The Yukon Legislative Assembly

Number 22 3rd Session 24th Legislature

HANSARD

Tuesday, October 21, 1980 — 1:30 p.m.

Speaker: The Honourable Donald Taylor
CABINET MINISTERS

<table>
<thead>
<tr>
<th>NAME</th>
<th>CONSTITUENCY</th>
<th>PORTFOLIO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hon. Doug Graham</td>
<td>Whitehorse Porter Creek West</td>
<td>Minister responsible for Education, Justice, Consumer &amp; Corporate Affairs, Information Resources, Government Services and Workers' Compensation Board</td>
</tr>
<tr>
<td>Hon. Dan Lang</td>
<td>Whitehorse Porter Creek East</td>
<td>Minister responsible for Renewable Resources, Tourism and Economic Development</td>
</tr>
<tr>
<td>Hon. Geoffrey Lattin</td>
<td>Whitehorse North Centre</td>
<td>Minister responsible for Highways and Public Works, Municipal and Community Affairs, Yukon Housing Corporation, and Yukon Liquor Corporation.</td>
</tr>
<tr>
<td>Hon. Meg McCall</td>
<td>Klondike</td>
<td>Minister responsible for Health and Human Resources</td>
</tr>
</tbody>
</table>

Government Members

(Progressive Conservative)

<table>
<thead>
<tr>
<th>Name</th>
<th>Constituency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Al Falle</td>
<td>Hootalinqua</td>
</tr>
<tr>
<td>Jack Hibberd</td>
<td>Whitehorse South Centre</td>
</tr>
<tr>
<td>Peter Hanson</td>
<td>Mayo</td>
</tr>
<tr>
<td>Grafton Njoottl</td>
<td>Old Crow</td>
</tr>
<tr>
<td>Donald Taylor</td>
<td>Watson Lake</td>
</tr>
<tr>
<td>Howard Tracy</td>
<td>Tatchun</td>
</tr>
</tbody>
</table>

Opposition Members

(Liberal)

<table>
<thead>
<tr>
<th>Name</th>
<th>Constituency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iain MacKay</td>
<td>Whitehorse Riverdale South</td>
</tr>
<tr>
<td>Alice P. McGuire</td>
<td>Klusane</td>
</tr>
</tbody>
</table>

(New Democratic Party)

<table>
<thead>
<tr>
<th>Name</th>
<th>Constituency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tony Penikett</td>
<td>Whitehorse West</td>
</tr>
</tbody>
</table>

(Independent)

<table>
<thead>
<tr>
<th>Name</th>
<th>Constituency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maurice J. Byblow</td>
<td>Faro</td>
</tr>
<tr>
<td>Robert Fleming</td>
<td>Campbell</td>
</tr>
</tbody>
</table>

Clerk Of Assembly: Patrick L. Michael
Clerk Assistant (Legislative): Missy Parnell
Clerk Assistant (Administrative): Jane Steele
Sergeant-at-Arms: G.I. Cameron
Editor of Hansard: Lois Cameron

Published under the authority of the Speaker of the Legislative Assembly by the Queen's Printer for Yukon.
October 21, 1980  YUKON HANSARD

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.

ROUTINE PROCEEDINGS

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

Reports of Standing or Special Committees?

Petitions?

Reading or Receiving of Petitions?

Introduction of Bills?

Notices of Motion for the Production of Papers?

Notices of Motion?

Are there any Statements by Ministers?

This then brings us to the Question Period. Are there any questions?

QUESTION PERIOD

Question re: Constitutional Position/Open Government

Mr. MacKay: My question is to the Government Leader on the subject of open government. In view of the well-established statements of the Government Leader to have as open a government as possible, can he tell us when he is planning to table the constitutional position papers and related matters, which were prepared by his government in anticipation of the First Ministers' Conference?

Hon. Mr. Pearson: Mr. Speaker, I have not been planning on tabling those papers at all. And, Mr. Speaker, that has nothing to do with the question of open government. I have made those papers public and I have no intention of tabling them in this House.

Mr. MacKay: I think Hansard might say something different, Mr. Speaker. However, will the Government Leader, also in the interests of open government, be prepared to give a commitment to this House, to publish at least annually, a five-year capital projection of spending of this Government, to assist in its deliberations?

Hon. Mr. Pearson: Mr. Speaker, we do budgeting in this Government under a fixed procedure. No, Mr. Speaker, I do not think I will make an undertaking to publish an annual, five-year program forecast. It just does not seem feasible to me.

Mr. MacKay: The Government Leader is batting about zero on open government, Mr. Speaker. The final question I would like to ask him, is that I understand that, for the purposes of their own information on the other side, transcripts of the CBC news broadcasts are handed out. Would the Government Leader be prepared to make these transcripts available to Members of the Opposition also?

Hon. Mr. Pearson: Mr. Speaker, I am not certain I follow exactly what the Honourable Member is referring to, but I will have a private conversation with him to determine exactly what it is he is asking me, and make a value judgment in respect to that.

Question re: Federal Energy Policy/YTG Involvement

Mr. Penikett: I too have a question for the Government Leader. There was a report Monday noon that the Department of Indian Affairs and Northern Development is preparing policy papers on northern issues for submission and approval by the federal Cabinet. In view of the obvious importance of such policies on energy, transportation and political development in the Territory, what level of involvement in the policy development is being attempted or has been achieved by this Government?

Hon. Mr. Pearson: Mr. Speaker, we are actively engaged with the Government of Canada in discussions with respect to an energy policy for the North and more particularly for Yukon. Frankly Mr. Speaker, it was news to me that this paper on position by the Federal Government is that imminent that it could be placed before Cabinet within the next two or three weeks. But we have been involved with the Federal Government with respect to an energy policy for the North.

With respect to transportation, it is a little more difficult to answer, Mr. Speaker, because our discussions with respect to transportation in the last six months have centered virtually entirely around the White Pass and Yukon Railway. I submit, Mr. Speaker, there are considerably more things that have to be worked on as well, with respect to transportation.

With respect to constitutional development, political evolution, whatever, Mr. Speaker, the last correspondence that the Minister has from us in this respect was the correspondence that was sent to the Honourable Jake Epp when he was Minister of Indian Affairs and Northern Development, about a year and a half ago.

Mr. Penikett: In view of the imminent submission of a policy to the federal Cabinet for northern Canada on the native land claims and aboriginal rights, can the Government Leader advise the House if this government has been consulted on, or has been party to discussions with the federal government in the development of this particular policy?

Hon. Mr. Pearson: Mr. Speaker, I am sorry, I have to say "no" to that, again, save and except that we are party to the land claim negotiations that are going on, both with respect to COPE and with respect to the Yukon claim with the CYI.

We have been attempting to try and find out just exactly what the Minister was referring to, when he did make that statement. We have not been successful yet.

Mr. Penikett: In the unlikely event that the Minister in Ottawa might be interested in what we, in this House, have to say about these things, is it the Government Leader's intention, at some time in the near future, either by Ministerial Statement or by resolution for debate, to offer this House the chance to convey, by long distance, our feelings on some of these important subjects to the gentlemen in the distant Capital?

Hon. Mr. Pearson: Mr. Speaker, I will give that some very serious consideration in the next twenty-four hours. It may well be a significant way to accomplish something that we have been having a difficult time accomplishing. We do know, for instance, that Hansard is read on a daily basis in Ottawa and it might be a way for us to get some messages to them.

Question re: Business Development Assistance Funding

Hon. Mr. Byblow: I have a question I would direct to the Minister of Economic Development. There have been indications and statements recently that funds for the purpose of administering the Business Development Assistance Ordinance have not come through yet. I would like to know why, when we are now six months into having arranged for this assistance, we are still without it.

Hon. Mr. Lang: Mr. Speaker, that is a good question. I would like to know too.

Mr. Byblow: I would then ask the Minister to indicate what developments have taken place in regard to negotiations for this funding.

Hon. Mr. Lang: Mr. Speaker, as far as I know, none. I will elaborate a little further, though. As we all know we passed the legislation with the understanding there would be a transfer of a small business loans fund, that was available through DIAND, to this particular program. As it turns out nothing has occurred. It would appear that possibly something could happen in January, but it is all up in the air, Mr. Speaker, and there is not much more that I can add to the topic that the Member has raised.

Mr. Byblow: I would then ask the Minister if he can state clearly that there were not to have been any funds directed for this purpose under the $6 million tourism agreement.

Hon. Mr. Lang: Mr. Speaker, I take it that was a statement, not a question.

Mr. Byblow: It was a question.

Hon. Mr. Lang: Well, Mr. Speaker, perhaps he could rephrase it.
Mr. Speaker: Yes, perhaps the Honourable Member could restate his question more clearly.

Mr. Byblow: I would ask the Minister if he can state clearly whether any of the funds under the $6 million tourism subagreement were not intended for this purpose.

Hon. Mr. Lang: Mr. Speaker, the Member is confused. Quite obviously he has answered his own question. The Tourist Subsidiary Agreement is something separate and apart from the Business Development Fund. They are two separate programs.

**Question re:** Watson Lake Sewage Disposal

Mr. MacKay: My question is directed to the Minister of Municipal and Community Affair. With respect to Watson Lake, Mr. Speaker, is the Minister aware that there is a fairly serious engineering problem and potential health problem, with respect to sewage disposal in Watson Lake?

Hon. Mr. Lattin: Yes, it has been drawn to my attention that there is a problem.

Mr. MacKay: Can the Minister tell the House what steps he is taking to avoid the recurrence of sewage outfall leaking into the local Wye Lake, with the possibility of its contaminating the water supply?

Hon. Mr. Lattin: Mr. Speaker, at this particular time we are reviewing the situation.

Mr. MacKay: Is the Minister also reviewing the fact that the sewage lagoon that is in place there, does overflow, and quite often has to be drained off into land that has not been prepared for sewage outflow?

Hon. Mr. Lattin: Mr. Speaker, I think that will be part of our review; we will take that into consideration.

**Question re:** Liard Housing

Mr. Fleming: My question this afternoon — I would think, due to the change-over so many times in the Government — is to the Minister in charge of Yukon Housing Corporation. I wonder if the Minister is aware of the horrible problem that exists in the Liard housing situation, mostly in the area of the Native people's housing.

Hon. Mr. Lattin: No, Mr. Speaker, I am not aware of any outstanding problems there that are different from anywhere else, in the housing.

Mr. Fleming: Due to the fact that the Yukon Housing Corporation does build low-cost homes in areas, and that the Native people also have the same right as the white people to use these homes, why is it that the Liard situation is the way it is? Why does the Government, and especially the Yukon Housing Corporation, not see that there is a need in Liard for this type of thing?

Hon. Mr. Lang: Mr. Speaker, perhaps I can shed some light on this; I think the Member knows more than what he indicates he knows. First of all, that is a direct responsibility of the Department of Indian Affairs, not of the Yukon Housing Corporation.

Secondly, the allocation of dollars is made for various programs through the Department of Indian Affairs, and I gather, from my information, over the past number of years, priority has not been given to housing but it has been given to other capital programs, such as community halls and this type of thing.

So I would suggest, Mr. Speaker, that if the Member does have a problem in this respect — and I can see there is a problem — I think he should be talking to our Member of Parliament, as well as the Minister of Indian Affairs, knowing that this particular area should be looked into. It is not the responsibility of this Legislature, Mr. Speaker.

Mr. Fleming: My question is almost the same as it was before. The Minister says that it is the responsibility of the federal government; they know about it, and I know about it, too. However, due to the fact that the Yukon Government is building homes, and that the native peoples are using those homes, why is there not some negotiation with the federal government in a case like this?

Hon. Mr. Lang: Mr. Speaker, there is obviously one area that could be used and that would be the program of Rural Remote Housing. If the Member wants to talk to his constituents, perhaps they could take the initiative to see whether something could be done.

**Question re:** White Pass and Yukon Route Lay-offs

Mr. Penikett: I have a question for the Government Leader, regarding lay-offs in the White Pass. Mr. Speaker, and my ex-change with the Government Leader yesterday. In the interests of full financial disclosure, I wonder if the Government Leader would undertake to investigate and report back to the House the extent of lay-offs that have occurred, and are planned to occur, most particularly with the Rail Division of the White Pass company.

Hon. Mr. Pearson: Mr. Speaker, I will ask that particular question of White Pass, but it must be well understood that they are under no obligation to answer such a question from this Government.

Mr. Penikett: Given continued reports that Yukon jobs are being sacrificed, while American crews are doing Canadian work, will the Government Leader undertake to personally communicate with the appropriate federal authorities, to see what action can be taken to make sure that Canadian workers do Canadian work?

Hon. Mr. Pearson: Mr. Speaker, once again, it is completely outside the purview of this Government. We have made our concerns very well known to the Government of Canada, with respect to Canadian people doing Canadian work on that railway.

We feel, Mr. Speaker, that we have done everything that we can, to ensure that Canadian people continue to do Canadian work on that railway. We are also assured, Mr. Speaker, that we are in this whole discussion for that very reason. Once again, I can ask, but I would point out to the Honourable Member that he has just as much right to ask that very question of those very people, if he really is concerned.

Mr. Penikett: Believe me, I really do have a concern. Given the Government's interest in protecting Yukon jobs on the pipeline, one would hope that they have a similar interest in jobs on the railroad. Can I ask the Government Leader, then, if he will make this a matter of sufficient concern that in attempting to get this information that he has committed himself to doing, he will do so soon, and report back to the House within a week if possible?

Hon. Mr. Pearson: Mr. Speaker, I have said that I will attempt to do it.

**Question re:** Alcohol Prevention and Rehabilitation

Mrs. McGuire: I have a question for the Honourable Minister of Human Resources. A few years ago the native organizations put together a proposal that involved an umbrella-type alcohol prevention and rehabilitation centre. The umbrella included the pooling of all funds from YTG concerning alcohol prevention, and all native organizations, which totalled up to quite a sum. The proposal was rejected by YTG at that time. Mr. Speaker, I ask the Minister, does she think the idea feasible, and would the Minister consider such a proposal now?

Hon. Mrs. McCall: Mr. Speaker, I think this would be a very appropriate time to consider something like that, because at this moment we are consideringatives and additions to the alcohol program. I would be very interested in seeing this proposal.

**Question re:** Tourism Statistics

Mrs. McGuire: A new question, Mr. Speaker, for the Minister of Tourism. It is my understanding that the influx of tourists to the Yukon this year is down in numbers, although our tourist incentive dollars are up. Could the Minister shed some light on the reason for the decline in visiting tourists to the Yukon?

Hon. Mr. Lang: Mr. Speaker, overall it is my understanding that the amount of people visiting the Yukon is up. In some specific points, figures are down, and more tour buses and this type of thing, as opposed to people coming in individual vehicles. But overall, Mr. Speaker, to my knowledge, all indications point to the statistic that the tourism trade has increased this past year, and I have no reason to doubt that this will continue.

**Question re:** Alcohol Consumption in Yukon

Mr. Penikett: I have a question to the Minister responsible for the Yukon Liquor Corporation. The Canadian media have once again reported that Yukoners lead the country in liquor consumption. I would like to ask the Minister: given the great number of tourists who pass through this Territory every year, and that a large number of transient workers are employed in the summer months here, and given that these migrants often outnumber the year-round population, has the Minister any firm information as to how the real alcohol consumption of permanent Yukon residents compares with the Canadian consumption figures?

Hon. Mr. Lattin: Mr. Speaker, no, we have the overall figures but we have not broken them down, nor do I believe we have the...
means to break them down to separate the transients and the tourists from the permanent people.

Mr. Penikett: Can I just have the Minister then confirm that the Yukon Liquor Corporation has not, in recent years anyway, attempted to distinguish between the sales to permanent residents and the sales to visitors?

Hon. Mr. Lattin: Mr. Speaker, that is my understanding. They take the overall liquor sales figures.

Mr. Penikett: Has the Minister, in that case, considered monitoring the month-by-month sales in the liquor stores around the Territory, which presumably would give some indication as to the relative quantities of liquor consumed by our permanent residents that are here in the winter as opposed to our visitors in the summer?

Hon. Mr. Lattin: Mr. Speaker, we monitor the sales each month, but I have not reviewed the sales with the idea of separating the consumption of the tourists and migratory people from that of the permanent residents.

Question re: Rehabilitation Centre/Employment of Handicapped

Mr. MacKay: My question is to the Minister of Human Resources, whom I have been neglecting lately. The Minister stated yesterday in the House, Mr. Speaker, that the Rehab Centre can expect the YTG to cover its operations and maintenance budget. Will this assurance given extend to assisting in employment opportunities for the handicapped at the Rehab Centre?

Hon. Mrs. McCall: Mr. Speaker, the Rehabilitation Service Centre sees its primary responsibility as being the provision of rehabilitation and training. The employment of the disabled is a responsibility of the community.

Mr. MacKay: Recent events have indicated, Mr. Speaker, that a local company that employs handicapped people will have severe difficulty meeting its commitments to maintain these hirings. Can the Minister indicate if she is aware of that problem, and if this Government can take any steps to give assistance to these people?

Hon. Mrs. McCall: Mr. Speaker, you cannot force people to hire the disabled; it demands public awareness, and we work on that all the time and will emphasize it for the Year of the Disabled next year. But it is up to the conscience of the community to hire disabled people, who are very capable of doing a large variety of work.

Mr. MacKay: To be very specific, Mr. Speaker, the company known as Redi Enterprises has run into problems with respect to present funding from the LEAP program, which appears no longer to be offering help. In that specific instance, will this Minister be looking toward getting that company some help, to assist them to continue to hire handicapped people?

Hon. Mrs. McCall: No, Mr. Speaker, the Government will not be assisting. Redi Industries has come to the end of their LEAP grant, and their program was reviewed by a management consultant team from Vancouver, who discovered that the operation has been losing significant amounts of money for months, and that, given the costs of production and transportation in the Yukon, it has not been a viable operation. I am sorry to see it close, but it has just not been worth continuing. It has been looked at very, very carefully.

Question re: Hansard Distribution

Mr. Penikett: I have another question for the Government Leader. Last April the Government Leader addressed the Yukon Conservative Party Convention. My question relates to an undertaking he gave to the delegates, which was, and I quote: “Provide all delegates with copies of Hansard and other Government publications.” Since other Members of the Legislature are limited in the number of free copies of the Hansard they may receive and distribute, could the Government Leader tell the House if, since the last Session, there has been a change in Government policy in this regard?

Hon. Mr. Pearson: No, Mr. Speaker. And I doubt very seriously that I actually made that undertaking, knowing what I know. Mr. Speaker, we have rules in respect to Hansard, and I want to assure all Members that if they have any suggestions to make to us, we do not get any special dispensation or anything else.

Mr. Penikett: Since I was obviously not at the convention, but read the quote from a text of the Government Leader’s speech, I would like to ask him then if, as a matter of policy, he accepts the principle that copies of Hansard should be made available at nominal charge to any member of the public who wishes to obtain them?

Hon. Mr. Pearson: Yes, Mr. Speaker, and for the edification of the Honourable Members, they are, right now.

Mr. Speaker: Order please, I must advise the Honourable Member that the questions being raised at this time come under the purview of the Chair as a legislative matter. Perhaps the Honourable Member may care to continue.

Mr. Penikett: I appreciate that caution was simply addressing the question to the Government Leader concerning what appears to be a statement of new policy. Can the Government Leader tell the House, in connection with Government publications, if there is a general policy in this Government, in terms of making information available, as to whether the Government has some guidelines about what publications should be chargeable, what publications should be free, and what publications should have restricted access.

Hon. Mr. Pearson: Yes, Mr. Speaker, there are internal policies in place, particularly in respect to what publications should be charged for. Mr. Speaker, generally we have quite dramatically increased the cost of Government publications these past couple of years, simply because our costs have gone up so much. We are trying to reflect in those fees, the costs that do accrue to this Government, at least for the paper and the printing.

Question re: Medical Referrals

Hon. Mr. Byblow: Mr. Speaker, I have a couple of written questions for the Minister of Health and Human Resources.

1) What is the present Government policy with respect to financial assistance in cases of medical referrals from outlying communities to Whitehorse?

2) How many medical referrals have been made from the communities of Faro and Ross River for the dates October 1, 1979 to March 31, 1980 and April 1, 1980 to September 30, 1980?

3) What is the total cost of travel and/or accommodation assistance to referral patients for each of the above noted periods?

Question re: Employee Housing

Mr. Penikett: I have a question for the Minister responsible for the Yukon Housing Corporation. Mr. Speaker, the Minister, in a press release of June 30th of this year, informed us of a two year program to commit the phasing-in of the residency requirement recently brought into force by changes in the Employee Housing Plan Ordinance. While I applaud this program because it corrects some inequities which occurred under passage of the new law, I would like to ask the Minister if he could inform the House as to how these changes will be legally brought into effect; will it be by Order-in-Council, or will there be amendments to the legislation?

Hon. Mr. Lattin: I will take that question under advisement.

Mr. Penikett: While the Minister is seeking advice on this question, could he also establish if his officials have, since the establishment this summer of the $60,000 limit on buy-backs, bought back any employee houses at a price greater than that?

Hon. Mr. Lattin: I will take that under consideration, too, Mr. Speaker.

Question re: Hunting in Kluane Game Sanctuary

Mr. MacKay: My question is to the Government Leader. He may want to pass it on to another Minister. In respect to the Kluane Game Sanctuary, Mr. Speaker, has there been any further negotiation between the Kluane Tribal Brotherhood and this Government, since last April, about the use of the Kluane Game Sanctuary?

Hon. Mr. Pearson: Mr. Speaker, I and all other Members of the Cabinet were in Burwash about a month and a half ago. We had a very, very pleasant and extended meeting with the Kluane Tribal Brotherhood, and needless to say, Mr. Speaker, the question of future use of the Game Sanctuary was raised.

Mr. Speaker, I indicated to the Kluane Tribal Brotherhood that we, as a Government, were still very sympathetic to their concern, and that should they have any suggestions to make to us, we would be more than happy to sit down with them at any time, with respect to the Kluane Game Sanctuary.

Mr. Speaker, I am assuming what the next question will be from the Honourable Member, we have not heard from them since, as a result of that meeting.

Mr. MacKay: Is it the Government’s intention to refer this matter at any time to the land claims process, rather than negotiating bilaterally with the Kluane Tribal Brotherhood?
Hon. Mr. Pearson: Mr. Speaker, I am sure that it goes without saying. It is part of the land claims process.

Question re: Takhini Escarpment Erosion

Mr. Penikett: I have a question for the Minister of Municipal Affairs. I would like to ask the Minister, since I gave him notice of this question, if he is aware of the serious erosion problem in the Whitehorse escarpment below Dieppe Drive; if he is aware of it, has he had an occasion to do anything about it?

Hon. Mr. Lattin: Mr. Speaker, up until now, I have not had a chance to get any details on it, but I certainly will in the very near future.

Mr. Penikett: While all Members will understand that the matter is not strictly under Territorial jurisdiction, I would like to ask the Minister, when he is investigating the problem, if he would at least attempt to ensure that the situation is not aggravated by the present construction project, namely the alternate access route.

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

Question re: Land Development Costs

Mr. Byblow: I have a short written question for the Minister of Municipal and Community Affairs. Could the Minister provide the details of those land development costs used in determining resale value of properties where government is a prime developer, as in the Hillcrest subdivision?

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

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS

Mr. Clerk: Second reading, Bill Number 58, standing in the name of the Honourable Mr. Pearson.

Bill Number 58: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Minister of Health and Human Resources, that Bill Number 58, Loan Agreement Ordinance, (1980) No. 1, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Health and Human Resources, that Bill Number 58 be now read a second time.

Hon. Mr. Pearson: Mr. Speaker, the Loan Agreement Ordinance (1980) No. 1, is a bill designed to replace the original Loan Agreement Ordinance (1980) No. 1, which was assented to on April 14th, 1980.

Mr. Speaker, there are basically two changes in this bill as compared with the other one. The first change is found in the wording at section 2(1), which will allow this Government to borrow from all sources, including the Government of Canada — and this is what makes it different from the other bill, Mr. Speaker — we are not restricted to borrowing from the Government of Canada.

The second change is that the total amount that we could potentially borrow is changed from $15,700,000 to $17,200,000. Mr. Speaker, this is an obvious reflection of the more recent financial information that we have now, as opposed to last April.

I want to assure the House and all Members, Mr. Speaker, that the Yukon Act, at Section 19(3), is still in force, and any borrowings by this Government from anyone at all must still receive a Governor-in-Council approval from the Government of Canada. So, it is very important that we understand that this legislation is enabling legislation, but it is really giving us the permission to go out and borrow without getting further authority.

Mr. Speaker, this has become necessary for a multitude of reasons, the major one being that Canada would prefer to have us do this now, rather than continue to look to them for capital borrowed funds.

Mr. MacKay: Mr. Speaker, I shall be supporting the amendments that this Loan Agreement represents. I would like to perhaps elaborate a little bit about what I think this bill may be leading us towards. While it is true that the Yukon Act is still in force, and still contains a section which does not allow this Government to unilaterally go out and borrow, nevertheless, this bill in itself, I think, represents a crack in the armour perhaps? A movement towards more financial responsibility on the part of this Government. Let me suggest to you that if the federal government continues to be short of funds — and it is probably a fair estimate — then borrowings from the private sector may arise more and more. Just by the nature of the way these things work, the power of the Government of Canada, which was absolute before, in the sense that they could withhold the money if they did not agree with it, now is slightly less absolute. A Loan Agreement can show the means of repayment of that loan, and can go to the market and actually show where they can obtain that money, independently, I suggest that the Government of Canada will have a difficult time in saying “No,” especially if the project is worthy, and is something that will return revenues back to this Government.

It would require some pretty lengthy explanations, as to why they did not feel that this type of borrowing was good. Naturally, all Liberals are associated with deficit budgeting, and I would not like to feel that I am advocating our swooping into a great deficit budget situation, but what I am saying is that there are occasions — for example, a good one would be where the pipeline is actually, really, for sure going to happen, and we must very quickly move to put in place certain things that are necessary for that pipeline — wherein it is possible that this Government, we have such freedom of movement in terms of speed. They would be able to go to the Government of Canada and say, “We have arranged all this, we have to go out and we have to build this particular bypass, or road, or whatever. We have borrowed the funds to do that, and we know we are going to receive $30,000,000 a year tax revenue and we know we can retire that debt!”

I do not want to overblow it, but I do see some progress in financial responsibility, which I welcome, because it may well go hand in hand with what others term political responsibility.

Mr. Penikett: I, too, will be supporting this measure. I think it is also worth noting that it is another one of those small significant steps which we seem to be making, notwithstanding all the sound and fury of the debate about the bigger issues that surround us. I guess I have a personal hope that we have a need to exercise this power pretty soon after we adopt this measure, and I utter a silent prayer: may the mails be slow and may Hansards not get to Ottawa very quickly.

Motion agreed to

Mr. Clerk: Second Reading, Bill Number 57, standing in the name of the Honourable Mr. Lattin.

Bill Number 57: Second Reading

Hon. Mr. Lattin: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 57, Municipal Ordinance, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Municipal and Community Affairs, seconded by the Honourable Member for Tatchun that Bill Number 57 be now read a second time.

Hon. Mr. Lattin: Mr. Speaker, it is my pleasure as Minister of Municipal and Community Affairs to make a brief introductory statement on the Municipal Ordinance, which has just been presented for the Members’ consideration.

During the recent meeting of the Association of Yukon Communities, the President of the Association made a statement that I would like to take the liberty of quoting. He referred to the new Municipal Ordinance as the “Constitution for Municipalities.” In this period of intense concern about Canada’s constitutional development, and when the seriousness of written constitution deliberations is being followed, so reference to a municipal constitution reflects the importance with which this bill is being reviewed in the communities.

This is a large, and for many, perhaps tedious, Bill, but during our consideration of the Municipal Ordinance, I urge all Members to retain the thought that this is indeed a constitution, and it is eagerly awaited by the various communities, as Canadians await the outcome of the current Canadian constitutional considerations.

Mr. Speaker, there is another parallel between this bill and constitutional questions, and that is the recognition that, just as we, in the Yukon Legislative Assembly, resent being dictated to from a distant Ottawa, we know that our representatives of the people of Yukon, are capable of making responsible decisions about issues that affect Yukon, the elected representatives of municipalities have similar frustrations and aspirations.

The Government of Yukon has recognized the validity of their desire for more autonomy in matters that are of local concern, and this bill provides municipalities with enhanced powers and privileges. And as we all know, Mr. Speaker, with additional powers and privileges, come increased duties and responsibilities. Authority is provided for municipalities to make decisions in a
number of new fields, but the municipalities will also have to be accountable to their electors for the decisions they make.

The actual detailed revisions to the present legislation will be brought to your attention as they are completed in Committee of the Whole, so I will not take up much time at this point to provide specific details. I would just like to emphasize the main principles on which the Government has based this legislation.

Mr. Speaker, the underlying principle of this Bill is to change the thrust of the Municipal Ordinance to ensure that the legislation becomes enabling legislation. Until now, the Municipal Ordinance has been quite restrictive, and municipalities have legal advice to the effect that, if the authority for a specific action is not clearly spelled out in the legislation, then authority does not exist.

This type of restrictive legislation has resulted in frequent frustrations at both levels of government. when the Territory and the municipality agree on the necessity for some action, but are unable to proceed, due to the fact that the ordinance does not clearly deal with that particular item.

This has resulted in a constant stream of minor amendments to the ordinance, which has had the net effect of confusing most of the public about what the law is, on any given issue at any given time.

The new ordinance is designed to alleviate that frustration and to provide a more agreeable certainty, warmly welcomed by the municipalities when the concept was proposed. I hasten to add, Mr. Speaker, before the critics can make accusations about the government letting municipalities get out of control, that in key areas such as finance and community planning, the government has ensured that there is sufficient control to safeguard the interest of individuals against arbitrary action by municipal government.

Another key feature of the new ordinance is to expand the extent of municipal government in Yukon. The government recognizes very clearly the frustrations that elected officials feel, when they are given a mandate by the constituents to represent their concerns, and yet have so many restrictions on their actions that they are unable to adequately represent the people who elect them.

Accordingly, the local improvement district concept, which results in elected local bodies with greatly restricted powers, is being eliminated, and those communities who want to assume a more responsible role will be given the opportunity to do so.

Also, the communities which are currently unorganized will be offered an opportunity to develop an embryonic form of local government, by the creation of hamlets under this new ordinance. This should provide training and experience in local government which will foster the creation of future municipalities.

A third principle, Mr. Speaker, that the legislation is based on, is an attempt to provide a more comprehensive municipal legislation as much as possible. At the present time, there are a number of ordinances all dealing with municipal matters. Anyone who attempts to discover the legal requirements for a specific item finds himself having to review several ordinances to determine what is actually required.

By consolidating the various ordinances, the Government has been able to provide one basic text that will deal with all municipal matters, and has been able to delete repetition and inconsistencies that have occurred through the proliferation of legislation. We feel that this will be of considerable assistance to communities working with the legislation.

Members will also note the creation of a Yukon Municipal Board, with input on its membership from the association of Yukon communities. Mr. Speaker, this is another basic principle that the government has based its legislation on. The government has endeavored to open up the decision-making process, and to reduce the suspicion that government decisions always reflect self-interests of the government, and not what is in the best interests of the public.

To alleviate such concerns, the Yukon Municipal Board has been created, to act as an arbitrator and appeal board in several crucial areas, such as planning and zoning. Mr. Speaker, the creation of the Municipal Board is of some concern, and we believe it is a good concept, but we are open to any suggestions that might improve it.

The principle of providing increased public disclosures is also demonstrated, by being willing to provide requirements in legislation that make it mandatory for government to release information on which it based its actions.

Mr. Speaker, one example of how this will work is the requirement that, where an administrator is appointed for a municipality, the reasons for such an appointment should be openly and publicly reported in the Legislative Assembly. I am proud to be able to point towards the Yukon Government's efforts to increase public disclosure. It is a concept much discussed in other jurisdictions, but while most other jurisdictions continue to debate the means of implementing more access to information, Yukon is putting principles into practice, and the Municipal Ordinance reflects that.

The veil of secrecy that surrounds so much of government's operation was also lifted by the process which our Government has followed in developing this legislation. Recently, the media have reported that some Members of the Opposition have been critical of the creation of legislation in secrecy, and have vowed to delay it for proper public consideration. These statements were made before they even had a chance to discover what it is they are recommending needs public scrutiny.

Both I, as the Minister of Municipal and Community Affairs, and my predecessor in this position, have held extremely productive meetings, on the principles of this bill, with the elected representatives of all organized Yukon communities. My officials were also instructed to work closely with the committee established by the Association of Yukon Communities, and I am confident that this ordinance received as much public consideration as was acceptable for draft legislation that had not yet been tabled in the Legislative Assembly.

Mr. Speaker, I can assure the Members of the Opposition who have criticized the lack of public involvement that there was as much public input on this bill as there has ever been on any piece of legislation, and the input came from those individuals who were elected by their communities to speak for them on issues of local concern.

We in the Legislative Assembly who have received our constitutional trusts to consider matters of broader concerns should now, in turn, assume our responsibility and consider the bill which is being presented.

Mr. Speaker, the detailed review of this legislation will provide us all with considerable work, but I am sure that all Members, especially those who have served at the municipal level, will support the basic principles that this ordinance contains, and we will eagerly go forward with consideration of this legislation, to ensure that those principles are enshrined in legislation.
whole ordinance, and that is that very possibly it may not cause a great problem to a fairly sophisticated operation such as the City of Whitehorse, which does have legal opinion at its beck and call; however, I am wondering how it is going to fit when it gets out to Watson Lake or Haines Junction, the smaller communities. That is where I think this bill really runs into very major problems.

I think that just the sheer size of the bill, and the complexity of it, is going to make it difficult for communities of limited numbers to be able to operate within all the powers that are being given to them. While it may be said that they can only exercise as many powers as they want to, nevertheless there are obligations with this bill, that apply to every municipality, that they will have to bear up under, and they are pretty onerous obligations.

I think that setting numbers, as has been done with respect to population, and defining three different kinds of municipalities, that is villages, towns and cities, is quite a strange way of going about setting up municipalities. But if it really is not as strange as the fact that when you get into the ordinance, Mr. Speaker, you find that really there is little difference when you get right down to it, between the powers that will be conferred upon a city. and the powers that will be conferred upon a village.

I appreciate the thrust of the Government to give these powers to the people. I am concerned about the willingness of the people in the small communities to accept all these responsibilities. Certainly financial considerations are the basis of all these concerns.

We received yesterday, Mr. Speaker, a green paper on the Municipalities Act which, in my understanding, is not a statement of this Government's opinion as to where it is going, it is only a statement as a working paper—some ideas to throw out, to kick around, to discuss. So it really does not tell us, or give me guidance at any rate, as to what the municipalities can expect under this ordinance. I would have expected, and stated that, that if we are to pass this bill this Session, we should have had a White Paper from the Government to say what its intentions are, because it can quite legitimately come back next spring and say, “We looked it all over and the green paper does not work. I know we passed this Legislation based upon some of the thoughts in there, but sorry, folks, it is all off.”

It leaves a real credibility gap, Mr. Speaker, when it comes to justifying the passage of this act to these new municipalities, and I think that the ordinance will mean an increase in the amount of corruption in this Territory. I wonder about that, as to whether or not we are ready for another board. This Yukon Municipalities Board may wind up being a fourth layer of Government. It may develop a personality of its own. It is very justifying the passage of this act to these new municipalities, and I think that the Government has tried to set up another layer of Government through which decision-making will be conducted.

I think the ordinance will mean an increase in the amount of Government to the average citizen in the Territory. I wonder about that, as to whether or not we are ready for another board. This Yukon Municipalities Board may wind up being a fourth layer of Government. It may develop a personality of its own. It is very justifying the passage of this act to these new municipalities, and I think that the Government has tried to set up another layer of Government through which decision-making will be conducted.

I think the Government listens to the people as it goes around on its tours in this Territory, and I think these tours are very good, because they do give you a first hand opportunity to hear the grievances of people outside of Whitehorse. I am quite sure you hear them clearly. It seems to me the grievances they have center around their dislike of Whitehorse, for a number of different reasons, and I am not talking about the weather, either. They have the perception that Whitehorse has all the gravy if you have paved streets, you have sidewalks, you have street lights, you have a transit system. You have all these things; you have parks. You have all these things; how come, when I am sitting in Watson Lake, Mayo or Haines Junction, I do not have these things?

I think that the Government’s perception is that perhaps there is a problem how they get around this problem? People are also saying, though, that there is waste in government, money has been poured into things that the people do not agree with. They think decisions are being made in Whitehorse, for the outside communities, that they do not agree with. They see inefficiency and insensitivity on the part of the government.

So, I truly believe that one of the basic thoughts behind bringing this ordinance forward was to try and remove that insensitivity, to try and make the people in the outlying communities feel that they have an influence on the decisions that affect them in their daily lives.

I think, in that respect, it does quite well in its philosophical approach, but I am concerned that, without the financial backing, all we are going to do is create even more frustration. We are going to put it in the hands of the people and give them all the responsibility, but we are not going to give them the power to pursue that responsibility. I cannot think of a quicker way of killing off a democratic system than that.

I think all of us can point to a sense of frustration that comes from being a MLA in Yukon, dependent upon a central government in Ottawa for funding. We have to go on the hope, year by year, day by day, that the funding is going to be there. There are certain things that we would like to do here, that we cannot do because we have no funding.

So, in a sense, you have to look upon this “constitution”, as the Minister referred to it, becoming the Yukon Act to all the municipalities, and will they experience the same frustrations of responsibility without power that we have seen ourselves in this House? I am rather skeptical about the ordinance, in its ability to deliver the power as well as the responsibility.

On certain points I am more than skeptical. There is one point of principle that I think I should indicate now that I am totally opposed to, and that is in respect to the voting on money matters that is permitted under this Ordinance. In essence, what has happened is that the tenants of the municipalities, people who live with a property tax bill but nevertheless pay rent, will not have any franchise when it comes to voting. An individual who owns property will have a vote, and if that individual is fortunate enough to own one, two, or three corporations, those corporations may have a vote also.

So, in essence, the whole pendulum of democracy is swinging right out of sight. As far as I am concerned, it should be one man, one vote. Government are a tenant, included in your rental payment every month; a portion that goes to pay for the property taxes, so you have a stake in what happens to the property taxes, as a tenant. To deny that is to deny basic economics.

Often people who are tenants are simply just not rich enough, or wealthy enough, to be able to afford to buy their own homes. They will remain in that position and have no say in what kind of property tax structure they are going to have to live with. They may want to vote on at least some of these things too, because they cannot afford to pay the higher property tax bills that they would incur if they wanted to buy a house. Mr. Speaker, and here they are being disenfranchised in that area. But to add insult to injury — and I promised I would not rave, so I will not get too bad — we are giving corporations a vote. This will double the clout of the rich at the expense of the poor. I am totally opposed to that.

There are some sections in the ordinance, Mr. Speaker, that are, I think, a little tough. I think the Government might give some powers to local councils that I think should have to. An example I might give on that is where a business licence can be denied, for what seem to me to be fairly loose reasons. It seems to me that if you are prepared to set up in business, and apply for a licence, you should not be denied it based on some municipal official’s opinion. You should be able to get a business licence if you are prepared to go into business.

Another point which is quite fundamental I think, is the ward system which is being introduced. Now, the ward system is not a brand new idea. It has been advocated by other Members of this House in the past, one of whom was a very staunch Liberal. He lives in Victoria now, Mr. Speaker.

The approach to a ward system, I think is a good idea, but the execution of that idea in this ordinance, I think, is poorly done. I think that there is no plan as to how to set up a ward system. It says the council may set up a ward system. But what if the council says that this part of the town is going to one ward and elect five councillors, and this part of the town over here belongs to another ward and will elect one? All you have is a perfectly gerrymandered situation. Not that I think that anybody would deliberately set out to do that, but you know how these things can happen.

I have been fairly mild in my criticisms now, but I would like to draw the attention of the House to what I think is an extremely fundamental point that we have to consider before passing this ordinance. One which I hope those on the other side will not look upon as a lightly brought-up subject.

Mr. Speaker, all of us in this House were elected two years ago. And we each had different promises, but there is one thing upon
which every one of us agreed: that there should be a one-government system in the Yukon Territory. I think we can sit here united on that and say there should be a one government system. We have a responsibility, Mr. Speaker. I feel, to make sure that that one-government system prevails, and is delivered to all of the people of the Yukon. So when I heard the Minister say at the outset that this is a "Constitution for Municipalities", quoting the president of municipalities, I agree with him. It is a very important constitutional matter that we are talking about here. And that very matter is the subject in Land Claims. How are we going to achieve, what is the desired goal of all of us, a-one government system?

One of the ways that you do that is through the Municipal Ordinance. That is probably one of the most important and direct ways in which you can ensure that you are going to have a one-government system.

So I took a look, Mr. Speaker, at the ordinance, from that point of view: as to how it would affect all of the people of the Yukon, including those who live in what we presently might call Indian Villages, which may qualify as municipalities under this ordinance. Frankly, I did not see an awful lot wrong with it, from that point of view. But I think that is the substance of it. I think we have always to consider the process of it as well. It is a very important part of our duties as politicians, to ensure that the process by which we achieve our ends does not become a road-block and frustrate the people of the Yukon, and that the people are frustrated from getting to the end by the very process along which we go to it. Let me quote from an article, to show what problems we may have in this regard.

This is an article from the Alberta Report, September 19th, 1980. Mr. Speaker, in which there are a few quotations, one of which is from a letter written by an NWT government lawyer, Robert J. Pugh. He is discussing the question of the effect of the Baker Lake Court decision on Municipal government in the NWT. It happens to be directly on point. He says that there is an inescapable legal conclusion that "if it is the case" — and this case was where the Baker Lake Indian people said they had certain aboriginal rights —

Some Member: Eskimo.

Mr. MacKay: Eskimo people, thank you. The Baker Lake Eskimo people had certain aboriginal rights, some of which were denied by the court in the most recent of which seemed to be confirmed. And the case created the situation where, and I quote: "Land reserved for Indians in Baker Lake, then it is probably the case that the Hamlet of Baker Lake is a void construction (i.e., does not in fact legally exist) of the Council of the Northwest Territories and its delegate, the Commissioner."

That is the problem that we have to face with this Municipal Ordinance. I would dearly love to think, Mr. Speaker, that this Municipal Ordinance will serve all of the people of the Yukon. That it will in fact be accepted by all of the people of the Yukon, and that those people who have some other presently undefined legal rights that are presently under negotiation, those people will come forward, or will be asked to come forward by this Government, will be consulted, will be asked if they accept this; do they have some constructive suggestions: will it become their law as well as our law?

I think that that is a terrific responsibility that we have to face up to in this Government. If we just continue to legislate for two-thirds of the population, and the other one-third keep on looking to Ottawa, we have a long term problem that will not be solved by Land Claims. Land Claims has to be an all-encompassing settlement — I have heard it from the other side of the floor as well as this side — it has to be done well, it has to be done in such a way that we can live in harmony and in harmony.

I am not saying there is anything objectionable, per se, in this ordinance, to that objective. But I am saying that at least we should be getting the green light, or at least the yellow light, from the Land Claims process with this type of legislation, because you are involved in that process, you have negotiators at the table. I do not know what you are saying there, I do not know what the other side is saying, is it one government, is it the territorial government?

Mr. Speaker: Order please, I believe the Honourable Members ought to be speaking through the Chair, and the record would seem to indicate that I am being addressed in this matter as doing something or not doing something. Perhaps the Honourable Member could direct his comments to whomever they are to be directed to.

Mr. MacKay: Thank you, Mr. Speaker. I apologize.

The Government is sitting at the Land Claims table negotiating, in secret, as I think it should be because these things are sensitive, but I wish to see the Government, Mr. Speaker, be able to say to us at the end of this debate here. "Yes, we believe there is passive acceptance for this way of running a municipality throughout the Yukon. We do not think there is any substantial opposition coming from any particular quarter, from any particular group who have any particular special legal rights which could allow them to use this law, saying it is totally unacceptable and they want to opt out. I think that is the danger, pass it through without any of that kind of assurance, Mr. Speaker, and we can wind up with a divided House, not only in this House, but right throughout the Yukon.

Mr. Penikett: The Leader of the Liberals has left his claymore at home today. I think it is worth noting, Mr. Speaker, that the President of the Association of Yukon Communities is in our gallery, and I think he should be welcomed, since he is claiming part loyalty in this suit, or at least partial paternity.

I would also like to congratulate the Minister on his fine speech to his first major piece of legislation, this new bill. I want to say to the Minister, going back to his days as a back-bencher. I still have great affection, and found him extremely cooperative in dealing with my constituency problems.

Mr. Speaker, I want you to know, as all Members of this House know, that some of my best friends are Conservatives. This is a habit that goes back to my student days, when I was in some sort of political bandwagon. And as a result of participation in those bands, the look among us was the Tory and so part of my regular diet at that time was something known as Tory stew.

It used to start on Sunday as something fairly unpretentious, regular stew, and day by day throughout the week ingredients were added to it, until, come Saturday, it was a big great black pot of bubbling, totally anonymous ingredients. And every day throughout a week that was made, and added a little something to it, and it was for much of my time our daily meal. And of course as I said, we called it Tory stew. Frankly, Mr. Speaker, it was a mess. But if you are hungry enough, as the saying goes, you will eat anything. I must say that this legislation reminds me of Tory stew.

If there were ever a case, Mr. Speaker, of too many cooks spoiling the broth, I think this bill may be it. Among the many fingers we have had in this pot, I gather there have been very expensive consultants who have been hired and finished with, and then their work looked at and then rejected, and numerous bureaucrats at the territorial and municipal level. We have had municipal politicians looking at it, territorial politicians, ex-party leaders and future party leaders. We have had all sorts of hungry people who have had a hand in this heavy dish.

I must say, Mr. Speaker, that perhaps it takes a person who has been on a diet for a while to realize how good food is when you haven't had it for real. It looks good, it probably will not kill you, but I must say there is still a bit of mystery as to what is in it. I can see that there is a bit of this and a bit of that, but I do not really know what it all adds up to yet.

I must say that I listened with attention to some of the Minister's descriptions of its contents, and some of the parts that he described completely eluded my spoon. I asked myself when I was reading this, over the weekend, 250 pages, longer than a Harold Robbins novel, what is the principle in this bill? I am afraid, Mr. Speaker, I could not tell. Lost in the lamps and the goo, there are some good bits to whet the appetites of municipal politicians and the mayors and managers and even Municipal Affairs employees. What I am worried about is the whole thing may give us in the Territory a bit of a bellyache.

Now obviously, Mr. Speaker, it would take a full committee of the House to cooked this up to describe it in detail, and I do not think it is possible for us to dissect it today so soon after lunch. What I do want to talk about are some of the larger identifiable pieces — municipal board proposals, the changes in the municipal structures, and the question of money.

Perhaps the largest glob that I can see in this concoction is the question of the Municipal Board. Who are we to blame for this proposal? The background paper provided by the Department of Municipal Affairs, and for this I must say I thank the Minister, said it arose from discussions between the Territorial Government and the Association of Yukon Communities. One of the expectations of this latter party is that the Board will eliminate a great deal of political pressure that it carries in the areas it will be responsible for.

Mr. Speaker, one might wonder why you would want to eliminate
October 21, 1980 YUKON HANSARD

political pressure. It seems to me the only people who want to eliminate political pressure are either dictators or civil servants.

What we here should be concerned with, I submit, is maximizing political pressure, providing the most appropriate and open avenues for its expression, and anything that impedes political expression we should regard both as undemocratic and with great deal of suspicion.

Mr. Speaker, that was the first clue I had that perhaps this municipal board might cause me some indigestion.

It also mentions here in the background paper that the Association of Yukon Communities wanted the Board to be "subject to the control of the Commissioner," but that this Board was also supposed to be "semi-independent."

Now, Mr. Speaker, I do not know exactly what "semi-independent" is. Perhaps that means that you are not married, you are not divorced, you are simply separated. Perhaps you even have dates with your ex-spouse. As I said, the Association also says that the Board should be subject to the control of the Commissioner. I do not know where the Association has been for the last few months, but I figure someone in this government ought to have told them that the Commissioner does not figure very highly in the hierarchy of things around here since last October, but that, perhaps, is besides the point.

It goes on to say that this Board is to operate on an "advisory basis." Remember, this is a "semi-independent" Board "reporting" to the Commissioner and, furthermore, it is going to be "advisory." It is supposed to be "semi-independent." It is going to "report" to the Commissioner, it is going to be "quasi-judicial" and have more "authority."

What kind of creature is this? Is it legislative? Judicial? Administrative? The paper says, "It was proposed that, in the creation of a municipal board, this would remove appeals in the political arena, and the board would be conceive of as being less biased than either the municipal council or the Commissioner." Good grief! What are they thinking of? Why would you want to remove appeals from the political arena? If you really wanted to do that you would take them to a judge.

Now, this "semi-independent," "advisory," "quasi-judicial" board is supposed to have some real authority. Why? Well, the background paper argues that in order for it to have some "purpose" it would have to have authority. We have not yet established what that purpose is, but let us agree that if it is to have some purpose it ought to have some authority.

It goes on to say that it is intended that the members of it will become highly experienced in highly specialized fields of municipal operations. Well, gee whiz, Mr. Speaker, I thought that was what the people in Municipal Affairs were supposed to be doing. I thought that was what the bureaucrats in City Hall were supposed to do. I thought that was what the town managers were supposed to do, that with the best will in the world, with a little patience, with a little experience, the municipal politicians were supposed to do.

Is this proposal saying that those values and that kind of expertise does not exist in the bureaucracies; does not exist in the municipalities or in the Territory? Who would dare say such a thing?

It then goes on to say that the municipal board is provided with the normal powers of a board to establish its own procedures, but it has additional authority to function as a quasi-judicial board, with full authority of a board of inquiry to obtain the advice and the assistance of experts it requires.

So what have we got here? We now have got, in addition to the other functions, a legislative function — power over its own procedures. It also has an investigative function and judicial function and it is a body. It is a body. Here is a body which is going to take over judicial, legislative and administrative functions for two levels of government, and simultaneously create a new level of government into the bargain.

What an outrageous proposal, Mr. Speaker. But there is more.

Then the paper proposes all the other things that the body is supposed to do. It says that it is to hear and determine applications to revise municipal boundaries. It is to review and approve official community plans. It is to act as an appeal body over disputes. It is to conduct independent impartial inquiries, when the Commissioner appoints an Administrator for specific purposes.

Mr. Speaker, these are all things that a Minister of Municipal Affairs should be doing in a jurisdiction this size. God forbid, these are the things that the Minister responsible for Municipal Affairs performs in a state as large as the United Kingdom. These are things the Minister in the United Kingdom has a responsibility for doing. Heavens forbid, Mr. Speaker, the Minister in this Yukon Territory of 25,000 or so people is not so burdened, is not so pressured, I hope, is not under such a terrible strain from his onerous duties, that he does not have the time and the patience and the ability to carry out these reasonable functions of the senior level of Government, the Government which is supposed to supervise the municipalities according to our constitutional traditions.

Surely, what is proposed here, Mr. Speaker, quite clearly and simply, is a new level of Government, and Yukoners have a right to ask the basic question, "Do we really need it?" I cannot speak for all Yukoners, Mr. Speaker, but I can speak for myself and I can tell you for myself, "No, no, no. This is one thing we do not need."

This is a model borrowed from Ontario. It is something designed for a community of nine million people, and it is not necessarily right for a community of 20,000. Constitutionally, Mr. Speaker, it raises all sorts of problems. This municipal structure, Mr. Speaker, is a terrible thing.

I have talked before in this House about why boards were created in Yukon. I think they were designed in the Territory to give the previous Commissioners an arms-length relationship with certain tough, but minor decisions that have to be made; decisions like who got Liquor Licences and who got transportation licences. They were a way of avoiding responsibility, or at least avoiding the political liabilities of tough decisions. It is one thing for bureaucrats, for appointed people to want to avoid these kind of responsibilities. It is another thing for politicians to want to do it. And I hate to see that, with all our minuscule undeveloped powers that we have got, we are now confronted with the responsibilities of a Government this size. In a jurisdiction this small, that the Cabinet and the Government, the Minister in particular, should be coping out of their responsibilities; avoiding the tough duty of making responsible decisions is a terrible thing to see. People should know who is going to make the decision, and they should know who to blame or who to thank for making it. And when they do not want a board interfering in the process. We do not want a board getting between the public and the politicians. We have enough of them, too many of them.

Mr. Speaker, I fear that this creation is one of those compromises, one of those products of a Committee that set out to design a horse and ended up with a camel. There is no logic, no singular design, no clarity of purpose, and I think it is highly inappropriate. What is our reality? How many organized communities do we have? A dozen? If that. We do not have several thousand municipalities like Saskatchewan or Ontario. How do we design a local government structure to appropriately deal with the realities here and now?

Why the arbitrary division into cities, towns, villages and hamlets? Where do most of the people live in this Territory? They live in Whitehorse, which holds the majority of the population of the whole Territory, and therefore ought to have a special relationship with the Yukon Territory. What is the appropriate kind of government relationship between the Territory and its capital city? Between the Territory and the city which is capable of administering all sorts of programs, perhaps more efficiently than the senior government? Surely it is a special
“Capital City of Whitehorse Charter”, a special bill created for the City of Whitehorse, as many states of the United States have with their capital cities or major municipalities the world over have with their parent body. That is what we need here. The kind of things that this City could administer are considerable. Things here are so different from the situation in Dawson or Mayo or Watson Lake. The size of bureaucracy or the size of the populations, the abilities of the municipal politicians, the scope of local government is different. Why lump them together?

We lump them all together because, once again, protestations to the contrary notwithstanding, we keep adopting outside models, structures which are foreign to the Territory. I believe we should be designing structures and institutions which are appropriate to the local government here, appropriate to the populations here, but we continue to try and fit people into paper structures which are foreign to them.

Let us take a hard look at what we have got here. I dealt briefly, far too briefly, with the situation of Whitehorse, of why that city should want or need a separate charter. How many towns does Yukon have, according to the new formula? Is it three? Dawson, Faro, Watson Lake? What do these three places have in common that requires us to set up legislation governing the activities of all of these three communities together?

What they have in common, Mr. Speaker, is that they are in Yukon, and they all fall within a certain range of each other: the similarity of population size, basically, that is all. They have little in common in terms of their experiences, in terms of their history, in terms of the economies, in terms of the abilities of their councils, in terms of their tax bases or their resources. Historically, Dawson has had serious problems. Recently, it required a municipal infrastructure, for which I am not sure anybody knows how it is going to be paid. Dawson, as we all know, has been placed under administration several times in the history of the Territory.

Faro was what some people call a company town. It has a very competent town council, but only one major taxpayer. If all the taxpayers except one there approved a local improvement, and that one happened to be Cyprus Anvil Mining, for which I am not sure anybody knows yet, really, how it is going to be paid. Dawson, as we all know, has been placed under administration several times in the history of the Territory.

Let us take Watson Lake. Watson Lake was basically a strip development. It is a growing community, a community with some unique historical experiences, but basically a service community. It is not like Dawson, it is not like Faro; it, too, is unique.

The particular towns, the particular local government people there, at this particular point in our history, are different. Their particular needs are different.

We then have a wide variety of smaller communities. Small communities, like the Minister recognized, are just beginning to grapple with local government problems. Each of them, in their own way, is unique. He talked about the embryonic form of government for hamlets. Except for and apart from the Commissioner’s restraints, a hamlet containing a lot of money and lot of talented people could potentially do anything that the City of Whitehorse could do, and I am not sure that that is realistic.

There are probably some obvious limits on just what most of the small communities are able to do, not because the people are not as smart as the people in Whitehorse or that they are not capable of doing it, but just because there are natural limits which affect a small number of people in a small community with limited resources being able to do, limited by how they can pay for services.

What is more, Mr. Speaker, in a few months, we may have a whole new kind of local government emerging, as a result of a Land Claims settlement.

Now we are not going to get into a long debate on those kinds of things, but it seems to me that, fundamental to the argument being made by aboriginal neighbours, is that the Indian communities have some kind of sovereignty. The federal powers have always protected that kind of sovereignty. It seems to me that the Commissioner, on a petition of some non-native people locally “could all of a sudden wake up one morning and go, ‘Poof, you are a hamlet.’” It would be pretty frightening to them, because it seems to me, as I read this legislation, that, potentially, it takes fewer people to get you into a municipal status than it does to get you out.

If the Land Claims process goes the way Indian people want it to, and that could happen, I do not know, I have no way of knowing, we would see Indian local governments here governing huge areas of land, but it seems to me we are designing a structure here into which they will not fit. We are designing a structure in which they will have no voice. It seems to me we are designing a system which may be wholly inappropriate to their kinds of needs and aspirations, especially if they are to gain, as they are arguing for, control over things which are now exclusively under territorial control, such as Game, Education, and the administration of justice. Those are some of the things which I understand they have asked for, historically, and that is why they have been placed, by aboriginal neighbours, is that the Indian communities have some kind of sovereignty. The federal powers have always protected that kind of sovereignty. It seems to me that the Commissioner, on a petition of some non-native people locally “could all of a sudden wake up one morning and go, ‘Poof, you are a hamlet.’” It would be pretty frightening to them, because it seems to me, as I read this legislation, that, potentially, it takes fewer people to get you into a municipal status than it does to get you out.

If the Land Claims process goes the way Indian people want it to, and that could happen, I do not know, I have no way of knowing, we would see Indian local governments here governing huge areas of land, but it seems to me we are designing a structure here into which they will not fit. We are designing a structure in which they will have no voice. It seems to me we are designing a system which may be wholly inappropriate to their kinds of needs and aspirations, especially if they are to gain, as they are arguing for, control over things which are now exclusively under territorial control, such as Game, Education, and the administration of justice. Those are some of the things which I understand they have asked for, historically, and that is why they have been placed under administration several times in the history of the Government. Dawson, Faro, Watson Lake, and they have populations within a certain range of each other; the similarity of population size, basically, that is all. They are foreign to them.

They are foreign to them.

We then have a wide variety of smaller communities. Small communities, like the Minister recognized, are just beginning to grapple with local government problems. Each of them, in their own way, is unique. He talked about the embryonic form of government for hamlets. Except for and apart from the Commissioner’s restraints, a hamlet containing a lot of money and lot of talented people could potentially do anything that the City of Whitehorse could do, and I am not sure that that is realistic.

There are probably some obvious limits on just what most of the small communities are able to do, not because the people are not as smart as the people in Whitehorse or that they are not capable of doing it, but just because there are natural limits which affect a small number of people in a small community with limited resources being able to do, limited by how they can pay for services.

What is more, Mr. Speaker, in a few months, we may have a whole new kind of local government emerging, as a result of a Land Claims settlement.

Now we are not going to get into a long debate on those kinds of things, but it seems to me that, fundamental to the argument being made by aboriginal neighbours, is that the Indian communities have some kind of sovereignty. The federal powers have always protected that kind of sovereignty. It seems to me that the Commissioner, on a petition of some non-native people locally “could all of a sudden wake up one morning and go, ‘Poof, you are a hamlet.’” It would be pretty frightening to them, because it seems to me, as I read this legislation, that, potentially, it takes fewer people to get you into a municipal status than it does to get you out.

If the Land Claims process goes the way Indian people want it to, and that could happen, I do not know, I have no way of knowing, we would see Indian local governments here governing huge areas of land, but it seems to me we are designing a structure here into which they will not fit. We are designing a structure in which they will have no voice. It seems to me we are designing a system which may be wholly inappropriate to their kinds of needs and aspirations, especially if they are to gain, as they are arguing for, control over things which are now exclusively under territorial control, such as Game, Education, and the administration of justice. Those are some of the things which I understand they have asked for, historically, and that is why they have been placed under administration several times in the history of the Territorial Government, and they are powers that the Territorial Government are going to be protecting quite jealously at the bargaining table. But the point is, and we should have been alerted to this in the Drury Report, that what Indian local governments may want, is powers over things which are not traditionally within the ambit of local governments at all. It still does seem to me that we have any divine right to say that that never shall be the case, or can be the case evermore. But it seems to me that we have not anticipated that possibility. The worst possibility, it seems to me, is that such a bill can be seen as another article of bad faith. I truly hope that that is not the case, because we have had far too much of that kind of angry exchange.

It seems to me, Mr. Speaker, that we have been going about this much too seriously and revision of the Municipal Ordinance should not be the way.

The Minister mentioned the constitution; the constitutional principle. What we have had and what we have in this bill is a delegation of powers, not the sharing of powers, which is the more democratic constitutional principle, and the one that I think the Government Leader, when he is talking to Ottawa, has some sympathy for.

It seems to me that we have to be making sure that we are saying the same thing to Ottawa as we are saying to Old Crow. We are setting up structures and then trying to fit the communities into them. It seems to me that we should be starting by looking at the communities and then designing something that is appropriate to their reality. It seems to me that the best way to start would be to negotiate, between the City of Whitehorse and the Territory, a municipal charter for this Capital City. There are all sorts of known quantities on both sides. The relationship between the two groups is well established, and such a charter could provide a model for the evolution of such future communities. But it also might not only be a positive model but a negative model. It seems to me that it would be highly appropriate, if they so desire, for a community like Faro, a community like Dawson or Mayo, to say, "We do not want to have that kind of relationship, we do not want to do the kind of things that Whitehorse is doing. We do not want to get into that kind of things." Whitehorse may be capable of administering, as many big cities do in the rest of the country, programs which are strictly provincial, but which the provincial Government has decided are appropriately administered by the local Government.

Many of those kinds of things are possible here, but quite literally impossible in almost any small community in the Territory, with the possible exception of Faro.

It seems to me that that is a reality that we should be looking at. This is a city of 16 or 17 thousand people, with the ability to administer a whole range of programs, perhaps more adequately than even the Territory, to provide a range of services which is not possible anywhere else in the Territory. It seems to me that having negotiated this charter you could then sit down and start to deal with an Ordinance (or part of an ordinance) that would cover the towns in the Territory.

Dawson, Faro, and Watson Lake have very little in common. It could be modeled on the earlier charter, but each of these towns would want to negotiate powers and responsibilities appropriate for each of them. It seems to me that the Town Council in Faro could do things that the Town Council in Dawson City could not, and vice versa. The Town Council in Faro may be interested in doing things that Dawson is not interested in doing.

The major point, Mr. Speaker, is this: it seems to me that we are small enough here that we could deal with the individuality, the unique qualities of each of the communities, rather than trying to throw them into some grab-bag legislation made to fit everybody and nobody.

As to the unorganized communities and the Indian local governments that may emerge in a few months, or whenever, it seems to me then we could deal with them sensitively and creatively, after we had established these previous charters. It seems to me it would be a wonderful opportunity for us, here in the Canadian north, to develop a novel style of local government, which is unique and
suitable to our geography and our population. Perhaps you would not have individual charters for each, and each of them tack on to the over-all Municipal Ordinance. That might not be necessary, and perhaps in any case that is far too radical a proposal for this Government. But you might get a consensus among them, of what they wanted over a period of time. Perhaps they recognize that they have more in common with each other than they do with the towns or with the city. It seems to me that there would end up a non-realistic form of municipal legislation than we will out of this bill.

And let me say this, Mr. Speaker, before this work was even begun, I think what I would like to have done would have been to issue a White Paper on Local Government. Because, with respect, I must differ with the Minister and say that I do not think that this bill contains any philosophical unity.

Let me deal first, for just a second, with one particular point, the problem of internal structures in municipal governments. I think we have not asked the fundamental questions about whether the council/manager system, which operates here in Whitehorse, for example, is performing satisfactorily. I do not think we asked the right questions about whether the L.I.D.'s were functioning. For example, it is my personal observation, Mr. Speaker, that one of the dangers of the council/manager system is that it gives the council/transients who operate here in Whitehorse, is that we have far too high a turnover of municipal politicians. Now you might want to solve that problem by having longer terms or staggered terms, or whatever, and that may be possible. But it seems to me that there are too many frustrations with the current system, and at its worst the council/manager system can degenerate into a system where you have an experienced strong, capable city manager functioning as "the Government" and the council effectively behaving as the "Opposition". From what I have seen in the City of Whitehorse, at times, that situation became dangerously apparent, and I think it was undermining the very fabric of local government. And I still think it is a serious problem. It is not that the manager is to blame or that the council is to blame. I think the structure may have lost something to be desired. Maybe the council/Commissioner system would be better. Maybe the mayor/Manager system is better. But we have not asked these questions. The Government has not answered them. I do not think the Government has defined its philosophy on these questions clearly enough.

Look at the L.I.D.'s, or the villages, for a second. What do you do in a tiny community, where everybody in town agrees that out of the people available in the community, and with the disqualification clauses; there may be very few, indeed, that the Indian people who may opt out, and people who have not been there long enough, and people who have conflicts; of the people available in the community there is only one person, there is one person who is the logical person to be the town foreman — call him that, or the village foreman. But there is also a wide consensus that that same person is also the person best equipped with the knowledge and experience and abilities, to be the L.I.D. Chairman or the mayor of the village. It seems to me there is nothing wrong with that arrangement in a very small community. It seems to me that it was possible under the previous Ordinance. But I am not sure it is, under the new one. In fact I think it is not.

It seems to me that that is a not unlikely arrangement in a very small community. You have one person who, essentially, for the time being, has been given the responsibility, not of some executive and administrative responsibilities in a community that small — that is silly — but of running the town, and the rest of the council being advisors to him. And, where appropriate, why should not such a system be allowed? There may be an infinite variety of arrangements, but it may be that we do not fit into conventional wisdom about political theories and Canadian government. As long as they are instituted, as long as they are taught in university, still make sense based on the experience of the people who have to live with them.

Now, Mr. Speaker, before the Minister becomes too totally depressed, let me tell him that there is some indication in this legislation of some increased flexibility, and I think that is very good. But I still think that what has been going about it the wrong way. I feel we have been ignoring the reality of this Territory, by trying to design paper structures, and then we will wrap the people up in them afterwards; and if they do not fit, they do not last the passage through the mail, then, too bad.

From a constitutional point of view. I recognize the problem for YTG. It cannot accept an argument that size is the decisive factor in determining the level of local government responsibility, because, as I understand, that could be used against Yukon. We probably cannot rigidly describe steps up from a hamlet to a village to a town to a city, in terms of the tax base and automatic transfers of new powers.

However, a pot which melts the needs of Teslin and Faro and Whitehorse will not do either. The Territory is trying to serve this bill of fare, but the city could find its plate is too small. Faro might find the dish not to its taste. Villages may find their eyes are bigger than their bellies, and none of them knows who is picking up the tab. Sure, they all, and we all, contributed to this pot luck. But I think if the people who are eating out, who are joining in on this, were smarter, they would stick around and see who gets to wash the dishes. They would stick around and see who gets to wash the dishes before the leftovers may be better than the stew, Mr. Speaker.

Now, without going into a lot of detail, let me say a couple more things. It seems to me that while Canada is going through this terrible process of constitutional renewal right now, we should probably regard this process of amending municipal legislation as part and parcel of that larger business. We should recognize that the Federation of Canadian Municipalities has demanded a voice, nationally, in the municipal proceedings. But, like the Territory, the municipalities have been denied such a voice. I think we should have some sympathy for their position, as we would hope they would have for ours. We should recognize that our constitution, like the Constitution of the United States, was drafted essentially by rural and small town politicians.

We do not live in a rural, small town world any more. The majority of people in Canada live in big cities.

The majority of people in Yukon live in one city. We have to deal with that reality and it seems to me it is inappropriate for us to be setting up these forms, not so much without consulting, but without thinking very hard, about what we are doing in the context of the country as a whole.

Municipalities in this country have one thing in common, whether they are in Newfoundland or Alberta or BC or Ontario or even Yukon — it is a problem with money. Than, Mr. Speaker, as they say, is a matter of principle. Whenever we are talking about a matter of principle you are probably talking about money. It seems to me that what municipalities from one end of the country to the other need, is constitutionally guaranteed forms of revenue, some tax room of their own, like property taxes, which are exclusively their own and which cannot be invaded, as the Territory now invokes the property tax field with some taxes, by any senior government; a tax room which is theirs and theirs alone, to expand or contract as they desire, depending on the demands and services in their community, and the political will of the community for those services.

It seems to me, Mr. Speaker, that is what we have got to think about when we are talking about municipal government, because it is not good talking about it with the people who are eating out, who are joining in on this, were smarter, and try to make something more appetizing out of this. If not, I think the Government is to blame for the thing not to its taste. Villages may find their eyes are bigger than their bellies, and none of them knows who is picking up the tab. If it had any original thought or vision or design behind it to begin with, I think that some of it is lost. That is a pity. I do not know if the thing can be salvaged, if we can pick out the pieces we like, but the thing we do not like, and make something more appetizing out of this. If not, I think the Government is to blame for the thing not to its taste. Villages may find their eyes are bigger than their bellies, and none of them knows who is picking up the tab.
the beginning and draft it all over again. If that cannot be done, at
the very least I think we must remove the municipal board propos­
al, because I fear the board may have been created to counter­
weigh the wide and loose powers the Territory seems to be grant­
ing the municipalities. I do not know if the communities will ever
thank us for the powers they cannot afford, but I see real frustra­
tions with this new ordinance, even though, I grant the Minister
this, it may be better, in many ways, than the one it replaces.

There are a number of questions which I want to address in
Committee and I will. I know that the Member for Hootalinqua
will be concerned that without the consent of the people who live there
the Mayo Road and the Carcross Road do not suddenly get added to
the City of Whitehorse and that little hamlets all over the place do
gen ‘‘poofed’’ into existence by the Commissioner. But I will
leave my remarks in that regard to the Committee stage. Mr.
Speaker, where I will have, to the Minister’s regret I am sure, lots
to say.

Thank you.

Mr. Fleming:  I would like to rise to congratulate both the Mem­
ers in front of me for their speeches and some of the topics they
brought up.

The Honourable Member in front of me has brought many, many
things to the front that I think that government should give very
close attention to.

I think that they have said it all, but I would like to quote a few
things that maybe the government has missed, in the very fact that
this ordinance is so encompassing; that it takes in, as the Members
have said, a town that could take in 100,000, and then turns around
and tries to take a spot like Teslin or Carmacks, with 300 people,
under the same regulations, laws and so forth. I will say, myself, I
do not think it is going to work. In the smaller communities we are
going to have a problem.

I am sure that, if it passes as it is, and the board, as the Member
has said, is in place, and acting as it does in this ordinance, that I
would definitely wish to be the mayor or the mayor’s friend in any
small town. It is like the days of Jesse James: if you were not his
friend, you could leave town or get hung, one way or the other. That
is a very good possibility.

The principle of this ordinance is, of course, to give the people
more say, more power, and to also make it possible for the Govern­
ment of Yukon, Mr. Minister, to possibly give them more monies. I
am saying, ‘‘possibly’’, but not necessarily so.

The real principle of this ordinance is to make it very easy for the
government to sit back and let the Territory just look after itself,
and let the people look after themselves, and the responsibility
drops off its shoulders completely and entirely. I do not quite agree
with that.

As the Minister spoke about flexibility, Mr. Speaker, I can agree
that we needed more flexibility in the communities, but not total
flexibility, not left wide open. We also need the guidance from
above, and that is something that is not going to be here, I do not
think. These people who are elected to do these things are going to
have so much say in the communities, and they will be doing it as
best they can, but you must remember that Yukon is young yet. I
do not want to say the government does not have the power, but
you are not going to have as much power as you might like, but you
are going to have a schmoozle all over the country anyhow, because every place in the country is
going to have a different price for licences and every place is going
to have a different tax structure, by the looks of this ordi­
nance, with which I do not totally agree.

I think it is all right for the government to pass some laws and to
come up with certain prices for licensing and so forth, but of course
those will be complaints, I think, when you get in a small commu­
nity, complaints from the people that are making that kind of de­
cision, that it does not work. It is not going to work very well.

I will not belabour the subject. I know the two Members in front
of me have spoken very well on it. I would say, myself, that I agree
with both of them, that I think the fact is you should keep this
ordinance as it is, it is all right, and work through it and try to find
out where the problems are: give yourself some time to find out
those problems. Possibly you might get a little more input than you
could before from the communities, and then look over the things
that have been spoken about today, and possibly bring it back in the
spring, changed slightly. I will go along with the removal, com­
pletely, of that one community board system.

Thank you.

Hon. Mr. Lang:  Mr. Speaker, I am just totally and absolutely
amazed. I hear the Members opposite — one Member stands up and
says there is too much consultation and the next Member says
we are supposed to have a talkback show. Mr. Speaker, I certainly
wish they would get their act together on the side opposite, one way
or the other.

Further to that, Mr. Speaker, I hear the Member for Campbell
standing up and spouting off how good the L.I.D. structures are and
everything else and I recall very vividly, Mr. Speaker, April 3rd,
my birthday, 1978, he stated there should be a little bit more com­
munication and not quite so much government at the upper level.
more government to the people at the local level with more respon­
sibility.

Mr. Fleming:  A little bit more.

Hon. Mr. Lang:  Yes, Mr. Speaker. Now he is standing up and
saying there should not be any changes, we need another year.

Well, Mr. Speaker, we are elected to make decisions whether you
like it or not. Over the course of the past year, while I had the
responsible of Municipal Affairs, the Honourable Member for
Kluane asked me specifically, was I going to be consulting with the
Association of Yukon Communities for a new Municipal Ordi­
nance. I said yes.

The Member for Whitehorse West asked me the same question, I
believe in the same Session, the same question. I said, ‘‘Yes’’. There
was clapping in the stands, everybody was happy, it was a
great day.

All of a sudden, after we have discussed it with the elected
representatives in the various organizations, we have brought for­
ward a number of ideas, of legislation, and we are looking at those
we should be looking at with some of the constructive comments
that have been made, but, overall, as far as consultation is concerned,
Mr. Speaker, I think we have done our best.

Granted, we could have sent it to the Philippines for a little bit
more input; we could have sent it up to Hershel Island just in case
somebody moved there, but, Mr. Speaker, I think the Minister has
done everything he possibly can with respect to trying to have
people who have some knowledge of how municipal government is
run, put their input towards legislation.
Mr. Speaker, the Member of the NDP gave a very enlightening speech. He talked about the Tory cook, and the fact that the NDP were forced to go, once again, to the provider. Well, all I can say, Mr. Speaker, when I heard his alternative to the legislation before us, all I can say is I am very thankful he is not the cook, because, Mr. Speaker, I can see us having 22 charters, 22 different sets of laws, and I will tell you, it would be one real consistent way of running the jurisdiction. "Well, we will have one law for the municipalities, and I will tell you, it would be one real consistent way of running the jurisdiction. We will have one law for the businessman over here; we will have one law for the businessman in Watson Lake, and it will be a really interesting, compatible situation.

Now, Mr. Speaker, the principle of the bill is very clear. Right now you have two types of organizations as far as municipal structure is concerned. You have municipalities and you have L.I.D.'s and I will tell you, it would be one real consistent way of running the jurisdiction in Canada.

The other point that I think that is very important in respect to this bill, which nobody has addressed yet, is that there is a real problem in many of our communities with the fact that a lot of people just will not run for office. They say, "Why? What is the point? We go, cap in hand, to the Territorial Government, then they allocate the money and that is it."

Now, Mr. Speaker, with the new type of legislation, there will be some responsibility and accountability and this will encourage people to run for office, hopefully foster politicians who will be coming up from the municipal level — and I hope my colleague from the NDP does not take this as a compliment — to the territorial level, to be involved in the political decision-making of our jurisdiction in Canada.

As you know, in the past year we have had boards go in my acclamation, we have had boards that have fallen apart, there has been a lot of reasons, and we can all make excuses as to why it happened or why it did not happen. But one of the basic principles behind the bill is to try to build in, with the Municipal Aid Ordinance, responsibility and accountability, along with the importance of the local decision-making. As my colleague has indicated, there is not going to be a case of people running around indiscriminately making decisions; there is going to be financial control. We agree, it has to be.

If the Members Opposite are happy with the financial situation, the way it is, I would submit, Mr. Speaker, they better do their homework. In respect to the unorganized communities and the L.I.D.'s, they just come and request money. With the Municipal Aid Ordinance, accompanying it later on this spring will be guidelines; they will have those guarantees that my colleague indicated are necessary, and I agree they are necessary, to the extent that we can dictate that authority and those guarantees so that there is a plan for two or three years down the road. I think that is an important aspect in respect to this piece of legislation which will accompany the Municipal Aid Ordinance.

In respect to the comments that were made that we are going to have two types of Government in the Territory and this type of thing, Mr. Speaker, I cannot accept that. Even the principle of espousing that some Members may even encourage that in this House, I cannot accept Mr. Speaker. I think it is important that one recognizes that the framework of the Municipal Ordinance is there for everyone.

The responsibility in the smaller community and even in the community of Whitehorse, to ensure that that water truck gets there, is municipal. It has nothing to do with the Game Ordinance. Now how the hell that got into the municipal debate is beyond me, Mr. Speaker.

Mr. Speaker, we are talking about the basic services, the every day services that are required to run small, medium-sized and large communities within the Territory.

Mr. Speaker, the comments that were made in respect to the possibility that the Baker Lake court decision could come into the Municipal Ordinance, Mr. Speaker, I think were totally erroneous. One thing that I would further like to add, Mr. Speaker, is that I find it difficult to accept the innuendos that with this legislation, communities will be unable to function financially and this type of thing.

It is very clear, Mr. Speaker, in respect to the green paper that was tabled here yesterday by the Minister of Municipal Affairs, that the new formula, "shall not result in any community suffering financially as a result of the implementation of the new legislation." It is a major concern of this government to ensure that a community is not going to financially have major ramifications with respect to the legislation.

Mr. Speaker: Order, please.

Mr. MacKay: Mr. Speaker, I am wondering if the Member would permit a question?

Hon. Mr. Lang: Mr. Speaker, the Member obviously has not read the rules, and perhaps—

Mr. Speaker: Order, please. Would the Honourable Minister of Economic Development permit a question?

Hon. Mr. Lang: Mr. Speaker, no. I did not get a chance to question him. I will get a chance to question him later on.

Mr. Speaker: Proceed.

Hon. Mr. Lang: I will quote, Mr. Speaker, one of the objectives of the Municipal Aid Ordinance that will be coming at a later date: "the new formula shall not result in any community suffering as a result of the implementation of the new legislation.

It is not the Government's intention to relinquish its responsibility for local government, by forcing municipal status on any community, and then stepping aside to allow it to sink under the financial burden of trying to finance all its municipal obligations through local revenues." So, Mr. Speaker, I am saying to the Members opposite, we are very concerned in that respect, and it is an area where there will be a lot more debate when the Municipal Aid Ordinance has to be amended to reflect the changes of the municipal structures and the municipal legislation that is before you.

Mr. Speaker, my colleague from the NDP mentioned the council-manager relationship. It is very clear in the legislation, and to this date it has not been. The responsibility lies with the political arm of government and the manager is responsible to it. I think that is a very important point that has to be made. Similar to the Territorial Government or the federal government, in the final analysis it is the political arm of government that makes those decisions, in respect to the overall governing of the community, and the manager must carry out those decisions.

Mr. Speaker, I would say that there has been a great deal of consultation made on this particular bill. I think that the Minister of Municipal Affairs made it very clear that he does have some reservations, in respect to the board that the Members spoke of, and I think it will be an interesting debate in Committee to go through it point by point. I will be listening with a great deal of interest, hopefully, with constructive ideas coming forth from the side opposite.

So I would say, Mr. Speaker, it is time that we got on with the discussion of this particular bill. I think it is good for Yukon, and it will give the flexibility as well as the capability for people to make decisions at the local level, which is long overdue.

Motion agreed to

Mr. Speaker: May I have your further pleasure?

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

Mr. Speaker: It has been moved by the Honourable Minister of Economic Development, seconded by the Honourable Member for Campbell, 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 call Committee to order.

We will continue with consideration of Bill Number 38, First
Mr. Chairman: Under consideration, Bill Number 38, First Appropriation Ordinance, 1981-82, continuing discussion on Department of Tourism and Economic Development, page 24. The item under consideration, Tourism Industry Development Subsidy Agreement, $2,494,000.

Mr. Fleming: No, Mr. Chairman, not yet. We were on this subject yesterday and I disagree a little bit with some of the comments made by the government side of the House. To me, anything that amounts to a give-away program of any kind is either for everybody or for nobody. I have said that before. However, I would like to bring up a few facts now, and I took it upon myself this morning to call an outfit, and I will not say who, that builds modular homes, because I do not like to quote prices or anything unless I know what I am talking about. Units in Dawson City, and these are reasonably good units, though I would not say they were the very best, come at about $40,000, and that is giving it a very, very good estimate.

$40,000 for three rooms: delivered, set up, and ready to operate. The Minister was speaking about 90 or 100 rooms, yesterday, but I would like to break that down to about 30 rooms, for instance, and that would cost an investor there $400,000. Now we know that Dawson City cannot stay open all winter when there is no one to whom the rooms can be rented, and the rooms have gone, and we are going to lose this. But, do you know something? I would love to see that many people outside my motel and hotel looking for rooms in the summertime, for about 120, 130, 140 days of the year. Four months, definitely, and if they stay open five, they could get a good 140 days in. I will give you an example of 30 units, which is approximately a third of what the Minister is talking about. I do know the motel business, and I will base this on my own place, and it is pretty near correct: at $50 per day, per room, those rooms could bring in $7,000 apiece in the summer. Now, Dawson City charges pretty near correct; at $50 per day, per room, those rooms could bring in $7,000 apiece in the summer. Now, Dawson City charges more than that. I will base it again on $40 a room, or $5600 for one room per year. You multiply that by 30 and you get $120,000, at the $50 rate, and you get $168,000 at the $40 rate.

I am being very, very liberal about the power situation, and I am basing this on my own place, which is all electric, which is year round, and which is high. It would cost them $45,000; I would hope they could come a way under. Sending all the goods to the laundry is going to cost the workers another $30,000, and I am being fairly liberal there too. It is going to cost them $30,000 to take care of that place, at least, for employees for the summer. They are not going to get $1500 a month which I have set down on paper here for them. The laundry is going to cost them another $20,000. We come up with $75,000. Now that is not all of it, we have taxes of a thousand or a little more or a little less. We have insurance that is going to cost about $24,000, or a little less; I am always over. We have licencing and repairs, and in the first few years that is not going to be so much. But we come up with over $100,000 to run that place for a summer. Now if you are going to take in $166,000 or so I do not see where this is all profit. However, I can understand an investor going to Dawson City with $400,000 and paying an interest of at least 12 per cent, which would cost $50,000 today; he would be crazy to go to Dawson City and try to make any money. So I understand the problem, but to give somebody money to also go and make that $48,000, and all the rest of it home-free, is to me absolutely ludicrous. That is not a way to run a country.

I can understand your giving assistance where it is needed, not only for Dawson City, probably all of the Yukon. And I can understand Dawson being a little bit unique, maybe it needs more assistance than the others. I will go along with that.

If, for instance, you need 100 rooms, you take $1,200,000, and you put it into Dawson City, to people who are responsible and wish to work, and you have it paid back, interest free, maybe, for the first four or five years, which is all you would ask. That is ok, but I do not accept it. I might accept that type of a program, such as your business incentive loan program was, in that situation. I may accept that wholeheartedly, because I can understand it, and I know the figures, and I know these figures are not wrong and they are not underestimated. As I say, I only wish the Government would come to me and say they would build ten rooms on my hotel, free of charge for a while, or give me a million dollars and I would go to Dawson City and put up a hotel. I'm sure anybody would. I cannot agree with the principle that it should be given, and therefore I would not vote for it.

I also have a problem where the Government puts down on the budget paper that this is for the Tourism Industry Development Subsidy Agreement, and some of the money is to go to historical things, and other things that are needed in Dawson City, for the Government; and then a portion of that money is taken and given to private enterprise under the same vote. I may vote for one of the subsidies where the Government is doing something for this country, but I am not going to vote for something where you go to private enterprise and give them money, when you are also spending money over here out of the same pocket, even if you do tell me what the figures are. So my whole vote, therefore, is not going to be voted on in the affirmative.

Mr. Dyblow: I cannot help but reinforce the concern that I have over this particular aspect of money appropriation. I think you have a situation here where you are legitimizing trying to help an economic interest area of the Territory, but you create the confusing contradiction of actually giving away money to compete with private enterprise.

I would like to question the Minister at this point just in an historical sense, with respect to the whole subsidy agreement. My understanding is that the idea of the Tourism Industry Development Subsidy Agreement was put into place last February, and during the summer, this particular portion that we are debating here, the allocation of monies towards contractors to build these additional rooms, was made. I would like to hear from the Minister, what is the strength upon which this decision was made?

Hon. Mr. Lang: Mr. Chairman, maybe the Member was not here last evening. I tried to make very clear that we were in the situation in Dawson City as a very difficult situation, in view of what has transpired over the past few years. I made it very clear that we have had, over the course of this last year, a number of tour operators who have cancelled tours going to Dawson City as a destination. In other words, they are going elsewhere, either in other parts of the country, or perhaps going by Dawson and perhaps going up the North Highway, not scooting through the Yukon as they continue their northern tours.

So you have a chicken and egg situation here in the Territory, where people are complaining about bad service, due to some things that are beyond the people of Dawson’s capability to control, the flood and various other things that have transpired. But also, quality hotel rooms are in shortage in Dawson City. Now the point of the Tourism Subsidy Agreement is to encourage tourism in the Territory through one-time capital investment. In this particular area we felt that we should be trying to encourage people, with a small amount of money out of the Tourist Subsidy Agreement, to invest in the hotel industry in the Dawson City area.

The offer that the Member for Campbell has referred has been so good, I think we have had five proposals. It is that great that everybody is flocking forward with a proposal. So you can see that the investing in Dawson City is a major concern to anybody when you talk a million or couple of million dollars, whether they are going to get a return on their dollars.

All we are attempting to do is to set up a program under certain guidelines, for example, they have to operate for three years, they must be quality hotel rooms. No offence to the Member for Campbell, it would be great, we could just encourage everybody to build those additional rooms, and so forth, but what we are trying to encourage the people investing in the hotel industry in Dawson City to have top quality hotel rooms, so we can continue to advocate and to advertise Dawson City as a destination point for the tourists who are coming to this Territory. I think that is important.

Now, you can criticize it, and everything else, but when, three or four years down the road, there is no further building in the hotel industry, then the Member for Campbell will probably be standing up here, well, why didn't you spend all of this money on marketing. It is the chicken and the egg situation. I think that it is assistance that is well spent, to try and encourage major capital investment in the heart of the Klondike, which, in essence, is our history, and it also is an encouragement to our tourist trade.

Mr. Penikett: One thing I must say, Mr. Chairman, it is obvious that the Minister is very new to socialist economics, and I think he is betraying his experience.

I think he has described a problem reasonably adequately, that there is a shortage of quality rooms and a shortage of local capital. He has dreamed up a solution which his own prejudices and back-
October 21, 1980  YUKON HANSARD

end of getting rooms up, but you might not have the same political
would not have their noses too much out of joint, because it was not
contract, this lease-purchase agreement, it would seem to me,
failed to win the tender proposal, or to win the award for this
could have someone tender to bid it.

leased operator to lease-purchase the thing. The lease-purchaser
under this program, build a model motel unit, a mum and pop
work, I would be happy to consider it. One of the things that could
in Teslin unhappy, and the people in Haines Junction, and the
people in Faro, and Riverdale South.

the situation that he or she has to run it for three
there is the McNiven model on the Dempster Highway,
is also the McNiven Construction model on the Dempster Highway,
I think he is beginning to now recognize, because the world is not
unusual for providing rooms too, which the previous government has
adopted. I, for one, am not going to advocate that, because I do not
think it is right for Dawson, and I suspect the Minister is not that
enthusiastic about that model either.

My question really is: why did he go this way? Because even
were I to sympathetic with his objectives, it seems to me that he has
chosen a way of delivering this money to the community, to the
government doing a model project, as the Member indicated. It is
going to make more enemies for the Government than it is
going to make friends.

To use the worst case, which Mr. MacKay presented, the case of
the people who decided to reap a windfall profit; they are the
people who benefit from this scheme, and then flee from the
country with their capital, and here I do not think the net benefit for the
community will be a windfall profit. The Government is also
are developing local ownership, and keeping those proprietors in
the community, and contributing members of the community. I
think one of the sad things that can happen to a place like Dawson
is, as it evolves from a mining community into a tourist community,
you will increasingly get people who are summer residents. As
I have mentioned about summer residents before, their commitment to
the place is not the same as people who live there year
round. They are the people who are getting the gravy — not taking
the bad as well as the good. They are getting the good out of the
community, but not paying their dues, if you like.

So I want to know if the Minister did consider many other
alternatives or ways of delivering this money; and if not, why not?

Hon. Mr. Lang:  Mr. Chairman, I am going on memory now.
There was some discussion, if I recall correctly, with respect to the
Government doing a very similar project as the Member indicated.
I personally do not want to get into the hotel business. I would also
further say, Mr. Chairman, that I think it has to be understood
that we do have a partner, in respect to the allocation of these dollars;
the Government of Canada. The particular program had
to go before Treasury Board to be accepted as policy. The Govern-
ment of Canada, like ourselves, recognized that the shortage of
hotel rooms in the Dawson area was having major ramifications
over-all on our tourism industry. The more rooms that are avail-
able in Dawson, the more people can go there and the result is
go to correspondingly throughout the Territory. I do not think that
we should lose sight of the goal, and it is to try to get 100
more top quality rooms in Dawson. This is the mechanism we
have chosen to do just that.

Now, granted, there may be some substance to your argument that
a fellow goes up and builds his hotel and he flies after three
years. There is the stipulation that he or she has to run it for three
years. But I do not think we have to lose sight of the goal. It is
we are going to encourage investment in the area.

Now that does not make sense to me. We have attempted to come up
with a vehicle which I feel is going to bear the fruits of what we
want, which is a major commitment of the Government in the Dawson City
area, in the target area of 100 rooms, to accommodate the tourist industry.
In the long term it will be good for Dawson City and just as
importantly, good for the Yukon Territory.

As far as I am concerned, Mr. Chairman, the Member for Camp-
bell has a valid point. But the Business Development Assistance
Ordinance cannot come into force, we do not have monies through
that vehicle. This is the vehicle we have finances for. We thought it
was important to come out with something to try to encourage
investment in the area and I think we are going to achieve that to
a large part.

Now it depends on the substance of the proposals put forward.
We probably will have a better idea of what we are talking about
once all these proposals have been reviewed so that people have
an idea just what exactly, in the final analysis, we have been able to
agree to with the private sector. But I do not understand the Mem-
ber for Campbell's argument that "Gee, this is a great idea for
anybody wanting to own a hotel." There was enough advertise-
ment on it and we have had five or six applications, so it cannot be
such a sweetheart of a deal, because if it was, you would have a
hell of a lot more people applying.

Mr. Fleming: How many hotel owners in Dawson City? Five. I
do not presume that anybody else would be asking to go to Dawson
City and do it, because I think the program was more or less was,
according to the Minister, a program for people who were already
there and have a portion of a hotel already built.

I really, really wonder at the Minister when he says that the
federal government has a hand in this in any way, shape or form,
other than giving that money to him to do something.

In his words, he is saying that the money was given to us but that
we must spend it under certain terms I would as the Member if
ever talked about any other terms with the federal government? I
often wonder, and I do not think that the Minister wants to raise to
much of a do once in awhile, but he does not miss the chance very
often to make a little political hay and I wonder why we were not
informed before, that the money was just for that and the that the
federal government said that you had to use it for that.

All of a sudden, that is what is coming up. I do not quite agree.

Hon. Mr. Lang: Mr. Chairman, in fairness to the govern-
ment of Canada, we would point out that perhaps a portion of this
money could be used for this program but it had to be approved
by the Government of Canada. I am not blaming anybody else, now do not get me wrong. All I am saying is that the federal
government is a major partner in these programs that we
are going into.

I must say for the record, they have been very cooperative in all
of the efforts in respect to this particular agreement. It has been
good for the Territory.

As far as I am concerned, Mr. Chairman, I do not have much
more to say on this. Like I said earlier, we have tour operators

Page 416
leaving the Territory and that is going to have ramifications throughout the Territory, until we get this Dawson City situation fixed up.

It is unfortunate that government has to come forward. We could sit back and wait for ten years. I personally think that it is good utilization of finances. It is going to provide jobs, that the Honourable Member from the NDP was very worried about, the criteria of how money is being spent. It will create long-term jobs, not short-term.

Hopefully, most of the dwellings will be stick-built so it is going to provide jobs locally.

There are a number of major aspects that are going to affect the economy and give jobs to Yukoners, which may not necessarily happen.

I recognize that the Member for Riverdale South would like us to go to Vancouver and buy property with the idea that we will have just a bunch of trailers in Dawson. Well, I think there is a little bit more to this and I feel that with this assistance we can give the impetus for some building to take place, and in the long-term create jobs. It is not the government creating it, it is private sector, because people are coming, and they have to be able to buy the necessary services and, in the long-term, it is going to be good for the Territory.

Now, he can argue the pros and cons of it. Perhaps we should burn all the hotels in Dawson City and solve all the problems, I do not know. That is what the Member for Campbell is trying to advocate.

Mr. Penikett: I can understand the problem of the Member opposite, and I must say I sympathize with the philosophical torture that he is suffering, at the moment, as a result of this program.

He should not lose track of the fact, though, that he is the guy defending it and we are the ones, the people over here, who are criticizing it.

Hon. Mr. Lang:

Mr. Penikett: Into each life a little sunshine should come. I am quite serious, and say to the Minister, that the Minister said he was not sure he liked the program.

Hon. Mr. Lang:

Mr. Chairman:

Mr. Penikett: Order, please, order.

Hon. Mr. Lang:

Mr. Penikett: I did not say I did not like the program, I said I did not like the government’s having to intercede.

Mr. Penikett: Well, Mr. Chairman, I like the fact that when people have problems, or the community has a problem, that the government intercedes. I think that is wonderful, that is the way it should be.

What I am raising questions about is whether the right means were used to achieve the end stated by the Minister, of more quality hotel rooms in the area.

Mr. MacKay, yesterday, suggested that we should let the market dictate, and let the prices of rooms in Dawson go up to what? $100 a night or more. I certainly would stop going to Dawson if they started charging that for rooms.

The problem is that the end may be achieved by this expenditure, but I go back to the point, again, that I think the Minister may have thought that the Minister may have created a whole new generation of problems in attempting to solve one. That is always a problem when you interfere in something.

Let me ask the Minister something, because I do not think this problem is going to be solved by this program. He is not going to suddenly have the rooms he needs, and the problem of people sleeping in buses disappears. It seems to me there are other reasons for that, simply a shortage of rooms. Is the Minister benefitting from the Maritime advice that he has in his department, and considering adopting or adapting, in Dawson, some of the programs that I understand now operate in Nova Scotia and Prince Edward Island, where they have adapted the British bed and breakfast model, where families in the area, and homes in the area, take in tourists on a nightly basis. I really realize that this kind of accommodation would not suit the package tourists, the bus travellers, but it seems to me that if families were also encouraged, not just a few hotel operators, to put in an extra room in the house and fix it up so that they could accommodate visitors in the way that many European towns do, with bed and breakfast, or whatever; by giving that kind of initiative or assistance to a larger number of people in the community, he would take the pressure off hotel rooms, and allow the speculative travellers or the camper
was to have interest subsidized loans to businesses in the first five years of their operations. This was to give them that capital at a low cost to enable them to get through that crucial first five years.

I wonder if any Members on this side of the House would find it far more palatable if, in fact, it was not a grant of money you were giving, it was, in fact, a way of allowing somebody to build the necessary rooms with some assistance but not with an out and out grant. If it could actually be paid back, it could be paid back in the Yukon as the need arose for assisting the introduction of hotel rooms.

I am suggesting a compromise situation here, Mr. Chairman, because it is very easy to stand back and say that pure free enterprise principles say there should absolutely no Government interference whatsoever with the private sector. I guess I am entitled to Liberal to find that perhaps there is some way of achieving that end, without entirely compromising the principles we have been elected on. I suggest that some way of applying the principles we have passed this spring in the Business Development Assistance Ordinance to this particular situation might, in fact, wind up producing more hotel rooms than the proposal presently proposed to the Minister, and also in other areas of the Yukon, as and when the demand arises.

Hon. Mr. Lang: Mr. Chairman, I would just like to point out for the edification of the Member opposite, that, first of all, we are not discussing the Business Development Assistance Ordinance. This money is under the Tourist Subsidiary Agreement. There are certain terms and conditions under which this assistance can be allocated. I will say to the Member opposite, I do take responsibility for the proposal I brought forward on that.

I was in Dawson City this summer, and I saw what was happening in that particular community. I also recognize the importance of the community of Dawson City to the Yukon tourist. I believe very strongly that we do have to do something, and we have to do it now. There is no gentle way of approaching the problem. We have a major problem. It is at the point now where tour operators are not going to go to the Dawson City community, in fact, may not even be coming through the Territory, which is going to affect the whole economy.

Now, I appreciate the suggestion put forward by the Member of the NDP in respect to the idea of bed and breakfast. I do not have time to go through Dawson City house by house to see whether people are interested in this type of a livelihood. I will pass on the suggestion to the Mayor and the Council, and perhaps they would be prepared to encourage it, because it does require municipal involvement. Two years down the road you may have a gentle approach to the problem.

I maintain that there is a problem there. We have to approach it now. We have. We have taken the initiative in concert, and in cooperation with the Government of Canada, who is prepared to go along with us on it to encourage people to provide rooms in the area of Dawson City.

I go back to the situation before. It is not that lucrative a situation. I mean we have five applications and that is it. So it is not as lucrative as the Members opposite are indicating; it is a long term business proposition. There have been proposals put forward very seriously. To my knowledge, most of them are local people. So there is commitment. All I am saying is that as far as I am concerned, I feel that if we have an avenue where we can assist in the long term economy of Dawson City through the Tourism Subsidiary Agreement, I think we are prepared to look at it, and I cannot accept the proposition — and I cannot, under the guidelines, change the rules of the Tourism Subsidiary Agreement: maybe the Member opposite would like us to go to Ottawa and see if we can negotiate the Business Development Assistance Ordinance. Under this particular agreement, it is just not possible. The Government of Canada does not work that way and it is impossible to accomplish that.

Mr. Chairman, I think that we have spoken our piece on this. I think that in the long term it will be good for Dawson and for the Territory.

Mr. Byblow: I just have one thing to question the Minister on, in pursuing this a little further. In that this Government has made some provision, under terms of the Subsidary Agreement, and in light of the very practical situation that has been very well explained, is the Minister going to assume the responsibility for extending this kind of a grant system to other communities? I am talking about Teslin, Haines Junction, whatever. In fact, even in my own community, there is a demand for additional hotel space, which is directly related to tourism.

Hon. Mr. Lang: Mr. Chairman, I would like to point out that this is a two-year agreement. We do not even know if it will be renewed. I made it very clear what we are prepared to do in this one particular instance in the Dawson City area. Maybe two or three years down the road, there will be a requirement for it, but at this time, no. I do not even know whether or not the Subsidary Agreement will be renewed with the Government of Canada. It is a two-year agreement, one-time capital assistance.

Mr. MacKay: Mr. Chairman, I would like to correct some statements of inaccuracies by the previous speaker. I was not pretending to impose the Business Development Assistance Ordinance upon this agreement. I was suggesting you take some of the ideas from that, be a little creative and try to use these ideas in the application of this kind of money. That was my point, Mr. Chairman, and it is only fair that I stand up and correct the Member, because either he did not hear me, or he misunderstood what I was saying for some reason.

That was a proposal that obviously did not meet with his favour. That being the case, I would like to ask one question though; because we seemed to start out talking about $300,000 and somewhere in the course of this whole procedure, we got up to $600,000; as mentioned by the Member yesterday, he said there was $600,000 in this program. Perhaps I could have an explanation of that.

Hon. Mr. Lang: Mr. Chairman, the amount of money that has been made available under what is termed the "Tourist Incentive Program for the Dawson Accommodation Assistance", is in the area of $600,000. That could be made available subject to the validity of the proposals, whether they meet the terms and conditions of the guidelines that have been set down.

Now, Mr. Chairman, I maintain that we have to wait to see how good the proposals are and to see to what extent money is to be made available for those particular proposals.

We might not even spend anything, depending on the validity of the proposals. I think we are jumping to conclusions right now, Mr. Chairman.

Mr. Fleming: I will not belabour this, we have got to get on with the business of the House, or we will never get finished. I can see that we are getting absolutely nowhere, anyway. However, there is still some advice to be given, and I hope the Government will listen sometimes, because I would like to go back a few years to all the things that have passed this House. And they were passed with the Opposition being in total opposition to it, but it has never done any good. Look through your records and you will find another one today if you carry on.

The Minister is looking at a long term thing in Dawson City to be a good thing. I would say to the Minister that if money is given to any private enterprise, this Government is supposed to back the Progressive Conservative Government backs private enterprise to the limit, so they say. However, we have a project on the highway to Inuvik which we know about, which has now been set up, and now we have another one coming up in Dawson City. If this is not backing private enterprise, if $600,000, which is a fair sum, is given to any one or two or three or four institutions, totally free, without paying back at all, then I would wonder who, in his right mind, would ever wish to go into Dawson City and really invest, if he could see a profit there some day.

Now we have heard that there are some criteria for this. Monies are going to be given to somebody. But really, we do not yet really know. I do not know if the Minister knows or has come up with a real idea of just how this money is going to be dished out. Is it just going to be going to the Dawson City area alone, or is it going to go to the Yukon? I would really like to see just what type of an agreement you would have with the people who are getting the money. You know, I could understand something that says if, in four or five years from now, they do not pay it back, you would own the place. But just to say that there is going to be money given to somebody in Dawson City, with no real explanation as to how, it is going to be done, I just do not get the drift; I cannot go with it.

Hon. Mr. Lang: Mr. Chairman, I just want to get one thing clear here with respect to the comments that were made from the side opposite. First of all, I do not think the "private sector" is a dirty word as the Honourable Member is trying to imply. I would say that the private sector is people; people trying to do something, and we, as Government, represent all the people in the Territory. We are attempting, through this program, to aid the private sector in putting in, what we consider very important facilities in the Dawson City area so that we can continue to promote the Yukon as
an area for tourism. Tomorrow the Member will stand up and say, "The second biggest industry in the Yukon," which he does not disagree with.

I would further state to him, Mr. Chairman, that there are guidelines. There would be progress payments; they are going to have to come forward with a full proposal, what their plans are; how they intend to build them; what their time schedules are; progress payments, this type of thing. They have to come up with a minimum of 70 per cent, probably closer to 80 per cent of what those capital costs are. So do not give the impression here, Mr. Chairman, that the guy is going to go and build a hotel totally with government assistance. That is not the case at all. The problem is the high cost and the short space of time that they have, to get return on their capital investment. In the final analysis, as I said earlier, Mr. Chairman, the whole idea is to try to promote 100 more rooms being built in Dawson City, so that the visitor can be provided with services that he expects when he arrives there.

This is good for them, it is good for the people in Dawson City because it will provide jobs, and it spins off throughout the economy.

So I just think that the Member is right out to lunch.

Mr. Fleming: This sounds like the lunchbucket and the Home Owners’ Grant that we talked about for years.

I am very glad that the Minister did enlighten us on the one subject that it would not all be a complete, outright giveaway, entirely. I am certainly glad that he finally came forth with that. It may have helped if he had come forth with the whole program and let us know what it was before we had to vote on it right in here.

Thank you, Mr. Chairman.

Mr. Chairman: Shall this item carry?

Some Members: Question.

Mr. Chairman: I would ask for those in favour of this item carrying to stand in their place.

This item is carried.

There are no individually recorded votes in Committee, and that, Mr. Tracey, you are to be thankful for.

Special ARDA Agreement, $300,000.

Mr. Fleming: No, it is not absolutely clear, Mr. Chairman. I am sorry. Questions last spring that were asked in the House during the budget Session were not totally answered. They were not actual questions to the Minister. The Minister, at that time, did not say that he was going to get certain answers for us, but he was going to get some information for us that never did come forth, due to some of the things that we have no disrespect to the Minister, that fine, he cannot help those things.

But I would ask the Minister now if he would get the information that I asked for last spring, which was, and I quote, the ARDA, Special ARDA and the DREE agreements, not necessarily the DREE agreements, that have been passed, the monies that were put out, what has been paid back and in what state that program is today, especially the ones that have gone bankrupt, gone belly-up as we say, or in any other manner folded up.

Mr. Hanson: Mr. Chairman, I was in the portfolio when the Honourable Member asked that question and we did get facts together, but the Session had ended and I believe they still have a copy around somewhere of what did happen. I would have to point out that we only have a record of the Special ARDA agreements that we looked after or managed. The DREE people do not keep a record, do not keep a record at all, we have a record with the money; whereas, on the Territorial Government side, we do have a record and I believe the present Minister will be able to get that record for you pretty quickly.

Hon. Mr. Lang: Mr. Chairman, I should point out that we are talking monies for the 1981-82 year. I think the Member is referring to 1980-81 and the year prior, as to how the money was spent. I am more than prepared to get a resume done in respect to what monies have been allocated and for what projects. I have no problem with that.

I would suspect, Mr. Chairman, it would be more appropriate when we discuss the operation and maintenance side in the main budget, as well as the capital adjustment that would be made in probably February or March when the Session is called. Then we would have the whole year, 1980-81, in respect to the allocation of dollars and how they were spent, to give the Member the necessary information.

There is some information. It is not all there. I should add, Mr. Chairman, that we are trying to get a handle in respect to the whole program. We have hired a special ARDA coordinator to try to see exactly how finances are being spent and how successful programs are. I do not think that we should be taking a totally negative approach to the program that the Honourable Member has indicated, so bleakly, talking about bankruptcy and various other aspects that have arisen in a couple of areas, because I think there has been a number of successes. I think that too often they are overlooked by a few negative things that have turned sour. I can think of a couple in the area of the social aspects that are more important than others. One is a group home which appears to be successful. So there are a number of successes and we will outline just exactly from our perspective how we see it.

Mr. Fleming: I think the Honourable Minister for his enlightenment on things. That is what I am interested in, is the programs that this Government is participating in, and the programs where they are contributing they are good programs, and they are not. I am very interested to find out if you have a coordinator who is working on that situation.

Hon. Mr. Lang: Mr. Chairman, I think that there are two aspects to it. We are not taking seriously any questions to the Minister. The Minister, at that time, did not give any information to the Members. I would ask the Minister now if he would get the information together, and you can have a good look at it. You will probably have a real good day one day in the House next year.

Mr. MacKay: I am sure he will. I realize that we are going to be closing up shop pretty soon, but I would like to ask one question. Perhaps the Minister could bring it forward for next sitting date, if it is available. I assume that this Government, in the process of participating in this program, has laid out some guidelines to those people that they would support, and that there are certain guidelines that you have internally. I am not sure if they are available to the public at this point, or whatever. Could the Minister, in allowing us to look at what the $300,000 is going to be spent on, although I appreciate you cannot tell me what it is going to be spent on because you have to wait and see what the applications are for, could you send to us a copy of the guidelines under which the money will be spent.

Hon. Mr. Lang: Mr. Chairman, it is a very difficult situation, because each proposal comes forward to the special ARDA Committee, and each one is considered on its own merit. Basically the principles are, first, that it is not in direct competition with one or two other businesses in a small community, and the other aspect we are trying to adhere to, but in some cases we have not been able to due to other circumstances, the individual involved has to put up 50 per cent of his or her own money, so that there is a commitment by the individual.

Overall, it is a proposal by proposal scrutiny, and in some cases circumstances are different, so I think the best way to proceed is to have an outline presented to the House of how the money has been spent over the past year, probably in the next Session can be identified by Members. As I said, there have been some failures and there have been some successes. You can evaluate the program accordingly.

Mr. MacKay: Could the Minister just clarify his saying that there are, in fact, other than the two restrictions—that I take to be restrictions — no written guidelines as to the positive aspects of what we are looking for? For example, does it generate employment? I assume that that must be written down somewhere, and if it is, it is not in a very sensitive form, to present it here. What circumstances are allowed to a project?

Hon. Mr. Lang: Mr. Chairman, there are certain conditions. Other than that, I thought he wanted to talk about general principles that this Government is attempting to adhere to. But also, under the Agreement, there are certain conditions that have to be looked at in respect to the allocation of dollars. First there is employment; economic viability and various other factors that, Mr. Chairman, he is not going to learn anything from. It is like reading apple pie and motherhood.

Mr. Chairman: Clear.

Some Member: Clear.

Hon. Mr. Pearson: Mr. Chairman, I move that Mr. Speaker do now resume the Chair and that you report progress on Bill Number 38.

Mr. Chairman: It has been moved that Mr. Speaker do now resume the Chair and that the Chairman report progress on Bill Number 38.

Motion agreed to
Mr. Speaker resumes the Chair

Mr. Speaker: I call the House to order. May we have a report from the Chairman of Committees?

Mr. Hibberd: Mr. Speaker, the Committee of the Whole have considered Bill Number 38, First Appropriation Ordinance, 1981-82, and directed me to report progress on same, albeit small, 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. Lang: Mr. Speaker, I move that we do now adjourn.

Mr. Speaker: It has been moved by the Honourable Minister of Economic Development, seconded by the Honourable Member for Whitehorse West, that we do now adjourn.

Motion agreed to

Mr. Speaker: This House now stands adjourned.

The House adjourned at 5:08 o'clock p.m.