



The Yukon Legislative Assembly

Number 23

3rd Session

24th Legislature

HANSARD

Wednesday, October 22, 1980 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake
DEPUTY SPEAKER — Grafton Njootli, MLA, Old Crow

CABINET MINISTERS

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

Government Members

(Progressive Conservative)

Al Falle	Hootalinqua
Jack Hibberd	Whitehorse South Centre
Peter Hanson	Mayo
Grafton Njootli	Old Crow
Donald Taylor	Watson Lake
Howard Tracy	Tatchun

Opposition Members

(Liberal)

Iain MacKay	Whitehorse Riverdale South
Alice P. McGuire	Kluane

(New Democratic Party)

Tony Penkett	Whitehorse West
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(Independent)

Maurice J. Byblow	Faro
Robert Fleming	Campbell

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

Whitehorse, Yukon Territory

Wednesday, October 22, 1980 — 1:30 p.m.

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

We will proceed at this time with Prayers.

Prayers

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

DAILY ROUTINE

Mr. Speaker: Are there any Returns or Documents for tabling? Reports of Standing or Special Committees?

Petitions?

Reading or Receiving of Petitions?

Introduction of Bills?

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

Notices of Motion?

Are there any Statements by Ministers?

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

QUESTION PERIOD

Question re: Yukon Hire Policy

Mr. MacKay: My question today is to the Government Leader. Recently, on CBC Radio, the Government Leader mentioned the existence of a Yukon Hire Policy within the Yukon Territory. Can the Government Leader tell us if there are specific rules that he has laid out as a policy in this regard?

Hon. Mr. Pearson: No, Mr. Speaker, but we have made it well known to our Public Service Commission that we very much favour a Yukon Hire Policy, and that, in all instances, Yukoners must get not only the first consideration but every consideration, prior to our going outside to hire anyone.

Mr. MacKay: Can the Government Leader give us any precise data upon the success or failure of this policy, with respect to middle and senior management positions in the Government?

Hon. Mr. Pearson: Mr. Speaker, off the top of my head, I cannot, but I would be very happy to get that data gathered for the Honourable Member.

Mr. MacKay: I thank the Government Leader for that assurance. Can the Government Leader indicate if any qualified Yukoners applied for the job of Director of Game, and was the policy of Yukon Hire suspended in that particular instance, or was it in force at the time?

Hon. Mr. Pearson: Mr. Speaker, once again, all I know is that the Director of Wildlife who was hired is very highly qualified. It was a competition that was open. I am confident, if there were local applicants, they received, as I say, not only the first consideration, but every consideration, prior to the hire of the Director who was finally hired.

Question re: Government Employee Turnover

Mr. Penikett: Mr. Speaker, I too have a question for the Government Leader. We have been provided with figures that show an alarming situation with respect to turnover in the Yukon Government; in particular 32.47 per cent, or approximately one third of all YTG employees, have less than one year in the public service of the Territory. My question: the Government Leader, during the last Budget, has given his undertaking to encourage more local hiring and training. Could he comment on or announce or mention any policies to rectify this alarming turnover situation in the Government?

Hon. Mr. Pearson: Mr. Speaker, I do not accept at all the statement of the Honourable Member for Whitehorse West that this is an alarming turnover, because it is not. It is normal turnover in this Government, and we, Mr. Speaker, are committed to trying to reduce that turnover in every way we can.

We feel very strongly that the best way for us to try and reduce that turn-over is to hire locally, and to inaugurate, as quickly as we can and as extensively as we can, training programs within this government for our employees.

Mr. Penikett: I thank the Government Leader for his answer, and I accept his view that local hire will decrease the turn-over. He says the present figure is not normal, but is it his understanding that this has been a long-term situation, and is it his view that effective government action can do something to radically reduce this turn-over rate in the coming years?

Hon. Mr. Pearson: Mr. Speaker, the proof of the pudding is always in the eating, and it is normal for governments, as opposed to other employers, to have an extraordinarily high turn-over. That is not abnormal anywhere, but it was something that was of great concern to us when came into power. We perceived it as being a real problem to this government.

We have treated it as such, and tried to give that particular problem major priority in what we have been doing with respect to training programs and so on.

Mr. Penikett: Given that well over half of YTG employees have been here less than three years, and few of them, 10 per cent, have been in YTG employ ten years or more, beyond the training and local hire policies, can the Government Leader say what steps are being taken to produce the kind of ends that we both agree are desirable?

Hon. Mr. Pearson: Mr. Speaker, I would be happy to have any practical suggestions that the Honourable Member might have, but I do not know what else we can do. I would think that we are winning that battle, because if you went back ten years and looked at those numbers, I am confident you would find that we did not have as many ten year employees, in ratio I mean, and our turnover was greater.

There is very little you can do, particularly with the mobility of people, the desire to move, to go other places, to look at other things; there is no way that we can lock them up here.

Question re: Tourism Subsidiary Agreement

Mr. Byblow: I have a question for the Minister of Economic Development on the matter of the Tourism Subsidiary Agreement. By way of prefacing, I would emphasize to the Minister that I am being repeatedly approached, to explain why grant money is being provided to Dawson City for hotel accommodation, and is not being provided to other communities. I would specifically ask the Minister if, in future allocations of this type of funding, he would support extending this to other communities?

Hon. Mr. Lang: Mr. Speaker, the Member is asking a very hypothetical question. He knows full well that it is a two year agreement. I do not even know if the agreement is going to continue, number one; number two, how much financing would be made available. The circumstances would have to be looked at at that time as to whether or not it should be extended. All I can point out to the Honourable Member, as I did yesterday, is that right now it is strictly the Dawson City situation that we are trying to address. We have a real problem. We have come up with a program that at least is soliciting some interest that was not there before, and hopefully it is going to aid the hotel industry to the extent that our tourists have a place to stay when they arrive at a destination point within the Territory.

Mr. Byblow: I would like to ask the Minister if he has been approached by any other communities for this type of tourism accommodation assistance, other than Dawson?

Hon. Mr. Lang: Mr. Speaker, I have had no one approach me directly. I know there is a member from his area who has made a phone call to me. I have tried to phone back four or five times to talk to the individual. The member indicates that this is an area that he would like to discuss, but, other than that, no.

Mr. Byblow: The Minister has raised the very point I wish to conclude with. In the instance of my community, where there is a severe shortage in accommodation and where the purpose of the accommodation is—

Mr. Speaker: Order, please, I believe the Honourable Member is now making a speech. Would the Honourable Member please get

to his question?

Mr. Byblow: My question to the Minister would be, Mr. Speaker, would the Minister entertain any form of assistance, either by grants, loan, or any other form of fiscal arrangement, in this particular instance?

Hon. Mr. Lang: Mr. Speaker, the Member is indicating, or at least trying to give the impression, that I am the president of the Bank of Commerce. That is not the case. As he knows, the *Business Development Assistance Ordinance* has passed, but there are no finances to accompany that piece of legislation, so, subsequently, there is no money available.

Question re: Employment of Handicapped

Mr. MacKay: My question is to the Government Leader. Does this Government have a policy that, in addition to Yukon hire, discusses the affirmative action of hiring from disadvantaged groups?

Hon. Mr. Pearson: Mr. Speaker, we have a branch of the Government in Consumer and Corporate Affairs, that has always been active in respect to affirmative action and the hiring of disadvantaged people. Again, Mr. Speaker, it is something that is a highly desirable thing and one that we are working on.

Mr. MacKay: I am pleased to hear that. I might mention I do not consider unemployed Conservatives as disadvantaged groups, by the way.

But, more seriously, can the Government Leader tell the House if his Government has hired any handicapped person in the past year?

Hon. Mr. Pearson: Yes, Mr. Speaker, we have. Now I am not sure whether the person whom I have in mind is working at this particular time but I do know that, yes, we have hired handicapped people.

Mr. MacKay: In the pursuit of this policy of affirmative action, would the Government Leader be prepared to undertake to provide policy guidelines to the Public Service Commission that would require them to actively seek out employment opportunities in the YTG for handicapped people about to be laid off by Redi Enterprises?

Hon. Mr. Pearson: Mr. Speaker, I am not sure what the Honourable Member is asking, and I am going to take that under advisement. But, Mr. Speaker, if he is suggesting that this Government should start creating jobs, I am going to say "No".

What I am saying is: we do have an affirmative program going. We do consider hiring, and do hire handicapped people. Now I do not know how much further we can go Mr. Speaker.

Question re: Copper Exploration in Hillcrest

Mr. Penikett: I have a question for the Minister of Local Government. Mr. Speaker, the new Hillcrest Subdivision area is presently experiencing mineral exploration activity by the Larsen Copper Company. This company has recently published newspaper ads announcing that exploration work will be carried out there over the next four years. In view of the recent problems in Wolf Creek, can the Minister state what effects this exploration activity has had, or may have in the future, on the planned expansion in the Hillcrest area by the YTG and the City of Whitehorse?

Mr. Speaker: The question would appear to require a very lengthy answer; however, perhaps the Honourable Minister will be concise in his response.

Hon. Mr. Lattin: We are aware of the situation. We are looking into it. I would not like to give any particulars at this time.

Mr. Penikett: Given that the main problem with the Hillcrest mining claims and the same problems in the Wolf Creek area and other parts of the city, is of course within federal jurisdiction, *Yukon Quartz Mining Act*, can the Minister state whether this Government has made any representations to the powers that be in Ottawa, to either have the Act changed or else have the federal government intercede in some way in resolving this conflict which arose earlier this year?

Hon. Mr. Lattin: Mr. Speaker, no, I cannot.

Mr. Penikett: The former Minister gave an assurance to residents of Wolf Creek at a public meeting that, if they were threatened by a mineral exploration, the government would take their side in the dispute. Can the Minister give this assurance: that if this is a prospect faced by lot buyers, when the land comes on sale in the new Hillcrest subdivision, this government will, under the auspices of the Minister, pursue the necessary legal action to have the situation clarified?

Hon. Mr. Lattin: Yes, Mr. Speaker, I can make that commitment.

Question re: Health Services Transfer

Mr. Fleming: I have a question this morning for the Minister of Health and Human Resources. In the past, there has been bandied about the fact that the Yukon Government may take over the federal Health Services. Could the Minister say at what stage negotiations are at the present time?

Hon. Mrs. McCall: Mr. Speaker, I am sorry to say there are no negotiations. We have to wait until we are told.

The transfer of Health, really, is dependent on the settling of land claims. I think that was the final word with the Minister in Ottawa.

Mr. Fleming: The Minister says the federal government is the only one that says anything. Is the Minister pursuing the matter in any way, herself, for the Government of Yukon?

Hon. Mrs. McCall: Well, I guess I could say so, Mr. Speaker. I have spoken with Madame Begin, and the conclusion is that we wait until land claims are settled. The settling of land claims is significant, because the native people did not feel that they wanted a health transfer, and we do not want to disturb land claims in any way.

I just talked personally with her, pursuing it in that way, and we are just waiting.

Mr. Fleming: Is the Government of Yukon, or the Minister, having any dialogue or communication with the native peoples, or CYI, on this?

Hon. Mrs. McCall: Yes, Mr. Speaker, I have spoken with a number of the native people who have concerns in health; concerns such as wanting their older people to have their own food in the hospital. That was one in particular that was brought to me. It is a little frustrating for us that we cannot do anything about that because hospitals are federal.

I am very keen that we should be able to have more control over our health care, so we have things to answer for. People in the Yukon do not always know that health is a federal affair, and we are looking forward to having more jurisdiction over health so that we can be more effective.

Question re: Alcohol and Drug Service Conference

Mrs. McGuire: I have a question for the Minister of Human Resources. Before planning the process of alterations and additions to alcohol programs, and as one method of eliminating this fragmented state of alcohol and drug services as described in the Brass Report, could the Minister consider instigating a Yukon-wide alcohol drug service conference?

Hon. Mrs. McCall: I cannot agree that the alcohol services are fragmented. I think that charge could have been made a year ago; but it is not so now. We are still lacking, though, in certain parts of the alcohol program. A conference to have everyone's ideas would not be a bad idea. I am open to that.

Question re: COPE Agreement

Mr. Byblow: I have a question for the Government Leader. Nearly two months ago I received a communication from a Member of the Northwest Territories Legislature, which included a reply to the Government Leader, alleging this Government as distorting and misleading the public with respect to an information package on the COPE Agreement, which was circulated earlier in the summer. My enquiry of the Government Leader would be: has he responded to these allegations?

Hon. Mr. Pearson: No, Mr. Speaker, frankly I did not think that the allegations were worth responding to, firstly. And secondly, it must be well understood that I did not perceive that letter to be from COPE but from a member of COPE.

Mr. Byblow: Within the context of the letter, there was an invitation to the Government, with an offer of attendance by the Member for the Western Arctic and representatives of COPE to attend this Session of the Legislature. Would the Government Leader respond whether he concurs that that would be a good or bad idea?

Hon. Mr. Pearson: No, Mr. Speaker, I would respectfully submit that that would be a very bad idea, because we are in negotiations with COPE, and it would be something beyond my ken at this point in time.

Question re: Game/Towards a Future for Yukon Wildlife

Mr. Penikett: I have a question to the Minister responsible for Renewable Resources. Earlier this year, reference was made by the former Wildlife Branch Director, Dr. Hartman, to a long-range

planning paper prepared by the Department, and the fact that it had been ignored, according to the good doctor, at the political level. I wrote a letter to the Minister some months ago, requesting a copy of the document, entitled *Towards a Future for Yukon Wildlife*. I would like to ask the Minister whether the Minister can now tell if this document has been located, and if he is prepared to make it public?

Hon. Mr. Lang: Mr. Speaker, the particular document that the Member refers to is a very thick document, and a very expensive one to make copies of. It is somewhat out of date, being a number of years old.

Now, Mr. Speaker, in respect to the Wildlife Branch, in the area of Renewable Resources, I indicated, in response to earlier questions in the House here, that I would probably be bringing forward some major legislative changes in the spring, and at that time I think it will give a good indication of what we perceive for the long-range future of the wildlife in the Yukon Territory.

Mr. Penikett: Is the Minister now saying that he is not prepared to table this one document? Or is it his view that he would rather it remain confidential for the time being?

Hon. Mr. Lang: Mr. Speaker, I am just getting through it in detail myself. Once I have managed to find enough time to really absorb the information, I will make that decision.

Mr. Penikett: The Minister has, and we note the fact, promised changes to the legislation. I wonder if, in advance of that new legislation, and pursuant to previous requests, the Minister would be prepared to make a Ministerial Statement, at some time prior to that debate, on the principles governing his management of the wildlife in the Yukon Territory?

Hon. Mr. Lang: Mr. Speaker, I appreciate the Member's constructive way of trying to put ideas forward. I will consider them.

Question re: Government Decentralization

Mr. MacKay: My question is to the Government Leader. Can the Government Leader tell the House if decentralization of government departments to communities outside of Whitehorse is still a policy of his Government?

Hon. Mr. Pearson: Yes, Mr. Speaker.

Mr. MacKay: Can the Government Leader tell the House which departments have been decentralized in this way since this Government took office two years ago?

Hon. Mr. Pearson: Mr. Speaker, we do have a plan that will accomplish some decentralization. In the first instance, it will be quite minimal. It is too bad that the Honourable Member opposite is not going to be here at the time, because I am sure he would be more than happy to embrace our plan; it will get this Government on the road to decentralization.

Mr. MacKay: The Government Leader can be assured that, like Big Brother, I will always be watching, Mr. Speaker.

Can the Government Leader tell us if his plan includes a practical suggestion that the two rural superintendents of schools, who presently reside in Whitehorse, would be moved to the areas which they supervise?

Hon. Mr. Pearson: No, Mr. Speaker, that is not part of the first phase of what we are planning. However, I would submit, Mr. Speaker, that it will be self-evident that it is very practical, and that it is something that we have determined can very well be accomplished within our financial means in this Government.

Question re: YTG Salary Rate Increases

Mr. Penikett: I too have a question for the Government Leader. The Government, and its employees represented by the YTPSA, reached an agreement on a new contract this past summer. Can the Government Leader now indicate what amount of increase was granted to those not included in the collective bargaining unit?

Mr. Speaker: Your question would appear from the Chair to be one that ought to be put in the form of a written question; however, I will permit the Government Leader to answer if he wishes.

Hon. Mr. Pearson: Mr. Speaker, I am sorry I cannot answer, because there are hundreds of employees and classifications that are not included. I will table what information I can gather for the Honourable Member.

Mr. Penikett: Forgive me, but I did not wish to ask for a great deal of detail. I wonder if the Government Leader can at least give us some kind of idea of the global percentage for that group not included in the collective bargaining unit. Surely he has that information handy.

Hon. Mr. Pearson: Mr. Speaker, in respect to all but twenty employees, I think I am fairly confident in saying that they got at least the same. In fact I believe it is the same as what the collective agreement was. The extraordinary twenty employees are the Deputy Ministers. As I advised the House this spring, we were at that point in time in the process of a job evaluation and a re-evaluation of their salaries, and so on, using a consulting firm to do it. It was something that we felt was long overdue, and had not been done for four years; on the average their salary increase was sixteen per cent.

Mr. Penikett: Can the Government Leader confirm that the Public Service Commission has instituted a thousand dollar a year annual tax-free, no-strings-attached entertainment allowance for Deputy Ministers, and if so, does he have any idea what this equivalent was in taxable benefits?

Hon. Mr. Pearson: Mr. Speaker, there are a number of fringe benefits that Deputy Ministers get that are different from the rest of the Public Service. I can assure the House that one of the fringe benefits is a tax-free entertainment allowance, and that that benefit, like all benefits, was considered part of the salary package that they did get.

Question re: Airport Management

Mr. Byblow: I have a question for the Minister of Municipal and Community Affairs. In the area of airport management, I believe there is on-going discussion between this government, MOT, and other federal departments, with respect to the responsibilities of managing this particular transport service. My specific question to the Minister is, can he tell me whether or not there is any updated agreement, from the one in 1978 between this government and the federal departments?

Hon. Mr. Lattin: No, I do not think there is an update since the 1978 agreement.

Mr. Byblow: Could the Minister indicate at this time whether there is any anticipated increase in responsibility by YTG in the area of airport management?

Hon. Mr. Lattin: Mr. Speaker, this is a particular area we are interested in. Right now we are doing a considerable amount of work on it, and I would like to say no more at this time, other than it is one that we are aware of, and we are working very hard on.

Mr. Byblow: In the context, Mr. Speaker, of the Minister's investigations into this area of responsibility, is his department planning any increase in staffing allocation within the department, towards this?

Hon. Mr. Lattin: Mr. Speaker, I would suggest that when we make our investigations and come to our decisions that that would be taken care of at that particular time.

Question re: Health/Physiotherapy

Mr. MacKay: I would like to ask a question of the Minister of Health, about something that is within her jurisdiction. Can the Minister agree that, in view of the vital importance of medical care, especially in the physiotherapy field, this government should take steps to include payment of qualified physiotherapists through the Medicare plan?

Hon. Mrs. McCall: Mr. Speaker, there are physiotherapists in the Territory who work out of the hospital, and their work is covered under the plan. The Honourable Member is speaking, no doubt, of independent physiotherapists.

It is a question that has been studied and has been discussed with the independent physiotherapists. They were preparing something for us to see with regard to other provinces, and I am still waiting to see that.

Mr. MacKay: Can I take it then, Mr. Speaker, from the Minister of Health, that she has no objections in principle to the pursuit of this objective, of private physiotherapists being able to claim reimbursement under Medicare?

Hon. Mrs. McCall: Mr. Speaker, if it were shown to be a necessary service that is not being provided by the physiotherapist employed by the Hospital, I would certainly be prepared to look at that.

Question re: Highway Sign at Lo-Bird Trailer Court

Mr. Penikett: I have a question for the Minister of Highways. The former Minister of Highways gave me an undertaking, in March of this year, that a turn-off sign on the Alaska Highway would be installed, after break-up, at the intersection to the Lo-Bird Trailer Court. In view of the fact that the sign is not there yet, and in view of the fact that the ground is not only thawed, but may soon be freezing again, can the new Minister advise me when the

sign will be in place?

Hon. Mr. Lattin: I was not aware of the commitment, but I certainly will check into it and report back to the Member.

Mr. Penikett: I will be happy to give the new Minister the old Minister's letter, while he is at it. While the Minister is checking into that, would the Minister also ask his officials to consider the advisability, in view of the dark winters here, of installing a light or lamppost at that intersection, because it is becoming increasingly busy?

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

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

ORDERS OF THE DAY

MOTIONS OTHER THAN GOVERNMENT MOTIONS

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

Mr. Speaker: Is the Honourable Member prepared to deal with Motion Number 17?

Mr. Fleming: Next Opposition Day, Mr. Speaker.

Mr. Speaker: So ordered.

We will now proceed to Public Bills and Orders other than Government Bills and Orders.

PUBLIC BILLS AND ORDERS OTHER THAN GOVERNMENT

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

Mr. Penikett: Next Sitting Day, Mr. Speaker.

Mr. Speaker: So ordered.

May I have your further pleasure?

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

Motion agreed to.

Mr. Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Mr. Chairman: I call the Committee to order and have a brief recess.

Recess

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

We are dealing with the *First Appropriation Ordinance, 1981-82*. We will continue with the Department of Tourism and Economic Development, page 24. The item now under consideration is Renewable Energy and Energy Conservation Agreement, \$500,000.

Hon. Mr. Lang: Mr. Chairman, there was some discussion over the course of the last year in this House, with respect to going into an energy agreement with the Government of Canada. As you know, we have entered into that agreement. It basically allows us, in the area of renewable energy, to go into some areas of demonstration such as energy-efficient homes, this type of thing, asking for proposals from the private sector; looking at whether or not we can aid them in trying to put demonstrations forward that are compatible to the north as well as energy-efficient.

Further to that, we have the energy conservation incentive program which is designed to provide sound advice and financial assistance to commercial, industrial, and institutional establishments, to improve their energy use efficiency.

This agreement is 75 per cent recoverable. It is going to be interesting to see what kind of information or what kind of proposals we do get over the course of this year. You will note that, in speaking to the budget when we introduced it, I pointed out that we were having trouble getting the necessary expertise in place for this particular agreement; they are contract positions. We appear to be having some success now, and are hopeful that people in the private sector, the public, take an interest in seeing whether or not

they can take advantage of this program for energy-efficient methods in their construction, et cetera.

Mr. Chairman: I should tell the Committee that I am looking at other aspects; that perhaps some of this money can be utilized in other areas through the Government, in concert with some other Government agencies, in some studies that may have to go on. I do not have any more information in that respect, but we are looking at whether or not we can transfer some of these funds to other areas. If it is possible, I would inform the House that that would take place.

Mr. MacKay: Can the Minister give us a rough breakdown of how much of the half million dollars has been allocated to the two programs that he has mentioned?

Hon. Mr. Lang: No, I do not have those figures with me, Mr. Chairman. It is pretty well arbitrary — I am just going on memory now — in respect to how it would be proportioned. It depends on the number of proposals and in what areas we do have the financing available. I think it is largely discretionary as far as the actual financing is concerned, of how much is going to each particular program. I could double-check that, Mr. Chairman, and ensure that the Member does have the information. I think I am correct in saying that there is no set amount for each particular program.

Mr. MacKay: I think we all agree that energy conservation is a worthy cause, and that to vote against this particular item would be souring the pickles. I guess what I, as an Opposition Member, am having difficulty with, is that we are voting \$500,000, really without any strings attached, other than that it is going to be devoted to these worthy objects. There are obviously a lot of problems in the program, because you have not got it rolling yet; you do not have any proposals and so forth. Would it be possible for the Minister to indicate, when he crystallizes this program, in a Ministerial Statement, as to how the money will be allocated, and give the Members on this side a chance to comment on it at that point?

Hon. Mr. Lang: As the Member well knows, this is a very open government, and we may well not be in Session at that time. I would be more than prepared to send out a press release, of which the Member would get a copy.

Mr. Fleming: As the Leader of the Opposition has just said, it would be very difficult to vote against such a thing as renewable energy and energy conservation. There is no doubt about that. We are presently in need of help in that field.

I have a couple of questions I was thinking of, and one of them was, of course, answered by the Minister. I think he said there was 75 per cent recoverable. That was one of the main questions I was going to ask.

Has the Minister had any indication from firms? I hope he may have something on one that was around the Watson Lake area at one time, some plans that would have put energy into Watson Lake for a cheaper cost. I just wondered whether there has been any indication from anybody yet that, if the program is suitable, they would come forward with something that was worthwhile?

Hon. Mr. Lang: To my knowledge, no. I do know that in the Watson Lake area, the forest products company there is presently putting a steam boiler into place that will supply some electrical generation for the community of Watson Lake, or could, at least supply some. Now, where that is at, I do not know, but I do not think it comes under this agreement.

I am more than prepared, at the next Session, if there are proposals and if they have been accepted, to outline just exactly what those proposals are, to give Members an idea of exactly what we are looking at.

Mr. MacKay: Since there appears to be an opening for some ideas here, maybe I could throw out a couple. I have noticed, for example, that the federal government, when entering into leases in this Territory, appears to have a preference for a gross rental situation, where the landlords pay the energy bills, among other things. In other words, there is no direct responsibility on the part of the tenant for energy conservation.

It seems to me that that is a wasteful situation. I am wondering if you could look at some program of education and maybe even assistance to, say for example, apartment owners who do not have a meter for each apartment, to find some way of making each tenant responsible for his own energy consumption. In that way, it would be safe to assume, I think, that you would find an overall reduction in energy use because of that.

Hon. Mr. Lang: Mr. Chairman, it is always a breath of fresh air when we hear constructive ideas coming from the other side.

I would say, Mr. Chairman, to inform the House, one of our policies, in renting space for this government, is that that is one of the criteria that is looked at, with respect to the construction of the facility that we perhaps may rent. That is one of the criteria that must definitely be taken into account.

It is to people's benefit, if the government is looking for space, that they have an energy-efficient complex, because it is a major aspect that has to be taken into consideration. That direction was given from the Cabinet to the Public Works Department.

In respect to meters, all I can say, Mr. Chairman, I think it would be a benefit to a landlord to install one himself, just for making people more conscious of the cost of energy.

Also along with that, Mr. Chairman, we have instituted through the Housing Corporation a number of years ago, the idea that the tenants would pay for their own fuel and electricity. I think it has aided somewhat too because people are becoming more conscious of the cost. I know at my home I definitely am, on a monthly basis.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Highway Signs and Reststop Program, \$20,000.

Hon. Mr. Lang: Mr. Chairman, this is primarily a program that we are looking at instituting. It is the development of a prototype reststop at the Cassiar-Alaska Highway cutoff. The idea of putting a turnaround there so that people can stop and be made aware that Watson Lake does exist and that there are certain amenities there that are available to the traveller. This is to try to increase the number of people coming from that direction going to Watson Lake as opposed to totally bypassing it.

It is a very difficult situation for Watson Lake with that road bypassing by 12 miles; it has cut off quite a bit of traffic that originally went that particular community. Hopefully it will have some people going in that direction. We will be putting it in place with the idea of looking at it to see whether it is of substantial value and if it is, then perhaps other areas would have that type of a turnaround put around their community depending on how successful it is.

That is approximately in the area of \$14,000 - \$16,000. There is roughly appropriated about \$4,000 in the area of signs and we are looking at visitor signs with the idea of perhaps putting on the names of the establishments outside communities, so that people are aware of just exactly where a lodge is and what the name of that particular lodge to correspond with their advertising, this type of thing.

It is just an idea that we are presently looking at. I am working with my colleague, the Minister of Public Works. There is a cross-over responsibility and hopefully we can come up with something constructive that is going to aid the people who are in business along the various highways. It is also very important, not only to the economy of the Territory but to bring quick service to not only people locally but our visitors.

Mr. Penikett: "Rest stop" is one word that is new to me. Can I ask the Minister, because this is an interesting idea that he was elaborating on, if he could tell us a little more about what it would physically look like? Does a "rest stop" have a restroom there too? Or is it just a sign and — I cannot remember the word the Minister used — a sort of turnaround? The information, presumably, will have some community information or some advertisements or whatever, but could you describe it just a little bit more, so that I have an understanding of what we are dealing with?

Hon. Mr. Lang: Mr. Chairman, it is still in its formative stages. Basically we are looking at some site preparation, a pull-off for vehicles, a small parking lot with some landscaping and privies, as well as an information kiosk. It would not require people to be there, but it would be a case where people could stop and, we hope it will be attractive enough for people to say, "Look, it is worthwhile stopping there just for a rest" and while they are there, they will have the opportunity of seeing what is available in the community — the one I am naming at the present time is Watson Lake. We would also hope that such a facility would encourage travellers to say, "We are not in that much of a rush, let's go down and visit the community". In my opinion, it would be a good thing, in view of where that road is.

Mr. Fleming: Yes, Mr. Chairman, as the Minister has said, I was here myself, many years ago, when we spoke of this very same thing, and commented strongly on the fact that Watson Lake may be set aside once that road is really opened up. This may be a good idea to put some type of sign there. I am glad to see that the

Minister has gone through with it.

As the Minister has said, the Government is always looking for advice, much more so than criticism, I would say, and maybe a little advice would not hurt. Travelling through the country, I find myself stopping at many rest stops and so forth. Our highway is not, as we know, re-aligned and completely built yet, so I was an instigator in stopping one rest stop from being built in the area of Teslin, and I am proud of the fact that I did, because we were going to spend \$10,000 and it might not even be there on the highway today. This was three or four years ago.

But now that it is re-aligned in certain spots, you could put in some very decent rest stops; I would be more than glad to vote, at any time, for monies for an item such as this.

The Government want to consider, while they are doing this, possibly when they put in their first model rest stop — hopefully they will start having some pretty nice ones — whether their Tourist Information Centre might be in conjunction with this, so that there is somebody really on site on one of these good places at some time.

Mr. Byblow: I guess there are two things that I want to bring up with respect to this particular portion of the vote. Firstly, I would like to know more about the long-range planning of the rest stop program. Where, in addition to this particular one mentioned at Watson Lake, is the Minister's Department anticipating some expenditures, some creation of a facility?

More specifically, I just want to address the one that he has referred to at Watson Lake. I, too, agree that it is an excellent idea and it will introduce, to the Watson Lake area, some of the traffic from the Highway. I am wondering if the Minister has given consideration to the possible outcome of traffic being rerouted towards Watson Lake and then perhaps continuing on through the shortcut method or that particular triangle on to Dawson and then coming back the other way of the triangle, through Whitehorse, on a return. The Campbell Highway is identified, I think, in a number of brochures as being one of the alternate routes for the tourist traffic flow. So, in short, has the Minister considered the repercussions of increasing the traffic into Watson Lake and then, perhaps, having that traffic moving on up the Campbell, where you have some pretty limited facilities.

Maybe you could address the question in a larger context, are there any anticipated road improvements there? Granted, it does not deal directly with this vote, but perhaps the Minister could comment just what is going to be happening now that you are starting this program.

Hon. Mr. Lang: Mr. Chairman, we want to see how successful this is going to be when it is finished, what it is going to look like. If it appears to be a good program to go into, then we would be looking at other communities. I cannot speak for the major change in traffic pattern. I would suggest there may be some change, but I do not expect it to be major, in respect to using the Campbell Highway as an alternative to the major artery, which is the Alaska Highway.

Hopefully there will be some change, but I cannot see it to that great an extent. I think if any Member looks at it, one has to be reasonable to say that it is not going to happen overnight.

Maybe things will change or perhaps there will be a major change, but, at the present time, the main idea with this particular program was to try to get people to go into the Watson Lake proper, spend some time and perhaps do what the Member has indicated, going up the Campbell Highway and seeing that part of the country, which most people do not normally do when they come to the Territory.

Mr. Byblow: I would, perhaps, at this time like to inquire with the entire program of kiosk installation. I am not too clear as to where that particular program rests right now. Has it been completed? Are there still additional facilities being located territorially? Where is it at?

Hon. Mr. Lang: I think the Member is looking at a parks program. This perhaps is the initial start of a program, depending on the success of this particular installation. This is brand new. This is not anything that has been really done to any great extent before, other than perhaps the odd turn-off that has been put in by Highways or something else, for example, outside of the City of Whitehorse here. It is going to take some time, and we will see how things go; it will also depend on our financial capabilities.

Mr. Chairman: Perhaps, Mr. Lang, you could clarify for Committee who is constructing this, that is, under what department

this is? It might help clear it up. I gather the rest stop program used to be administered by the Highways department. Is this a departure from that?

Hon. Mr. Lang: No, Mr. Chairman, not to any great extent. It would just be worked out in consultation and design, and I would suggest it would go out to private tender once it is worked out. There will be some consultation with the people in Watson Lake. I would assume. Once that has been established then it will go to private tender, and the maintenance responsibilities overall will be, in most cases, Highways, except for, perhaps, some areas, garbage pickup and this sort of thing, that they could do through the Parks.

As you know, we have a good coordinated government here, so we will utilize all of the work forces.

Mr. Chairman: I am glad I gave you the chance to say that, Mr. Lang.

Mr. MacKay: In view of the questions coming from the Chairman, I think that we should hear many more of these. It certainly does not improve the intelligence of the answers, that is the only problem.

Mr. Chairman, could I make a couple of suggestions to the Minister, while we are on this particular subject, in respect to highway signs, and it may well be a cross-over responsibility to the Highways Department. As a tourist in the Territory in the future, this Member would appreciate a better quality of visual aids on the highway signs, particularly those which are tourist-directed. You have Highway No. 1, which is a nice red sign with a little moon in it, but there is a yellow one — and I cannot remember which one it is — but it is always indecipherable, and I would hope that, in the years to come as I tour around Yukon, that that would change.

The other point I wanted to make was with respect to Watson Lake and the tourism potential of that town. I was pleased to hear, earlier, your saying that you are trying to get a museum together, of artifacts relating to the building of the Alaska Highway. The major attraction of that town is still the Sign Posts. I would hope that the rest stop here would perhaps have something to indicate that that is there to be photographed as a unique kind of attraction. Something to draw the people back to Watson Lake, other than just an arrow, should be included.

Hon. Mr. Lang: Mr. Chairman, I think the Member has raised a constructive point in respect to the gold sign. I had the same problem, perhaps it is because you and I have Scottish ancestry, but I will see about getting the sign changed. I will try to ensure that the Member, prior to coming back up as a tourist, gets a picture of one so he can recognize it when he gets up here.

Mrs. McGuire: I hope the Minister does not take the advice of the Member for Faro, in trying to divert the tourist traffic onto the Campbell Highway. As we well know, we have a lot more businesses that cater to tourists on the Alaska Highway, who, at any time of the year, are just barely hanging on by their fingernails to stay alive. The businesses in Ross River and Faro, as we all know, do not rely on tourist trade to stay alive.

Aside from that, tourists travelling up the Alaska Highway, going into Dawson City, or going past Haines Junction, or making the loop coming out of Alaska, generally take the route out to Haines, Alaska, when they are leaving the Yukon; therefore, bypassing the section from Watson Lake to Whitehorse could make quite an impact, I would say.

Mr. Chairman: Perhaps the Members of the Opposition could take this one back to their caucus and attempt to get some agreement before we debate it on the floor.

Mr. Penikett: Mr. Chairman, on a question of privilege, there is no such thing as an Opposition caucus. Just a Liberal caucus and an NDP caucus.

Mr. Chairman: They just seem to get together every day, you might not call it a caucus.

Hon. Mr. Lang: Mr. Chairman, there is no doubt about it that the key areas for our tourist trade are Dawson City, which I am amazed the Members Opposite criticize so roundly here the last couple of days, and the area of the Kluane National Park. There is no question that those are the two major drawing cards, along with the Dempster Highway now.

Mr. Byblow: Just for clarification of the record, the caucus on this side is NDP, Liberal and Independent.

I think I can respect what the Honourable Member from Kluane is trying to bring out, but I think it is a natural evolution of things that are going to happen. If you divert traffic in to Watson Lake,

you are inevitably going to cause some of that traffic to continue up that particular road, so I do not think it is a question of preventing it from happening; I think it is a question of addressing the fact that it will happen. It is as simple as that.

It is certainly part of what this Government has already addressed. I will repeat, for the Honourable Minister's benefit, the fact that they recognized that whole area as a potential tourism section of the Territory by appointing a Member to the Tourism Advisory Board. It is part of what is happening on that route and the activity that is going there. It is very often a short-cut route. So I need not try to belabour the point; it is a fact; it is there, and it is going to happen on an increasing scale.

Mr. Chairman: Since all Members have spoken in favour of this, may I assume that we have agreement?

Some Members: Agreed.

Mr. Chairman: Whitehorse business improvements, \$100,000.

Hon. Mr. Lang: Mr. Chairman, I appreciate the fact that the Member for Campbell is going to give me some time to speak to this particular topic.

Mr. Chairman, this is an arbitrary figure that has been put into the Budget. The City of Whitehorse, in concert with the business people, has expressed concerns with respect to the downtown core of the area, and the improvements that should, or should not be, put in that particular area. It is our intention to work with the City and the local business people, to see what can be done to address the real problem that we have in the City of Whitehorse with regard to the downtown area, and the fact that some people are even going so far as to say that, like other cities, it is dying.

I think there is a problem. We have allocated some monies toward this. We have yet to work out a program with the City and the businesses that would be affected. I can assure Members that any program that we would go into would be on a cost-shared basis.

I am hopeful that we can dress up the downtown of the City to the extent that it is going to be of interest to visitors as well as ourselves locally. There has been preliminary work done, plans made, everything else. I think it is time for the various levels of government and the business people and the community affected to get down and start doing something. I feel it is going to be a worthwhile project for Whitehorse directly, and it will also be worthwhile for the Territory, if we can come up with a plan and implement a program that would dress up the waterfront and the downtown city core, for the benefit of our visitors as well as providing interest locally.

Mr. Fleming: I am grateful to the Minister for that explanation. I was all set to tear this one apart, naturally, if it were for private enterprise or anything of that nature. However, I am very glad to hear that it is for some improvements to more or less beautify the town and to attract people in the Territory.

I think all our little towns and municipalities need this, and we, of course, do the same thing, under all of our grants and programs: all we possibly can to beautify our towns. I would only hope that the Government does not spend money on some structure like the thing they have like at the Vocational School, where you have a bunch of iron sitting outside to indicate something, but no one knows what. Maybe the Government could, if they put up something, put up a bird with a broken wing, to show that this Government is only flying one wing, or something to that effect.

Hon. Mr. Pearson: Mr. Chairman, I think we should make it clear that the wording on page 24 is indeed unfortunate. This is not designed as Whitehorse business improvements really. This money is allocated, as the wording on page 26 makes clear, "To provide funds for a program of improvement in the appearance, atmosphere, and commercial viability of downtown Whitehorse".

It is the business section of downtown Whitehorse and the waterfront, primarily, that we, as a government, are interested in.

I think, Mr. Chairman, that we should also make it clear that we would not be interested in any proposal from either the City or the businessmen in downtown Whitehorse, unless they were both involved in it, and I mean involved both monetarily and input-wise. We do not plan to initiate a program on our own. I feel very strongly that it should be something initiated by the municipality, with the cooperation of the downtown businessmen.

Mr. Penikett: I am going to support this proposal, but I think you should have no illusions about it when we start. I think that, if we were having a little testy and wordy debate yesterday about ARDA and about the contributions to Dawson, it seems to me we ought to make sure we know what we are voting for here, too.

The description on page 26, I admit, is much better than the one on page 24. The description there, just to be reminded, is to provide funds for a program of improvement in the appearance, atmosphere, and commercial viability of downtown Whitehorse. I hope it will not come as a surprise to anyone that I support all of these objectives.

However, having seen some of the preliminary planning work that was done when I was still in City Council in this thing, I can say that we are talking about a very long, very expensive project. Nobody here who votes for this item today should be under any illusion that that is all that it is going to cost us. The Government Leader has said that we are expecting and depending upon the cooperation of the business sector and the City of Whitehorse; it seems to me that if that cooperation and contribution and commitment is forthcoming from those two, we will be in for a fair bit of money in the coming years.

Now, I happen to think that this kind of plans, if we ever succeed in doing them, will do much to improve the downtown core of Whitehorse, will do much to make this an attractive destination for tourists, and, just as important to me, is the fact that, not only for businesses and for tourists, it will make the downtown core of Whitehorse a very much more pleasant place to live and recreate in.

For some time when I was a City Councillor, I had some concern about what was happening to downtown Whitehorse, in terms of the housing stock. It seemed to me to be deteriorating quite badly in Whitehorse North Centre and some parts. But I must say that what has been going on in the last couple of years, some of it public developments in Whitehorse South Centre, I think is encouraging in terms of area development.

There is one thing that I am not happy about. Mr. MacKay may be right, this raises questions about our tax legislation already. What I am not happy about is seeing four and five storey buildings being ripped down so that we can have one storey pizza huts put up on Main Street. I am not happy about that on the main intersection of town. I am not happy because I do not like the building or the business there. I am not happy because it does not seem to me a very positive development. It seems to me if you want to increase the vitality of your downtown core, the density of building ought to be increasing not decreasing.

Now there are other problems, of parking space, and the fact that some of the best parking space on Main Street is used by employees and not clientele of the businesses, but that is a whole other problem; it is really a municipal problem.

It seems to me that the only way we are going to be able to deal with the problems of the downtown core, and I must say that it looks better now in some ways than it did a few ago, is in fact by tri-lateral or tri-level cooperation.

I want to say that there are some questions though about impacts of tax policies and so forth, that we really want to think about very carefully, because it seems to me that when we are spending this kind of money, and I am not talking about the item this year, I am talking about the item in the coming years, we want to make sure that the expenditures are not working at cross-purposes. We want to make sure that the impact of our tax policy is causing effects in the same direction, the same positive directions, we want the expenditures on these kinds of improvements.

I think ultimately the potential for having an attractive walkway, bicycle paths, parkways, and the White Pass Railway Station as a centre of some kind of historic focus for this town, could turn the downtown area in to a very appealing place, and I want to see it happen. I am under no illusions, though, that it is not going to be very, very expensive.

Mr. MacKay: I think perhaps I should clear up one matter before I speak on this; as I understand the program, it is not going to give any direct funds to any businesses downtown, and so I do not feel I have a conflict of interests in talking about this as I happen to be a property owner downtown.

Mr. Chairman: A non-residential property owner.

Mr. MacKay: I certainly do not live down town. I never did.

The whole thoughtful speech that preceded this raises more questions and answers, I think. I certainly do not object to beautifying the downtown area, because I think that improves the quality of life for everybody who lives here; particularly some of the plans with respect to the river bank and so forth. It will definitely enhance that for the residents of the town.

But I think if we are going to put money into this thing, as a

Territorial Government, then I think it is incumbent on us to express some opinions to the City Council as to how we see that development going, and let me throw out a couple of concerns that I have.

I think it is because of past planning decisions, that created the Qwanlin Mall Shopping Centre becoming the retail centre of the town now.

What we are winding up with on Main Street is basically gift shops, and stuff that is for tourists and not for residents. I am concerned about that trend, because if any of you have travelled to some of the other towns in, say, northern BC, where they have been saying we will take an alpine theme, or we will do a bavarian theme, or a Swiss chalet, I think what they have done is create a very visually satisfying town centre that is dead after five o'clock. The shopkeepers go home and there is nothing. I feel that would be a very bad thing to happen to the City of Whitehorse, were we to create this tourist toy-town situation. It would, I think, kill the vitality of the downtown area.

Perhaps the worst thing that ever happened to Whitehorse, in that sense, was getting home delivery of mail service. The centre of the community used to be the Post Office, and you would go there and you would see your friends daily and you would have acquaintances.

I do not think you can turn back the clock on that, but I think we should remember that is the way it was, and try to strive to keep it that way as long as we can; it is a small town and you need to have a meeting place where you can meet others. It just creates a more vital society.

So, I have been, perhaps, a little overly harsh in my criticism of this amount for it. Based on the heading, I thought it was going directly to the businesses.

Some Member: And you were not going to get any of it.

Mr. MacKay: I will leave that one alone, Mr. Chairman.

I do not philosophically believe that businesses require any handouts.

So, I will look forward to coming back as a tourist and seeing this beautiful town, but I do urge the Government Benches, in consultation with the City, to try and find ways of not just pouring money in here, but other more subtle ways of renewing the downtown core.

Hon. Mr. Lang: Mr. Chairman, the Member knows that I am always quite subtle, so there should not be too many problems.

Mr. Byblow: I am certainly not going to raise any particular objection to this particular vote. I think it points out, in my mind, what really can be done with a budget, and how you can spend it, and how you can address concerns Territorially, and appropriate money to do something about it.

I am referring to all the outlying areas. With this type of assistance going into an essential area of the Territory, you know, namely Whitehorse, there is certainly consideration of the outlying communities in terms of their needs. I am sure that the Minister for Tatchun would dearly love to see some of the core area of Carmacks improved. Certainly this is a standing situation with all of these communities. I would simply appeal to the Government, in all of their considerations, that this be taken into account.

I think by way of notice, in my particular community, there is a council now that is examining an architect's plan for a complete re-design of the downtown core. It is something they are talking about, a project in the magnitude of \$5,000,000. It is not by way of notice that I am saying that this Government shall come up with some funding for it, but it is also happening elsewhere, where some downtown core assistance is required to assist in this quality of life effort — as defined here, "improvement in appearance and atmosphere" — and definitely "commercial viability", which is a much more difficult problem in outlying areas than it is in a place like Whitehorse. I will just leave it there. I will certainly be supporting it, but with notice that it is a Territorial concern too.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: While striving to maintain the neutrality of the Chair, I must say, as the representative of that area, that I am delighted that this Government is seeing the need to improve the downtown core of Whitehorse.

Department of Justice, page 30. \$41,000. Corrections equipment, \$6,000.

Mr. Penikett: Mr. Chairman, all I want to know is what "Cor-

rections Equipment" is. Is that for whips and manacles and chains? What is it?

Hon. Mr. Pearson: No, Mr. Chairman, this capital money is required for an electronic flash, a letter bomb detector, a meat slicer, a shop vacuum and other small shop tools, a vacuum cleaner, a floor polisher, and a sewing machine.

Mr. Chairman: Are you outfitting the Chambers, Mr. Pearson?

Mr. Penikett: The Whitehorse Correctional Institute sounds like a more interesting place all the time. What is going on up there? Well, let me anticipate the next problem: is this all for the Whitehorse Correctional Institute, or is this something that Mr. Graham has in mind for up in his office?

Hon. Mr. Pearson: Mr. Chairman, this is replacement equipment. There is a lot of equipment in the Correctional Institute, and this is simply for upgrading and replacing it.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Whitehorse Correctional Renovations, \$22,000.

Hon. Mr. Pearson: Mr. Chairman, I am confident that the question is going to be, how come so little this year, because I am sure all Members will note that there was \$200,000 voted in our current Estimates.

We are finding, Mr. Chairman, that we are not going to be able to spend all of that money this year, primarily because of planning and consultant work that was done. As was reported last year, we are looking at a major renovation of the Correctional Institute. In the final analysis it is going to cost in the neighbourhood of \$600,000.

Mr. Chairman, what we are doing is about a year behind. We will be re-voting a large portion of this \$200,000. The additional \$22,000 is funds that we anticipate will be required. So, it is all part of that on-going renovation.

Mr. Chairman: So, in actuality, we are re-voting.

Hon. Mr. Pearson: We will be, not now.

Mr. Penikett: Can the Government Leader describe very briefly what kind of renovations are required here?

Hon. Mr. Pearson: Mr. Chairman, I recall last year that we went into some detail, with respect to the renovations that were required when this item was discussed, things like electrically controlled doors on cells, workshop areas. There is a considerable amount of yard improvement work that was also to be done. A lot of the renovations were those that were required by the Fire Marshall, after an extensive inspection by that department.

Mr. Penikett: Is this the appropriate time, Mr. Chairman, to ask the Government Leader if there has been a more definite decision on the disposition of the kids' jail, which, of course, is not under this department, but is the fate of that going to have any impact on this facility at all?

Hon. Mr. Pearson: The fate of Wolf Creek, I assume is what the Honourable Member is referring to, no, Mr. Chairman, that will have no impact on this facility in any way.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Court Administration Equipment, \$13,000.

Hon. Mr. Pearson: Mr. Chairman this is primarily the replacement of carpets and furniture in the Judges' Chambers, and those offices that we are responsible for in the Federal Building.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Department of Highways and Public Works, \$5,672,000.

Sundry Equipment, \$175,000.

Hon. Mr. Lattin: Mr. Chairman, you will notice that this year we have increased it considerably. The reason for that is that last year it was cut down quite considerably, and we find that we have sundry equipment that we are in dire need of. So that we will not get into a worse position, we have brought in a larger budget for that. This sundry equipment includes such things as snow plows, sanders, pumps, chain saws, generator sets, welding equipment, et cetera.

Mr. MacKay: That is quite a lot of money, Mr. Chairman. I suppose we cannot question the necessity for all that, because it is very hard to know if snow plows are worn out and so forth, but I guess we can request some details from the Minister of how he will

proceed to make these acquisitions? Will he be advertising locally for bids and tenders on all these items? Will the purchasing department of the Government be given suitable notice, and be allowed to contact their normal suppliers on these things, to ensure that they are aware of the impending purchases of \$175,000?

Hon. Mr. Lattin: Yes, Mr. Chairman, it has been the policy of the Government to purchase anything they can locally, and I am certain we will continue that procedure. You were talking about how we will designate what items we will buy; we will set our own priorities in our department. I might say, for instance, that I know of one generator that we unfortunately spent more money on repairing than the replacement value. We will set the priorities in the departments as to how we will spend it. But it will definitely be spent locally if it is possible.

Mr. Byblow: I have a question with respect to the acquisition of this equipment. How does the Government proceed to acquire this equipment? Does it go out and shop? Does it put out tenders? Does it take in bids? What?

Hon. Mr. Lattin: As a rule, Mr. Chairman, it is done by tender.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Garage Tools and Equipment, \$12,000. Shall this item carry?

Mr. MacKay: I would be interested in knowing — it looks like a constant allocation for garage tools and equipment — what internal control system does the Government have over the retention of these tools and equipment. Does it take an inventory once a year? Does it account for all lost items? Does it have proper security methods for locking up the compounds and garages in off duty hours?

Hon. Mr. Lattin: Mr. Chairman, yes, we do have security deals. I might say, regarding these tools that we are talking about, that as you are probably aware the mechanics have their own tools, but these are special types of tools like large wrenches, ladders, drills, compressor, wheel barrows, et cetera. These tools are continually wearing out over a period of time. We have found, over a period of years, that \$12,000 is about what we run each year, so we have budgeted for that much this year.

Mr. MacKay: So, as a Minister, you are satisfied that there is no slippage, shall we say, of these tools from the government.

Hon. Mr. Lattin: Yes, Mr. MacKay, I am quite certain of that, and \$12,000 is not going to be very much, I assure you.

Mr. Chairman: Shall this item carry?

Some Members: Clear.

Mr. Chairman: Miscellaneous and Minor Projects - Buildings and Roads, \$100,000.

Hon. Mr. Lattin: We have, as you will notice, cut down \$50,000 this year, on account of tight money policies; we felt we could live within this. These are for jobs that are too small to contract out, but that need doing. I can give you an example — I see my friend from Mayo is here — up in Mayo we have a bend, going in there, that we refer to as the Commissioner's Bend. We need a guard rail put on there. It is for jobs that are too small to put out to tender, and jobs that come in on the spur of the moment; say, in the Dawson area, just to use as an example, there is a mining road that washed out, this money is available to look after that without coming back for supplements. It is the only place we can put it.

Mr. MacKay: I would suggest that perhaps, having done the work in Mayo, that you rename it the Government Leader's Bend.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Pre-Engineering - Public Works and Highways, \$200,000.

Hon. Mr. Lattin: This, again, is money that is allotted for pre-engineering of different projects that we will be looking into. We have to have some money for this and this is one way that we put it aside, so that whenever these projects come up, we are able to begin the pre-engineering work on these projects.

Mr. Fleming: I take it, from the Minister's words, that this is pre-engineering on the Territorial roads only? Not federal, like the Alaska Highway or anything?

Hon. Mr. Lattin: Thank you, Mr. Chairman. Yes, Mr. Fleming, this subject we are talking about now —

Mr. Chairman: Order, please. The Minister has failed to speak to the Chair now, on several occasions.

Hon. Mr. Lattin: I am sorry, Mr. Chairman, I thought I did recognize you. My apologies.

Mr. Chairman: You recognized the Chair, but you were not speaking to the Chair.

Hon. Mr. Lattin: Mr. Chairman, the Alaska Highway is not considered in this particular Budget. That is a separate thing all together.

Mr. Byblow: I think if I were in any way given the responsibility of preparing this portion of the Budget, I would have had substantially more allocated into this particular section of the vote. Certainly I do not have to identify what I would use it for. The Member for Tatchun seems to be very disturbed. I wonder if there are any guilt feelings.

I would like to get very specific in respect of the access road about which I am talking. Everyone knows that it is in Faro. I would ask the Minister, Mr. Chairman, if he could give me an update on the engineering studies that have been done on that road to date?

Now, I will tell you why I am specifically asking that. It is my recollection that at least a year-and-a-half ago, the former Minister of Municipal and Community Affairs, or Public Works I believe in this case, had initiated an engineering study to take place, which would refine and define the type of relocation or correction or improvement that was to have taken place on that particularly hazardous road.

I have attempted, many times, to be fully informed as to the results of that study. I think I had the most productive session this morning with the Government Leader, and that is in relation to an uncertainty as to where that study stood, because of the current airport implications. Again, as the Members of the House are aware, there is a program, or a plan, now, to upgrade the airport facilities, because of a demand situation — high usage.

I hope that the Government Leader would permit me to repeat myself. I would ask the Minister if he could kind of update me with respect to the studies on that road and further to indicate to me, just what is this Government going to do about that road. At what point are they really going to say, "Okay, we are going to do something?" How long do I have to represent the cause? It is tiring.

Hon. Mr. Lattin: As I am sure the Member is aware, we would be very foolish to go out and spend the taxpayers' money until we know exactly what is going to be done at the airport. So I would suggest that when we have that decided, I am sure that we will take a very close consideration of the problem and I am sure that you will see highways come through with its usual flying colours.

Mr. Byblow: I really do not think the Minister gave me anything more than a political answer. I am just going to pursue it a little further. Is the Minister's department presently engaged in any study with relation to that road? Now we have the airport feasibility study behind us; we know what has to take place with respect to the expansion of that airport. We know where the road, in general, has to go and the type of improvement that has to take place. Is anything going to happen with actually putting an engineering study on the board this coming fiscal year, that is?

Hon. Mr. Lattin: Mr. Chairman, yes, we know what the study says but it does not mean that everything that is in the study is going to be done. I think it would be to the benefit of the Government if we wait to see what is definite in that before we do make any commitments as far as the engineering of this particular road. I am sure, Mr. Chairman, and I know that my department is very aware of the report, but until we see what it is done, I do not think it would be at this particular time, there is anything we can do with the road. I think when we decide what is being done and I am sure that we have had enough studies on it, that we will come forth and address the situation.

Mr. Byblow: With respect, Mr. Chairman, to the Minister, I have difficulty accepting that the Minister's department is unwilling to project any need in the next fiscal year, to at least get started in an engineering capacity.

The planning on the airport has taken place. It is now just a matter of decision-making and federal funding allocation, and I do not want to get into that because I understand the position of the Minister's department in regard to the airport. I am talking about the road. We are talking about a budget that is going into place in the 1981-82 fiscal year. We are talking about a budget that is going to be completing itself about 18 months from now, 17 months from now. If we do not identify anything at all on that road between now

and then, I think we are abrogating our responsibility to deal with a hazardous situation.

Mr. MacKay: Let me just try and clarify, and help my friend from Faro here. Did I understand the Minister to give a clear undertaking that engineering studies would begin as soon as the airport location expansion has been agreed upon by the federal government? As soon as that is firm, do I understand that you will commence doing engineering studies to correct the deficiencies in the Faro Access Road?

Hon. Mr. Lattin: Yes, Mr. Chairman, at that particular time I think that, if any engineering studies were going to be done, that would be the time.

Mr. MacKay: So, it follows, if the decisions on the airport are made within the next six months, that in this \$200,000 that was set aside, you would presumably start to find money to do the pre-engineering studies for the correction of the Faro access road?

Even though you have not given us a commitment on that in terms of the fixed time frame, you have given us a commitment on when you will start. So, there is room in that \$200,000 to proceed with pre-engineering studies on the Faro access road, if prior decisions are made?

Hon. Mr. Lattin: Mr. Chairman, I believe there would be room, but my experience with anything that is being constructed, as far as money coming from Ottawa, is that we will have ample time down the way to do the necessary studies.

Mr. Byblow: Okay, Mr. Chairman, thank you.

Could I ask the Minister for a presently known detailed breakdown of this \$200,000?

I have asked the Minister for a detailed break-down of this particular \$200,000; that is, the known projects or engineering studies or pre-designed work. Can he refine that? Where is it going to be spent?

Hon. Mr. Lattin: Now, it is very difficult to define it at this particular time. This money is put here so that when particular occasions arise where we have to do a study on a particular matter, we have the money available. Suppose that we were going to do work on the Faro road that we are talking about; at this particular time we do not know. But this is for projects that we want to start pre-engineering on, but right at this particular moment we cannot say what they would be.

Mrs. McGuire: On the subject of the Faro road that has been bounced about here for the last ten minutes or so, I wonder, in the questions that have been asked and in the answers that have been given, nothing really concrete has been coming out. I do not understand what is going on here. The Member for Faro wants to know, is any portion of this money being used to study that portion of the road that he is talking about. And, is that money going to be used this coming year. If not, tell him so.

Hon. Mr. Lattin: Mr. Chairman, some of that money may or may not be used for that particular road. What I am saying is that this money is set aside so that when projects arise on which we have to do pre-engineering, this money is available. Now if it happened that we had to do some pre-engineering on that particular road, the money is there. But there are other roads besides that one. I am only speaking of roads that are not connected with the Alaska Highway. For me to stand here and say right now what these particular projects are, that I am unable to do, because I do not know.

Mr. MacKay: Perhaps to shift the ground a little bit; this is in connection with the Minister's department. There was some discussion last year, Mr. Chairman, at the federal level, and particularly by the Auditor General, of cutting off funds for continuing improvements to the Alaska Highway. I know that the funds for the improvement to the Alaska Highway are federal, but I also know that this department does maintain the Alaska Highway.

Perhaps the Minister could tell the House if there are any plans to cut back the previous levels of expenditure at the federal level, that he is aware of, and, if so, are there any steps being taken by this Government to continue capital expenditures in that area?

Mr. Chairman: This is the last question that I will allow in that direction, Mr. MacKay, if the Minister chooses to answer it.

Hon. Mr. Lattin: Mr. Chairman, I am not aware of any cutbacks at this particular moment. I know there have been talks of it, but I am not aware of any cutbacks.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Exhaust Systems - Grader Systems and Workshops, \$400,000.

Hon. Mr. Lattin: Mr. Chairman, this is an on-going project. We are looking at a total of 24 buildings at an estimated cost of \$83,000 each. The total expenditure that we have budgeted for this is in the realm of \$2 million.

Now, we say this is for exhaust systems, but it is also for doing an engineering study on some of these buildings. Along with the exhaust portion of it, we are doing insulating, so that we get better efficiency of our heating dollars in these particular buildings.

The first ones that we are going to be doing will be the ones in Whitehorse. We have some done some exhaustive studies, recently, on the different types of insulation. There have been problems with the asbestos-type insulation that is blown-in. We have looked at other types of insulation, and right now we have come up with one that looks to be quite acceptable and quite efficient. We are going ahead this winter, putting it into our workshop and also in the liquor warehouse. After that we will make a study. These are things that we have to do.

Primarily there are two phases, the exhaust part, from the health point of view of our employees, and the insulation factor to get better efficiency for our fuel dollars.

Mr. MacKay: I think the question has to be asked, Mr. Chairman — and while it is no doubt not the present Minister's problem — I wonder how these buildings were built in the first place, with defective air quality problems. Is this something that we only discovered in the last year or two? How come we are having to spend \$2,000,000 correcting what should have been properly designed in the first place?

Hon. Mr. Lattin: A lot of these buildings, I must point out, are buildings that we acquired. Our awareness of the health hazards that poor ventilation has caused has come to the fore more lately, and we have been more active in that field. I was just speaking of asbestos insulation a few minutes ago. A few years ago, we were not worrying about the injury to health, whereas today we are very concerned with it. I think we are having these problems today because we are more aware of these types of conditions that we have to correct.

Mr. Fleming: Yes, the amounts of money that the Minister spoke of are very interesting. The amount of money, and the explanation they have on the budget paper here, just do not quite jibe. Exhaust systems have never, in this world, ever cost that kind of money. There is something else that this money is going to be spent on. Correct me if I am wrong. I might ask the Minister first, due to the fact that he even spoke of the health authorities, have they set their foot down in any way on the use of that asbestos plaster that you roll onto the buildings. Are they, by any chance, saying to the Government now that that must be either covered, changed, painted, or whatever due to health?

Hon. Mr. Lattin: I think there has been some of that involved too, I cannot answer in specifics. I disagree with the Member; I realize it is a fair amount of money, but in studying it, I think as I explained before, not only is it exhaust, but we are looking at the heating factor too, and insulation. I think they are a combined deal, and I do not think we should be misled when we say exhaust systems — I think we are bringing up the efficiency of the buildings generally.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Staff Quarters, \$500,000.

Hon. Mr. Lattin: Mr. Chairman, this is staff quarters on the Highway, Tuchitua Maintenance Camp. It will contain crew quarters, dining facilities, recreation facilities, the facility for the foreman's apartment.

Mr. Fleming: That was going to be my question, just where these were. I did not quite catch the remark from the Minister, and I wonder if he could repeat that, what area this money is to be spent in?

Hon. Mr. Lattin: It is Tuchitua. I am not sure if I am pronouncing it right.

Hon. Mr. Lang: Mr. Chairman, it is pronounced Tuchitua, and it is on the Campbell Highway. If you recall our debate last year during the Capital Estimates, there were provisions for the Klondike camp on the Dempster Highway. I indicated at that time that we were also looking at Tuchitua, and it would be more or less a two-year program to try to get these isolated crew camps updated, because they were in the area of ten to twelve years in age.

Mr. Fleming: What happens to the existing mobile quarters that are there now? Is there any attempt to move these quarters, or does the government sell these quarters and put the monies into the General Revenue?

Hon. Mr. Lattin: Mr. Chairman, if we do have to use them somewhere else, I think we put them up for sale. That is my understanding.

Mr. MacKay: Would these kinds of structures be in the form of Atco structures or temporary kind of things, or do you go out and build them stick by stick?

Hon. Mr. Lattin: As a rule, that is the type of construction we have been using. I do not believe, Mr. Chairman, there is any fixed rule that we have to go by, but I think that cost-wise and efficiency-wise we have used a lot of that particular type of construction.

Mr. MacKay: The Minister feels that that class of accommodation is suitable for government employees, does he?

Hon. Mr. Lang: Mr. Chairman, I think I know what he is driving at. I believe that the last contract that was let is largely going to be of a stick-built construction, but also, there could be some areas where there may be modular units put in.

Mr. Byblow: I have a general question, because I am not sure of the reason. Why would the Yukon Housing Corporation not be providing this, if you are talking about staff housing for government employees?

Hon. Mr. Lattin: Mr. Chairman, I think we should remember now that we are talking about little, isolated highway camps well within that community, and in this particular case it is up to us alone to put up this accommodation for our Highway employees. I mean to say, we have the same thing up on the Klondike Highway. We have a complex up there and nobody else interested; it is not like it is in a community where we would have any type of housing. They would look after the whole structure. It is just part of the highway maintenance camp. That is all there is there.

Mr. Chairman: You mean, Mr. Lattin, that it is constructed there for the purposes of the employment within that department?

Hon. Mr. Lattin: That is correct, Mr. Chairman.

Mr. Byblow: So the Minister is saying that it is because of the nature of the isolation that it is the responsibility under Highways and Public Works? Because in other communities where Highways and Public Works' personnel are stationed, it appears to me that is a Yukon Housing Corporation responsibility, or it is handled through that corporation.

Hon. Mr. Lattin: As I said before, Mr. Chairman, these are dining facilities, recreation facilities, crews' facilities, and this type of thing, and it is just different from housing. It is not really housing, it is the other things that go along with a highway complex. It is entirely highway complex.

Mr. MacKay: I believe the word we are looking for is "remote work sites"; that is the kind of thing we are dealing with in these situations.

Mr. Chairman: Thank you for coming to the rescue of the Government benches, Mr. MacKay.

Mr. MacKay: However, having given it on one hand, I wish to take it away now. The Minister did not answer my question previously, he was so rudely interrupted. I asked of the Minister whether he thought the temporary modular type of structures that Atco supplies are suitable accommodation for your highway work crews?

Mr. Chairman: I think he did answer that question, Mr. MacKay.

Hon. Mr. Lattin: Mr. Chairman, maybe I could answer it this way: these Atco-type structures are utilized very extensively throughout the world, and I am not aware of any particular adverse criticism of them. I think we must remember that the new ones they put out are vastly different from the ones that you and I are probably thinking about, of ten years ago. Because they are widely utilized, I am sure that they are quite adequate.

Mr. MacKay: I am very glad to hear from the Minister that he is quite satisfied that these are suitable accommodations for our work force. I hope that the Minister of Tourism will be equally satisfied that there will be suitable accommodation for the tourist who stays the odd day in Dawson City.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: VHF Radio System, \$99,000.

Hon. Mr. Lattin: Mr. Chairman, this seems to be a perennial

thing that comes to haunt us. This particular year we are changing 60 vehicle units and 10 mobile units. The average useful life of the portable VHF radio units is usually three and a half years, the vehicle type, five years, and the base units have to be replaced every ten years. This is an ongoing expenditure, this particular one this year to replace 60 units, as I said before, plus 10 mobile units.

Mr. Fleming: This item seems to be getting a little bigger every year, though is possibly very much needed. These things owned by the Government supposedly wear out, however, I know that I could probably use one for 20 years. I would like to know just what they do with the old ones. Do they do the same as they do with equipment? Do they sell it? Replace it? Do they trade it back in, or what happens to it? It is very valuable equipment still, even though the Government does not think so.

Hon. Mr. Lattin: Mr. Chairman, you asked me a question I cannot answer right now. I will try to get an answer, and I will advise the Member when I do.

Mr. MacKay: Perhaps when the Minister is looking into it, it is a perennial item, but I am curious as to when it will end; is there an end in sight to the continual expenditures? Or is it really just something we have to look at every year? I thought we talked about the installation of the VHF system originally. It seems like continually high expenditures for that. I wonder if this department has taken a step back at some point, and said is it really all worth it. Are you reviewing this program?

Hon. Mr. Lattin: Yes, Mr. Chairman, I think you will find it is a continuing program, there is no doubt about that. I think our department has looked at it; I am talking about the Highway Department specifically. We have found that the saving in man-years that we have with this system justifies it, and I assume in other departments the same thing has come forward. We did some work on it this summer because it was a question that arose, and we are certainly satisfied that we are getting our dollar value for the expenditures that we are making.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: South Canol Road Drainage Replacement, \$800,000.

Mr. MacKay: Perhaps the Minister could refresh our memories as to what the total cost of this program is: how many more years are we going to be spending money on it? Perhaps he could also give us the rationale for spending this kind of money on this particular highway. Was it regarded as a top priority over and above, say, starting work on the Faro access road, to bring one example that is closer to home? Also, is the standard of the South Canol Road up to, or better than, the North Canol Road? In the process of deciding to spend it on the Canol Road, did he consider the choice of the North or the South Canol?

Hon. Mr. Lattin: The expenditure is taking place on the South Canol Road primarily because the bridges that are there now were built some fifteen years ago. They are in very, very poor condition. This road is used quite a lot by the mining people, and it is also quite a recreational road. With these bridges breaking down, the safety of the road is in doubt, so we have to go ahead and do this. Now, the total project that we were talking about is roughly \$1,500,000. I might say that we have let some contracts out this summer. I am very happy to see that they it is the small local contractors that are benefitting by these contracts.

Mr. MacKay: I did ask a lot of questions in that last bout. Perhaps I could just repeat one of them. With respect to the choice of spending the money on the North Canol versus the South Canol, how did you arrive at this priority? Was it an urgent need just to keep the road open? Or was it some traffic count that you did that made you decide that this was a more used artery than the North Canol?

Hon. Mr. Lattin: Mr. Chairman, I am sorry, but I thought I made it clear. It was the safety factor. The South Canol Road is definitely used more than the North Canol Road. The only thing, Mr. Chairman, on the South Canol Road, I believe there are a lot more wooden bridges than there are on the North Canol Road.

Mr. MacKay: I am interested in the Government's planning for the utilization of the North Canol Road, as it seems to me that that is probably the most imminent area for any brand new mining development of a major size. For example, does the Government have any preliminary plans for building a road bridge across the Pelly at Ross River?

Mr. Chairman: I must remind you again, Mr. MacKay, that the

subject under consideration at the moment is the South Canol Road. The Minister is at liberty to answer, if he so desires, but let us try and keep to the subject so we can keep going.

Hon. Mr. Lattin: At the moment, as you are aware, we have a ferry across there, and it is adequate at this particular time. I would suggest that probably if there was some activity, which it looks like there might be in the future, we will take that into consideration when that takes place, but I think it is a couple of years yet.

Mr. Fleming: I will be voting for this, there is no question, and I may have some support for it. With all due respect to the Leader of the Opposition, and the Honourable Member to my right who has not spoken yet, whom I agree with, in his hopes that he will get that access road, too.

However, \$800,000 this year, maybe there is a million and a half to be spent there, but there is considerable traffic on the South Canol Road. I would say there is far more traffic there than there is on the Campbell Highway between Ross River and Watson Lake. The road has, for many years, with just one maintenance camp there in the summer, had only a little bit of grader work done on it, and it could be a dangerous situation. What the government is doing there today is putting in culverts in areas where you could have washouts; that road must be repaired during the summer, it would cost a lot more than \$800,000, possibly many times over, all at once.

I think the principle of keeping the road in shape so that people can travel on it is a good idea. The road is a shortcut through to the North Canol, it is a shortcut through to Ross River, and also to Faro from the Alaska Highway. It is another road in Yukon and I think we should have a fair share on all roads. I will be voting for the item.

Mr. Byblow: Motivated by the Honourable Member to my left, I have no problem in supporting this particular vote. I think everything the Honourable Member has said, and the Minister has said, with respect to the importance of that road, is very valid. Not only do we have the traffic over the road, we have a considerable amount of exploration going on off that road. Whether it is important or not, it is excellent hunting ground and, I suppose, in the long-term, it has got the potential of providing the right-of-way for a railroad.

So, I certainly have no problem with respect to this particular vote, but I would simply make mention that the Leader of the Opposition's points with respect to the entire concept of developing the Canol Road system up to the Macmillan is a corridor concept, and it can never be ignored. It is the area where you have got the greatest potential for an immediate large resource development. Any kind of preparation towards this, that you can do at this stage, always assists and encourages that.

I do not think I am arguing anything that anybody disagrees with. So, I certainly will be supporting this vote and hoping to see some more work done in the corridor concept of that area in the next budget.

Hon. Mr. Pearson: Mr. Chairman, if I might just remind the House, when this \$700,000 came up last year we explained, I think, to the House at that time that it was our assessment by our engineers that, if we did not embark upon a bridge replacement and culvert installation program on the South Canol, we would lose the road. It would become impassable.

Mr. Chairman, in respect to the North Canol, we have got a ferry in operation and that then made the North Canol Road passable. The reason, Mr. Chairman, that you do not see any money for the North Canol in the budget this year is because we are faced with the same situation in respect to the Mount Freegold Road.

Mr. Chairman, that road is impassable, and the object of the exercise, as far as we on this side of the House are concerned, is, with our road program, to open up areas of the Territory where there is the possibility of exploration and development going on. I agree with the Honourable Member for Faro, the North Canol is where the big development is going to take place, but when we come to the item of the Freegold Road, Mr. Chairman, I am sure the Honourable Minister is going to be telling you that we know of a lot of small development on that road.

But the key is that that road is completely impassable at this point in time. We deemed it advisable to devote what capital funds we could to getting that road opened. It is not going to be any super highway, just as the Canol Road, either north or south, is not going to be a super highway for a long, long time. What we are trying to do is provide access as quickly as we can to as much of the Terri-

tory as we can.

Hon. Mr. Lang: Mr. Chairman, I just want to add one thing more to this particular aspect of development. The North Canol Road is passable. We are going into various phases of development in respect to the major mining companies up there, and I think it is a requirement that ourselves and the Government of Canada and those mining interests get together to say what does have to be done.

Now AMAX, to my understanding, has done a survey. The road has been surveyed to give some cost estimates of what that particular road would cost to upgrade to certain standards. They did that in cooperation with the Department of Public Works, where various information and assistance was given where possible.

I also would say, Mr. Chairman, that I do not think anybody in this House should be espousing, unless there is a major capital increase in this budget, the idea that the total responsibility for upgrading the North Canol is strictly a Territorial responsibility. That is more a federal responsibility, in view of the fact that they do have responsibility for our resources. Now we feel that that corridor, which is very important to the Yukon, is directly a federal responsibility, with them working in concert with ourselves, to see if we can upgrade it. So in other words, it will be funds over and above what is normally negotiated through our financial framework, and also a need to see what the plans of those mining interests in that area are, to justify a public expenditure which I imagine would be quite significant. We are not talking a quarter of a million dollars, I am sure, and we are not talking \$800,000. We are talking in the millions.

Also as an aside, which the Member of the Opposition is more than happy to see, this Government did go ahead and fix the structure on the Ross River bridge, to allow 24-hour passage across the river when the ferry discontinued operation for eight hours a day.

So certain work has been done, but there is a direct responsibility here, of the Government of Canada, and I do not think that anybody should forget that.

Mr. MacKay: I am pleased to hear that the government side is looking hard at this corridor concept. I would like, and I hope the Chairman will not rule me out of order, to be allowed some latitude in this. I would like to ask the question of the Government Leader. Does the Government Leader see that corridor that we have been discussing coming down the Canol, through Ross River and along the Campbell Highway, or does he see the South Canol becoming the major artery for the carriage of concentrates?

Hon. Mr. Pearson: Mr. Chairman, I would anticipate that, if concentrates are going to be trucked out of the Territory, it would be very likely that it would be the North Canol and the Campbell that would become the primary roads. Again, I do not think that should detract any at all from the South Canol, and the fears that we have had in respect to losing that road in its entirety two years ago.

Mr. MacKay: Really, just to recapitulate on this discussion, the Government's policy is to maintain a minimum of service on the South Canol Road, leaving it to remain passable until such time as there is some major economic development that might justify some more expenditures.

Hon. Mr. Lattin: Yes, Mr. Chairman, I believe you could say so.

Mr. Chairman: Shall the item carry

Some Members: Agreed.

Mr. Chairman: I shall declare a recess.

Recess

Mr. Chairman: I call the Committee to order. We will continue with the Public Highways and Public Works. Klondike Highway, \$3,136,000.

Hon. Mr. Lattin: Mr. Chairman, I think I should tell you what this entails, and where it is taking place. Just for the information of the Members, Skagway is considered to be Kilometer 0 on the Klondike Highway. We are talking of paving from kilometer 248 to 256. Reconstruction from 258 to 273. Reconstruction, again, from 292 to 308. Pre-engineering will be from 308 to 325. And pre-engineering at kilometers 132 and 158.

Now, the section of the highway on which paving will be taking place, using the old mileage designation, will be on the Fox Lake Compound and it is from 35 to mile 42.

The reconstruction will be on the old Miles 41 to 52. On the other side, at Mile 62, the end of the existing pavement at Braeburn, to

Mile 72, Twin Lakes. The pre-engineering will be from Mile 72 to 83, from Twin Lakes towards Montague. This will be done in preparation for reconstruction of paving in the following years. There will be some pre-engineering work, with improvements, to the north half of the Carcross Road. This is a continuing program that we have been carrying on in the last few years, and we are bringing paving and reconstruction to this particular part of the highway. Most of the work as you will realize, Mr. Chairman, is between the Alaska Highway and Carmacks.

Mr. Byblow: The first thing I want to question the Minister on, is with respect to paving in general. I realize this is part of a long term project and I distinctly remember the words of the previous Minister from the last Capital Budget discussion. Can the Minister say if there are particular criteria that are used in deciding on a road for paving purposes? Do you have a specific traffic count? And if so, do you know what the figures are? Could these be provided later if they are not available now? Beyond that what other criteria are used in this policy, I suppose, of deciding what is to be paved.

Hon. Mr. Lattin: Mr. Chairman, yes, the basic criterion used is a traffic count. Now, original approval for this program was based on a traffic count of 500 vehicles per day. In 1979 the average of that vehicle count was 686 vehicles. There is some consideration given, Mr. Chairman, besides traffic count, which is the great determining factor, to the particular use. By that I mean the type of traffic that is using a particular road. In this particular road, we have a considerable number of heavy trucks that go to the place where the Honourable Member resides. These two factors are taken into account.

On the traffic count alone, you can see we have gone up approximately 186 per-day vehicles in the last few years.

Mr. Byblow: Just to pursue that, can the Minister indicate if these traffic counts are being kept on numerous other roads in the Territory, or any other roads?

Hon. Mr. Lattin: Yes, I would not say all the roads, but we do take traffic counts. This is one of the tools of the Traffic Department to see where our vehicles are travelling, and it certainly is used on other roads besides this particular one.

Mr. Chairman: I would remind other Members that the item under consideration is the Klondike Highway, and unless it has any bearing on that, further debate will not be allowed.

Mr. MacKay: The Klondike Highway is a long road, Mr. Chairman.

Mr. Chairman: Which should give you plenty of room.

Mr. MacKay: It snakes through a couple of communities such as Carmacks, such as Pelly and Stewart Crossing and, as you well know, arrives in Dawson City, that sea of mud at the end of the Klondike Highway.

My point is — I think I have made it before and I will make it again for the sake of the record, and I am sure I am not going to change anybody's mind on this — the communities should be getting first call on paving, I believe for a period of time, until such time as they have equivalent type of paving as to, say, Whitehorse.

I wonder if the Minister would consider giving the next year, 1982-83, a rest on the Klondike Highway, and re-allocating that kind of funding directly to communities? I am assuming that there will be no extra money left to pave in the communities; perhaps he could answer that question.

Hon. Mr. Lattin: Mr. Chairman, no, I do not think I can bow to that request.

Hon. Mr. Pearson: Mr. Chairman, all Members should keep in mind that a decision was made by the Government of Yukon a number of years ago to reconstruct and pave the Klondike Highway from Whitehorse to Carmacks. That was the objective of the program that was embarked upon at that time, and Mr. Chairman, we honestly have not seen any good reason to abandon that program in its entirety. We have slowed it down because the original objective was to reconstruct and pave twenty miles a year for five years and get the job done. Needless to say, financial restraints have taken their toll. Other than, I believe, the first year of reconstruction, there has not been any year when we have been able to meet that original goal.

But this is, again, part of a long-term project that I think was well thought out, and was taken by this Government, after a considerable amount of debate in this House.

Mr. MacKay: I thank the Government Leader. I can only

reiterate at this point that I question the priorities in this respect, and a decision made five years ago can be changed just as easily as one made two years ago. I urge the Government Leader and his Minister to seriously consider the representations I am making here today, that they re-allocate this area. If they are unable to obtain funding from any other source, this is one area that they could re-allocate their priorities in future, to provide paving and sidewalks to the communities.

Mr. Fleming: Although the Honourable Leader of the Opposition and myself have many times been pretty well together in most items, this is one item where I am an Independent and he is a Liberal, and somebody else is a Conservative and so forth. I must voice my opinion a little bit in this case.

I am not defending the government, I am just saying what I feel, and I do not think it is completely personal. I think there are many people who wish this Alaska Highway was paved. Many years ago you could find people who said, "Forget it, we do not ever want to pave the Alaska Highway." It is good enough the way it is, but time changes, vehicles change, speed changes, the danger is increased and increased very much, due to that fact that we drive 70 miles per hour, although we are not supposed to go over 55. The danger has increased even at 55, with the vehicles we have today and the trucks.

I think it is an absolute necessity that we pave all of the highway that we can, and it is also an absolute necessity that the federal government get right off their "whatever" and pave the Alaska Highway. We have windshields, and I can prove it — all you have to do is walk outside and look at mine, where I would have been killed if that rock had come through it, and I am not speaking of this happening to only one person, it is happening to everybody who drives continuously on the road.

There is danger all the time when you are not on pavement on the Alaska Highway, with the speed of the vehicles today, and the trailers and stuff they drag behind them.

As well as the Leader of the Opposition, I would love to see that the communities have more monies to ensure that their streets are good. We get some now, but I would like to see more. The fact remains that we are only driving twenty or thirty miles per hour around those communities. We do need sidewalks, but let us not move away from really getting some pavement in this country to drive on. I have been here for many, many years, and I have seen the extent of the dangers that exist because the road is sometimes just filled with calcium, and is so slippery you cannot drive on it. There are rocks flying all over the place. All of these things are very dangerous. I would commend the Government if they would continue to do lots of paving.

Mr. Penikett: Mr. Chairman, I want to make it clear at the outset that I am not opposed to paving the Klondike Highway. I do want to say a couple of things though, because the way in which we approve these items — as I mentioned earlier in another vote — suggests that they are questions that can be treated entirely in isolation from other matters, from larger policy considerations. That is obviously not the case.

It seems to me that one of the things that has been discovered about highways, and the paving of highways the world over, particularly in developing areas, is that they not only help people to get to places like Dawson City and, ultimately, maybe even Old Crow and up the Dempster; provide access to those communities. But much more significantly in some cases, it provides access from those places. One of the things that that has done is speeded the movement of the best and the brightest and the talented young people from those communities to the larger centres. That has been happening all over the world. It may mean, in some sense, that if it is not so hard for people from, say Pelly, to get to Whitehorse to go grocery shopping, they may not go to Carmacks to do it. It means that people, instead of demanding and expecting services to be provided in their small community within, say perhaps a hundred mile perimeter of Whitehorse, will, as a natural course of things, think that it is not too difficult a proposition to drive into town; then this centre of this market area of Yukon and beyond has its position in the Yukon economy reinforced.

The paving of highways, and I think this is evident on the Klondike Highway, or the improvement of highways, generally, has another impact. This has a profound impact on the lodge business, which has been a traditional occupation for many rural Yukoners. I could not prove this is hard data, but I do not doubt that the reality now is that the most viable lodges are at a day's driving point from Whitehorse. In other words, the single best market positions for

someone to be in are perhaps at Watson Lake and Beaver Creek and Dawson City, if there was only one there. Perhaps you could have viable service stations and restaurant operations at the 100 mile points in between. I know it is two hours driving time and then that is a logical time to stop.

Lodges at more frequent points than that, or lodges at fifty mile points on the highway, I think, are quite seriously threatened. I do not think I would open a lodge right now, even if the government were to encourage me, at a fifty mile point on the Klondike Highway, or at any other fifty mile point from Whitehorse, or from Dawson, or from Beaver Creek, or from Watson Lake. That is not to say that there are not some lodges that are thriving and doing well, but I think that is the long-term economic trend.

I think the other impact of improving highways — and I had a question on the Order Paper about this in an earlier Session — is to reduce the need for maintenance. I think if the Highway is improved to the point where the road is paved all the way from here to Dawson, you could see a point where the number of maintenance crews and the size of those crews and the money that we spend on those crews in that space would be considerably reduced. That would affect not only the employment but the populations of some of the smaller communities. It would have an impact on them not necessarily positively but quite possibly negative. I think we should be aware of that.

I think I, along with everybody else, made some comments about the Destruction Bay situation, but I am sure nobody across the floor, Mr. Chairman, will mind, if later in the life of this Legislature, I make some comments about the impact on other communities.

I will make one other further point. Paving highways is not a cheap proposition, we all know that. It is enormously expensive. The paving has a lifetime of its own. Once you pave a highway it does not last forever. I think that there was an interesting observation, with which the former Minister of Highways took issue in the last report of the Auditor General of Canada, to the effect that it did not make sense to the Auditor General to be paving a highway according to a twenty year schedule, when that paving was only going to last fifteen years. In fact, you were going to be falling behind and not getting ahead of the game by paving according to that kind of program.

Now, I had occasion to talk to a friend who works in the Highways department in another province, and this is not a problem unique to us. Even in wealthy Alberta, I gather, their highways are wearing out faster than they are building them. It is not because of bad planning or that the government is dumb there or that they do not have enough money or anything. It is just that one of the impacts of building a highway is that you increase the traffic on it, and if you did your planning on the basis of certain kinds of traffic counts, traffic assumptions, and you did not accurately project the increased traffic, which is very hard to do, you have a problem.

So, once again, I just want to make this small point, and I say this as much to Mr. Chairman as anybody else, when we are approving an item like this, and I am going to vote for it, I think we should do it in the full knowledge that there are impacts and implications of such spending which go beyond the ditch on either side of the Klondike Highway.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Mount Freegold Road, \$250,000.

Hon. Mr. Lattin: This particular road we are talking about starts at Carmacks and goes forty miles to the old former mine site. All we are doing is upgrading this road so it will be passable. We have two problems on the road now. They are bridges at Mile 16 and Mile 31. Those two bridges have been out.

On this road there is quite a lot of mining activity. United Keno Hill and their partners are spending something like \$2.5 million. Arctic Red Resources are spending a quarter of a million dollars. There are quite a few small placer operations there and these people just cannot get into their property on account of these bridges.

The other thing I should point on this road, too, is that the local people utilize it quite a lot. We are not constructing a super highway, we are just getting the road up so that people can get over the highway. This money we are spending is only on the highway around this portion of the road. It is not out to the individual mining operations. That is their responsibility. We are just bringing up the road to a minimum standard so that the people can get back and forth.

Mr. Penikett: I just have one question at this point, Mr. Chairman. The Member for Tatchun was advising us, in his comments on this subject in general debate, of the importance of this road, and his hope that he might be able to nip over to Beaver Creek some weekends for some curling or something, once this road is fully developed.

Let me ask the Minister, is this in the cards? Does the Government have any long term plans for this road, or are we just doing this work now because of the current activity? I would like to know if the Minister has something in the back of his mind that it will be expanded and developed further as time goes on.

Hon. Mr. Lattin: We are not going to expand it at this particular juncture, but I would suggest that if development takes place beyond this, and I am thinking of the Casino area, where there is a considerable amount of activity at this time, I am sure that if they were to come on stream, the metal prices staying at the high price they are today, I can see in the foreseeable future that we would be extending that road to there. I would suggest that it has been banded around that that road will continue on to Beaver Creek. At this particular moment, these things are not taking place, but if they did, I am sure that would be our next project on this particular road.

Mr. Penikett: Just one other question on this subject. Given the Government's investment in the Road, what is the status of the road and the responsibility of the Government as far as public use? Let me explain. Not mining company use, but if tourists start to use it as a recreational road, or if people start to go up it with their four-wheel drives just to explore, or whatever. Let me ask the Minister in a very direct way, does he wish to encourage this kind of use or discourage it at this point?

Hon. Mr. Lattin: No, I think it would be like any other back road, like for example, the road to Fish Lake, something like that, as long as the people have these vehicles, they are going to explore them. I do not think we are in a position to discourage them or encourage them. I think people being what they are, are going to explore them. Beyond that there is nothing I can say.

Mr. Penikett: Roads, as the Minister has said, provide access by citizens to new country. One consequence of that, in this area, has been for people to go and establish residency on land which roads give them access to. Having done that, they then begin, over a period of time, to request services from the Government such as maintaining the road in the winter and so forth; would the Minister be prepared to say quite clearly what his position is, in regard to such requests, should they arise, now that the road will be improved?

Hon. Mr. Lattin: Mr. Chairman, I cannot see any onslaught of residents in this particular area. I certainly would not like to encourage it.

Hon. Mr. Lang: Mr. Chairman, I would like to ask the Honourable Member a question: Has he ever been up that road? I am referring to the Member from Whitehorse West.

Mr. Tracey: Mr. Chairman, I would also like to state that that road has been there for a good many years. People are not living along it now, and they have never demanded that the road be graded in the wintertime. All we are doing right now is trying to keep the road there, instead of letting it deteriorate to the point where it is not a road any more. That is all we are doing with it.

Mr. Byblow: I am very hesitant to approach this particular vote.

Mr. Chairman: Not enough.

Mr. Byblow: But certainly my frame of mind today is much better than before. I have a question of policy for the Minister. I would question the Minister on what his policy is with respect to Government assistance in these exploration-type roads. Now, I recognize that the Government Leader spoke, on the previous votes, saying that it was fundamentally to encourage the exploration of, or the assistance towards the exploration of, properties generally in the resource area.

I am curious as to where the line is drawn. Because, you know, my familiarity with a number of these types of roads is that exploration companies, by and large, work this into their own budgeting and they expect to look after the road for access to their properties. I would like to hear just a little more — and it is not because I am objecting to the vote — it is a matter of clarification. Do you have a line that you draw where you say, "We will assist in supporting or upgrading this particular access"?

Hon. Mr. Lattin: Mr. Chairman, on this particular road that we

are talking about, which has been in existence for quite some time, we have two spots that have broken down and they are causing problems; these two bridges, as I mentioned. We have a responsibility, because that road is there, insofar that if we do not do something there is going to be no road there in the future.

The other program that you were talking about — I will answer your question, I will alert you to it — is what we consider the Tote Assistance Program. These are for the individual properties. But this particular vote that we are talking about is not for just one particular property, there are several properties there, and we in the Government, who wish to encourage exploration, feel that, because of so many operators in that area, it is our responsibility to upgrade that road so that they can use it.

Now for individual operators who are going to go somewhere else, our policy is that first we have the tote road, then from there on in we assess it that their assessment of their properties is increased, and we see which way they are going. But at this time, because there are so many different people using it, we are just trying to maintain that particular road that we already have.

Mr. Hanson: Mr. Chairman, this road has been in existence for about 31 years. It was a road that went to a producing mine at one time, and is used by a lot of exploration companies. But it is a road that has deteriorated, and if we do not do something with it now, it is going to cost us more than a quarter of a million to fix it up so that it is available to the public again.

The last few years it has been neglected, and it has got to the stage now where it is pretty hard to travel on it. It is not a new road; it is an old road. It was built long before a lot of these people who are complaining about it are in the House today. There has been much money taken out of that country in placer mining, there was a lot of money spent up there in exploration, since I have come into the country. Even before I came in the country there was a trail up in that country for placer mining and exploration. So it is just an upgrading of an old road that has been in existence for a great many years. So I do not know what the complaint is about.

Mr. Byblow: I do not think anybody is complaining. I think we are just simply making enquiries, because we recognize that, just like the Dawson City accommodation assistance funding, you are going to be inundated or plagued with requests for assistance in upgrading a number of similar type roads. I was simply enquiring about what the policy was, or what the cut-off point was, to influence the decision to assist. I would like to assure the other side that I am going to support this, quite wholeheartedly. Sure I have reservations with respect to some of my previous requests but I am not going to lay them up against this and say this is negotiable.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: I refer you to Schedule A, Library and Information Services, \$273,000, on page 39. Audio Visual Equipment, \$7,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Library and Archives Equipment, \$16,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Storage Nitrate Negatives, \$5,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Central Micrographics Unit, \$21,000.

Mr. MacKay: What is the Government's progress on the microfilming of documents? Can the Government Leader give me some idea of the savings they might expect from less utilization of storage space by the purchase of this kind of unit?

Hon. Mr. Pearson: Mr. Chairman, what happened was that, when we went into this program a couple of years ago, we made a deal with the Department of Indian Affairs and Northern Development, with respect to the use of their processor. We have now been advised by the Mining Recorder Office that they have a requirement for the use of that processor pretty well on a full-time basis. As a consequence, in order to continue our program of microfilming, et cetera, we now have to buy a processor, which will cost us \$11,000.

The necessary renovations and installation of the processor will be \$4,000, the rotary camera, \$3,000, and we anticipate buying two more reader-printers, for a total of \$3,000. The total amount is \$21,000.

The program is an excellent one. It is one that if we had not

entered into I am sure, Mr. Chairman, we would have to be allocating an awful lot more money towards shelving and space, at this point in time.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Record Shelving, \$5,000.

Some Member: Agreed.

Mr. Chairman: Carried. Archives Reading Room/ Research Audio Visual Equipment, \$2,000.

Some Member: Agreed.

Mr. Chairman: Carried. Photo Reproduction Equipment, \$3,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Library Management Information Equipment, \$214,000.

Mr. Penikett: Mr. Chairman, I already mentioned, in passing, some concern about this item, when we were debating the principle of this bill. I may not have heard him correctly, but I remember the Government Leader in his initial address remarking that we would have a considerable saving in clerical staff by the introduction of this system. I do not question that value at all, the usefulness of that decision. My problem is the timing. We have to weigh everything, I guess, when we make decisions about these investments. I am concerned that, in a time of recession and fairly high unemployment in the Territory, we should not be doing something that cuts back employment; which, I think — and the Government Leader may correct me — will reduce employment opportunities, especially in an area where we are not talking about a high level of skills, but a number of jobs that may not be permanent jobs, but reduce the number of jobs in any case. It seems to me that this is an investment by the Government that will increase efficiency, and that is desirable, but does not increase employment right now, and in fact may do the opposite. I would therefore ask the Government Leader, does he not consider, that it might be wise to wait to make this expenditure until such time as unemployment is low in the Territory, and there are fewer employable people available to do the kind of tasks that this system will be able to fulfil?

Hon. Mr. Pearson: Mr. Chairman, I thank the Honourable Member very much for his concern. It is one I am sure all of us share. But the facts of the matter are, Mr. Chairman, that this program is the right program for us to be getting into, with respect to our Library Services generally in the Territory, and this is the right time to be doing it. Now, Mr. Chairman, the only minus — outside of the fact that we have to identify \$214,000 for this program — is the employment one.

If we do not do this now, Mr. Chairman, if we do not make the hard decision to spend this money now with respect to automating our system, we are going to be running out of room much sooner than we can afford to. Also I think the major criterion has to be that the access that is afforded to the people of the Territory, to the Library system, will be upgraded to such a degree, that really people will be able to use the Library the way it is supposed to be used. We will also have access to libraries literally all over North America.

It is a common system, one that is being installed in libraries everywhere. The accessibility to reference material will be virtually unlimited.

I am convinced, Mr. Chairman, that this is the right time for this Territory to embark on this program. It is a major step; it is a tremendously big capital expenditure, but Mr. Chairman, I am also thoroughly convinced that the library system is one of the really good things that this Government is involved in in this Territory, and one that we should be trying to upgrade and make available to the people of the Territory.

Mr. Penikett: I thank the Government Leader for his statement. Let me just express one concern and then ask one final question on this subject. I appreciate that when you are dealing in high-technology fields that there are opportune times to make investments and to commit yourselves to new systems. I am also concerned that there is some evidence that, perhaps not with this technology, but in this field generally, prices are tending to fall and that some of the technology is changing. There is such a revolution going on that we could possibly buy a system which may not be out of date five years from now, but may not be as efficient as the latest material, the latest system, and could even be more expensive. That is a concern, that we probably do not have the facts together to make a judgment on that at this point.

The question I want to ask is: can the Government Leader assure the House that there will not be any existing jobs lost by the installation of this labour-saving system?

Hon. Mr. Pearson: It is not anticipated at this point in time that there will be any existing jobs lost. That is primarily due to the fact that they are so far behind now in the cataloguing of material and this type of thing. It will be a highly automated system, a one-entry system, but I am fairly confident, Mr. Chairman, that it does not mean the loss of any existing personnel.

What it will do, though, is reduce the necessity to add to the staff that is bound to happen by next spring.

Mr. Chairman: just one word on should we do it this year or should we do it five years from now; would this equipment be obsolete five years from now? It may well be, but in this technology, Mr. Chairman, I really think you must make a value judgment on whether this is the right time to do it or not. It is highly likely that this equipment may cost more money two years from now than it costs now, or it might be worthless. But, at some point in time, I guess we have to bite the bullet when it comes to going to automated equipment. Everybody does face that problem.

This has had an awful lot of study and research into it by our people in the administration. It is felt that this is the right time to do this.

Mr. Penikett: Just one last question on the subject: can the Government Leader assure me that present staff in Library Services Branch will be assisted in the cost of any re-training necessary to use this new system?

Hon. Mr. Pearson: Oh, yes, Mr. Chairman, without hesitation.

Mr. MacKay: In the installation of any technical equipment of such a magnitude as this, generally it is well studied before hand. The Government Leader, Mr. Chairman, just indicated that, but perhaps he could fill us in a little more. Is it all internal studies that the Government did? Did they examine alternatives? Is this the only kind of system available, and how did they arrive at making this decision?

It is very similar, Mr. Chairman, if I can remind you, to the kind of thing we discussed in the Public Accounts Committee; how you arrive at making the best decision. I am wondering what criteria the government followed in reaching a decision to buy this particular system at this particular time?

Hon. Mr. Pearson: Mr. Chairman, as I indicated, this is the system because it is the one that will tie us in with other library services in North America.

It is a stand-alone unit. We are talking about a computer installation, but not of the magnitude of the computer on the second floor of this building. The possibility of using that computer to do this was looked at, and was ruled out as being an impractical suggestion.

Mr. Chairman, I think I can safely say that all of the alternatives were looked at prior to this recommendation being made to the House.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: I will refer you to Schedule A, Renewable Resources, page 44, \$830,000. The first item is Campground Development, \$446,000.

Hon. Mr. Lang: Mr. Chairman, this is for furthering our campground program. Basically we are looking at Watson Lake, the Million Dollar Falls, as well as the area of Klwane. There is also a provision for the Dempster corridor campgrounds. That about completes it, Mr. Chairman.

Mr. Chairman: I take it, Mr. Lang, that a good deal of this is recoverable through your Subsidiary Agreement?

Hon. Mr. Lang: That is correct, Mr. Chairman, and also one other area that is being examined to see whether it can be done is the Carcross area.

Mr. MacKay: Just leaping in, before the Honourable Member for Whitehorse West gives his Dempster Highway speech, I would like to request just a little further detail on the plans of this development. Have the campsites been selected on the basis of traffic count? Is it all part of the general plan that was drawn up three years ago, I believe, with respect to locating campsites and trying to direct traffic and create traffic patterns throughout the Territory? Is this part of the general plan, or are we deviating at all from the study that was done, and I believe more or less accepted, by the government, two or three years ago?

Hon. Mr. Lang: I think that is a fair analysis. We are attempt-

ting to put campgrounds, not necessarily changing the traffic patterns, but to accommodate the public in the areas where there has obviously been a steady and increasing traffic. The Carcross area obviously does need an area for visitors. In Watson Lake, we are putting one in which will be for the tourists, but just as importantly, a day-use area for the people within the Watson Lake area at the Lake itself.

So, yes, I would say that it is attempting to accommodate the traffic patterns, but I think, Mr. Chairman, we cannot lose sight of the fact that they are for local use as well. If you go out to Marsh Lake and have a look at that particular facility there, it is used just as much by local people as it is by visitors.

These are two aspects that have to be definitely brought into consideration. Million Dollar Falls is definitely one more for the local residents than it is for the tourists. It is an area that is utilized, as you well know, for quite a number of days during the year for fishing, and we are concerned about the safety of people where they are camping, at the present time, because of the bear problem.

Mr. MacKay: I think the Minister will probably recognize the concern I am about to voice now. It has been brought to my attention that a number of the campsite operators in the private sector are experiencing some difficulty, particularly those within the general area of the City of Whitehorse. Of course the Government has a campsite out there at Wolf Creek which is more or less in direct competition with these operators. Has the Government given any consideration to the concerns that have been expressed to them? I hesitate to suggest the solution of closing down a campsite that is there. Is that one of the options that you are considering?

Hon. Mr. Lang: Mr. Chairman, we are not considering closing down any major campgrounds such as the Member has referred to, but there is concern, and I recognize that concern in respect to direct competition with the private sector. In a couple of instances, we have refrained from putting in campgrounds due to the fact that there have been people privately interested in going into that type of a business venture.

An example is the Carcross area. It has been delayed for two years, because there appeared to be some interest. Now it appears to have waned, and at the same time the people in Carcross are starting to say, "Well look, with all these people just sleeping indiscriminately on the highway or the town or community itself, maybe it is time that we addressed the situation." They did start a small campground.

Watson Lake, there is concern there. The original plan called for something like fifty bays, but now it is my contention that we should have maybe ten or fifteen bays for tourists, because there is a number of private operators in the area. Largely we are utilizing this vehicle to getting a day-use area for the people in Watson Lake.

So yes it is a consideration, but I do not think that the Member should be making the assumption that we are going to close down major campgrounds, at least at the present time. There have been some smaller ones that have been closed due to the fact of maintenance problems and lack of use by the general public, because they are becoming more and more oriented to having first class accommodation.

I do not know if the Member has had the opportunity, perhaps he will when he comes back as a tourist, to take advantage of some of the campgrounds; over this past summer I did go to a number of those campgrounds. I was very impressed with the ones that have been built over the last number of years.

Mr. MacKay: I hate to make the Minister's life any more difficult than it is, but he keeps on asking for it.

The Territorial Government also owns a piece of land close to downtown Whitehorse, which it has leased out to a certain organization in town, which in turn has leased it out to some other operators. I refer to the Robert Service Campground. I believe that that lease has probably a year or two more to go. In view of the concerns of the operators, has the Government considered whether or not they will be renewing that lease to the present lessees?

Hon. Mr. Lang: Mr. Chairman, I am not that familiar with the situation. I am sure that the Leader of the Official Opposition and the Government Leader could probably have a very interesting debate, in view of their past participation in that one illustrious organization that represents the business community in the Whitehorse area. I would go so far as to say, Mr. Chairman, it

would at least be our intention, we hope, to find some method to continue that particular camp site. Now whether the Chamber wants to renew the lease, these are all things that I gather would be open to discussion.

Mr. MacKay: Would the Government be prepared to consider putting the piece of land up for tender for qualified operators to bid upon, to purchase it to continue with that use?

Hon. Mr. Lang: Mr. Chairman, I am sure the Member would agree that that is something I should be discussing with the present operators of the lease as to what their long term intentions are. I would not discount it, Mr. Chairman, I am sure it is an option.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: The Committee will recess until 7:30.

Recess

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

We will continue with consideration of Bill Number 38, *First Appropriation Ordinance, 1981-82* and continue with the Department of Renewable Resources. The item under consideration is Resource Planning and Wildlife Equipment, \$71,000.

Hon. Mr. Lang: Mr. Chairman, this reflects the priority that we have given to Wildlife and Resource Planning in this Government. You see there is a major increase; basically it is small capital items which would be purchased for the Game Department, so that they can go about doing the work that we are all requesting that they do.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: District Office, Old Crow, \$100,000.

Hon. Mr. Lang: Mr. Chairman, I think the people should recognize that this is going to reflect in the Operation and Maintenance Budget of this Government. It is our intention to establish, on a year-round basis, a presence in the Old Crow area of the conservation officer.

We will be building the necessary headquarters for that particular employee. I think it is important for this Government that we do have a presence there. It is long overdue and I think it is a step in the right direction, which I am sure that the Leader of the Official Opposition will be more than prepared to support.

Mr. Fleming: I wonder if the Minister could indicate to us how many bodies he contemplates having there working?

Hon. Mr. Lang: Mr. Chairman, at the present time the plans would be to have one individual working primarily in Old Crow, but also in the Dempster Highway area as well, over by the Eagle River.

It is going to be fairly expensive, but we do have the responsibility and are prepared to ensure that the necessary financial aid is put there to for the job to be done properly.

Mr. MacKay: I would be interested to hear from the Minister how the need for such a post was perceived by this Government. Were there some specific problems that were arising in that area, that the Government feels may be solved by having a permanent office there?

Hon. Mr. Lang: Well, Mr. Chairman, there have been certain problems arising, with respect to the area of Game Branch there. It is there for two purposes; enforcement is one, but I think the more important one is to attempt to have a presence, from the Government of the Yukon Territory's point of view, and also at the same time to attempt to bring forward various programs of an educational nature, concerning the importance of the conservation of game, for the young people in Old Crow and also the management of that particular area.

Mr. MacKay: Since that particular area is fairly remote, and the people there are somewhat linguistically different from us, will the Conservation Officer be able to communicate with the local people in their own language?

Hon. Mr. Lang: Mr. Chairman, I am assuming that any individual who is posted there will probably take some interest with respect to the linguistic situation. But I think I would give the people of Old Crow a little bit more credit than the Member opposite does. It is too bad the Member for Old Crow is not here, because he would probably be affronted by the suggestion that the people of Old Crow do not have the ability to speak to someone from Whitehorse, or Ross River, or wherever. I know all the people up

there and they can speak almost as well as my colleague across the floor.

Mr. MacKay: When I look at the map, which I am sure the Minister is familiar with, it seems to indicate that it is not just Old Crow that you are talking about, but the people who are going to be using and inhabiting the North Slope areas too. There may be some language difficulties there. Has the Minister considered that aspect of it?

Hon. Mr. Lang: Mr. Chairman, if the Member opposite is implying that we are going to hire an Eskimo from Inuvik, he is wrong. I would like to point out that we do have a native person who has taken some courses and is very competent. Indications are that he would be prepared to accept this type of a position, or transfer, later on in the year when things are established, but I cannot say for sure, Mr. Chairman. This posting is a problem of the Game Branch. We will be trying to get somebody who is compatible with the situation and I am sure that we can accommodate it.

Mr. MacKay: I will just clarify one thing. The Minister has no basic objection if a qualified Inuit from Inuvik were to apply for the job. I take it he just assumes that that would not be the case, would that be correct?

Hon. Mr. Lang: Mr. Chairman, I guess it depends on the qualifications; if one applies through the normal channels to this Government. It is not a question of patronage, it is a question of competency and I am sure that the position will be suitably accommodated.

Mr. MacKay: Would this district office in Old Crow have any direct bearing on the COPE Agreement, and the possibilities of assisting in — I do not think the word is policing, but — looking after that area right up the North Slope, in conjunction with the COPE Agreement in principle which contemplated some joint management. Is this part of the Yukon Government's contribution towards this type of agreement you are heading towards?

Hon. Mr. Lang: Mr. Chairman, I think the Member opposite is making a number of assumptions. We recognize where our responsibilities are, and we have managed to find the necessary financing to take us one step further in the area of game management, which we feel is important.

Mr. Fleming: All this is very interesting; however, I still have that one little doubt in my mind as to how some of these things are going to work in different communities. I would ask the Minister if he has had consultation with the native peoples in Old Crow, and they quite accept the fact that there is going to be a wildlife manager there? Due to the fact that we know that certain rights are not quite the same, and they may or may not wish to accept some of these. The officer, whoever he may be, may have to do this job in a different fashion than usual, maybe not even exactly what he is supposed to do, according to his job and according to the rules of this Government. I am just wondering, has the Minister had consultation with them, and are they happy with the situation that there will be one?

Hon. Mr. Lang: Mr. Chairman, there will be some discussion with the band in Old Crow, through their Member. I have discussed it with their Member who represents them here, and he is quite pleased to see this step being taken. I am sure if the Member for Campbell were to be asked if he should be consulted on matters pertaining to his area, he would as soon that would be the case. I have done that.

Mr. Chairman: Shall this item carry?

Some Members: Carry.

Mr. Chairman: Wildlife Workshops, \$213,000.

Hon. Mr. Lang: Mr. Chairman, once again this is an area that is very important to us, and it is continuing on with the program that we had started a number of years ago, to get wildlife workshops in all of our communities, also with the policy of decentralization, to try to establish conservation officers with quarters in those communities, as opposed to what it was a number of years ago when they were more or less centrally located in Whitehorse.

These projected costs here, Mr. Chairman, would be for purchase of land and costs, in construction of outfitting of a warehouse and office for the Dawson District, fencing in properties in Mayo, Watson Lake, Haines Junction, Ross River and Dawson and a number of walk-in freezers.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: I refer to Schedule A, Government Services on

Page 49, \$243,000.

Furniture and Office Equipment, \$135,000.

Hon. Mr. Pearson: Mr. Chairman, this appropriation is to provide office furniture and equipment to all Yukon Government Departments, according to entitlements or as is deemed necessary by the office furniture and equipment committee, an administrative committee that we do have set up in the Territorial Government to allocate this replacement of furniture as it is required.

Mr. MacKay: Can the Government Leader indicate if in the past year all of the office furniture has been bought locally?

Hon. Mr. Pearson: I am very reluctant to say whether it has all been bought locally, but I think I can say that the large majority of it has been local. I anticipated, Mr. Chairman, that he was going to ask me whether we spent all the money that was voted last year and I was going to tell him, "Yes, in fact, we are now looking at a sup because we are quickly running out of money in this particular establishment." We are very likely going to have to look at putting a bit of extra money in. That is one of the reasons why there is the \$10,000 increase over what was voted last year.

Mr. MacKay: Could I infer from that that there has been an increase in the staff of the Government that we have not been apprised of? Because I recall distinctly that the Budget was based on a very limited increase in man-years. Or does it imply that our civil servants are spending a lot of time sitting in the chairs, wearing them out?

Hon. Mr. Pearson: Mr. Chairman, there has not been a great increase in man-years, but under the Renewable Resources program, and the Tourist Subsidiary program, we have approximately, I believe, ten or twelve contract employees on staff. One of the major expenditures this year has been providing furniture for those people. But in actual man-years, no. I believe we had five new man-years in the budget and we have not exceeded that in any way.

Mr. Penikett: Mr. Chairman, I am always fascinated to discover a new committee, or evidence of a new committee. Perhaps the Government Leader could take the time to enlighten us as to how this works. Does this committee consider such questions as the style, design, and type of furniture, and the range of suppliers? Does this committee also consider — shall I call them applications — from offices and bureaus and departments that want to have new furniture, or want to have different types of furniture? Is that how it functions? How does it work? Is it just simply that you notify the committee that you want this new furniture, and they have the kind of mandate to make a recommendation to Supply and Services, to the Minister, or do they simply decide as a matter of routine?

Hon. Mr. Pearson: Mr. Chairman, this committee is in fact chaired by the Deputy Minister of Government Services. The committee receives petitions or requests from the departments, both at the beginning of the fiscal year — usually a bit prior to the beginning of the fiscal year — and during the course of the year.

What they do is they physically inspect the furniture requested to be replaced, and they make a value judgment as to whether that equipment or furniture should be surplus, written off on a board of survey and it goes its merry route by auction or whatever, or whether it should be destroyed because it is that bad, and what the replacement furniture will be.

The Department of Government Services is charged with the responsibility of purchasing the furniture for the replacements.

Mr. Penikett: There are a lot of people working in the government, obviously, and I am sure there is a lot of furniture being used. Nonetheless, this is a fairly significant annual expenditure and so was last year's.

Can the Government Leader indicate to us how tight the supply of furniture is, and how tight the management of that supply is? Let me, perhaps, pose an example of a problem that has probably occurred and ask him how the committee would respond. A new agreement is concluded between this Government and the government in Ottawa, and a new source of funds becomes available, a new program is established, some new employees are hired, presumably they need working space and furniture. How quickly can this committee, as an instrument, respond to that? Do we have furniture on hand in storage that they can pull out, or is it something that would have to be purchased at very short notice in such an event?

Hon. Mr. Pearson: Mr. Chairman, what we do is put out a tender at the beginning of the year. The department makes their

best estimate with what information they have at that particular point in time of exactly what furniture is going to be required — X-number of desks, Y-number of secretarial chairs. They put out a tender and they ask for quotations from suppliers. The tender might say that we anticipate, during the course of this year, that we are going to have to buy Y-number of desks and X-number of secretarial chairs; what is your quotation, what is your price, what are you prepared to sell them to us for?

Your quotation must be the FOB Whitehorse price and you must be able to deliver them within three hours of the phone call, or four hours or whatever it might be. That is the system that is used. That way the supplier carries the stock until we are in a position to buy it. That is the system that is used for an awful lot of the small equipment that is purchased by the Government on an annual basis, particularly in this vote and in the O&M vote of the Department of Education. A large number of items are bought in that very same way. There are two large quotations like that that go out each year.

Mr. Penikett: From the Government's point of view, that sounds like a reasonably good system, as long as the suppliers are happy. Let me ask one further question. The Government Leader has explained who maintains the inventory and the stock — I guess it is the suppliers. What happens, in the case of furniture, to the desks and chairs and book cases which are written off, or become surplus to the needs, or out of date. Are they recycled through organizations that the Government donates things to, like the Rehab Centre, are they sold or auctioned? How are they disposed of?

Hon. Mr. Pearson: We have another committee called the Board of Survey; that committee decides, if the furniture cannot be, if you wish, handed down, or given to someone else, whether it is deemed suitable for further use; then it is turned over; it is written off our books, by the Board of Survey method, something that is audited every year by the Auditor General. A lot of that equipment is disposed of at public auction.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Renovations, Queen's Printer, \$3,000.

Mr. MacKay: I am quite confident that Mr. Chairman will let me ask this question. It is not particularly on the Queen's Printer. Is Government Services the department that is responsible for renovations of Government-owned buildings or is it the Public Works Department?

Hon. Mr. Pearson: Again, Mr. Chairman, we have an Accommodations Committee in this Government.

Mr. Chairman, the Honourable Members opposite have to realize that this is a big organization. Members on this side do not have the time nor the inclination to administer it. That is not our job. We are here to set policy.

The Accommodations Committee makes up recommendations to the Cabinet, with respect to space and space allocations. As to renovations in the building, they can be done by a contractor, they may be done in-house by our engineering department. It is flexible.

Mr. MacKay: In whose budget would I find renovations to government buildings? Perhaps when the Government Leader is answering that, he could answer the question as to where I could find in the budget, as I had hoped to find here, the costs of renovating the Credit Union Building?

Hon. Mr. Pearson: Mr. Chairman, this is a specific renovation — actually it could be called an installation charge. It is a specific renovation that has to be made in the Queen's Printer Shop, just outside these doors, in order to accommodate another piece of printing equipment. So really it is a renovation charge. It is specifically for that thing.

We have, in the Highways and Public Works' O&M budget, a sum of money for building upkeep and renovations. It is voted in the O&M budget, not in the Capital budget.

Mr. Penikett: Just so that I could understand the boundaries of the jurisdiction of this Accommodations Committee that the Government Leader has just identified, can the Government Leader tell us if the Accommodation Committee have considered the matter of Legislators' accommodations, and whether they will be making any recommendations in that regard in the near future?

Hon. Mr. Pearson: Yes, they have considered in great detail, and over and over again, Mr. Chairman, the matter of accommodation for the Legislators. I am hopeful that we will be able to improve upon the situation in the very near future.

Mr. Chairman: Shall this item carry?

Mr. Penikett: Mr. Chairman, can I just ask one other brief question?

Mr. Chairman: Well not like the last one, Mr. Penikett. You sneaked that one in.

Mr. Penikett: I do apologize for that, Mr. Chairman, and I promise I will never do it again.

Mr. Chairman: That includes now.

Mr. Penikett: About the renovations to the Queen's Printer: the facility, I assume, is staying where it is, but a wall is being knocked out, or something of that order? Is that the case?

Hon. Mr. Pearson: That is correct, Mr. Chairman. That is exactly right.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Pooled Road Equipment - \$50,000.

Hon. Mr. Pearson: Well, Mr. Chairman, once again, as the heading implies, this is where we put all of the money for the replacement of all Government vehicles. In other words, none of it is in departmental votes at all. It is all here. It is all controlled, again, by one committee.

Mr. MacKay: It seems to me, Mr. Chairman, that, in the course of the Public Accounts Committee debates, we ran into this animal called "equipment replacement reserve". I assume that, in spite of the assurances we received at the time, we do not appear to have in the Budget here, the indicated amount to be spent out of the replacement fund for the coming year. I had understood that the Capital Budget, at least, would indicate what expenditures, out of that equipment reserve fund, would be made in the ensuing year.

Hon. Mr. Pearson: Mr. Chairman, once again, that is in the O&M budget. You are talking about the road maintenance equipment. This is automobiles. These are the black and orange ones, the very offensive ones that are running around all over the place. That is what we are dealing with here. This has nothing to do with the highway maintenance equipment which you are referring to.

Mr. Penikett: Mr. Chairman, I believe Mr. MacKay was talking about something called the Road Equipment Replacement Fund, which operates like it is O&M but, in fact, spends money on capital, and that is the problem that we had with it.

This is an interesting item because it appears to do something like the same thing, while preserving what I think the PAC agreed was a useful accounting mechanism or management tool, while fulfilling the one area where we had an objection: namely, that the House did not get to vote the money. It seems to me that that very clearly is the case here. If there is, from a managerial point of view, some difference in the way these two funds operate, not just in terms of equipment, I would appreciate it if the Government Leader could illuminate us somewhat.

Hon. Mr. Pearson: Mr. Chairman, there is no comparison. This is not a fund. If you will notice, Mr. Chairman, in the 1980-81 Main Estimates, we voted \$120,000 for this. It was our best estimate that we were going to require \$120,000 worth of new vehicles for our car pool. Now, this year we are voting \$50,000. We anticipate that we will be writing off twelve to fifteen of those cars this year. The pool is a system that we have put into place. Under the auspices of Government Services, we have taken the responsibility away from all of the departments. The only way that they can get cars now is through this Government pool. They cannot make a decision on their own, to go out and buy cars. It is a management tool that we have taken away from them; and is, I would suggest very strongly, to the advantage of the taxpayer.

Mr. Penikett: I wonder if the Government Leader could describe in a little more detail the advantages to the taxpayer, just so we can understand it. We can see a very obvious reduction in the capital expenditures projected this year. I would like to know if there will be, offsetting that, a marginal increase in the O&M costs for this, or will there be a reduction there too? The Government has obviously assessed the relative merits of individuals continuing to drive the same vehicle all the time versus the totally pooled operation which they have gone to now. The new policy has been in effect, I would guess, for three, four months, five months perhaps. The Equipment Services Operation would presumably have had a chance to make some preliminary assessments on its effectiveness. I wonder if the Government Leader could just give us a little more description as to how it is functioning.

Hon. Mr. Pearson: Mr. Chairman, I would guess, from an

administrative point of view, as far as managers of programs in this government are concerned, it is nothing but a headache. It is a change; it is something different; they have to do different things. They have to phone out to the Marwell area in order to get a vehicle now, instead of walking outside of the building and getting a vehicle.

One of the major things that it did, I would suggest, is that it freed up a large number of parking places around this building, something that I very much wanted to do. I am hopeful someday of seeing no more than ten YTG cars parked around this building at any one time. That is my own private objective. I do not know whether I will ever reach it.

We have also, along with the car pool thing, put a system into place where we now have a traffic manager in the Department of Government Services. If a Territorial employee is going to be travelling to Dawson from one department, the Traffic Manager knows that, but he also knows of another Territorial employee from another department who is travelling to Dawson on that same day, and the object is, then, to get them both into the same car instead of having two cars going up a half-hour behind each other.

He also has the right to say to them, "It will be cheaper for me to charter an airplane and fly you up there than give you a car." He can tell them that they are going to go up there that way, because that is the most economical way for them to go. We have given them that flexibility.

We have also created a little bit of employment, the Honourable Member for Whitehorse West will be happy to hear, because we now have an employee whose sole duty it is to clean up these cars, to wash them and keep them clean, because I do not think it is very good to see YTG cars running around dirty all the time.

Also, if an employee has to use a car, I think they are entitled to use a car that does look half decent and is fairly clean inside. That did not create any more man-years, we were able to transfer a person to do that.

So, it is a fairly comprehensive program. We hope that, in this way, we are getting a handle, not only on the car pool, but on travel expenses throughout the whole government.

Mr. Fleming: I noticed the drop from \$120,000 to \$50,000 and I was actually quite pleased with that; however, I am of a very, very suspicious nature all the time. I have a question to the Government Leader in that area. This, of course, is to buy new vehicles and we have an O&M area where there are funds, too. Is there any possibility that the Government might not be in need of so many cars at this time and could be using U-drives, possibly, and paying them out of the Operation and Maintenance?

Hon. Mr. Pearson: Oh, yes, Mr. Chairman, that is the very reason for the dramatic drop. It is more than a fifty per cent cut in one year in the requirement.

Mr. Chairman, if Members went back and looked over previous years, they would find that this item in the Capital Budget has progressively increased every year, always, always increased because the cost of automobiles went up. The cost of automobiles is still going up, but, Mr. Chairman, this is a dramatic decrease from \$120,000 to \$50,000.

Mr. Fleming: That creates another question, though. This may be a decrease here, but does it balance off in the long run, as to whether you are paying more on that end for the U-drives than you would be if you were buying cars?

Hon. Mr. Pearson: No, Mr. Chairman, there may be instances where U-drives will be used more, but that will only be reflected and will only be allowed where there are savings to be gained.

Mr. Byblow: The Government Leader indicated that he has reduced the fleet by about twelve to fifteen. What is the existing fleet of units, in an approximation?

Hon. Mr. Pearson: I am just guessing, Mr. Chairman. I would say between sixty and seventy cars.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Computer Equipment, \$14,000.

Mr. Penikett: I am interested in one question here. From what company is this equipment being purchased? I think it has already been ordered.

Hon. Mr. Pearson: Computer equipment?

Mr. Penikett: Yes.

Hon. Mr. Pearson: I am sorry, Mr. Chairman, I do not get

involved very much in the administration. This \$14,000 is to replace old and obsolete equipment. It is just upgrading.

Mr. Penikett: So it is not the piece of equipment that we saw a photograph of in the *Whitehorse Star* the other day, being wheeled into the building?

Hon. Mr. Pearson: I am sorry, Mr. Chairman, I do not know what the Honourable Member is referring to.

Mr. Penikett: I gather there was a major new appendage or addition to the machine upstairs.

Hon. Mr. Pearson: Mr. Chairman, that was the computer that we included about last year.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Queen's Printer Equipment — \$5,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Word Processing and Printing Equipment — \$36,000.

Mr. MacKay: I am wondering how many typewriters this equipment will replace? Is it anticipated it will create savings, or is it merely to improve service?

Hon. Mr. Pearson: Boy, I hate saying this, Mr. Chairman, but this is a result of another committee. We have a committee set up in this Government, because we are aware of the demands — the unreasonable demands sometimes — upon program managers, for word-processing equipment in particular, and the necessity to make sure that all word-processing equipment is somehow interrelated in the Government. We have a committee that is set up that actually does make a value judgment with respect to where it is to our best advantage to put word-processing equipment next. This \$36,000 will place two additional word-processing machines in this Government. I am not sure where. I do not know where they are going, Mr. Chairman.

Mr. MacKay: Yes, about \$18,000 apiece is about right. I am wondering if the Government has ever considered going to a straight lease situation for such high, or new-technology machines in view of the obsolescence factor which can set in so quickly?

Hon. Mr. Pearson: Mr. Chairman, as far as I know, the option to lease and the option to purchase is there, and is available to the committee. Again they make a recommendation to us on their best judgment with respect to what we should do in each particular case. In this case they are suggesting that we purchase two word-processors.

Mr. MacKay: Just one last follow-up question. Presumably these word-processors will replace typewriters. My general question is: you have a committee, that committee performs, and somebody surely evaluates that committee. I assume that somebody is the Government Leader. Are you aware of how much equipment is junked, by virtue of buying new stuff, and whether that committee made an erroneous judgment, perhaps, two years ago, in buying that, instead of going straight to word-processing equipment?

Hon. Mr. Pearson: Mr. Chairman I do not believe that there is anywhere near enough word-processing equipment in this Government to have made any mistakes about where it should go. There should be, from my point of view, far more word-processing equipment than there is. In respect to the junking of typewriters and so on, again this is all handled by that same Board of Survey. If it is deemed to be surplus equipment, there is only one way that it can be done away with, and that is through the normal accounting procedure of the Board of Survey.

Mr. Penikett: If I heard the Government Leader correctly, he indicated that they already had some machines now and that these were two additional ones. Can I therefore assume that the new equipment that the Committee has ordered is compatible with the old equipment, and in fact is simply an addition to fill in the existing plan?

Hon. Mr. Pearson: Yes, Mr. Chairman, in the word-processing thing, it is important that you do have compatible, interchangeable equipment. It does not necessarily have to be of the same make but it must be compatible.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Schedule A, Yukon Housing Corporation, Page 54, Capital Grant to Yukon Housing Corporation, \$320,000.

Hon. Mr. Lattin: Mr. Chairman, I would just like to break that

\$320,000 down and give the Members an idea how we go about it.

Out of this, there is \$5,000 net which goes to senior citizens' housing. Because 90 per cent of the monies spent under this program are recoverable by a loan, the \$5,000 net equates to \$50,000 gross expenditure. All these monies will be utilized to complete landscaping and other work around the buildings in Watson Lake and Mayo senior citizens' housing.

We are spending \$75,000 net on rural and remote housing. Rural and remote housing is 75 per cent cost recoverable from CMHC; therefore the \$75,000 equates to an expenditure of \$300,000.

These programs are for people in the outlying areas of Whitehorse. We work through CYI in this particular instance. This year it would seem that out of the \$300,000, this should allow for construction of approximately five to seven units in communities which will be, as I said before, outside of Whitehorse.

Staff housing, this is 100 per cent funded by our government. We have allotted \$200,000 to it. To make up the balance of the \$320,000 of our monies, we are utilizing it in the insulation program. This year we intend to spend \$40,000 net. This is upgrading units that we own. This is the second year of a five year program.

Mr. MacKay: As I recall debates on this in the past, you really do not know that there is going to be, in rural and remote housing, this amount actually spent. It is generally of an uncertain nature.

Does the Minister have any specific applications at this point for that type of housing?

Hon. Mr. Lattin: I believe, if my memory serves me correctly, that we have two, and probably three, at this particular time.

Mr. Penikett: Just taking a quick look at the numbers here under the Community Housing Program, I am not sure that I heard the Minister's description of that correctly, but based on the global figures in the other things that it is going into, that would represent one housing unit. The rural and remote housing, the Minister estimated between five and seven, let us say six. Based on the same ratios, the number in the AHOP program, to which we are not contributing, but which is in here, would be ten houses. There does not seem to be a great number of housing units of this kind which are being built under this program.

In previous discussions on this item, we had talked about a problem of Yukon fitting into some of these national programs, particularly AHOP where the admissible ceilings were so low as to fall below the prices of any reasonable new housing in Yukon. I wonder if the Minister could elaborate and talk to us a little bit about whether he sees this as a continuing problem, or whether the fairly small numbers that are being built under these programs are just indicative of the general kind of slump we may be in now?

While I am on my feet, I may as well ask the Minister also: under the CHIP Insulation Program, to which we are contributing \$40,000, how many housing units will be benefitting from this program; can he tell us, approximately?

Hon. Mr. Lattin: The answer to the first one, Mr. Chairman, is that I think we are probably in a slump, I agree with the Member on that.

On the insulation program, we are considering selected units in Dawson City, the Kobah apartments, plus several individual units in Teslin and Ross River. I am sorry I have not got any more information than that.

Mr. Penikett: I do not want to press the Minister too hard on this, but could he give us some indication as to whether we are talking about five units; twenty units; ten units?

Hon. Mr. Lattin: Mr. Chairman, I do not have that information available now, but I will gladly supply it and bring it back for the Member.

Mr. Byblow: I was not too clear about what the previous speaker was questioning, Mr. Chairman. Perhaps you can help me. Was the reference to rural and remote housing?

Mr. Penikett: Insulation.

Mr. Chairman: Both.

Mr. Byblow: My question, I suppose, relates to staff housing, Mr. Chairman. Could the Minister provide the breakdown of where that \$200,000 is going to be spent?

Hon. Mr. Lattin: Yes, Mr. Chairman. That \$200,000 is going to be spent — at this particular time our priorities are Elsa and Haines. Next on our priorities will be Faro and Teslin.

Mr. Chairman: They are not bad, Mr. Byblow.

Mr. Byblow: As a long time previous occupant I know exactly how they are.

I am not sure, Mr. Chairman, if this is the appropriate time, but by way of previous questioning, I have enquired of the Minister whether he was examining the maintenance situation, but perhaps that is under an O&M budget and I should not be addressing it here? Is that correct?

Hon. Mr. Lang: Correct.

Mr. Chairman: Correct.

Mr. Byblow: Yes, I heard the Minister of Economic Development.

May I enquire of the Minister specifically: why the reduction in the expenditure last year in the area of community housing? I believe last year's expenditure was in the order of \$700,000; this year's is reduced to \$50,000. What has created that very big difference?

Hon. Mr. Lattin: Mr. Chairman, I do not understand where he gets this \$50,000 from. I am not quite sure what he is asking me.

Mr. Chairman: Right after the Community Housing, where the total amount is shown as \$50,000, less recoveries of \$45,000.

Hon. Mr. Lang: In respect to the question that has been raised, a major senior citizen's home was built last year. Obviously there is not going to be a major one built this year. There is going to be some work done in that area but not to the extent it was last year, because we have pretty well met the obligations for our senior citizens.

Mr. Penikett: Let me ask the former Minister, since he put his foot in it, whether he can tell us then, or either of these gentlemen, if, during the slump, we in this community have been availing ourselves of all the CMHC money we could have been obtaining to replenish our housing stock, given that in some of these cost-shared programs our percentage participation is very small.

Hon. Mr. Lattin: Yes, Mr. Chairman, I believe we have taken advantage of all CMHC financing that we can at this particular time.

Mr. Penikett: I thank the Minister for his answer. I just want him to be sure, ask him again, if he can be absolutely certain on that point, since the previous Minister seemed to indicate ...

Mr. Chairman: The question is out of order. He answered your question; if you are asking the same question you may not repeat the same question. If you have another question proceed.

Mr. Penikett: Yes but I want to be sure that he understood my question. For his sake.

Mr. Fleming: He may not understand this question either, because I do not quite understand it.

I am slightly confused because there are so many different programs in this one, just as in so many of the others. There is community housing, and rural and remote housing, and assisted home ownerships, and insulation, with and without windows. I am not too sure, but the rural and remote housing, the Minister says is \$225,000 recoverable.

Now, I would like an explanation as to just where this is recoverable, how do you acquire these recoverables? That is the question I would like to have answered.

Hon. Mr. Lattin: Yes, Mr. Chairman, it is recoverable from the Central Mortgage and Housing Corporation.

Mr. Fleming: You answered part of my question. I would like to know how this is recoverable, because I cannot quite get the picture of building a house somewhere and CMHC is giving you so much money. The house is sold or whatever, and who pays for it, and a few other things; how do you recover the money? How, not from whom?

Hon. Mr. Lattin: Mr. Chairman, as far as I am concerned, that is one of the programs that Central Mortgage and Housing have.

Mr. Penikett: If I could help a little bit, this was the program announced, I think, something like March, 1975, in Ottawa, by Mr. Bill Terron, during the time when Mr. Ron Basford was Minister of Housing. The purpose of the program under Section 40 of the *National Housing Act* was to provide native housing for non-status native people, originally in the provinces. It was to be, I think, 75/25 per cent federal-provincial cost-shared, because, immediately prior to that, a major study identified that as a serious housing need in rural parts of Canada for non-status Indian people whose needs were not being met by either provincial governments or by the Department of Indian and Northern Affairs.

I think we got into this program because Yukon Housing Corporation, even though it is cooperating with native organizations, was really the only agency capable of delivering it here.

Mr. Chairman: Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Schedule A, Yukon Liquor Corporation, \$325,000.

Shall this item carry?

Hon. Mr. Lattin: This particular liquor store, again, is in Faro. The justification for building it: number one, our lease runs out next year; number two, there is not enough room in the present building. It has been referred to as a liquor store. We have three people working there.

I draw the Members' attention to the fact that one of those people is working practically exclusively on territorial business, as well as in the liquor store. We have had inquiries from customers last year at this particular store, which was 3,478.

Faro, today, has about 1,700 people. We project in the year 1982 that there will be 3,000. We are now piling our empties in the aisles, so we definitely do need one. I submit that this will be the start, probably, of a territorial building in the Town of Faro.

Mr. Penikett: On a question of privilege, Mr. Chairman. I just want to remind the local media, particularly a couple of newspapers, that my frivolous interjections on this question at the expense of my friend to my immediate right, the Leader of the Liberal Party, should not be reported as the official policy of my party.

Mr. Chairman: What is your point of privilege, Mr. Penikett?

Mr. Penikett: I have already stated it.

Mr. Chairman: That was not a point of privilege.

Mr. Penikett: I know that.

Mr. MacKay: I am very impressed with the Minister in charge of the Liquor Corporation having done his homework and being so willing to adjust to the new realities of Faro, and his being fully conscious of the large increase in population that is coming along.

It is very, very sad, however, that this well-prepared Minister could not put on his other hat, as the Minister of Highways, and take the same approach to a far, far more vital problem facing Faro, that of the access road.

Mr. Chairman: Order, please.

The subject under consideration is the Capital budget for the Yukon Liquor Corporation, and would you please confine your remarks to the subject under consideration?

Mr. MacKay: With all due respect, we are talking about Faro, Mr. Chairman, and the liquor store there. I feel that we have to address the overall problems of Faro, as the Minister did in his opening remarks, with respect to expenditures of the Government in that area.

So, Mr. Chairman, I, for one, do not feel that I should sanction this Government's order of priorities by giving a favourable vote to this item on the budget.

I think that to do so would somehow be to sanctify their sense of priorities, which I think are wholly inappropriate to the situation, in which case the Minister himself has described Faro as being in a terrific growth pattern. I think this is a good time to really try to put this government on the spot and show that we do not appreciate their sense of priorities.

Mr. Byblow: I certainly appreciate the previous Member's sentiments; they echo those of my own in the House over the past week.

It is perhaps regrettable that I feel so strongly, because I think that this item placed in the budget really should not have been done as a priority over other necessities. I have made that case on several occasions.

In the case of the liquor store in Faro, the Minister refers to a lease that is running out. I can respect that, but I would challenge the Minister to tell me why he cannot renew that lease for a year or two. In the meantime, he could put into place those projects that I have identified as a priority, that my community has identified as a priority.

The Minister has said that there is no room in the present liquor store. I challenge that, because I am very familiar with that store, not because of a personal sense of frequency as an average citizen, but because of a business relationship. I am very familiar with the floor space and the stock that is in there, and the open aisles and the space available.

I challenge whether that building has in fact inadequate space for the present needs.

The Minister said there are three people, one of whom is exclusively devoted to Territorial matters. That is not so. With respect to Territorial matters pertaining to other than liquor disbursement, that is also one of his duties towards which he devotes considerable time.

I think the case is rather serious in that the Government has chosen to put this in at this time. You know, conceptually, I would endorse this. At this point in time I have difficulty; I cannot. I felt so seriously, Mr. Chairman, about this item, that I enquired of the acklerk as to how to have it removed and relocated elsewhere in the budget. Regretfully, I cannot do that. I cannot increase the budget of another Establishment where I would like to see this money spent and some more.

I think the Minister has fully supported the positions I have stated in this House, very emphatically, by the tabling of a brief, by speeches in previous Sessions. The Minister has endorsed all that is happening in Faro. I agree. We will probably be 3,000 people. I am not going to entertain debate because this is not the time to entertain debate, with respect to the money that is being spent in Faro. I would only remind the Government that, of the money in the capital budget, that for the school and the utilities is already built and spent. For the next nineteen months there is no money for either of those items.

Regretfully then, I cannot lend my support to this particular item. I cannot introduce a motion, for fear that this is going to be lost entirely. I, therefore, take the least of the two evils, and expect to see it in construction by the will of Government, but not with my endorsement. I feel morally and conscience-bound to vote against it.

Mr. Fleming: Now I will stand in support of my colleague on my right in some instances, if they have a dilemma which is not nice to be in. Sometimes Government does do things the way they feel they should be done, such as the Liquor Store in Faro. I have yet to hear completely from everyone, so I will not comment, as to whether it was asked for, or it was not asked for, or anything else. But I have heard a good deal.

I do not think there is quite as much enthusiasm for the store in Faro as maybe the Government might like to make us on this side of the Floor believe. I am sure there is not, in fact.

Possibly the money could have been spent in the other place; however, I realize that Government too knows where the dollars are to be, and the best way to make them. One of the best ways to make dollars is to have a good Liquor Store, I will agree with that.

The Member is in a spot in this case, because you cannot change things in the Budget; even though we might convince the Members across the Floor, it will not be done. If the Member entertains any motion at all, he is liable to lose his Liquor Store in Faro and, of course, not gain anything on the other route either. So the best way would be for him to accept graciously, take the \$275,000, and hopefully he will get what he wants next year.

Mr. Chairman: Shall this item carry?

Some Members: Disagree.

Some Members: Agreed.

Mr. MacKay: Is there a division in this?

Mr. Chairman: There will be no division in Committee. Shall this item carry?

Some Members: Agreed.

Some Members: Disagree.

Mr. Chairman: We will have a show of hands.

Motion agreed to

Mr. Chairman: There is one further item under Yukon Liquor Corporation, Liquor Stores and Headquarters Equipment, \$50,000.

Some Members: Agreed.

Mr. Chairman: Department of Education, \$6,051,000 Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Department of Health and Human Resources, \$342,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Municipal and Community Affairs, \$8,067,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Tourism and Economic Development, \$3,444,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Justice, \$41,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Highways and Public Works, \$5,672,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Library and Information Resources, \$273,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Renewable Resources, \$830,000. Shall this item carry?

Some Members: All Agreed.

Mr. Chairman: Government Services, \$243,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Yukon Housing Corporation, \$320,000. Shall this item carry?

Some Members: Agreed.

Mr. Chairman: Yukon Liquor Corporation, \$325,000. Shall this item carry?

Some Members: Agreed.

On Clause 2(1)

Clause 2(1) agreed to

Clause 2 agreed to

On Clause 3(1)

Clause 3(1) agreed to

Clause 3 agreed to

Mr. Chairman: Whereas it appears, by message from the Commissioner, and in the estimates accompanying the message, that the sums mentioned in Schedule A of this Ordinance are required for the purpose of defraying certain expenses of the public service of the Territory and for related purposes for the period of twelve months ending on March 31, 1982. Shall the preamble carry?

Some Members: Agreed.

Mr. Chairman: *First Appropriation Ordinance, 1981-81, shall the title carry?*

Some Members: Agreed.

Hon. Mr. Pearson: Mr. Chairman I move that you report Bill Number 38, *First Appropriation Ordinance, 1981-82* to the Assembly without amendment.

Mr. Chairman: It has been moved that Bill Number 38, *First Appropriation Ordinance, 1981-82* be moved out of Committee without amendment.

Motion agreed to

Mr. Chairman: We will be proceeding with Bill Number 58 and Bill Number 56 after a brief recess.

Recess

Mr. Chairman: I call Committee to order.

We will proceed with consideration of Bill Number 56, *Third Appropriation Ordinance, 1979-80*.

Mr. Penikett: On a point of order, before we actually consider the substance of the bill, I must confess to having some confusion as to the amounts and the nature of what we are considering.

It seems to me that supplementary, as I have understood it up until now, was an amount in addition to monies we have already voted, but it seems to me that what we are being asked to consider here is, rather than an additional sum, a revised total. I am concerned, procedurally, that it appears as if we are voting another large sum of money, much of which it seems to me this House has already approved.

I wonder if I could get some clarification on my problem on that score.

Mr. Chairman: Yes, there has been a change in the accounting system and perhaps Mr. Pearson could clarify it for us.

Hon. Mr. Pearson: Mr. Chairman, these are supplementary estimates, and what we are actually voting now are the small sums that begin on page 4 of the Supplementary Estimates, Number 2.

The bill, Mr. Chairman, must reflect the total vote of the department, after this money has been added into it.

Mr. Penikett: Mr. Chairman, I do not want to waste the time of the House, but I do want to understand this bill. I understand what

the Government Leader just said, but I am a little confused by the fact — and I believe I am correct — that much of this money we have already approved once. Are we not now in a position of voting it again, and almost doubling the Budget? I know that is not what it means in terms of the people upstairs and the people who are running things here. But I am concerned with an entirely procedural question about the implications of voting \$79,000,000 again when \$70,000,000-plus of it seems to have been already approved.

Hon. Mr. Pearson: Mr. Chairman, I appreciate what the Honourable Member is saying; however, it is the nature of the beast in respect to the legislation. In the book it shows, on page 4, for instance, in the Department of Education, the amount voted to date, what this supplementary vote represents, and what the revised vote would be.

Mr. Fleming: I was a little bit confused too. I still am a little bit confused, because the figures do not seem to jibe in any case. Why do they not jibe somewhere? For instance, in the Department of Education. There is \$18,000,000 down here; there is \$25,000,000 up here; there is only \$86,000 here. I do not quite get the gist of it either.

Hon. Mr. Pearson: Mr. Chairman, I have just noticed something that I am very concerned over. I would ask Committee's indulgence to stand this aside for now, and let me check some of these figures.

Mr. Chairman: Good, Mr. Pearson, because the Chair shares the concern of the Members, and this does not seem to be an appropriate method of voting. I would indeed like clarification, from the Chair's point of view, before we consider this Bill further.

That being the case, we will suspend that for the moment and carry on with Bill Number 58, *Loan Agreement Ordinance (1980) No. 1*

On Clause 1(1)

Hon. Mr. Pearson: Mr. Chairman, as I said at second reading, this bill is a new bill to replace one that we voted at the last Session.

There are two changes, one being it will enable us to go beyond, or to sources other than, the Government of Canada, to make loans. The other change is that there is an increase in the amount of money, giving us the authority to borrow an increased amount of money.

Mr. MacKay: I think we discussed the principles fairly well. I had some fairly specific questions I would like to put, of a general nature, at this time.

It seems to me that the government has always had a pretty healthy cash float around, and I am wondering if that situation has changed, and we are now in a cash bind? I wonder if that is the case, because as I recall we used to have something like \$20 million floating around in various funds.

Mr. Chairman: Their figures, Mr. MacKay.

Mr. MacKay: In rough figures, to the nearest million, because we are familiar with them.

Has that all gone now? Has there been a change in the funding procedure of the O&M budget, with respect to Ottawa, where we are not getting, in cash, as much as we used to?

Hon. Mr. Pearson: No, Mr. Chairman, there has not been a change in our methods of getting money, but what has happened is that, when the Hillcrest development project was started, this Government, and Ottawa, recognized the fact that, in order to do the land development that was necessary as a first phase in Hillcrest, the cost was going to be a tremendous amount of money that this Government did not have. Normal procedures in past years had been that, upon entering such a project, Yukon would finance the project on the understanding that at a future date, sometime hence, we would be able to borrow from the Government of Canada, via our *Loan Agreement Ordinance*, an amount of money to ensure that we did have a cash flow.

Normally, that amount would have some relevance to the amount of the value that we had in our Land Development Bank. Now, we anticipated a year and a half ago that we needed a loan from Canada of \$7.5 million. We asked them at that time to put the proper paper work into effect to get us a loan of \$7.5 million. Now, Mr. Chairman, I am sure that everyone is aware that there are cash flow problems in Ottawa as well. Our request has been put off — I guess there are no other words for it. It has been in the department for a considerable length of time, a year and a half. We have been saying to them "You know, you had better get the paper work going on that loan." The paper work that I am referring to, Mr. Chairman, is the submission that has to be made by the department to Treasury Board for the loan.

The department has now advised us that they would rather see us borrow the money on the open market, rather than insisting upon the department making application to Treasury Board for a loan that they feel Treasury Board will turn down, for no other reason than that they do not have the cash to lend to us. Because they would actually have to lend us the cash. Of course our legislation was such that we have been prohibited from doing exactly that. The matter has been considered very seriously by the powers that be in Ottawa. I would like to assure all Members in the House that we have do have approbation to do this. I would not attempt to do it without having our approbation, because it is the kind of legislation that I am sure would be disallowed quickly if they did not agree with the principle.

Now, Mr. Chairman, I am very anxious to do this because I think it is another step towards responsible government in this Territory. It gives us a bit more flexibility in respect to planning, in respect to acquiring cash; the Honourable Leader of the Opposition, I think, speaking at second reading, said that if we come up with a good scheme we can go to the Government of Canada with that scheme and with the funds, and they will have a very hard time turning down the permission to borrow those funds. So, I think it is very significant.

Mr. MacKay: I have to say that the thought of this thing opening up a bit makes the thought of ever being Government Leader a whole lot more fun than it might otherwise be. I might have to reconsider my tourist plans for the next five years. I am really pleased to see that.

In practical terms, I would ask how the Government Leader will set about borrowing, as he said, on the open market; if he could indicate if we are going to put the thing out to bid, or are we just going back to the bank, the pizza hut, and get our money. At the same time, what would be the difference in interest costs to this Government rather than borrowing directly from Canada?

Hon. Mr. Pearson: Mr. Chairman, there are a number of ways and a number of avenues open to us in respect to borrowing. One of the most common ones used by governments is advising all the banks that we are interested in borrowing X amount of dollars and asking who is going to give us the best deal.

Our finance people, Mr. Chairman, tell us that it will probably cost us about one per cent more to borrow on the open market as opposed to borrowing from Canada.

I want to also point out, Mr. Chairman, that this bill still leaves open the avenue of borrowing from Canada, and, of course, we will be doing that whenever we can, naturally, whenever we have to, if they have got the money to lend to us, because it is the cheapest money that we can borrow. But our finance people have indicated that, on the whole, we can probably figure our money to cost about one per cent more, if we are borrowing on the open market.

Mr. Penikett: I just want to make sure that I understood the Government Leader correctly in one respect. Can I take him to mean that the collateral value of our land bank right now is the \$17,200,000 that is referred to in Clause 2 of the bill, or how was this figure derived?

Hon. Mr. Pearson: Mr. Chairman, once again, that is our borrowing requirement for all purposes. Our collateral in the land bank at the moment is in the neighbourhood of \$12 million.

Mr. Fleming: I thank the Honourable Government Leader for his explanation of the amounts of interest that would be paid from the Government of Canada and from the private institutions that the Government would be borrowing from. That was one of my worries, that we would be into a situation where it would be fine to borrow the money, but can we pay the interest rate back on that type of money? I wonder especially when I read here, which we will be going through later on, that the loans are to be gotten in the first place, to loan to municipalities and so forth. Then I look back through the municipal ordinances coming up where you pay as you go; the people in that community may have to pay. I was just wondering; however, it will come up, as I say, in Clause 2.

That was my question and I think it has been fairly well answered now.

Mr. MacKay: The thought has occurred to me and perhaps the Government Leader would care to comment on it, but it seems to me, Mr. Chairman, that the provinces are given fairly ample funds, via the federal government, out of the Canada Pension Plan money that is remitted and that these funds are used for various things. I am wondering if this Government has ever asked for what would be our fair share of that kind of money, which would indeed

be, I would imagine, considerable and, of course, cheaper than borrowing on the open market.

Hon. Mr. Pearson: Mr. Chairman, this is one of the areas where it is really brought home to us that we are not a province. The Honourable Member is correct in what he is saying, that the provinces do have access to that Canada Pension money that is raised in their provinces.

Mr. Chairman, I would venture to guess that we should have access, if the federal government would give it to us — we have asked them a number of times. It has always been refused on the basis of the fact that we are a Territory and all of our money had to be “laundered”, if you wish, through the Department of Indian Affairs and Northern Development.

This may well change the rules and it will be an avenue that we will be pursuing immediately. I know, Mr. Chairman, that there is more than enough money in Yukon's share of that pot for our purposes.

Clause 1(1) agreed to

Clause 1 agreed to

On Clause 2(1)

Clause 2(1) agreed to

Clause 2(1) agreed to

Clause 2 agreed to

On Clause 3(1)

Clause 3(1) agreed to

Clause 3 agreed to

On Clause 4(1)

Clause 4(1) agreed to

Clause 4 agreed to

On Clause 5(1)

Mr. Tracey: I am just wondering if the numbering is correct there. Is it supposed to be (1980) No. 1?

Hon. Mr. Pearson: Yes, Mr. Chairman, we are repealing *Loan Agreement Ordinance (1980) No. 1*, with a *Loan Agreement Ordinance (1980) No. 1*. That is replacing it.

Mr. Chairman: How does one distinguish, when one is viewing the new or the old Ordinance?

Hon. Mr. Pearson: The same way, Mr. Chairman, as one identifies the *Municipal Ordinance* and the *Municipal Ordinance*. The assent dates are really the key to them.

Mr. Chairman: But the dates are the same.

Hon. Mr. Pearson: No, No, not the assent dates, Mr. Chairman.

Mr. Penikett: This is the “New Improved” *Loan Agreement Ordinance (1980) No. 1*, Mr. Chairman.

Mr. Chairman: I am glad you admit that the Government is making progress, Mr. Penikett.

Clause 5(1) agreed to

Clause 5 agreed to

Mr. Chairman: “The Commissioner of the Yukon Territory, by and with the advice and consent of the Council of the said Territory, enacts as follows: *Loan Agreement Ordinance (1980) No. 1*”; shall the title carry?

Some Members: Agreed.

Hon. Mr. Pearson: Mr. Chairman, I move that Bill Number 58, *Loan Agreement Ordinance (1980) No. 1*, be reported to the Assembly without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that Bill Number 58, *Loan Agreement Ordinance (1980) No. 1*, be moved out of Committee without amendment.

Motion agreed to

Mr. Chairman: For further consideration and preparation purposes, the Committee would like to continue, when it next reconvenes, with Bill Numbers 56 and 57.

Hon. Mr. Lang: Mr. Chairman, I would move that Mr. Speaker now resume the Chair and that you beg leave to sit again.

Mr. Chairman: It has been moved by Mr. Lang that Mr. Speaker do now resume the Chair and that I beg leave to sit again.

Motion agreed to

Mr. Speaker resumes the Chair

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

May we have a report of the Chairman of Committees?

Mr. Hibberd: Mr. Speaker, the Committee of the Whole has considered Bill Number 38, *First Appropriation Ordinance, 1981-82* and Bill Number 58, *Loan Agreement Ordinance (1980) No. 1*, and directed me to report the same without amendment 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, seconded by the Honourable Member for Campbell, that we do now adjourn.

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

Motion agreed to

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

The House adjourned at 9:22 o'clock p.m.