.

Hon. Mr. Graham: Mr. Chairman, I have a couple of amendments. The first amendment is an amendment to increase the number of Members on the Board, from the present four to five. The amendment is moved by myself, that Bill Number 17, entitled An Ordinance to Amend the Public Utilities Ordinance be amended in Clause 2(1) at Page 5 by adding a new section as follows: Clause 2.1(1) Subsection 4(1) of the Ordinance is amended by striking out the word "three" and substituting therefor the word "four".

Mr. Chairman: I have an amendment before me on Bill Number 17, moved by the Honourable Douglas Graham, that Bill Number 17 entitled An Ordinance to Amend the Public Utilities Ordinance be amended in Clause 2(1) on Page 5 by adding a new section as follows: Clause 2.1(1) Subsection 4(1) of the Ordinance is amended by striking out the word "three" and substituting therefor the word "four".

Mr. MacKay: Perhaps we could have a brief explanation from the Minister as to the reasons for this amendment.

Hon. Mr. Graham: Mr. Chairman, we have a couple of reasons. One of the reasons is, part of the concern that was raised by the Leader of the Opposition in debate last night, that if a member of the Board had a conflict he should disqualify himself from the Board. We felt that this was an unworkable solution to a problem that may exist from time to time because of the fact that we would probably eliminate every knowledgeable person about the trucking industry in the Territory from the Board. We would probably create a situation whereby there will be a great number of appeals to the court simply because of the fact that almost anyone in the Territory can be construed to have a conflict of interest because of the fact that so many items were shipped into the Territory via trucks.

We felt that by expanding the number of members to five, we had considered seven but felt that that was almost too large a committee, by expanding the number of members to five and possibly adding a lay person, someone that has no conflict whatsoever, we felt that we will eliminate many of the problems that could have been associated with the Board in the past because of the fact that all four members of the Board are associated with the trucking industry in some method or another, either as a consumer or as business people who are shipping goods into the Territory.

Mr. MacKay: I can appreciate the subtlety of increasing the membership. I think that will certainly go a long way to alleviate any thoughts of direct conflict of interest. I would hope though that members of the Board, when they are in a direct conflict situation would be able to see the sense of not deliberating directly on the things and restrain themselves accordingly.

Hon. Mr. Graham: Mr. Chairman, it will be a matter of policy for the Board, established by this Government, that anybody that does have a direct conflict of interest should refrain from actively participating in the discussion. They will refrain from discussing and voting on the issue. As I am informed, it has happened in the past, a member of the Transport Public Utilities Board has declared a pecuniary interest and in fact disqualified himself from voting.

Mr. Chairman: The Chair has a little bit of difficulty in determining exactly where you wanted this amendment put on Clause 2.

Amendment agreed to

Clause 2 agreed to

Hon. Mr. Graham: Mr. Chairman, on page 22, Section 25(1), there is a typing error. The reference should be "Section 54" instead of "Section 53".

Mr. Chairman: We have noted the typographical error.

Hon. Mr. Graham: Mr. Chairman, the other concern expressed by the Leader of the Opposition in last evening's debate, the concern about a Member who would have a conflict of interest, I believe I have alreaday explained reasonably well and other than that, I think the total Ordinance has passed.

Mr. Chairman: That being the case, I refer you to Page 1, the Preamble.

On Preamble

Preamble agreed to

On Title

Title agreed to

Mr. Chairman: I now declare that Bill Number 17, An Ordinance to Amend the Transport Utilities Ordinance has cleared the Committee of the Whole.

Hon. Mr. Graham: Mr. Chairman, I move that you report Bill Number 17 with amendments.

Mr. Chairman: It has been moved by Mr. Graham that I report Bill Number 17 with amendments.

Motion agreed to

Mr. Chairman: I now refer you to Bill Number 32.

Dr. Hibberd will be in the Chair this afternoon.

Mr. Deputy Chairman: I hope you gentlemen realize by assuming the Chair, you are going to miss my scintillating contribution to the debate, but I am sure you are capable of taking up the slack.

Mr. Penikett: Mr. Chairman, we have been missing you for the last little while, Mr. Chairman, and we have noted your absence and regretted it.

Mr. Deputy Chairman: Bill Number 32, Business Development Assistance Ordinance. On Clause 1, the Chair will entertain general debate.

On Clause 1

Mr. Byblow: Since the Minister will not give us another one of his grand introductions perhaps I could motivate him. Could the Minister review the portion of the Ordinance that will hand out capital assistance directly, that is not in terms of services in a managerial or feasibility or interest rebate. To what extent will this Ordinance provide for direct capital assistance?

Hon. Mr. Hanson: Mr. Chairman, I would like to ask the Member for Faro to bide his time. We will come to it eventually and I will explain it to him when we get there.

If I explained it to him now, he would ask me the same question later on. If he waits until we get there, I will explain it to him.

Mr. MacKay: On Clause 1 debate, which I am sure the Honourable Minister is only too anxious to join in, he no doubt has some more detailed comments to add to this broad introduction at second reading, and I look forward to hearing them, in a general context, as soon as I have finished speaking. I am sure that he will, at that time, be able to allude to my fine Scottish education and all the advantages that I have in that regard.

With respect to just the general idea of the Bill, perhaps the Minister could address the area of overlap, with respect to the Federal Business Development Bank, how he sees the Ordinance functioning in that respect? Will, for example, the Board get instructions to refer people who obviously have a need for loans, perhaps first of all to FBDB? In other words, are they going to be similar in some respects to the previous Small Business Loans administration, who would try and assist people after they have been turned down by other bodies? That is one question.

Another question is: the small business loans program is quite effective in some ways when they went into a project in conjunction with the Federal Business Development Bank and would, in fact, perhaps go in as a secondary lender, postponed interest. FBDB would sometimes postpone interest and so forth. There were a number of instances of that and I am wondering if there is going to be any policy issued to the Board by the Government on working very closely with the Federal Business Development Bank.

There is also the Small Business Loans Act, which is a Federal Act, that provides for small businesses to borrow money under certain conditions, not dissimilar to this Ordinance, it appears, without having any interest rebate, except that they do, in fact, get a lower interest rate than the normal commercial loan.

I am wondering if, in the drafting of this Bill, had that service been considered and therefore there is no overlap there too.

The Member for Tatchun, I think, highlighted the area of most assistance that this Ordinance will be and that is helping businesses in their initial start-up period where they are short of equity and as a result are paying out most of their substance and interest.

I would like to hear the Minister's thoughts upon that aspect of the program as it relates to the supply of working capital. It seems to me that there is an area in there where businesses definitely need working capital and it appears to be precluded from anything else other than supplying a rebate in interest.

Did they consider loans or assistance in obtaining working capital, because that is really often the gap in any business? They can get long term financing for fixed assets and they just cannot get money for working capital, particularly, where you are in a logging business where you may have to go six months of the year accumulating inventories before you can get any revenue out of it and some working capital. These are some general questions that I would like the Minister to address in his Clause 1 debate and I am sure we will get some very intelligent and well thought out replies.

Hon. Mr. Hanson: Well, first, Mr. Deputy Chairman, I would have to say, once again, to my highly-educated friend across the floor, that I will attempt once more to educate him. If he had read the Bill, as most Members have already, and also the Member for Faro, as he goes through, he will find out about it. However, they have not done it, they are not capable of reading, they do not understand the English here, we will try and explain it to them.

First, for the fourth time, to Mr. Byblow, this is not a small business loan. That is the fourth time that I explained that to you. You get your loan at a bank or from other institutions that loan money but say, you have got all your equities in a business and you get it started up this year, or do not get it started up, come next spring you have not got the money left over to continue working for starting up your business and paying the interest.

We will loan you the money to pay your interest. Now as you go on further in the Bill, after three years of helping you like this, we will be not doing that. After five years that you have been in business, all things being equal and your is business going, you should be able to start reimbursing us for this, because it is meant to be a revolving account. We are not loaning you money to start your business up or anything like that. None of the parts of the program are to assist you in getting going.

Another part, should the Member for Tatchun, or the Member across the hall there from Flemingville, want to put in a septic system in a new business, because there is no existing sewer and water there, we will help finance the cost of putting that sewer and water system into his new establishment, because he would have to pay the whole shot just because we do not have that in that area. These are two of the ways we can help.

For the feasibility study of a business, we can pay up to 75 per cent of that feasibility. As far as was mentioned from Mr. MacKay on the Federal Business Development Bank, they will be working with us very closely on this. As I mentioned before, I do not know if you remember quite that far back, last week, we were thinking of setting up a complete board with the Federal Business Development Bank and the DIAND and DREE because we think we have been hosed on two or three programs and this is another program we could be hosed on again if we do not keep tabs on everything.

There is nothing in here to prevent a person from getting money from DREE or ARDA or from the banks and still getting some assistance from us, the assistance that that I have outlined. As we get further along in the Ordinance, you will find exactly what I am trying to explain to you and I am not going to say at this time. But that is what will happen as we get further on, I will explain it in a little more detail as we get into it.

Mr. Fleming: I thank the Minister for his enlightening remarks, however, I have a general question though. The final say, I presume, could be made by the banks because the money is coming from the banks, is it not?

I think I heard the Minister say that, however, I did not picture it that way. If the Board has given the okay and the money is apparently in the bank, where is the money actually going to be that is going to be given up?

Hon. Mr. Hanson: I would like it to be in my back pocket, but, unfortunately it is not going to be there, it is going to be in Treasury's account.

But, you will have to borrow the money from somebody else, from a bank or a lending institution and we will help you with the interest, is what it boils down to, but you will have to find your financing elsewhere. In order for you to survive, we will look after the interest.

Mr. Fleming: I will wait until we get into the specifics of the Bill.

Mr. Byblow: Okay, I would reassure the Minister that my ability to read and understand is limited only by the degree to which what I am reading is incomprehensible.

Just two things, and again the Minister may have mentioned this, but I just would like to clarify. Firstly, are there no capital construction costs that will be able to be applied for out of the provisions in this Ordinance, one?

Two, did the Minister say that the existing loans under the small loans of the previous program are going to come under this purview now?

Hon. Mr. Hanson: Only in the case of outside of a municipality will we loan money for such as sewer and water. We will not do it in the city that has sewer and water going by the door, but a place that had been held up because of the lack of sewer and water, a new building, we will pay 75 per cent of their cost, initially.

Secondly, on the existing small loans, if we can recover that money, we will put that into the incentive program as well, if we can recover it. Now, it is highly debatable whether we can recover it or not, but we are trying.

Mr. MacKay: Mr. Hanson says that they are going to take over the small business loans, what he means is the small business loans. He indicated a figure of some $800,000 that was still outstanding on this. Could he indicate now how much of that could be classified as doubtful?

Hon. Mr. Hanson: Mr. Deputy Chairman, I did not understand that last word that the immigrant across the floor used. I would like to have him repeat it please.

Mr. MacKay: "Doubtful", as is the Minister's comprehension, highly doubtful.

Hon. Mr. Hanson: Highly doubtful.

Mr. Fleming: I do not think the Minister quite understands that it is hard to be so great as the Opposition and still be humble.

Mr. Deputy Chairman: Are we to imply that the Opposition is both great and humble, Mr. Fleming? Do we have any further debate?

Clause 1 agreed to

On Clause 2

Mr. MacKay: One of the initial problems in the area of the small business loans program was the difficulty of getting a decently comprehensive application form. I suppose you are still in the embryonic stage in this and you have not got into that kind of detail but could I take it from the Minister that he will try and have his people develop a very simple, basic form which your average applicant can fill out for himself.

Mr. Deputy Chairman: This is the Government, you realize, Mr. MacKay.

Hon. Mr. Hanson: We will do so, Mr. Chairman. We hope to have a person solely within the Department looking after such things as this and the administration of it, first, to interview the people and then help them with their application.

Mr. MacKay: Perhaps, on that note, will this person have any particular qualifications? Are you looking to hire a person with, say, an academic background, perhaps a Scottish financial background, a more highly educated group?

Some Honourable Member: Reading and writing.

Hon. Mr. Hanson: Hardly.

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Hon. Mr. Hanson: I would just clarify 3(1), if I may.

Mr. Deputy Chairman: Yes.

Hon. Mr. Hanson: "Any person" means it could be a company or a group of people, so it is more than just one.

Mr. Deputy Chairman: Thank you.

Clause 4 agreed to

On Clause 5

Mr. MacKay: If I could speak to this one, Mr. Chairman, this, I guess, is the application form. It seems to me that 2(e) asks the applicant to put down the terms and conditions. It is probably asking him to do something he cannot do. I suspect that the Board is going to be the one who is going to determine that and I am wondering if it is necessary to have it in the application form, because he is asking for money and he is going to have to negotiate with them as to what he can get.

Hon. Mr. Hanson: Well, 5(1) takes care of quite a bit of that, because the Ordinance is an expenditure of public money and the Commissioner can refuse the recommendation of the Board, but he cannot approve a project on his own.

Mr. MacKay: I thank the Minister for that information. I was referring to Clause 4(2)(e). I beg your pardon, I am wrong on that. Sorry. That is the Board which is going to —. Pardon me.

Mr. Byblow: I take it from the Minister's earlier remarks that Clause 5(1)(b) is the underlying principle of this assistance, this is at the top of Page 3, where the result of assistance will ensure or increase employment to the area being served by that business, that is an important criteria under terms of the principle of this Bill.

Hon. Mr. Hanson: That is right, Mr. Chairman.

Clause 5 agreed to

Mr. MacKay: A project will not be approved unless it is of an industrial or commercial nature. For example, would a co-op qualify then? Would that be termed commercial?

Hon. Mr. Hanson: Yes, that would be of a commercial nature.

Mr. Deputy Chairman: Perhaps we could answer that better by asking what would not qualify.

Hon. Mr. Hanson: A home, my bar bill, amongst a couple of things. It has to be some business that employs people or keeps your whole family going, it is the same sort of deal. It is a business that is offering a service to the community.

Mr. Fleming: Yes, just to add to that, the Board that is going to make the decision in this case, there is nothing definite, so I would take it that there is a possibility of course that even going to the bank knowing you can get the loan and because they feel that it is a commercial venture, or whatever, and still the board may deny you the assistance on the interest rate because of the fact that they do not feel it is commercial area because there is really nothing defined and the Board would have to define it at that time. Would that be correct?

Hon. Mr. Hanson: Back in Paragraph 4, that was a flexible paragraph that allows the Board to act pretty much on its own without tying it down to any formula of any sort.

On Clause 6

Clause 6 agreed to

On Clause 7

Mr. MacKay: This is a very important section, I think, from the point of view of successful administration of the program. Again, drawing on my experience in the small business loans program, the major complaint about any applicant, and of course when you get turned down for a loan, there is often a complaint, but the major complaint that we had was that we were never told why we were turned down.

I can see where the applicant will be told his application has not been approved but I would have liked to have seen, and perhaps the Minister will consider it, together with reasons for the non-approval. First of all, when you are putting laymen in the position of being on the Board, it is good for them to be able to express and to have to express in writing, why they turned down a loan, because it is often more of a gut feeling and once they reduce it to writing maybe it is not such a serious problem after all. It certainly reduces the aspect of people coming back and saying well, that Board is partisan, they do not like me, and they turned me down because of that. If he is given a reason in writing then it removes that problem.

Hon. Mr. Hanson: Well, as a rule, since I have been Minister, when I have turned anybody down, I have called them into the office and explained the reason why but that does not mean that somebody else will not do the same. I always explain why. They never agree with me, which is natural and I would probably feel the same way but so far, I have called anybody in under the DREE or ARDA and explained the reason why the Board has turned them down. They had come to me and I agreed with them because I think, like you do, a person should know the reason. They will not agree with you but I think it is a good idea and I will see that something is done about it.

Mr. Deputy Chairman: Then, Mr. Hanson, you will hold Clause 7 for reconsideration?

Hon. Mr. Hanson: Yes, I will.

Mr. Deputy Chairman: Are there any other considerations in Clause 7?

Mr. Byblow: I would only comment with respect to the factor of telling people why is, in essence, a form of assistance because they may turn around and do something about the why end of it and come back to you again.

Clause 7 stood over

On Clause 8

Mr. Fleming: I just have one question on 8. The way it is stated here, "...financial assistance in the amount specified in the approval shall be paid by the Commissioner to the applicant on demand,...". I find that a sort of strange way of doing business, when you are in the area of quite a considerable amount of money and the Government is actually putting forth money, in other words, to pay something that is, in the first place, taken probably from a bank and that money is owing there.

I just would question the Minister whether that means that they would pay direct to the applicant that money, or would they see that that money was paid direct to the loan that that applicant had at the bank?

Mr. Deputy Chairman: Mr. Fleming, this is a long clause. Perhaps you could specify where.

Mr. Fleming: Clause 8(1). I am sorry, Mr. Chairman, 8(1), at the bottom of page 3.

Hon. Mr. Hanson: There are several explaining paragraphs on page 4, but we do not guarantee the loan at the bank, we only give the applicant the money to pay the interest on it. So, we are under no obligation to give the money to the bank. The applicant asks for it, we give him the money.

If the Commissioner is satisfied that he has lived up to the terms of his agreement, he will be paid that amount of money.

Mr. MacKay: I am concerned about the policing of this particular section. How will the Commissioner know, for example, under 8(1)(e), "there is reason to believe that the applicant has, since in accepting the approval, discontinued or changed substantially his intentions..."?

This is one of the clauses I was referring to in the general debate, once you are committed to pay the money, let us just talk about the start-up money, where he needs money for a study.

If one study leads to another, in getting into the study he then has to investigate other areas, I hope that would not bring into play this particular clause. I hope the Committee or the secretary to the Committee will not regard this as an unduly restrictive clause, because when you start out in a project you may not know quite where it will lead you to and to cut off the creative aspect of getting into business like that, is one of the reasons why people do not want the Government to open a business, because it becomes an unimaginative process.

I would just like some assurance from the Minister that this would not be unduly restrictive.

Hon. Mr. Hanson: Mr. Chairman, back in Section 4, we have given the Board all the flexibility allowable on all these things. It is the Board's decision. There will be certain things that a person will have to do, but that Board has all the flexibility in the world to look at a project. The Board is made up of business men, people that are in the know and will know whether a project should be carried on or not.

In the purpose of a study done, if we do a study for a person, I do not know if this is what you are referring to or not, but it will come up later anyway. If we allow money for a feasibility study, that remains only yours for a year. If it is a good feasibililty study and you do not want to do anything with it, you show no indication of doing anything, the feasibility study returns to us and we then can give it to somebody else to use. If you backed out of it and we pay $75,000 for this study, then after a year has passed and you show no indication or desire to go ahead with it, we will then make sure that this knowledge is available for somebody else to use.

Mr. MacKay: I appreciate the Board is flexible; this is after the Board has dealt with it and approved the application. I am concerned about that aspect of it there. This particular clause does not unnaturally stifle the creative instincts of an entrepreneur. That is after the Board has approved it and it is now in the hands of the Commissioner. Perhaps you could answer the question by saying who is going to administer this section. Is it the secretary of the Board or the Finance Department?

Hon. Mr. Hanson: The administration will be done in my department. The person who will be administering this loan section will be in my department. He or she will be administering it.

Hon. Mr. Pearson: Mr. Chairman, I might alleviate the Honourable Leader's of the Opposition fears a little bit by pointing out the word "substantial" and it is used with advice in that section.

Before there was any action taken, the changes from the original would have to be substantial and they would have to be justified for that reason.

Mr. Fleming: Perhaps, Mr. Chairman, I could ask the question later on, but it deals with that question, though, in general here, too, as to the financial responsibility of the person who is going to make— and I am not speaking of the loan or of the 75 per cent interest that you may pay, or 50 or whatever, I am speaking of the first initial step to have a study to see if your program is financially advisable to go ahead with.

Further on in the Ordinance it states the amount that you are allowed and the amount that you will be paying yourself. Would it not be the responsibility of the applicant to put his amount of money into that study first, before the Government produced theirs?

Hon. Mr. Hanson: Yes, it would be. He would have to put up his share first.

Mrs. McGuire: I was just wondering about the marginal title here, "Payment of grant", in 8(1).

Mr. MacKay: It is not a grant.

Mrs. McGuire: Yes, it is my understanding that this is a loans assistance program, so why are we using the word "grant"? The grant is an outright issuance of money which is not repayable.

Hon. Mr. Hanson: We are not charging any interest on it at all and only if your business becomes viable do we recover our money. The purpose of this is to help as many people as we can get into business and the money that we give you, we would like it back to put into a revolving account to be used again. It is not a free handout. You have certain obligations and one of them is to repay us, as your business gets on its feet.

Mrs. McGuire: Well, this is what I am saying, that it is not a free handout so why are we using the word "grant"? It should be, perhaps, "Payment of loans".

Mr. Deputy Chairman: Or "repayment", simply.

Hon. Mr. Hanson: It should be really called "repayment of the money". We have advanced you this money but we are not charging you interest for it. We are not in the loan business.

Mr. Deputy Chairman: But, Mr. Hanson, Mrs. McGuire is making the point that you are not giving the money but the word "grant" implies you are giving the money.

Hon. Mr. Hanson: If they cannot pay it back, we gave it to them.

Mr. Deputy Chairman: But that is not your intention.

Hon. Mr. Hanson: It is a loan but it is a non-interest bearing loan.

Hon. Mr. Pearson: Mr. Chairman, if it would make Members opposite feel better, we could arbitrarily change that word here and now because in Legislation the marginal notes are not part of the Legislation at all. They are simply there as an assist. If you feel that we should change the word to something else, by all means, we can do that.

Mr. Deputy Chairman: Yes, the Chair appreciates that, Mr. Pearson, except for the fact that this, even though it is not a legal part of the Bill, still will appear with the Bill and therefore will have significance to someone reading it. For greater clarification perhaps Mrs. McGuire does have a point. I take it then, the Government undertakes to put the word "loan" in or "assistance"? Fine.

Mr. MacKay: The Minister mentioned, and I appreciate, that sometimes I might miss an obscure section here or there in his Ordinances, but he did say that the feasibility studies would become the Government's property after one year. Is this going to be in regulation or is it somewhere in here, because I was unable to find it.

Hon. Mr. Hanson: It will be in regulation.

Mr. MacKay: I will pose the question, although you might want to rule it out of order for later on, but my question will be: who is going to decide upon who does the feasibility study, choosing the consultant, approving that aspect of it? Are we going to get into the Board determining who should be the consultant or is the applicant going to be able to choose for himself?

Hon. Mr. Hanson: I suspect it will be the decision of the Board in agreement with the applicant that he should be a qualified person that is doing the feasibility study. I think it is something that is in the Board's area to look after and handle.

Mr. Deputy Chairman: Mr. MacKay are you satisfied with your debate regarding 8(1)(e)?

Mr. MacKay: I think it is useful to have, on the records in these debates, assurances that it is only when substantial changes occur that we are going to see the invocation of this section. I am satisfied with the Government Leader's position on that, that it will be a substantial change without intention to cause a revocation of the approval.

On the latter part of the section with respect to progress payments, Section 8(4) and (5), I am wondering how it works when you get into the section of subsidizing the interest. I presume this is where you would get into progress payments. How easy will it be for the applicant to be able to get his monthly interest charge subsidized? Will it become a very routine matter or will it require a great deal of paper work?

Hon. Mr. Hanson: Twenty-five per cent of the actual finacial assistance will be held back until there is proof that he has done as he said, that he has paid payments and we are holding back 25 per cent until that time that he has completed it.

Mr. MacKay: Perhaps I could give the Minister an example. Perhaps I could use his example where a company starts up and then has to carry a large loan through the winter and he is being charged monthly interest.

Do I take it, from what the Minister said, that, upon application, he would be paid in advance 75 per cent of what the requirements would be and then the balance of 25 per cent in the springtime when he has fulfilled his requirements?

Hon. Mr. Hanson: We will pay 75 per cent at once and 25 per cent after we are sure that he has done exactly as he said, that he stayed open, he had employed people and whatever the terms of his agreement are. We will give 75 per cent at once and then 25 per cent after he gives final proof that he has done all that he is supposed to do. It is just a normal holdback.

Mr. Tracey: Mr. Chairman, in my reading of it, I would think that the financial assistance as dealt with in (4) and (5) would more rightly be the assistance for a feasibility studies and whatnot, rather than the interest subsidy.

Mr. Fleming: My problem is in 5(b), (a) and (b), in fact, the whole Section 5, "...more than one partial payment may be made under subsection (4) in relation to one approval, but the aggregate of all such payments shall not exceed the lesser of (a) three-quarters of the amount specified in the approval under paragraph 4(2)(a), and (b) the amount expended by the applicant for the carrying-out of the purpose in relation to the project."

I would think that that section would not be dealing with anything to do with the paying of interest or a portion of the interest on loans. It is not specified here anywhere, but I do not think the way it is reading here, it just does not fit with the payments that are to be made for the person who has got the loan.

Hon. Mr. Hanson: It says "all assistance". It does not make any difference whether it is a project. Like I was explaining about sewer and water in rural areas or interest, it is all assistance we pay on that basis.

Mr. MacKay: I thank the Minister for his statement. I wonder, administratively, just how that could be done?

I will give you an example, a good example might have been somebody borrowing $100,000 late last summer at the then prevailing interest rates of 14 per cent, perhaps, applying to the Government, based on $100,000, that is $14,000 in a year. He might apply for assistance of 75 per cent of that, which would quickly work out to be somewhere in the region of $11,000.

Along comes Mr. Bouey of the Bank of Canada and throughout the winter, regardless of the colour of the administration in Ottawa, he keeps on bumping up the interest rates. This is where I see difficulty coming in this section. You fixed the amount at the beginning of the period and therefore paid him 75 per cent of what he asked for, will you be stuck with the additional cost or is it a flexible moving assistance that you will see all through the winter? If that is the case, I cannot see how administratively you have provided for that in this particular section.

Hon. Mr. Hanson: In the first place, I think it is kind of rediculous because if I was borrowing $100,000 to build a lodge or something like that, I do not think I would have an interest rate on the monthly

rate to start with because as you say, the tax, in three months, can go up three times.

If I were a businessman, which I am not, and I was putting up a project, I would have it stretched out to as far as I could on that interest rate and as it comes up for renewal every four or five years, whatever it was, then I would have the problem, but by that time, after the first agreement was signed, it would not be my problem anymore. A businessman, putting up a business or lodge, does not sign a loan for every month.

Mr. Deputy Chairman: Mr. Hanson, are you saying that if the agreement for 14 per cent was the original thing, that is what the Government would live by, despite the fact that interest rates went to 19 per cent? I think that is what you are asking, is it not?

Hon. Mr. Hanson: As I say, the Board has a great degree of flexibility in there and it might be their decision. They are businessmen, I am not. There would be a great degree of flexibility in the program and they could decide if they saw fit on the Board but we cannot tie them down to say that they have to increase the assistance to everybody.

Mr. MacKay: Mr. Chairman, I do have a small advantage on the Minister in this particular area and I would not want to take advantage of it but it is almost virtually impossible to borrow money at this time without going the floating rate. Unfortunately that is the case and just because the whole market is so uncertain, it is very hard to get a fixed rate and who would want a fixed rate of 20 per cent anyway?

That aside, I think you have answered the question with respect to the ability of the applicant to come back and ask for more if such a thing should happen but I still think we have a problem in the administration though, of the payout.

I would have preferred to see some kind of clause in here, "in such other manner as the Commissioner may see fit" to allow you some flexibility in how you pay it out.

Mr. Deputy Chairman: Mr. MacKay, do you have a specific suggestion to rectify this or would you like to hold it over to come back with a suggestion?

Mr. MacKay: Perhaps the Minister would hold it over and I will come back with a specific suggestion later on.

Hon. Mr. Hanson: Agreed.

Mr. Tracey: Well, Mr. Chairman, surely the Government would not enter into any contract with anybody to lend money to them unless the interest was fixed. I am certain that this Government or no other Government, FBDB fixes the interest rate and so does every other lending institution. I am certain that the Government would not enter into any contract unless the interest rate was fixed and they knew what the final cost was going to be.

Mr. Deputy Chairman: But Mr. Tracey, surely the interest rate varies month by month.

Mr. Tracey: Not on a fixed interest rate, Mr. Chairman.

Mr. MacKay: There are institutions such as FBDB which still lend at a fixed interest rate, but its major competitor, ROYNAT, is now lending on a floating interest rate. Any commercial lending company that is involved in giving mortgages on commercial property are now lending on a floating interest rate. All banks, at this time, are lending on a floating interest rate basis. There are only a very few institutions that are left at this point, unless you were fortunate enough to negotiate a loan several years ago, but that is not going to be the case for the people we are talking about here.

Mr. Fleming: The Minister has agreed to hold the section over and I have the same problem. I have a little problem with the wording in that section before where the Government is willing to put up, you know, not exceed, three-quarters of the amount specified on the approval and the amount expended by the applicant.

That is fine in the area of the assessments for a study. When you take that to the area of money borrowed from the bank and they are going to pay 75 per cent of it, the best he can do is pay 25 per cent and if that is the case, they are only going to put up 25 per cent alongside of his 25 according to that section, that is the way I read it. However, I could be wrong. I will leave that until later.

Mr. Deputy Chairman: We will leave that clause for the Government's further consideration.

Clause 8 stood over

Mr. Deputy Chairman: The Chair has received a severe note of cencure for not having another coffee break so we will recess.

Recess

Mr. Deputy Chairman: I call Committee to order.

On Clause 9

Clause 9 agreed to

On Clause 10

Mr. Deputy Chairman: Perhaps, Mr. Fleming, before we go, I would like to point out, on the top of page 6, in the marginal note, again, it says "Grants" and I would like to change that word to "Assistance", with the concurrence of Committee?

Some Members: Agreed.

Mr. Fleming: Yes, Mr. Chairman, I think this is a fairly simple paragraph, however, just a question. Is it actually a fact that you are not going to give any assistance to a person, for instance, who goes to the bank, gets a loan to build a hotel at Mile 2500, or whatever, and then starts up. That is a new business and, according to this section, you would not be giving any assistance in that area, would you? It says, "...that is not being, or has not been, carried out..."

Hon. Mr. Hanson: I presume you are at 10(1)? Well, it says no project out of the Territory.

Mr. Deputy Chairman: Yes, a double negative. I think your intention is that you will give no assistance to a business outside of the Territory.

Mr. Byblow: Because this section may lend itself to some interpretation, I would raise the point now. In the case of where a business is owned by an entity outside the Territory, but is in fact being operated by another entity within the Territory, will we have a problem?

Hon. Mr. Hanson: No, Mr. Chairman. It is the project that you are lending money to or giving the assistance to really, not the individual.

Mr. Deputy Chairman: And if the business is owned by outside interests, totally?

Hon. Mr. Hanson: No, at least part of the business would have to be owned in the Yukon.

Mr. Deputy Chairman: Would the entire amount be eligible or the part that is owned?

Hon. Mr. Hanson: The entire amount would be eligible.

Mr. Byblow: The Minister is saying that a partial ownership of the business must be in the Territory. I know of several cases where a business, in terms of the property, the building and the assets, are in fact owned by entities outside the Territory but a lease arrangement allows another company to be operating the business on a rental situation. Are we into a problem here in terms of disqualifying this business from using assistance?

Hon. Mr. Hanson: I would say you are if, first, the business is owned by somebody outside and you are just renting it, why would you be putting money into it?

Mr. Deputy Chairman: In other words, the Ordinance refers to ownership and a lease would not be eligible.

Hon. Mr. Hanson: Yes, a lease would not be eligible. It is for a new business and a new business is if you are going to start a new business, not an ongoing business at the time.

Mr. Byblow: Just in response to the last statement, I think it was clarified that it need not be a new business but an expansion to a business so we could have leased premises expanding and because it is advantageous to them in their business to do this. We do have a disqualification but I shall not pursue it, it just clarified it and that is fine.

Hon. Mr. Hanson: I think we can keep on going on with these things and on and on and on, but it must be clear it has to be a new business or a new extension to a business.

Now, let us take an example, if a person here in Whitehorse has a hotel now but wants to build a convention centre alongside that hotel, that is a new business but part of the old business, but they live here, they do business here, they would be eligible for assistance.

Mr. Deputy Chairman: Mr. Hanson, the owner of the hotel has a $500,000 mortgage on his present premises. He is spending $1 million on his convention centre. What is eligible for assistance under this Ordinance?

Hon. Mr. Hanson: Just the part that is new.

Mr. MacKay: Section 3(1) says any person may apply to the Commissioner for financial assistance, and I have not found anywhere in this Ordinance where it is restricted to Yukon residents only. The Minister I think said that that would be part of the consideration. As I understand the Ordinance, in fact, let me just state it my way, and he can say yes or no, is that any person may apply but the project must be in the Territory.

Hon. Mr. Hanson: We have not said that nobody outside could apply, or could use it, but Yukoners would get preference is what I should have said. It is a fixed amount and it is going to be given to Yukoners, preferably.

Mr. MacKay: Perhaps the Minister could point out where in the Ordinance it says just what he said.

Hon. Mr. Hanson: It does not say in the Ordinance, but that is what we intend, that Yukoners get preference.

Mr. Deputy Chairman: Mr. Hanson, I still need clarification. Perhaps it would help the situation. What if Foothills Pipeline decided to put up a $1 million office building in Yukon? Would they be eligible?

Hon. Mr. Hanson: They could be eligible. They would be way down the list, but they could be eligible, as long as the business was being operated in Yukon.

Mrs. McGuire: My question has already been answered.

Mr. MacKay: Because we are going to move on to real estate right away, in the same section, there are a number of policies emerging from this debate that are not in the Bill. I want to get them clarified for sure.

While the Bill does not specify it, Yukoners are going to be given preference if there is a super demand over the $4.2 million available. Of course, the $4.2 million is going to be for Yukoners wherever that is feasible. However, the main intent of the Bill is to create more jobs, regardless of the business of the applicant. Your secondary intent is to provide Yukoners with additional capital.

Hon. Mr. Hanson: That is right. It is mainly to create jobs. If Yukoners are not using the sum of money that we have here, and like the instance you used, to create jobs for Yukoners, they will have a turn at getting the money.

I should point out, when you get a little further on, they will only be allowed to get so much money under the schedules for each type of assistance. It is limited.

Mr. MacKay: I am clear on that now, Mr. Chairman.

Now, just on 10(2), however, with respect to real estate, an example that was offered of Foothills building a building for its own use is quite interesting, because that is real estate but it would not be covered by this section. Therefore, even though an office building would merely house additional employees, it would not create any new employees.

Perhaps you could elucidate on this section here, "real estate solely for sale or lease". That seems to be the problem. If you are building it to use yourself in the form of, say, an office building, that would qualify.

Hon. Mr. Hanson: The same as a fellow who puts up a hotel, that is real estate if we wanted to get down to that. We are allowing him to borrow it.

Real estate, what it means by real estate is real estate is the acquisition for sale, a development for sale or lease. In other words, it is not a business. If a company came in and put up an an office building, it is highly unlikely that if they came in here they would want to use our money anyway, but if they would and were creating work in there, they are not out to build the office building to lease it or for sale. We say, no, that is real estate that we will not support. But if a fellow has a hotel, that is still real estate and we will support it.

Mr. Deputy Chairman: Mr. Hanson, I, too, I guess, am having problems with this. What if you put up an office building and you lease all four floors of it to different people?

Hon. Mr. Hanson: You do not qualify. If you want money from us to develop real estate for leasing or for resale, it is not a business that is going to create anything for us.

Mr. Fleming: The Ordinance, to me, is not very well put together as a whole. There are a lot of things, explanations, that are just not here.

For instance, 10(2) "No financial assistance shall be paid under this Ordinance in respect of a project that consists only of the acquisition or development by the applicant of real property solely for sale or lease".

Now, that is what the Minister just said, and I agree with that, wholeheartedly. However, it does not, in the Ordinance, say anywhere, although I presume the Government will probably put it into regulations, but the Government, who is going to assist this person, just how are they supposed to know whether that property is for sale or lease, and further to that, just how long will they give assistance, and then if the person wants to sell out, will they say no, yes, or what? Where do we go from just what we have right here? There should be a stop somewhere.

Hon. Mr. Hanson: I think, if you go back to 9(1), you can sell a business or assign a business that is under this Ordinance. 10(2) means only that property that people want to build or develop for resale or lease, we are not supporting that. That is all that indicates, and is what it says right there.

Mr. Fleming: I thank the Minister for that, because that clears up that section in the Ordinance, and maybe we will come to it. I have read it over and over, because I was very interested in it, but I can not find where the question that I just brought up is really in the Ordinance anywhere else.

If, for instance, I build, or wish to expand my business, and I get $50,000 or $100,000 to expand that business, and it goes into a hotel on the side of the road, that is fine. The Government will help me pay the interest on that money, but in a year or two I may wish to sell that business. Now, I realize they have only given me money up to that, and I think it can be controlled, but there is nothing in here that explains just whether you can still get that money if you have the intent in the back of your mind to sell that business three years from now.

Hon. Mr. Hanson: I do not know of a business man, anybody in this world who does not start a business, that somewhere back in his head he had not figured that at that point in time he will want to sell. That is kind of a ridiculous thing to say I think. However, it is not our intent, you will be able to sell it as long as the person that is buying it is qualified to take over your obligations in that building or business.

I mean, you cannot say that you cannot sell it because everybody wants to sell. I would like to sell myself but somewhere in time you want to sell it, as long as the person who is buying can meet the qualifications, you can sell. There are no restrictions on that.

Mr. Fleming: There are no criteria to stop you from getting the assistance to start. If that is it, I am agreeable.

Mr. Byblow: I suppose what could be reviewed is that in any application a number of factors will be taken into account. If a business, does, in fact, wish to put up an office building which can only be for the purposes of leasing space, a factor of remote area will be taken into account, a factor of employment created will be taken into account, a factor of Yukon residency and ownership will be taken into account, so, in fact, when clause 10(2) is applied, there may be enough overriding factors to not disqualify the clause, but to point out that this applicant does deserve assistance in the form of interest rebate or managerial training or whatever. Am I correct in this assumption?

Hon. Mr. Hanson: There could still be many things taken into account and I do not know exactly yet what will be fully taken into account. That is why we are having a board to decide these things. I, and my colleagues, will finally see what they come up and will be looking at it, but I cannot say all that is going to be taken into account, or is not going to be taken into account. There are only certain things we say will not be allowed in this Ordinance and it would take a change in this Ordinance to allow it.

The Board will have to work under the restrictions of this Ordinance and if they see that somewhere in time that we should change the Ordinance and it is recommended to us, we might see fit to change the Ordinance, but at the present time, these are the criteria for the Ordinance.

Mr. Byblow: Just to complete that line of argument, then what I assumed about other factors taken into account for a lease operation really do not apply. If it is going to be a leased office building, in remote Faro, there will be no assistance, simply because 10(2) disqualifies it. That is then the understanding I am getting.

Hon. Mr. Hanson: That is right.

Mr. MacKay: Moving right along to 10(3), over the page, I would like to suggest that there is a problem in this section, and it is a practical problem, where it says "No financial assistance shall be paid under this Ordinance in respect of any amount paid before the application for the financial assistance is approved,...", no problem to that point, "...or in respect of any obligation to pay an amount arising before the application for the financial assistance is approved."

The interpretation I might put on that would be that if the applicant had already taken out a loan and could foresee problems through the winter, that is when he is going to come to the Board, is when he sees the problems which he may already be into. I would not like this section to preclude anybody who is already in trouble from coming to the Board, because that is the very kind of impression you want to have.

Hon. Mr. Hanson: I think the section quite clearly explains that there will be no assistance if they started before—. To be acceptable under this, they should apply for this assistance. Whether they use it or not is immaterial. If they are going to go into a business, they should apply for it first and then if they have any problems, they can use it, but if they do not use it, well, if they do not need it, they can leave it. They are not committed to take it.

But, if somebody goes into a program that we know, from looking at it, is not going to be of any use whatsoever, help by putting

money into it, they should not have started in the first place. We do not want to be committed to giving them money.

Mr. MacKay: It is the same problem we had before. These sections all seem to work very well until you come to the interest rebate section. That is where I get hung up.

I can see clearly that you do not want to pay somebody who has already done a feasibility study. I can see clearly that you do not want to pay somebody having installed a septic tank and a water system before you approved it, I am having problems when you get to the interest part. If he is already into the loan that means that nobody, just to clarify it, can take out a loan in advance, and get this interest rebate. He has to take out the loan after having the approval of the Government for the interest rebate.

Hon. Mr. Hanson: That is right. If he thinks that he is going to need that, it is just as easy to apply for it before he gets into that problem. I could go around the Yukon now, and the $600,000 that we hope to get this year could be spent on the existing business, and would not be helping anybody else. The program is to help new businesses getting started, and carrying them for the first three years. But a person who is in business and cannot meet his interest payment, I do not know what we can do to help him, but this program is not meant for that.

Mr. MacKay: May I suggest to the Minister that that section could be construed, in respect to any obligations to pay an amount arising before the application, to reflect future interest payments and, therefore, in that instance, he may very well qualify. Those are is two different interpretations. Which one are you going to take, or are you going to take both?

Hon. Mr. Hanson: I am not a legal draftsman, but I do know this is the way we wanted the Ordinance drafted, that we do not want to finance a business that is going now, or give financial assistance to it. If Mr. MacKay knows what is going on in Ottawa these days, I think the Federal Government are thinking of such a plan to help the existing businesses and homeowners that have that problem.

We did not raise the interest rates up here so there is not much we can do to help him at this time. This is mainly meant for new businesses that want to start during the term of this agreement. That is why we had it put in like this.

Mr. Deputy Chairman: You mean, Mr. Hanson, that a business that has been operating here for five years on a reasonably profitable basis, runs into a bad year and they are a high employer of Yukoners, they would not be eligible?

Hon. Mr. Hanson: Mr. Chairman, I have explained that this is for new businesses that are starting now under the terms of this agreement. It is not for businesses that have started in the past. Mainly, this incentive program was brought in to encourage, along with our Subagreement on Tourism, more tourism projects.

Mr. Deputy Chairman: But to be clear, Mr. Hanson, it is not to support any tourism industries that might now be operative?

Hon. Mr. Hanson: No.

Mr. MacKay: Maybe I have changed my opinion on the Ordinance but when you go back to Section 5(1) it does talk about the Commissioner is of the opinion that the direct result of carrying out of the project will be the prevention of a decrease in the number of employment opportunities. I missed out a little bit there. Would not a business qualify that came along and said, "Look, I am going to have to shut down and throw five people out of work"?

Hon. Mr. Hanson: Mr. Chairman, I have explained time and time again that this is meant for new businesses starting under the terms of this agreement. This agreement has not passed the House yet, as you well know, as we have not got the money for it yet either, to start with, and it is meant for starting up new businesses mainly and not under the old terms.

Mr. Deputy Chairman: Mr. Hanson, from the Chair, I might mention that your point is well made and I think it is well understood, it has been clarified by you that it is exclusively for new businesses. I think Members are questioning the validity of that. Now, that is the question they are asking you now.

Mr. Deputy Chairman: The marginal note has no significance whatsoever.

Hon. Mrs. McCall: No, I know, but I just point that out.

Mr. Deputy Chairman: It means nothing. It has no significance in law and we, as a Legislature, are discussing an ordinance or a bill, and that is only for our information, or for others' information. It has nothing to do with the Bill itself.

So, I do not really think we could really consider that to be significant.

Mr. Fleming: I am really perturbed. I just do not know what is going on. I think I know one reason that we are bogged down so badly in this Ordinance is the fact that the Ordinance itself was an ordinance of assistance in two different forms. One was for studying the project you are going to start, and one was for assistance for a loan at the bank to run that operation.

Now, in this Ordinance, it does not separate those two, and they are trying to deal with two things and, of course, we would have a problem, even reading it, understanding which was which, and at what time. I am really bogged down.

I am also bogged down when I hear the Minister say that this is not for a loan for any businesses that are, you might say, operating in the Territory now, which I understood him to say. I am not sure, because I would immediately say that that is the end of reading for me, I will vote against it no matter what happens, because if it is just for somebody to start a brand, spanking new businesses, in opposition to the businesses that are on the highway, and places like that today, we have another ARDA situation going forth in the Government. I could not quite go along with that.

Hon. Mr. Hanson: Mr. Chairman, I would suggest that I am not starting a new ARDA. I wish I was rid of the old one, except that some of the Members in the House might want to use it.

But, I am trying to point out to Mr. Fleming that, in an example that he will understand, if a person had a roadhouse and found that there is a mine opening near it, and he wanted to build a new one, then all the assistance available in this agreement would be available to him.

But, if he had a tar paper shack to start with, and he never paid off the loan, and he wants help now to pay off the loan, when we know we are going through a period when highway traffic is going to go down, then I do not think we are going to help him any by giving him any money, to start with.

But if it is a new road, or a new tourist facility for people and the increase in traffic is going to happen in the future, in large amounts, and they want to build a lodge at a lake, a wilderness project, for instance, or has a facility there now that is going to be too small for the contracts that he has made, then we will give him assistance under this program. That is mainly why the program was started. I hope Mr. Fleming can understand now what I am saying. It is not to go into businesses now that we know cannot survive, but for a person who wants to build a new place, or expand an existing facility that can do well, then we will help.

Mr. Deputy Chairman: I might ask one question that might get us over a lot of problems in dabate. Is this Ordinance based on a specific cost-sharing agreement, which you are contemplating entering? I say 'specific' and I hope you are aware of that.

Hon. Mr. Hanson: If the Chairman is meaning with the Federal Government, no. It is totally funded by the Federal Government, the monies are totally recoverable from the Federal Government.

Mr. Deputy Chairman: Then are they putting the riders on it that we are concerned about here? Are they the ones saying it must be a new business, or are we?

Hon. Mr. Hanson: Mr. Chairman, this is a policy that this Government has arrived at.

Hon. Mr. Graham: I think that we can go on discussing this all evening, so perhaps I should make a Motion that you report progress on Bill Number 32 and beg leave to sit again.

Mr. Deputy Chairman: It has been moved by Mr. Graham that we report progress on Bill Number 32 and beg leave to sit again.

Motion agreed to

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

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

Motion agreed to

Mr. Speaker resumes the Chair

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

May we have a report from the Chairman of Committees?

Mr. Lattin: Mr. Speaker, the Committee of the Whole has considered Bill Number 17, An Ordinance to Amend the Transport Public Utilities Ordinance, and directed me to report the same with amendment.

Further, it considered Bill Number 32, A Business Development Assistance Ordinance, and directed me to report progress on same and beg leave to sit again.

Mr. Speaker: You have heard the report of the Chairman of

Committees. Are you agreed?

Some Members: Agreed.

Mr. Speaker: Leave is so granted.

May I have your further pleasure?

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

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

Motion agreed to.

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

The House adjourned at 5:21 o'clock p.m.