



The Yukon Legislative Assembly

Number 25

3rd Session

24th Legislature

HANSARD

Monday, October 27, 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	Hootalingua
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 Penikett	Whitehorse West
---------------	-----------------

(Independent)

Maurice J. Byblow	Faro
Robert Fleming	Campbell

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

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

Whitehorse, Yukon**Monday, October 27, 1980 — 1:30 p.m.**

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

Prayers

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

DAILY ROUTINE

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

TABLING OF DOCUMENTS

Hon. Mrs. McCall: Mr. Speaker, I have for tabling the answer to Part A of Written Question Number 10 which the Honourable Member for Faro asked on October 20.

Hon. Mr. Lattin: Mr. Speaker, I have for tabling the answers to Part B and C of Written Question Number 10. Also I have for tabling the answer for Written Question Number 12.

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

Petitions?

Reading and Receiving of Petitions?

Introduction of Bills?

Notices of Motion for the Production of Papers?

Are there any Notices of Motion?

NOTICES OF MOTION

Mr. MacKay: Yes, Mr. Speaker I give Notice of Motion moved by myself seconded by the Member for Kluane.

Mr. Hibberd: Mr. Speaker, I give notice of motion, moved by myself, seconded by the Member for Campbell, that the Standing Committee on Rules, Elections and Privileges review the Standing Orders and Procedures of the Yukon Legislative Assembly, and report any recommendations for amendment to the Assembly.

Mr. Speaker: I give Notice of Motion, moved by myself, seconded by the Member for Tatchun, that this Assembly urge the Government to consider the introduction of pharmacare for our senior citizens and, if possible, to implement such a program during the next fiscal year.

Mr. Speaker: Are there any Statements by Ministers?

MINISTERIAL STATEMENTS

Hon. Mr. Graham: Mr. Speaker, I have received word today from the federal Minister responsible for the Secretary of State that the Yukon allocation of funds under the Official Languages and Education Agreement, will be increased by some \$20,250 during this fiscal year.

There is also a commitment by Mr. Fox to seek authorization in each of the next four years, 1981-82 through 1984-85, to provide a maximum of \$50,000 for immersion programs over and above the normal annual allocation to the Yukon Government.

While the amounts submitted to our Government will not totally cover the costs for the immersion program in subsequent years, it should be sufficient to cover the majority of costs, and it will also give the Department of Education time to re-allocate funds to this program on a per-pupil basis.

Therefore, because of the apparent high interest in French Immersion in the Territory, and the additional funding from the Secretary of State, I have directed my Department of Education to make every attempt to have a Kindergarten French Immersion stream in Whitehorse beginning January 5, 1981.

There are a great number of details that still have to be worked out, such as staffing, location of the program, transportation arrangements, registration of pupils, and supplying of materials. But the Department has been working behind the scenes on many of the details already, and I am very confident that they will be ready for the program in January.

I will be meeting with the Yukon Chapter of the Canadian Parents for French, Mrs. Hawkes, this week or early next week, to discuss many of the details that must be ironed out.

In every jurisdiction where French Immersion begins, Mr. Speaker, there are concerns on the part of the teaching staff as to whether or not any teacher layoff will occur. I want to take this opportunity to assure the teaching staff that we will maintain our present staff for this year and hire additional staff through the funding allocated by the Secretary of State for subsequent years. Any reduction or reallocation of staff after that date will occur through normal attrition, thus negating any possibility of staff layoffs to accommodate this program.

Within the next two weeks there will be further details that will be made public, hopefully through statements in this House. The first task being worked out will be the registration procedure, so that we have a very firm grip on the precise level of interest and the location of students interested in French Immersion in Whitehorse.

It is our intention to provide the program to all who wish to participate, without setting up financial or other barriers, and at the same time not detract from the ongoing programs available in Yukon schools. The number and location of pupils and the availability of facilities will be ultimate determinants in this regard. We are aware that other communities are also interested in French Immersion, but our initial project will only include Whitehorse, and as the success of the project becomes apparent, perhaps some thought will be given to French Immersion in other areas of Yukon. However, at this time the program will be restricted to the Whitehorse area.

It has been my personal desire for some time now to provide a French Immersion stream in Yukon schools, so I am particularly delighted to be able to make this announcement today, and I will be happy to keep the House informed as specific details become available.

Mr. MacKay: I would like to say that I share the Member opposite's delight at the introduction of this program. It is also something that this side of the House has sought for some time and it is really good to see two levels of Government operating in harmony together to produce this needed course. I would like to think that the children of the Yukon are going to be the beneficiaries of this decision today. Who knows, in the light of the way our country is today, with the absolute necessity for a bilingual leader, that next year, entering kindergarten in the Yukon, we might have a future Prime Minister of Canada.

Mr. Penikett: I will not thank the Minister for pre-empting all my questions for today, but I will thank him for being prescient and far-sighted in answering them.

I think the Minister has given a very thorough statement; he has answered all the questions that I planned to ask him. So, without any further ado, just let me extend my congratulations to the appropriate authorities in the federal government, and the Minister in his department here, and say I wish the program well, and I hope that the demand will not only be sufficient, but not too great for the department to handle.

Thank you, Mr. Speaker.

Mr. Speaker: This now brings us to the Question Period. Are there any questions?

QUESTION PERIOD

Question re: NCPC/YTG Appointment

Mr. MacKay: My first question is to the Government Leader. Is the Government Leader aware that this Assembly's appointee to the Board of NCPC is presently leaving, or has already left, the Territory?

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

Mr. MacKay: Would it be the Government Leader's anticipation now to expect the resignation of that member, to be replaced with a resident Yukoner?

Hon. Mr. Pearson: No, Mr. Speaker. There seems to be some implication that our appointee is not a resident Yukoner. That is

not so.

Mr. MacKay: Perhaps I could suggest the Government Leader contact the person in question. I would like to put forward the question to the Government Leader that if this vacancy is arising, would he be prepared to consider the appointment of the Minister of Economic Development directly to the Board of NCPC, to give Yukon a greater input into the policies of that body?

Hon. Mr. Pearson: Mr. Speaker, the Board of NCPC allows for a recommendation to be made by this House, with respect to the appointment of people to it. If there is any question about there being a vacancy, such a recommendation will be brought forward to this House.

Question re: Energy Supply and Pricing

Mr. Penikett: I have a question for the Government Leader. A press release from the Minister of Northern Affairs last week said, "The Federal Government will guarantee secure energy supplies for the Northwest Territories" and that the Minister was to "talk to the Minister of Finance about energy pricing". I would like to ask if the Government Leader of the Yukon has received those same assurances for this Territory from Ottawa?

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

Mr. Penikett: In view of the fact that this assurance from the Minister in Ottawa to the people of the Northwest Territories was made in respect of the Norman Wells oil, and in view of the exports of natural gas from the Yukon, has the Government Leader made representations to Ottawa about energy pricing in Yukon, and if none have been made in the area of these particular guarantees, does the Government Leader plan to make some?

Hon. Mr. Pearson: Mr. Speaker, we have not made any submissions per se with respect to energy pricing. But what we have done is we have been in dialogue, and a lot of it, with the Government of Canada, in respect to an energy policy for Yukon and, in fact, an energy policy for the whole North. Now, Mr. Speaker, I would respectfully suggest to you that one of the reasons that the Federal Government is giving particular emphasis to energy costs in NWT at this point in time is that their costs are so much higher than ours.

I am not trying to suggest that our costs are not high, or that they should not be lower, but the situation is a very critical one in a number of communities in the NWT, and there does not seem to be any end in sight to this crisis factor's rising higher and higher all the time.

We are in the throes, Mr. Speaker, of trying to put together a framework for an energy policy in Yukon, and certainly one of the major items would be the pricing of fuel oils, in particular.

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

In view of this promise by Ottawa to accelerate discussions in drawing up a long-term resource development plan in conjunction with the NWT government, has the Government Leader here, or his Minister of Economic Development, been informed as to whether the federal government plans to follow a similar procedure here?

Hon. Mr. Pearson: Mr. Speaker, I thought I had made that clear in reply to a question last week. We are in dialogue with the Government of Canada with respect to an energy policy, both for the north and for Yukon, at the present time.

Question re: French Immersion

Mr. Byblow: Mr. Speaker, since I was not permitted to respond to the Ministerial Statement, I would pose a question to the Minister, on the topic of the French Immersion program. Since the funding is now available from the Secretary of State and since the only operating French Immersion program exists in my community, can the Minister assure me that he will approach his department to perhaps extend this form of assistance to the program taking place there?

Hon. Mr. Graham: Mr. Speaker, I think I was fairly plain in the statement. The Secretary of State has given us a limited amount of funding and they have not totally guaranteed it yet for the full five years that we requested.

However, we are willing to start a program in the City of Whitehorse, because that was the group that originally approached us, and it was on that basis that we submitted our claim to the Secretary of State's Office.

However, as I said in my statement, I would be only too happy to look at the possibility of extending the program, should it prove successful in Whitehorse and, again, should it prove successful in

Faro.

As the Member opposite knows, and all Members know, the Department of Education has a finite number of dollars available. We are not willing to curtail currently existing programs within the Department to fund French Immersion Programs, so as the money becomes available, we will be only too happy to look at further programs.

Question re: Game/Conservation Officers

Mr. Fleming: My question is to the Minister of Renewable Resources. In view of the new policy in British Columbia by the Environmental Ministry, to give conservation officers sidearms, and train them in their use, could the Minister tell the House if a similar policy is being considered for conservation officers in the Yukon?

Hon. Mr. Lang: Mr. Speaker, the Member must have read the same press report as I did this morning. I do not know that much about it, so I will have to take the question under advisement.

Mr. Fleming: Could the Minister tell the House if, in recent years, there have been any attacks or threats made upon the lives of conservation officers during their patrols?

Hon. Mr. Lang: Mr. Speaker, to my knowledge, no, but I will check into it.

Mr. Fleming: Could the Minister enlighten the House as to what firearms and what training in firearms use is presently provided to conservation officers in the Wildlife Branch?

Hon. Mr. Lang: Mr. Speaker, I will take that under advisement.

Question re: Brass Report/Liability Suit

Mrs. McGuire: I have a question for the Minister of Human Resources. Is the Minister aware that a possible libel suit may be brought against Mr. Brass, author of the Brass Report, by a YTG employee who is suffering mental anguish as a result of this report? My question, is, Mr. Speaker, in view of this possible libel suit, what is this Government's policy regarding legal protection for hired consultants?

Hon. Mrs. McCall: Mr. Speaker, I do not know what the Government's protection would amount to. That would be a question for the Minister of Justice, perhaps, or the Justice Department. I am aware that there are a number of people who are suffering as a result of the Brass Report. I was not aware that any legal action was planned. I know that legal action was contemplated by certain people. Really, I suppose that is all I can say until I hear further.

Question re: Y-Canada Alcohol Program

Mr. MacKay: I have a question for the Minister of Education. Last year a pilot program in alcohol education was launched by Y-Canada, and carried out on an experimental basis in four Yukon Schools. Can the Minister tell us what his Department's assessment of that program's success was?

Hon. Mr. Graham: I would undertake to make that information available to the House.

Mr. MacKay: Can the Minister tell us whether his Department views the problem of alcohol education in the schools as one deserving of the highest priority of his Department?

Hon. Mr. Graham: No, Mr. Speaker, I do not think it is the highest priority of our Department. However, I believe that some alcohol education in the schools is a good idea. I am not willing to go so far as to say that the Y-Canada Program was the best alternative available to our school system, however, we are willing to look at it as a possible alternative.

Mr. MacKay: Can the Minister of Education tell us, if he is looking at alternatives, what other alternatives there may be, and how urgently is he looking at this problem?

Hon. Mr. Graham: Mr. Speaker, there are several alternatives available to the school system. We are currently in the process of looking at, I believe, three others. Once the decision has been made what we shall offer in the school, I would be only too happy to inform all Members.

Question re: Assembly's Position on Northern Issues

Mr. Penikett: I have a question for the Government Leader. Last week the Government Leader said he would be considering within a day the means of conveying this Legislature's position on various northern issue papers being prepared for the federal Cabinet. Has the Government Leader come to some decision on this matter, whether to put a resolution before the House for discussion, or to make a ministerial statement, or some other device

of advising Ottawa, by way of *Hansard*, of our feelings on certain matters?

Hon. Mr. Pearson: No, Mr. Speaker, a firm decision has not yet been made. However, I would suggest that it is highly likely that I will be prepared to make a ministerial statement fairly soon.

Mr. Penikett: The Government Leader also said at that time that he was trying to find out just exactly what the Federal Minister had said about these various policies in his announcement of the new plans. Has the Government Leader succeeded in this venture yet, and if so can he tell us what he has learned?

Hon. Mr. Pearson: No, Mr. Speaker, I have not succeeded, and I want to assure all Members that just as soon as I do I will advise the House. We simply have not been able to get any information at all yet.

Question re: Oil and Gas Supply in Yukon

Mr. Byblow: I have a question I will pose to the Minister of Economic Development, on the topic of energy. The recent news that Alberta and possibly BC and Saskatchewan may be curtailing their out-of-province oil and gas shipments has raised some concern about the effect this may have on local supplies. Can the Minister reassure the House as to the impact such a move by these provinces would have on oil and gas supplies in Yukon?

Mr. Speaker: The question would appear to be somewhat hypothetical; however, if the Minister wishes to answer it I will permit it.

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

Mr. Byblow: As a supplementary, I would then ask the Minister if he can advise the House as to whether or not this Government has any contingency plans with respect to energy supplies in the event of national shortages?

Hon. Mr. Lang: Mr. Speaker, I do not know if it would be wise to advise the House that probably an alternative would be to go to Saudi Arabia. That aside, Mr. Speaker, as I said earlier, I will have to double-check, to see just exactly where the source originates, if it does tie directly into Alberta. My understanding, and I am going on memory, is that it does not, but I will have to double-check it.

Question re: Driver Training Program

Mrs. McGuire: I have a question for the Minister of Justice. In view of the large number of accidents that have caused injury or death to a great number of first-year teenage drivers in Yukon, or for that matter across Canada, does the Minister plan to institute driver training programs within Yukon secondary schools?

Hon. Mr. Graham: No, Mr. Speaker, at this time we do not.

Mrs. McGuire: This Member considers such a program a high priority, and much more important than, say, home economics. Will the Minister at least instruct his secondary school principals to inform students as to the tangible benefits of taking driver training instruction, as provided by YTG?

Hon. Mr. Graham: Mr. Speaker, I do not know whether all the school committees in the Territory would agree with the Member's comments that driver instruction is more important than home economics. Possibly if a few of the school committees indicated to the Department of Education that they would prefer to drop something in favour of driver training, the department would move with all the proper speed to ensure that the wishes of the school committees were carried out.

However, we make available to principals, on an ongoing basis, the programs that are available. Driver training in the Territory has been available for some time through several private local firms, and I think that, at this time, they are the proper avenue to carry out this program.

Question re: Dawson City Hotel Grants

Mr. MacKay: Mr. Speaker, I would like to ask the Minister of Economic Development a question. His Department, Mr. Speaker, has presently been considering five applications for grants to build hotel rooms in Dawson City. Has his department surveyed these applicants and other hoteliers in Dawson City as to whether they will be building rooms regardless of this grant?

Hon. Mr. Lang: Mr. Speaker, there have been discussions with the various people in the particular business that the Member speaks of in the Dawson City area. I believe there are a number of proposals from Dawson City for possible assistance. Obviously, those who did apply felt that assistance was necessary. There are a number that did not come forward, because their position is that it

is just not economically viable, so one can use one argument or the other.

Mr. MacKay: Mr. Speaker, has the Minister of Economic Development's department requested specifically any information from Dawson hoteliers as to whether or not, as a result of this program, they are holding back the construction of hotel rooms, in anticipation of results from this?

Hon. Mr. Lang: Mr. Speaker, I do not know where the Member is trying to lead me here, but to my knowledge, no, that is not the case. It is obviously a very financially risky investment, and people who are interested in investing are proceeding very carefully.

Mr. MacKay: The Minister will now find where I am leading him: would the Minister be prepared, in an exercise of open-mindedness, to go back to Dawson to raise these questions with respect to these measures, before spending the \$600,000, perhaps unnecessarily?

Hon. Mr. Lang: Mr. Speaker, we do have a number of proposals put forward to us and they will be considered on their merits.

Question re: Agriculture Policy

Mr. Penikett: I have a question for the Minister responsible for Agriculture. It has been five years, Mr. Speaker, since the federal government temporarily halted the processing of agricultural and grazing leases in the north. In view of the fact that the freeze was imposed pending studies and development of an agriculture policy, could I ask the Minister what time-frame the Minister is now considering, before we will see a policy proposal come forward from this government?

Hon. Mr. Lang: Mr. Speaker, I indicated earlier in the Session that it was in its formative stages. I expect something to be coming forward either towards the end of this year or very early next year. I should also say that the Member should not try to imply that the total hold-up has been due to a lack of "agriculture policy". It is obvious, Mr. Speaker, it is very difficult to develop an agriculture policy, or even have it developed, if no land is available, and it is very difficult for a farmer to proceed if land is not available.

Mr. Penikett: A senior federal agriculture scientist told a conference in August that Canada needs a crown corporation to open up northern lands for agriculture. Is the study on agriculture policy now going to be looking at that suggestion? If so, is it being treated seriously, or is the Minister aware of that proposal coming out of that conference?

Hon. Mr. Lang: Mr. Speaker, I guess it is a question of whether you think all your problems are going to be solved by a crown corporation. I do not think that is necessarily the case in the particular area the Member is referring to. I think that some major principles have to be developed and adhered to, on how land would be released and made available, at a cost that can be met by those interested in that type of lifestyle. We are proceeding along that course.

I do not know that much about what the Member has inquired about. I did read an article some time ago and I guess it is a question of philosophy and whether or not you agree with another "crown corporation".

Mr. Penikett: I appreciate the Minister's commitment in terms of time-frame for the policy proposal.

I wonder if the Minister would now be prepared to undertake to make public that proposal, when it is ready, or if he will be holding off and bringing it as a Sessional Paper, perhaps, to the spring session?

Hon. Mr. Lang: Mr. Speaker, I think it depends on the time-frame in which it is completed. I think that I would like to leave my options open; at this time, if I do release anything, it would be a discussion paper and the Member, as does any Member in this House, has the ability to bring it forward, along with any information, or report and bring it forward to the Committee of the Whole for discussion.

Question re: Pipeline Information Impact Centre

Mr. Byblow: I have a question I would pose to the Government Leader on the subject of the pipelines: specifically the Pipeline Information Impact Centre. This has been debated and discussed in the past. Funding was to have been provided and it was to have been put in place. I would like to ask of the Government Leader if in fact such a centre is either in place or being assembled?

Hon. Mr. Pearson: Mr. Speaker, just to refresh the Honourable Member's memory, we tabled a paper at the last Session of this Legislature which made it clear that we would be putting a Pipe-

line Impact Centre in place the six months immediately prior to the beginning of construction in the Yukon Territory. The funding has been identified from all three levels of Government to do this. But, Mr. Speaker, it is not intended, nor was it ever intended, that this Pipeline Impact Centre would go into place until just prior to construction starting.

Mr. Byblow: I would thank the Government Leader for that answer. On the subject of joint funding, could the Government Leader say if either the Federal Government or Foothills have actually committed any funding under the scheme towards this?

Hon. Mr. Pearson: Mr. Speaker, I am having trouble trying to determine exactly where the questioning is going. We have a written commitment from the Government of Canada and from Foothills Pipe Lines Limited, and from this House, to make the funds available when they are required. In respect to commitment: we have made the commitment, yes. I have no idea how the Federal Government or Foothills are going to come up with their funding, but I am satisfied that we made the commitment in this House based on a commitment from them.

Question re: Pipeline Impacts

Mr. Penikett: I have a question as well for the Government Leader, in his capacity as the Minister responsible for the Pipeline Branch. In view of the Northern Pipeline Agency's limited mandate and responsibility for controlling social and economic impacts from the proposed pipeline project, and some continuing public fuzziness about areas of responsibility, could the Government Leader state, from his point of view as Pipeline Minister, exactly which agency of which government is responsible for managing and controlling social and economic impacts of the pipeline — not just the right-of-way, but the pipeline project?

Hon. Mr. Pearson: Mr. Speaker, I do not think there is any doubt about it; it is not fuzzy at all. The Northern Pipeline Agency, Mr. Speaker, is the sole federal agency responsible for all aspects of the pipeline, including the socio-economic aspects.

The Northern Pipeline Agency was established as a one-window concept to deal with all aspects of the pipeline: the socio-economic, environment hearings that were conducted in this Territory were conducted by the responsible departments, but under the auspices of the Northern Pipeline Agency.

Mr. Penikett: I thank the Government Leader for his answer. Given recent statements by officials close to that Agency that the Agency was responsible for handling those impacts on the right-of-way and the right-of-way only, I wonder if the Government Leader could tell me briefly the source of that view, or give his certainty that their mandate extends beyond that. Is it the law, personal knowledge, documents, or what, that he can cite?

Hon. Mr. Pearson: I think, Mr. Speaker, that the *Northern Pipeline Agency Act* is explicit, but just so that no one is confused, the Northern Pipeline Agency asked the Department of Environment to conduct some hearings in the Territory. Now, what has transpired is that the Minister responsible for the pipeline has stated that he wants a report from the Minister of Environment, with respect to the socio-economic impacts of that pipeline in Yukon Territory. There were hearings held. The Minister of Environment has said that he is not prepared to give the Minister of Pipelines a report at this point in time; he wanted some more information.

The question that is being addressed by everyone now is: "Are there more hearings to be held? Are there more EARP hearings to be held in order for the Minister of the Environment to be able to give the Minister of Pipelines his report?" In the final analysis, the report is going to go to the Minister of Pipelines, and, Mr. Speaker, it is then his decision what he is going to do with that report.

Mr. Penikett: Can the Government Leader tell the House if the arrangements and the relationships he has just described are in fact the reason for the delay of the release of the final terms and conditions of the pipeline?

Hon. Mr. Pearson: Mr. Speaker, for the final terms and conditions, yes, that is the reason for that delay, of the final terms and conditions. But there are other reasons. There are still others: until that report is heard or seen by the Minister of Pipelines, I am confident, Mr. Speaker, that he is going to have a very difficult time making a decision, for instance, on final centre-line route selection, which has not yet been done. So there are a number of things holding that up. But in the final analysis, they may well all be able to be tied together.

Question re: Game/Trapping Program

Mrs. McGuire: I have a question for the Minister of Renewable Resources. I would like to know if the YTG trapping program is now in place and if it is available to Yukon trappers. If not, when do you expect it to be?

Hon. Mr. Lang: Mr. Speaker, I take it the Honourable Member is referring to the discussion that took place at the last meeting of the Trappers' Association. It is strictly in its formative stages. I would like to think that we can have the program in place either late this year or early next year. Basically it is a proposal that would be going forward to the Special ARDA, for financial aid toward whether or not we can go with the incentive-type program for the trappers; also an incentive for them to take the various educational programs which we would like to put in place for the trappers of the Territory.

Question re: Alcohol and Drug Worker in Faro

Mr. Byblow: Mr. Speaker, I have a question on a local matter for the Minister of Health and Human Resources. Last week I questioned the Minister with respect to a vacancy in the area of a Drug and Alcohol Worker in my community. The Minister said that all vacancies would be filled. But since then I have been informed that the particular position I was referring to has been transferred to Whitehorse, and there is no vacancy to fill in my community.

Can the Minister confirm whether this transfer of position took place, and why?

Hon. Mrs. McCall: Yes, the Honourable Member is not speaking of the community alcohol worker; he is speaking of the occupational alcohol worker. Am I correct?

Mr. Speaker: Order please, the Ministers are not permitted to ask questions of other Members. Perhaps the Minister could simply answer the question.

Hon. Mrs. McCall: Mr. Speaker could the Minister clarify that for me. I am not quite sure which worker he is speaking of.

Mr. Speaker: Perhaps the Honourable Member, in addressing questions to Ministers, could bear in mind that it is not competent for one Member to ask another question of another Member in Question Period. It is only competent for Members to ask questions of Ministers.

Mr. Byblow: Mr. Speaker, through your good offices, I would ask the Minister whether in fact the apparent vacancy that exists now in the area of alcohol and drug services in my community that addressed the areas of alcohol and drugs use up and down the highway, is not considered a vacancy, due to the position's having been moved to Whitehorse?

Hon. Mrs. McCall: Yes, Mr. Speaker, I know the position the Member is speaking of. That position has been moved to Whitehorse only in to the extent that the worker will work out of Whitehorse. They will be working in many communities. They will be in Faro as well, but the home base will be Whitehorse rather than Faro. But Faro will still be addressed by that worker.

Mr. Byblow: It appears that the Government not only giveth very little, it taketh away. Could the Minister of Human Resources advise me, either personally or through the House, on the job description and duties of the alcohol contract workers that appear to be utilized now?

Hon. Mrs. McCall: Mr. Speaker, the Government is not taking away, in this case. Faro will be serviced just as well. I can furnish the Member with a job description for that position.

Question re: Federal Liaison Office in Whitehorse

Mr. Penikett: The Federal Minister of Northern Affairs recently established an embassy in Whitehorse, officially known as Liaison Office, which the Member of Parliament for Yukon has referred to as a political establishment for Yukon. I would like to ask the Government Leader if he agrees with the view of Yukon's MP, and if so has he officially communicated his objections to the powers that be in Ottawa?

Hon. Mr. Pearson: Mr. Speaker, I must tell you that the Minister did not advise this Government, inform this Government, or ask its permission to establish his embassy here in Whitehorse.

Hon. Mr. Graham: We are cancelling his visa, though.

Mr. Penikett: In spite of the fact that a public service competition was used to select a staff person for this office, who will be reporting to a non-public service political aide in Ottawa, does the Government Leader plan to use this office in any way to communicate with the Minister in Ottawa?

Hon. Mr. Pearson: Mr. Speaker, frankly I personally view the office as a political one and I am sure it will be used that way, and I have no strong arguments with respect to that. I think it is indicative of some things, that is all.

Mr. Speaker, if I may, I have the answer to a series of questions asked by the Honourable Member for Whitehorse West with respect to White Pass and lay-offs last week. If I may, I will read this off for the Honourable Member.

From May, 1980 through to the end of August, 1980, the White Pass laid off five employees in Alaska and hired ten in British Columbia and Yukon. From September 1st, 1980 until October 24th, 1980, there were twenty-one employees laid off in Yukon and British Columbia and thirty in Alaska.

It should be pointed out that for the first time in many years the railroad is only operating five days per week, compared to the past practice of seven days a week. The reason for this reduction is the decreased production at Cyprus Anvil's mine in Faro.

At the end of the business day on Friday, October 24th, 1980, there were only 200 tons of concentrate on hand at the minesite. The railway, Mr. Speaker, has a capacity to handle 2,000 tons per day.

There was another question, Mr. Speaker, in relation to Canadians working in Alaska and Alaskans working in Canada and, with your good graces, I will continue with that question.

The only man who worked on the maintenance-of-way in Canada in the past ten months is Mr. Paul Cyr, and he lives in the USA. Mr. Cyr is a Canadian citizen who entered with the concurrence of the Canadian Teamsters Union Local 213 to train a Canadian for six days on the operation of a special crane. Both men were paid for the one job.

Conversely, one Canadian worked for six days in the USA, learning how to operate track equipment, and one Canadian works in the USA an average of two days per month on the telecommunications line.

The White Pass and Yukon Route Corporation are making efforts to provide employment to northern residents — both here, in Yukon, in British Columbia and Alaska. Mr. Speaker, I think the House should be aware of the fact that they have just awarded a contract to a Yukon firm, a contract in the total amount of about \$100,000 for the supply of railroad ties to be cut in Yukon this winter.

Also, as another demonstration of White Pass' changes in policy, Mr. Speaker, they have awarded a contract in excess of \$8,000 to a Whitehorse firm for the production of their annual calendars for the forthcoming year.

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

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS

Mr. Clerk: Second reading, Bill Number 45, standing in the name of the Honourable Mr. Graham.

Bill Number 45: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Old Crow, that Bill Number 45, *An Ordinance to Amend the School Ordinance* be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Old Crow, that Bill Number 45 be now read a second time.

Hon. Mr. Graham: Mr. Speaker, as all Members are aware, the 1982 Arctic Winter Games will be held in Fairbanks, Alaska. A review of the average temperatures in that City has shown that it will probably be too warm at the scheduled time to host several outdoor events such as cross-country skiing and hockey. In order to allow school students in the Yukon Territory to attend the 1982 Arctic Winter Games, it would be necessary to allow Spring Break to occur one week earlier than is presently permitted under our *Schools Ordinance*. This amendment, the repeal of Section 107(3) of the *School Ordinance* would allow the Department of Education to make the necessary adjustment.

We are also requesting, at this time, Mr. Speaker, that this section be repealed totally so that the scheduling of the Spring Break in the Yukon would be done on a yearly basis through Commissioner's Order, by the Cabinet. Therefore we would not have to attend to the House to make a change in the *School Ordinance* itself, it would be done by Regulation in years after this.

Motion agreed to

Mr. Clerk: Second reading, Bill Number 48, standing in the name of the Honourable Mr. Graham.

Bill Number 48: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that Bill Number 48, *Dependents' Relief Ordinance*, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Hootalinqua, that Bill Number 48 be now read a second time.

Hon. Mr. Graham: Mr. Speaker, at the present time, there is very little that an individual or the Territorial Government can do if a parent or spouse cuts off dependants entirely from his or her will. In some cases in the past, this has meant that the Human Resources Department of the Government of Yukon is put in a position of supporting, through social assistance, children and spouses who have been disinherited unfairly in the eyes of the law.

The basic policy point in this Ordinance, Mr. Speaker, is that those who have the responsibility for these dependants should pay

Mr. Clerk: Third reading, Bill Number 41, standing in the name of the Honourable Mr. Graham.

Bill Number 41: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Old Crow, that Bill Number 41, *Miscellaneous Statute Law Amendment Ordinance, 1980 (No. 2)* be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Old Crow, that Bill Number 41 be now read a third time.

Motion agreed to

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

Hon. Mr. Graham: I move, seconded by the Honourable Member for Old Crow, that Bill Number 41 be now passed and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Old Crow, that Bill Number 41 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Clerk: Third reading, Bill Number 42, standing in the name of the Honourable Mr. Graham.

Bill Number 42: Third Reading

Hon. Mr. Graham: Mr. Speaker I move, seconded by the Honourable Member for Mayo, that Bill Number 41, *An Ordinance to Amend the Societies Ordinance*, be now read a third time.

Mr. Speaker: It has been moved by the Honourable Member of Justice, seconded by the Honourable Member for Mayo, that Bill Number 42 be now read a third time.

Motion agreed to

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

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Mayo, that Bill Number 42 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Mayo, that Bill Number 42 do now pass and the Title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I declare that Bill Number 42 has passed this House.

Bill Number 43: Third Reading

Mr. Clerk: Third reading, Bill Number 43, standing in the name of the Honourable Mr. Graham.

Hon. Mr. Graham: I move, seconded by the Honourable Member for Tatchun, that Bill Number 43, *An Ordinance to Amend the Partnership Ordinance*, be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Tatchun, that Bill Number 43 be now read a third time.

Motion agreed to

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

Hon. Mr. Graham: Yes, Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 43 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Tatchun, that Bill Number 43 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I shall declare that Bill Number 43 has passed this House.

Mr. Clerk: Third reading, Bill Number 46, standing in the name of the Honourable Mr. Graham.

Bill Number 46: Third Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Mayo, that Bill Number 46, *An Ordinance to Amend the Companies Ordinance*, be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Mayo, that Bill Number 46 be now read a third time.

Motion agreed to

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

Hon. Mr. Graham: Yes, Mr. Speaker, I move, seconded by the Honourable Member for Mayo, that Bill Number 46 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Mayo, that Bill Number 46 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I shall declare that Bill Number 46 has passed this House.

Mr. Clerk: Third reading, Bill Number 38, standing in the name of the Honourable Mr. Pearson.

Bill Number 38: Third Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Minister of Tourism and Economic Development, that Bill Number 38, *First Appropriation Ordinance, 1981-82*, be now read a third time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 38 be now read a third time.

Mr. Byblow: I feel forced to rise on third reading of this bill, probably because I have been the most vociferous in some of the objections contained therein, and because I would like to have a last word and perhaps close the matter of the Faro liquor store.

In a very general purview of this particular bill, Mr. Speaker, we are distributing nearly \$26 million throughout Yukon. Now, in the justification that this Government has presented of the purpose for that allocation, that being the enhancement to the quality of life for Yukoners and the purpose of economic stimulation, this Budget is really impossible to criticize, on the subject of these broad goals. We have debated the area of tourism development, the area of resource development, the capital projects relating to amenities, and I shall not repeat any of them because it is simply repetitious.

When you give communities things like schools and roads and water and sewer projects, they are really essential services. When you give them things like swimming pools, downtown improvements, ski chalets and liquor stores, you are talking about amenities of a second order. I have asked many questions, Mr. Speaker, with respect to the priorities surrounding capital distribution, and I would only, at the third reading of this Bill, make the point that future budget allocations take into consideration those that have been emphasized in previous debates.

I believe that outlying communities must not be either neglected or ignored, in the encouragement through capital assistance of those projects that build economic returns and enhance the conveniences of people who live there. You know, like the spokes of a wheel, I believe Yukon and Whitehorse survive to a large degree on the strength of outlying communities. There are real people out there, people who contribute in their own way to the Yukon and Canadian way of life. They, too, want swimming pools. They too want pavement, and social amenities like anybody else.

I think future capital budgets must address these concerns. As much as we may consider, Mr. Speaker, that this budget is a *fait accompli*, I would, in closing, make one final appeal to this Government: Heed the will of the people and reconsider their appropriation for the Faro Liquor Store.

Mr. Speaker, only about an hour or so ago I received a copy of a telegram, the original of which was sent to the Government Lead-

er. It came from the Municipal Council of Faro and it addresses this Capital Budget. It makes reference to the appropriation of the Liquor Store. It makes reference to the brief that was tabled in this House, by myself, on the opening day of Session. They conclude by saying, Mr. Speaker, "The Council of the Municipality of the Town of Faro unanimously and strongly urge that consideration be given to re-appropriate the funds budgetted for a Liquor Store for Faro, in order to provide for more immediate needs and priorities. Prior to passing of this Bill in the Assembly, we solicit your cooperation and the cooperation of your government in redirecting the funds to a purpose, which, in our opinion, has a higher priority than what is being proposed in the Capital Estimates."

Mr. Speaker, it is recognized that we are not going to change this particular Capital Budget, but I think the plea that is being made is a very legitimate one. In fact, over the past several days, I have made a proposal to this Government to delay the Liquor Store for one year and construct several staff houses instead, for the teachers of the community.

The fiscal amount that we are talking about, specifically \$275,000, is not, according to experts, really big enough to construct the building as proposed. It is not of any tremendous significance, in the reconstruction of the access road or towards an elementary school. I have been informed that the access road has had considerable engineering work done towards it. We know that that road cannot proceed until a decision is made relating to the airport.

On the topic of the school, I have been assured that there is a close monitoring taking place of student enrolment and projections, and I will rest assured that this will be attended to as required. It just appears to me to be more sensible that, since the housing situation in Faro for staff is considered a priority by this Government, and it is an area of critical concern in my community, that we should do this job first with the money that we have available.

Naturally the question of the lease on the present Liquor facility must be investigated, and from a phone call this morning, Mr. Speaker, I find that this Government has not made any formal approach to the owners of that facility to renew the lease in any form. So it perhaps can very well be renewed for a year or two. That makes the whole matter of constructing a liquor store next year perhaps a little hastily decided and maybe ill-conceived.

The proposal that has been submitted makes very good sense and it is an appeal that I make.

I think, Mr. Speaker, I have said enough. In closing, I would appeal to this Government to pay close attention to future capital projects, by examining those that were articulated in the brief that I tabled in this House on the Opening Day of Session. Mr. Speaker, that brief was no joke.

Thank you.

Motion agreed to

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

Hon. Mr. Pearson: Yes, Mr. Speaker, I move that Bill Number 38 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 38 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I shall declare that Bill Number 38 has passed this House.

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

Bill Number 58: Third Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Old Crow, that Bill Number 58, *Loan Agreement Ordinance (1980) No. 1*, do now be read a third time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Member for Old Crow, that Bill Number 58 be now read a third time.

Motion agreed to

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

Hon. Mr. Pearson: Yes, Mr. Speaker, I move, seconded by the Honourable Member for Old Crow, that Bill Number 58 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Member for Old Crow,

that Bill Number 58 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: I shall declare that Bill Number 58 has passed this House.

May I have your further pleasure at this time?

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

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

Motion agreed to

Mr. Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

At this time I would like to call a short recess.

Recess

Mr. Chairman: I will now call the Committee of the Whole to Order. The Committee will consider Bill Number 57, *Municipal Ordinance*. I would welcome the witnesses. Witnesses again are Mr. Livingston and Mr. McWilliam.

On Clause 7(1)

Mr. MacKay: I am sure it has been looked at. It seems to be a fairly straightforward section; however, I would be concerned that we are now going to have a thing called the "Village of Dawson City". I am wondering if there is provision in the ordinance to maintain the traditional name, Dawson City, without having to add "the Village of" in front of it.

Hon. Mr. Lattin: I am not quite sure which particular section it is, but further on you will see that there are provisions made for that. Another good example is Keno City, and that is considered the name of that particular spot, not necessarily the status.

Clause 7(1) agreed to

On Clause 7(2)

Mr. MacKay: It seems to me that there may be some expansion of the powers in this section, from a legal point of view, Mr. Chairman. I am wondering if the Minister can give us some idea as to why this was expanded upon? Were there problems with the old section that dealt with these powers of how it holds the acquired land? It seems to me that a question arose some years ago in the City of Whitehorse when they bought some land, and I am wondering if that is what triggered off this amendment.

Hon. Mr. Lattin: I will direct that over to the witness, Mr. Chairman.

Mr. Livingston: Yes, Mr. Chairman, I do not believe there is a real expansion of authority within that subsection. It is simply a matter of clarification.

Clause 7(2) agreed to

Clause 7 agreed to

On Clause 8(1)

Mr. Fleming: "The Inspector of Municipalities may, for an area deemed to have a population in excess of 300 persons, on his own initiative or in response to a petition signed by not less than ten taxpayers..." and so on. I am wondering if the government had any thought, while they were working on this situation, as to the possibility that some of the small areas are very hard-put to even have ten actual taxpayers.

Now, when we get down further in the ordinance to a taxpayer, we might find where there are more people able to vote than I really feel; however, in this section I am just wondering if the government ever had any notion that a municipality, as in the old days, a municipality was an area probably 36 square miles and then in that square you would have a town, consequently the municipality voters would come from the whole area. Now, in this case of our cities, towns and villages, it looks in this ordinance as if every person that has that vote on money matters be from that small little area of the town.

I am wondering if they gave any thought to working into this the idea of having people who were along the highway being able to

vote in that town, other than if they had a business in there, due to the fact that possibly in some small places there may be many residents who are out in the outskirts who, really, are not included in anything now anymore, because of this local improvement district, or whatever it is, just taken out of the area. Possibly some of those people may be some of the best people to be on the boards. Have you had any thought of that?

Hon. Mr. Lattin: No, Mr. Chairman, the basic reason we have not thought about that is, where do we draw the line? I mean if a person is outside, say twenty miles down, I think it would be an unworkable situation. It would seem to me that if you live in a community or particular thing, you should live in that community and have a vote. I do not think that I should have a vote in Watson or Faro. I live in Whitehorse and I think vice versa, it would have to apply.

Mr. Fleming: I agree with the Minister, where does he draw the line? However, we are drawing up something that, in one sense, does not really include all of the people of the Yukon Territory. There are a group of people who are completely left out and have nothing. I am just wondering about the old concept of where everybody has that vote, because it was a municipality, and then you had a municipality and you also had towns. These were two different situations. It is something to think of later.

Mr. Penikett: Mr. Chairman, I have a somewhat different question and I am prepared to stand down if Mr. Fleming wants to pursue his. I would like to have some description of the circumstances under which the Inspector of Municipalities would be taking the initiative. I am trying to think of perhaps a new resource community that suddenly required number of people. Exactly what would it be?

My reason for asking the question is this: if there were the qualifying number of people in an area, but there had not been any spontaneous expression of the will for such a change — and I know in British Columbia very recently of a number of cases where communities which might be communities of cottagers or summer residents have in fact resisted incorporation into a municipality, simply because they saw it as an increased cost to them, rather than an opportunity to receive services.

I am concerned that we may have a situation where if people feel there is no great demand for municipal status that we not impose it on them. I want to know under what circumstances the Inspector, whoever it is, would take the initiative.

Mr. Livingston: I think each circumstance could be very different, of course. This proposal, if it was initiated by the Inspector, would simply be initiating an inquiry process and taking it through to hearings, or whatever was necessary. I suppose the Inspector could consider, for example, the economics of the community or if it was apparent that no group of people have come forward on their own initiative and therefore, perhaps it would be reasonable to at least have a hearing on the question.

Mr. MacKay: I have a couple of problems with this section, Mr. Chairman. I would be interested to know how the Inspector of Municipalities is going to deem the population to be 300? What is he going to use as a basis for deeming it to be over 300? In addition to that, how is he going to draw a circle on the map to delineate the area? What kind of principles is he going to use to define the boundaries of this new municipality?

Mr. Livingston: There probably is no scientific method. There are various pieces of information available, like Statistics Canada figures, but sometimes they are outdated. There are health records; perhaps Motor Vehicles registrations, combinations thereof, certainly could be used, or just knowledge of the vicinity. It is pretty difficult to suggest 300 precisely, and therefore the word "deemed" has been used because the population versus the municipal boundary could have a bearing. So that is why it has made reference to "deemed", and it is just in everybody's best judgment, or the inspector's best judgment.

Mr. Fleming: I would like to carry this on a little further. The fact that "...signed by not less than ten taxpayers resident..." you are speaking of a taxpayer and also a resident in this same area.

My question concerns — and I wish to see this in the ordinance if it is not in there — a person who is living outside of the boundaries of, we will say in this case, a town, and also owns a business, and the business is in the area of the town, but this person is not a corporation, not what you call a "company" in this case, but just an individual with a business there, who, of course, has his business under the influence of the Town Council for licensing, for taxes, for many things. Is this person allowed a vote in this Clause 8(1)?

Hon. Mr. Lattin: If he lives outside the boundaries and that is his residence, I would say he would not have a vote. Just a minute, though, I would check with Mr. Livingston and see whether I am correct.

Mr. Livingston: Mr. Chairman, I should point out that under 8(1), at that point there is not a municipality, there is not a boundary, it is a proposed area of incorporation at that time. Therefore, those taxpayers resident within that proposed area would be entitled to have a vote.

Mr. Fleming: That is now, but I would carry on that question to say if, for instance, this petition is taken by the Commissioner, and that area is made into a town, and the same position applies: the person has a business in that town, and he is then under every obligation to the Board or Council or whatever it is in that town, will he then be allowed a vote?

Mr. Livingston: In that case, Mr. Chairman, the individual could vote on money by-laws but could not vote in the general election.

Mr. Penikett: I have a couple of questions, and I would beg your indulgence, Mr. Chairman, to let me pursue the line of inquiry perhaps, if I could, before returning to my friends who have questions of a different kind.

Let me ask the Minister, or if he wants to defer to the witness, ask the witness about the circumstances under which the Inspector would be exercising his power to "deem" or to initiate the creation of municipalities.

I want to consider two kinds of cases, just so I understand the arrangements perfectly. In the case of a resource community, a new mine is established, and they are going to be a work force and a resident population obviously in excess of 300. There is not much doubt about the figures, but there was clearly no petition at the early stages, because there is probably only one taxpayer in the community, and that taxpayer may not be, notwithstanding other sections of the ordinance, terribly enthusiastic about having the government of his property transferred to some people who may be without property within the community.

Could I ask the Minister how he would expect his inspector to act in those circumstances, or, if the witness is going to answer, how he would proceed in a case like that? I am particularly interested in whether it would take six months for a municipality to be created, a couple of years, or what kind of guidelines would he operate under?

Mr. Livingston: Mr. Chairman, with respect to the precise question being asked by Mr. Penikett, I believe that Section 12 attempts to deal with that point.

Mr. Penikett: I did not remember what the section was, but I remember a section in here and it is 12, "... where in the opinion of the Commissioner, it is in the public interest to establish..." I love phrases like that. I wonder if the witness would be prepared to give me some kind of idea what the public interest in this would be?

I want to be clear, because we are delegating power here, and I want to understand the ways in which it may be used.

Mr. Livingston: I suppose, Mr. Chairman, there are many things that could be considered to be in the public interest. Two things that come to mind, just off the top of my head, would be the needs and aspirations of the residents and the economics.

Hon. Mr. Lang: Mr. Chairman, I think one only has to go to history; good, bad, or indifferent, you can argue the pros and cons of the process that was undergone when the community of Faro was incorporated. There was a question of negotiations between one level of government at that time, the Government of Canada. It is my understanding that the Government of Yukon was on the periphery of those negotiations and the development. With Section 12, it gives the ability to this government, where there is municipal responsibility, to sit down and negotiate what is expected from the "developer", what is expected of this level of Government, and what we perhaps expect of the Government of Canada.

So it is a question of whether it is in the public interest to (a) create a municipality or use existing communities if possible, and (b) if it is deemed to be in the public interest through the Department of Municipal Affairs and the Cabinet, then what terms and conditions would have to be abided by by the various actors involved, to make a new community viable and prosperous? All those things would be a question of negotiations, to the point, Mr. Chairman, that we would probably have to bring in a special incorporation, similar to the provisions in Section 9 that outline special circumstances. For example, the community of Faro, under this

new legislation, would have special circumstances, in view of the negotiations that led up to that community's being created, and the various aspects that were agreed upon at that time and will have to be carried through.

Mr. Penikett: The Minister has given me a long, elaborate answer which sounds good. He has referred ahead to Section 9, a section which I have some problem with, because I think the clause he is talking about where it says special circumstances, is in fact a phrase which says, "...and may specify such provisions and conditions as may be deemed necessary for the operation of the municipality", which is a fairly general, catch-all phrase. I have gathered that that is the phrase we are talking about, where not anything is possible where a municipality can negotiate for their powers.

Let me explain, lest anyone think me obtuse, why I am interested in this question. We have, I think, one mining community in this Territory which has not got municipal status now and I do not think has ever asked for it. I may be wrong but I do not think they ever have. It is a very old community. It is a community which I think in its character is a bit undecided as to whether it is a mining camp or a town. I think that ambivalence by the residents is indicated by the layout of the town and the very structure of the place.

I, for sometime, worked in a community that was not a municipality. That community suffered some of the kind of stresses and tensions that we have seen in other mining communities, and many of the things that ended up being subjects for discussion at the bargaining table when collective agreements expired, were things that would not normally come under that subject, but ended up on the bargaining table because there was no other forum for airing them.

At the highest level of elected office at one time in this community was the Community Association, and even then the company retained the right to appoint half the members. On top of that, it retained a right to veto the decisions of the Association's Board of Directors.

The level of responsible government, if you like, in that community, was very low. I could see a company, for very good management reasons, as they saw it, wanting to have very strong control over the engineering and the management of that town in its formative years, and coming to the government, and the Minister, and bargaining, as the former Minister suggested, and making it, not exactly the first condition, but a condition of their opening up the mine, that for some years, some period of time, they did not want to become a municipality. In other words they did not want the people who were working there and coming and going having too much say about the way the place was run.

Now, let us get back to the explanation of the witness, who did not run contrary to what the Minister said, but emphasized, I think, different things. The will of the community might well result in very quickly having an adult population that wanted to have a reasonable control over their own lives, with respect to such things as recreation facilities, or things which are normally under municipal control: paving of roads, street lights and all those kinds of things. I am concerned that in such communities, unless we are very clear about the policy here, we will have some very painful conflicts between the natural desire of management of these companies to keep as much control as they can, and the emerging will of the population in the community for control of their own lives.

Now, I admit that Section 12 talks about — I think it is "notwithstanding other provisions" the Commissioner, the Minister, the Inspector can go "poof" and create a municipality. Mr. Lang has quite correctly said, I think, that such circumstances may be part of an agreement; a planning agreement, a production agreement, a number of agreements between the governments. What I would like to know, from the Minister is: first, does he think it is likely that the Government would in fact contract out of this Bill, or agree not to have a municipality created for a number of years after the mine started? Does that seem like a reasonable possibility? If not, exactly how does he see the thing starting?

I know we are talking hypothetically, but I am concerned, because I have lived in communities where there was no form of local government and I know how frustrating it was; where workers could get fired, for example, for something they said to a foreman after work. There was no appeal procedure. Normal civil rights were not very clear. And let me tell you this — and I say this with no offence to mining companies, everybody knows that I love mining communities, as a rule. They may be good at running mines; they may be very good at laying out streets, because the engineers on

the staff can do that very neatly; but regarding some of the human aspects of the community, I think, even with the best will in the world, mining company management were not trained to look after. They are not trained or equipped to do that very well. I am concerned that we may get into a circumstance where the will of the people in a community may not be very clearly expressed, and we may not hear them as well as we would otherwise, because they are not taxpayers.

Hon. Mr. Lang: Mr. Chairman, I think that we share that concern concerning the will of the people, and the Honourable Member said it so well; that they perhaps may not be taxpayers. I think one of the directions that should be taken, if negotiations had to be undertaken, would be to see how permanent we can make those residents in a particular "new" community.

Now, of course, if we had our druthers, we would sooner see it within the present communities where these people would settle, as opposed to a new community. Other variables come in, Mr. Chairman. The life of a natural resource area is very real. You have to look at it and say, is it three years, is it going to be ten years? We have advanced quite a bit from twenty years ago, technology-wise, with respect to trying to project reserves; all these other variables come in.

These are things that would have to be discussed at great length with anybody proposing a brand new community, because we recognize how serious it is. I think the Member would agree that that provision has to be in the ordinance, to allow the government to be able to seriously talk to these people, and to negotiate the various aspects that have to be done, in order for it to be in the best interests of the future citizens of that community, as well as the Territory.

I think, Mr. Chairman, there is another point: as the Member so fondly put it, "Poof, there is going to be a community". I do not think it is quite that easy. In fact, I know it is not that easy.

In respect to existing communities that the Member for Campbell is referring to, there is an inquiry procedure, if there is going to be a new community created out of what would be termed a community in the sense of the word, but not organized community. That inquiry would allow people to say: (a) whether they want to be incorporated as a community; (b) where the municipal boundaries should be, and various other aspects. They have the opportunity of coming forward at that time to bring their concerns forth to somebody who would have a good reputation, be able to bring in an objective point of view, and submit it to the government: whether or not steps should be proceeded with, delayed, or otherwise.

Mr. Penikett: Instead of my hypothetical mining community, let me deal with a real case. As I understood it, having attended some of the meetings where it was discussed, the boundaries of Whitehorse were expanded some years ago, to take in a number of areas that people had expanded into, where they had leaped the city limits, and created little satellite communities. For planning and tax reasons they were to be incorporated into the larger city in time.

Let me pose a specific case — a possibility. Ten taxpayers on the Mayo Road come to the Minister and they say, "We want to create the Village of Mayo Road." It is a long village, it is going to be a large area with the required number of people in it. I know I might be leaping ahead into other sections, but because these parts seem so linked, it is important that we understand the steps; could I ask, how will the Inspector of Municipalities proceed in such a case?

Hon. Mr. Lang: Mr. Chairman, I think it is quite obvious in the legislation how he or she would proceed, because a Board of Inquiry would have to be set up. There would be postings in the various newspapers; publicity that this could happen, that this possibility does exist. At that time people would get the opportunity of coming forward if they were interested, or whatever the case may be. Then in the final analysis it is a political decision.

Mr. Penikett: I appreciate the former Minister trying, but he has not helped me very much. It is entirely possible that the people of the Mayo Road district, for example, may wake up one morning and suddenly be persuaded by divine revelation that perhaps municipal status is the way to go; ten people trot down to YTG and file an application to join the City of Whitehorse, ten others file an application to join their own municipality, and ten others put out a contract on those first twenty people. All sorts of interesting things could happen.

I can read through all the notice procedures and so forth. Let me ask this question and make it a very precise one. Mr. MacKay, in a general way, asked what kind of guidelines the Inspector or the

Minister would use in terms of the population density. Obviously, the figures that we looked at in Section 10, how many people you require for a village and town, are quite clear but there is no density figure given. Presumably it is theoretically possible, if the Government wanted to manage some area properly or the people in — let me try to imagine, some Inuvialuit people on the North Slope — a few of them move into northern Yukon on a permanent basis. Like they have in the north part of Alaska, they decided on a large area, a few hundred square miles, and they decided that they did not want to have the County or Borough of North Slope, but they would have the Village of Lang. It would be 10,000 square miles on the Arctic Coast and it would be populated by 300 people. None of them are taxpayers yet but they petition —

Have I horrified anybody by this proposal, or is the Minister sort of prepared to think that there really is not any guideline, and it does not matter that these people are only 300 people over a large area. That is still a possibility?

Hon. Mr. Lang: Mr. Chairman, I appreciate the fact that the Member is very adamant that I at least get my name on to something during my short tenure in politics.

I would like to point out that it does state "taxpayer" and taxpayer is defined. Therefore, in respect to the idea that the Member has tried to demonstrate, obviously in most cases it would not work. All I am saying, Mr. Chairman, is that in the final analysis it is a political decision. The Cabinet of the day would make a decision as to whether or not there should be an inquiry. After that the procedures would come into motion.

Mr. Fleming: I thank the Minister for that little enlightenment. I think the Minister did not quite get the gist of the question the Honourable Member was trying to put to him, because it is possible that any ten taxpayers, no matter where they are or how far apart they are, could all get together and do this very thing, ask the Commissioner.

However, it boils down, as he says, to probably a political decision. That is what I would like to be sure of here. As you go through the ordinance you find things like this later on, but in this section it says these ten taxpayers shall submit the proposal.

But, I find, going through the ordinance, that that proposal is mandatory, more or less, the way the Commissioner or the government at hand decides to do it, because I find nothing in the ordinance to say that you cannot go against the peoples' wishes, if they say, "We do not want a town, we do not want a municipality in this area, we wish to stay the way we are." Then the Commissioner, as far as I can see, or the government, whichever is the power to be, can possibly fix an order, put it through, and you will be whether you wish it or not. Is that not so?

Hon. Mr. Lattin: Yes, that is my understanding, Mr. Chairman. But it is still a political decision. However, I suggest that it could be done that way.

Hon. Mr. Lang: Well, Mr. Chairman, I think it is fairly clear in 8(11) that the recommendations of the Inquiry are to be made public, along with the decision of the Minister and the Cabinet of the day concerning what is to happen in a certain area. In the final analysis, the buck stops with the Minister of Municipal Affairs, is what it amounts to. At least it gives an outline of a procedure that has to take place with respect to the establishment of a community.

I think that one thing that is being overlooked here, Mr. Chairman, is the fact that there are provisions for a hamlet. What the Member is referring to is probably that the first stage of incorporation would be a hamlet status. Once that has evolved and proved to be working to the benefit of those people in the area, then they could attain more responsible government. Then it would be a request to move into the next classification, which would give them more responsibility, more decision-making, as opposed to running to the Member for Campbell every time they have a problem.

Mr. Fleming: I thank the Minister once again. However, my question is very, very simple really. Without consultation, without the proposal from the taxpayers, without any of this; the Commissioner, or the Government, or whoever is in power at that time — and it is a Commissioner in this case — can make a municipality out of any area he wishes, and the people have no say unless he or she listens.

Hon. Mr. Lang: Mr. Chairman, it is directly in the legislation. You have to have a set procedure if that type of community is going to be established, and it does give the people the capability to say, one way or the other.

Mr. MacKay: Yes, I think it is very clear to me that the ulti-

mate powers lie with the Cabinet. I think that that is probably as it should be. I think that the procedures we are talking about, in Section 8, are an improvement upon what was there before, and we are allowing something better — I have some suggestions to clean it up a bit, but we are allowing a community to express their views either for or against being part of a municipality.

I just want to talk, Mr. Chairman, about the practicalities of this proposal. When I look at the green paper, which I appreciate is not Government policy — I hope it is not Government policy — but when I look at the green paper on financing in municipalities, the basic unit that has been proposed there is not people, it is the number of dwellings in an area. I am wondering: if that is the way it is going to be funded, why are we not using those same criteria here, to try and arrive at what can be developed into a municipality, and what should not be.

Hon. Mr. Lattin: If we were using dwellings, I would submit that there may be one dwelling, but in that one dwelling there may be four people living. So that is one reason why you would not use dwellings in this particular case. I think that we are talking about so many people to form a municipality. It would be a very poor figure to use, if we used dwellings in this case.

Hon. Mr. Lang: I think that the point that has to be made is that the reason "dwelling" is indicated in that particular green paper, is that that pretty well lays out the financial framework of what a community could pay, through their assessment and this type of thing, through the property taxation system.

Also, at the same time, I think it has to be pointed out, and I think it is a very good provision; in Section 8 (3), it states very specifically in (c) the estimated tax rate, to know what the financial implications are to a community that could evolve into another step, with respect to municipal status. So they understand what they are getting into, all the information is provided, and also the analysis of whether or not they can afford to go in that particular direction. All these things would have to be laid out accordingly. Because it is not by any means the intention of the Government to put people into a financial situation that they cannot afford.

Hon. Mr. Pearson: Mr. Chairman, I do not think that we should confuse the objects of this legislation with respect to residents and taxpayers living in a community and having some decision-making power, and the object of the *Municipal Aid Ordinance* when it comes forward. It may well be, Mr. Chairman, that it will be a fairer method of dispensing municipal aid to use residences as opposed to people.

I would respectfully suggest that, with what we are trying to do with this legislation, we should be talking about the numbers of people involved; not the number of residences but the number of people involved should be the criterion.

It does not preclude, and it should not preclude, using a different criterion with respect to the money angle.

Mr. Byblow: Perhaps this is dealt with in Section 9(2), but if there are certain special circumstances of financing a municipality under the present incorporation, will that be guaranteed to be written into the future charter situation of the new incorporated status?

Hon. Mr. Pearson: Mr. Chairman, we have stated repeatedly that we anticipate it is going to take us a year and a half to put this legislation into effect, and that we are going to have to deal with the various communities in the Territory, virtually on a one-to-one basis. I think that the Honourable Member's question is answered by every indication that we have made so far that we anticipate that we are going to have to deal on one-to-one basis with virtually every community in the Territory.

Mr. MacKay: Contained in this section, Mr. Chairman, is the provision for ten taxpayers to initiate the proposal. When we get further down in this same section and we talk about an appeal to this proposal, suddenly the ballgame switches to become, not a specific number, the way it used to be, but a percentage of the resident taxpayers.

It seems to me there is a double standard here, because we have already agreed that in the end it is a political decision by this government, but why do we make it that much more difficult, Mr. Chairman, to lodge an appeal against something, as opposed to initiating something? Is the government saying that they much prefer everybody to be a municipality, and therefore they are going to make it easy to get in and difficult to avoid?

Is that really a fair way to gauge public acceptance of this ordinance, or any future ordinance? I am concerned about the

double standard. Why is the Government almost pushing the concept of municipal status: regardless, it seems, of what the underlying feelings of the community may be.

Hon. Mr. Lattin: I think one of the reasons, Mr. Chairman, is that twenty-five people are no relation to the number of people; if we use the figure of ten per cent, we can get some understanding if there is a lot of opposition or not, and it gives a better capability of assessing, by percentage, what the feelings of the whole community would be.

Mr. MacKay: I cannot really agree with that, Mr. Chairman. I did not really get the answer, though, as to why do we not require ten percent of the taxpayers to make a petition. If that is how you want to gauge public opinion, why use different standards to gauge getting in or getting out?

Hon. Mr. Pearson: Mr. Chairman, I do not think that any of us on this side are going to deny the fact that we feel that a municipal type of government is a good type of government for everybody in the Territory to be under. I only regret, personally, that we do not have the wherewithal to create a municipal government that would include everyone in the Territory, like the Member for Campbell has been advocating. I think it is a pity that people have to be left out because of where they live. But it is something that does happen. But, Mr. Chairman, I am sure that the object of the exercise is to get as many people in this Territory as possible living in communities with municipal-type government, because, as far as I am concerned, Mr. Chairman, that is what democracy is all about.

Mr. Tracey: Mr. Chairman, I think we also have to realize that if ten people ask for a municipality to be created, and we go through this public participation process to find out whether or not we are going to have it — you can go to any area of 300 people and find ten people who are against forming a municipality. So, in order to have a broad coverage, we have to go to more than ten people, whereas to form a municipality, we go through the whole public participation process.

Mr. MacKay: Yes, I would just like to pursue this a bit. It seems to me this section sets out the provisions whereby notice is given. Then if there is an appeal, we get into hearings and so forth. In order to be able to make a valid appeal, we are setting a much higher limit. Even just to hear the appeal we are making it difficult. I think there are very practical difficulties involved in this. I do not want to jump too far ahead because we are still on the same Section, but we are talking about ten percent of the resident taxpayers of the area. Who knows what ten per cent is in round numbers? Who knows that?

You have no way of being sure what the population is, so that is one difficulty they have to overcome. They also have to overcome what a resident taxpayer is. They have to go and make their own enquiries, as to what a resident taxpayer may or may not be, in this particular circumstance.

It seems to me that the old ordinance was quite clear. It said that if twenty-five people objected to it and signed a petition, then you would have a hearing. I do not see why we should change that. I have no idea why we have to make it more difficult. Twenty-five people seems to me a pretty fair number, when usually what we are talking about is a community of maybe 300 or 400, maybe more. That seems to give a firm number and easily recognizable group of people to sign a petition, and it seems to me that that should automatically trigger an appeal.

Hon. Mr. Pearson: Mr. Chairman, I just cannot accept that kind of an argument from the Honourable Leader of the Opposition. Is he trying to tell me that it is harder to determine what twenty-five people are than what ten per cent of the number is? Now, Mr. Chairman, come on. That was just a red herring; that is all that whole argument was. It did not say anything at all.

Mr. Fleming: I think possibly they do not get quite the gist of what the Honourable Member and I were trying to say. We are saying that all the appeals and all this and that and the other thing, ten per cent or whatever, mean nothing, because of the powers of the Commissioner to make a municipality or town or a village. That power is there anyway; even if the appeals go into do it, he can still say "yes" or "no" definitely. However, I do not disagree that the Government must have that power.

My concern is in the fact that there are ten taxpayers — and maybe a little community might have only those ten taxpayers — and then one taxpayer could appeal against it; there may be only eleven in that community, so it only takes one person to appeal, really. However, the appeal really means nothing if there is no

thing in there that allows the people to say "no" in the long run; that is what I am saying. However, I do not disagree entirely.

Hon. Mr. Lang: Mr. Chairman, I do not accept the argument by the Member opposite. They do have a person representing the area at the Territorial level, that they get to cast their ballot for. There are also provisions in here in which it is deemed to be 300. I think that is a very important aspect because the Member keeps referring to ten or eleven people. I am sure it is not in the interests of the Government or any Member of this House to try to advocate, where there are not many people, like the ten people that the Honourable Member refers to, any formal sense of government.

Once you get up to the area of 300, 400, somewhere in that area there, you are starting to get into the situation where people are concerned about what other people are doing, because it is affecting their lives. The majority of people may well want to have some formalized type of government.

This power, under this legislation, permits it. I do not think anybody should be under the impression that this legislation is designed to put everybody into a municipality. That is not the case, but it gives the framework for people to have some sort of decision-making in their everyday lives, as opposed to trying to catch the Member for Campbell when he is coming through on one of his frequent visits.

My point is that it lays out, in very general terms, what the procedure is in respect to going towards decision-making, responsible decision-making in some municipal form of government, what the procedure is; finally, the buck stops where it should, with the Minister of Municipal Affairs.

Mr. Fleming: I would like to thank the Minister again for all his enlightenment. You know, I think I have been misunderstood again. I know the procedure goes through here, and I also know what is written on the paper, and it is exactly what is on the paper that I am reading, and that is what I am going by.

However, I agree with the Minister, because this is the case. There is an appeal process written in there and I am merely saying, and I will stand by that, too, that even though there is an appeal area there, that you can do it without that. It can be ten people, it does not necessarily have to be 300.

Mr. MacKay: I would just like to pursue the questions I was pursuing before I was so rudely interrupted, Mr. Chairman.

The Government Leader's statement that my argument is a red herring is, in itself, a red herring. It is a very fishy story that he is trying to put out. The Government Leader knows full well that the previous ordinance talked about twenty-five residents in the area. It did not talk about taxpayers, it talked about residents. There is a very significant change in this provision, not only in numbers but in terms of qualifications. So, I do not think it is a red herring, I think it is a very important area we are discussing.

Perhaps we are jumping ahead to that section and I should reserve some argument for that, but I do object to the principle at this point of having a different standard for making an appeal to get into a municipal status from lodging an appeal against it. I have not yet heard an argument as to why that should be so. Why should it be so difficult?

I am somewhat suspicious, as I say, as to what the reasons are for it, and I would like to hear, when we get to section 8(4), a very clear explanation of why we are going this route.

Mr. Chairman: The Honourable Member wishes to adjourn debate until we reach Section 8(4).

Clause 8(1) agreed to

On Clause 8(2)

Mr. MacKay: This is an area where it could be tightened up. I am wondering why there is no time frame indicated in this Section. There is no requirement on the part of the Commissioner to respond within any particular time.

Hon. Mr. Lattin: Yes, Mr. Chairman, it is done purposely to provide some additional flexibility to the process of notification, by deleting the time required and also when notice must be given.

Mr. MacKay: So, in effect then, a request by ten taxpayers could be ignored indefinitely. Legally, there is no way you can force the Inspector of Municipalities to carry on with the process. That is what that Section says, if there is no time limit involved.

Hon. Mr. Pearson: No, not at all, Mr. Chairman. The Section is mandatory. It says that the Commissioner "shall". Mr. Chairman, there is no way that that petition can be ignored.

Mr. MacKay: My question is: for how long?

Hon. Mr. Pearson: Mr. Chairman, that really is a question. It has been felt that the imposition of times in cases like this are most often a hindrance. What we are asking for is the latitude to be able to react, at the earliest possible date, to such a petition. But there is no way that it can be said that it can be ignored forever, because the Commissioner must react, in every case, to such a petition.

Mr. MacKay: The previous ordinance says one month there, which, I admit, was probably a bit on the short side. Did the Government not consider, though, Mr. Chairman, putting in a longer time period so that there would be a maximum flexibility, but so that there would be a legal requirement to deal with it at some point?

Hon. Mr. Lattin: Mr. Chairman, we thought of the different options that were available to us, and we felt that we could see no particular reason for extending the period when we figured we could accomplish the same thing by giving the flexibility. I think, Mr. Chairman, you should recognize that the Government would be ill-advised to dilly-dally on a thing like this. It would be in the interests of everybody to get it cleared up as soon as possible.

Mr. MacKay: I think that that is fine to say now, but I think the problem will arise when you come up against a real tough decision. That is when you will dilly-dally, because that is what the propensity is to do in the case of a tough one.

I would have preferred, and I really strongly think you should consider, putting in a six-month time limit or something in which you have to deal with this problem, because if it is a really tough problem, you can put it off and put it off, and there is nothing worse for the reputation of government than avoiding making decisions.

Mr. Penikett: Mr. Chairman, I just wanted to join this debate for a minute on the question raised by Mr. MacKay. In the best of my habits, I am going to say there is some truth and some merit to both sides of the argument, but I still think there might be some merit even if you do not. I am not persuaded there should be specific time limits such as ten days or one month or a year or six months. Having a phrase such as "the Commissioner shall immediately..." or as "...soon as possible...", or some such phrase, indicates that the Commissioner is bound to not only respond but to respond with dispatch.

I would emphasize, Mr. Chairman, it is not an issue I am about to go to the barricades on, but it seems to me there is a slight improvement that could be made.

Hon. Mr. Lattin: Mr. Chairman, we could take that under consideration.

Clause 8(2) stood over

On Clause 8(3)

Hon. Mr. Lattin: Mr. Chairman, this is unchanged from the present legislation, except we have deleted assessment, which is no longer a restriction on creation of a municipality.

Mr. MacKay: I have a philosophical problem with this section. I will try to match it with the statements that we heard earlier in debate at a previous date. The Government's position is that this ordinance can be introduced almost piece-meal, in the sense of devolving responsibilities onto various municipalities. When we get to Section 9(2) we will probably hear more about how that is going to work.

I have a great difficulty in seeing how practically the Government, before the establishing of such a municipality, will in fact be able to estimate a tax rate, if they do not know what services are going to be included in that municipality.

If they do know what services are going to be included in that municipality, are they not imposing — as they said they would not — the responsibilities upon a municipality. How are they going to pre-determine, for the purposes of Section 8(3)(c), what the estimated tax rate would be?

Hon. Mr. Pearson: Mr. Chairman, as you will recall, we stood over, in the definition section, the primary, secondary and tertiary levels of service. I would respectfully submit that a determination as to what level of service might be an initial level for any community in the Territory would be fairly easy to determine. Surely one of the determinations of cost-sharing, in the final analysis, would be what percentages we actually do cost-share in respect to these various levels of services. From that point of view, I think it becomes fairly straightforward.

Mr. MacKay: It is not as straightforward as it may appear. Again I do not want to muddy the issue with the subject of the green paper, but you have to think in terms of what you are going to do

once you get this thing through. It seems to me that the green paper really does not address the differing responsibilities that may or may not be devolved onto a municipality. That is one of the major concerns I have with that — it does not seem to match the flexible spirit which we are trying to embody in here because of a couple of model municipalities. There are averages and so forth that really do not seem to work, when you talk about having a menu of different responsibilities that are going to devolve.

This is one of the practical ways of having flexibility. I wonder if the Minister has addressed that problem: as to how he is going to meet the flexibility situation in terms of dealing with each municipality.

Hon. Mr. Lang: Mr. Chairman, I just want to make a point here to follow through with what the Government Leader said. We recognize its objective, recognizing also that it is very important for the people in the area to know what they are getting into.

You are trying to project two years down the road in clear, concise figures, what the cost would roughly be, as opposed to what it was in its earlier form, say, as a village as opposed to a town.

The other point, I think, Mr. Chairman, that the Member forgets, is that in major capital outlays of finance, those things have to be voted on by the electorate — I think the terminology in the Legislation is "submission". Also there is a certain responsibility for the financing and for the levying of taxation by the elected people in that particular area if they go that route. At least it gives them projection, going to another step of responsible government, what other responsibilities they are taking on. Too often you say that it is nice to take on more authority and whatever. Like the old *Local Improvement District Ordinance*, there is all sorts of authority, but in many areas where is the responsibility and accountability.

That is what we are trying to do through an open public forum: to outline just exactly what the situation is going to be, or could be, in as close terms as could be projected, through the financial administration arm of the Department of Municipal Affairs.

I think it is a very good section to have in the legislation because I am sure the Member would be the first to stand up and say, "Well, are you not going to have anything making it mandatory, at least, that certain provisions and at least a projection be outlined for people to assess exactly what they are getting into." I think it is a good section.

Mr. MacKay: I am not quarrelling with having such a section in here. I guess what I am saying is, how do we tie this thing down a little more tightly so that people can see that.

Perhaps I could ask a direct question. When it says "required to be established in order to meet the commitments of the proposed municipality", I would presume that that notice then would lay out very clearly what the commitments are going to be, and therefore would attach a price tag to it. We are not just going to say that you are a municipality, your tax rates are going to be X. Is that correct?

Hon. Mr. Pearson: No. Mr. Chairman, once again we get back to the various levels of services that a municipality may or may not be responsible for.

It is highly likely that it will be broken down finer than that.

Mr. MacKay: I am glad to hear that, because I think the basic objection to this ordinance you may hear outside of Whitehorse, is, "We don't know what it is going to cost us, and we're not sure if we can afford it. Is this going to give us paving in our streets?" All these questions are really what you are going to run up against, Mr. Chairman, as the primary objections. No one objects to being given more responsibility; they just want to be sure that they can afford it.

Hon. Mr. Pearson: Mr. Chairman, I would very much like to respond to that. This side is going to be faced with some agonizingly tough decisions to make in the very near future, respecting services going in to a community that cannot, or could not, and probably never will be able to, afford them. So I appreciate very much the remarks that the Honourable Member has made. They are valid, and we do appreciate it.

Mr. MacKay: I have a question on (d) here; "the procedure to be followed in lodging an appeal, if any, against the proposed" I am wondering why that section is in here when it seems that (4) seems to give that procedure? Are we talking about the timing of the appeal and how long and so forth?

Hon. Mr. Pearson: Mr. Chairman, we are talking about the notice. I would think it should only be deemed to be fair that if there is an appeal procedure, then the notice should make it clear to

people what they can do, with respect to being either for or against this notice.

Mr. Penikett: We discussed the timing of the Commissioner's action in the previous one. It seems to me, although it does not specify here, that a legal notice like this ought to have, somewhere in the notice, the date as to when the proposed municipality is going to be created or come into effect. Lest someone think I am being picky about that, it seems to me that most legal documents do exactly that. They say "effective January 1st, 1981", or whatever. Could I just hear the Minister on why that was not done? Is it similar to his reasoning on the previous Section?

Hon. Mr. Lattin: Mr. Chairman, I do not think they are particularly necessary. I think we could be boxing ourselves in, and I do not see what good it would be at this particular time.

Hon. Mr. Pearson: I might ask the Honourable Member just to consider, is the timing of when a municipality may or may not be created, really a matter that would be of serious consideration to anyone voting for or against such a proposal?

Mr. Penikett: Let me answer "yes" and let me give you a couple of cases where it would. There are at least two areas, I am sure, where all three of (a), (b) and (c) could be a matter of dispute, in the case of appeal. They could be a matter of dispute especially if the community were going for a period of fairly considerable change that was causing this petition for exchange status, such as going through rapid growth. There might be a lot of dispute about the facts, in connection, not with the area, because that would be a matter of judgment as to what it should be, but with the actual, or present, population, on the date that it was due to be effective, the tax rate based on the period.

I admit that some difference of a few months probably is not going to cause a ten per cent change of population, but I do not know. I guess the imposition of it bothers me slightly, because it just could mean we have a lot of sloppy and eventually unproductive arguments about whether there are 500 or 550 people and whether therefore the tax rate would be X per cent as opposed to Y per cent. Presumably, if you did set a date in the notice — perhaps it does not need to be in the bill — of when it was supposed to be created, that would be an accurate number from which you could make those estimates.

Hon. Mr. Pearson: Mr. Chairman, I just somehow doubt that, if we were to get a proposal from ten people of a community that they wish to attain municipal status, they may or may not, I would submit to you, have a proposed date there. Probably such a date would be something for serious consideration in any public hearings that are held.

Mr. Chairman, I really do not know that it is critical in any way at all that there be a proposed date in the notice.

On Clause 8(3) agreed to

On Clause 8(4)

Mr. MacKay: Perhaps I could ask the Minister to explain why they went from the old ordinance provision of twenty-five residents to lodge an appeal to ten per cent of the estimated taxpayers in the area?

Hon. Mr. Lattin: As I explained before, Mr. Chairman, we consider that ten per cent will give you some sort of feeling about what the whole community felt about it. Twenty-five people or ten people does not give you a true picture; we felt that it was some way of rationalizing it, if a great majority of people were either for or against it, rather than just using numbers. We felt that we had a better understanding by using percentages.

Mr. MacKay: That explains the going to ten per cent from the twenty-five people. It does not explain why you went from "residents" to "resident taxpayers".

Hon. Mr. Lattin: I would suggest that it would have to be taxpayers who make the application in the first instance.

Mr. Fleming: I would like to answer that one myself. I agree with the Government on that section alone. I think the taxpayer is the one to consider in more cases than one. Of course, down the line a little further, I will bring up the question which would fit into this section, however, I think I will wait for section (8).

Mr. MacKay: I want to nail down my concerns in this because I think there is a problem here. I think the last L.I.D. that was formed in this Territory was Carmacks and it was a very good test-tube example of the kind of problems that may or may not arise under this ordinance.

In that instance, there was quite a serious objection from the

native people across the River. I am not sure about unanimity on the other side of the river, but there was a serious objection to be included in the L.I.D., and there was an inquiry held, more or less along the lines of what we are talking about instituting here. That is why I do not have any real problem with what you are trying to achieve, but then I look at the practical aspect of this particular appeal, and in that instance in Carmacks, Mr. Chairman, there probably would not have been any taxpayers, in the sense of property-tax-paying people who would have been able to have started an appeal under this ordinance. I would be concerned that we are going to disenfranchise many people who, by virtue of living in what is called an Indian village or reserve or whatever, will not be taxpayers, and will not be able to lodge any form of appeal against being incorporated into a municipality. That is my concern. Perhaps the Minister could address that concern for me.

Mr. McWilliam: That raises a point which perhaps could use more attention; however, I would suggest that if you have, within the Community, a sufficient amount of concern about having municipal status imposed, then they can have their concerns reflected for them by other people. If you are talking about a place the size of a village as in the case of Carmacks, you may be dealing with only twenty or thirty taxpayers. In order for them to launch an appeal, all you need is ten per cent of the taxpayers, which is a case of only convincing two to three taxpayers if they should be representing that native view.

Mr. Penikett: Mr. Chairman, that is very nice but let us admit, in a democracy there is a possibility of there being no taxpayers who share the view of the Indian community in the case given. We have got to be realistic. There might be 100 per cent of the people on one side of the river who are totally committed to wanting to be a municipality. There might be less than 100 per cent, but let us say a significant number, on the other side who were not, within the meaning of this law, resident taxpayers, and who might have profound objections to be included in the municipality, but cannot file an appeal on it as this is now worded.

Mr. Fleming: Mr. Chairman, that is one of my concerns. I am not against this Section because I think I understand it the way it is. A taxpayer is a taxpayer and he should also have some say in the appeal. However, I am concerned that perhaps the Government, somewhere in this ordinance, when they thought of the 300 people, so many for a town, so many for a village and so forth, should have thought of the fact that there has to be a certain number of taxpayers before you really can do anything. You must have enough to carry that town, or to at least share some of the burden of that town with the Territorial Government. And, of course, I wonder why they did not think of that and say "Before you can have a town or a village or whatever" that there be some criteria in there somewhere that say that a certain number of taxpayers have to be in a town, rather than just people, owing to the situation being what it is today.

Mr. Byblow: Mr. Chairman, I guess what I want is a bit of clarification on that term in this particular Section, "resident taxpayers of the area". I am a bit puzzled. I guess what I am leading to is the situation that I know exists where, from about forty taxpayers, you have one taxpayer who is in assessment-ownership of about eighty per cent of that. Now, maybe one of the witnesses could clarify that. Does that mean that, in a case like this, that eighty per cent of ownership is in fact one vote, and, obviously, perhaps extends into other areas such as money matters.

Mr. McWilliam: As we were discussing previously, Mr. Chairman, the definition for "taxpayer" is a person who is entitled to vote on a money bylaw. If you have one corporation and all of their assets are as one corporation, yes, they would be one taxpayer.

Mr. Byblow: Could the witness tell me, Mr. Chairman, whether in the instance to which I am referring, that of Cyprus Anvil, are they resident?

Mr. McWilliam: I believe that where you are dealing here with a question of launching an appeal, it would be a case of where the corporation was registered.

Hon. Mr. Pearson: Mr. Chairman, we are homing in on Anvil and Faro. Mr. Chairman, I would remind the Honourable Member not to lose sight of the fact that this section, nor anything like it, never came into play. That was deemed to be a municipality by the Commissioner of the Yukon Territory. Cyprus Anvil was not asked its opinion, nor, by the way, was anyone in the municipality asked their opinion, Mr. Chairman, because there was no one there at that time. It was decided by this government that that would be a municipality, it would be a public town. It would not be a company

town.

I would respectfully suggest in a like instance, if this legislation was in place, then the prerogative section that we have here for the Commissioner would come into play because there would not be any ten taxpayers. There would not be any ten per cent of anything, either. You would be reacting at that point in time to a decision that has already been made.

Mr. MacKay: I think that would be Section 12(1) you are referring to.

I get back to my point before that the witness handled, Mr. Chairman. I find the argument a little weak that what you would have to do is go around and persuade somebody else of your point of view before you could appeal. In view of that, I would like to strongly request or suggest that the government reconsider this section with a view of using the residents as a criterion, rather than resident taxpayers, for the launching of appeal, because that would give wide enough latitudes for people to make a form of appeal.

I appreciate that in the end, it is a political decision that will be made to incorporate or not to incorporate, but I think you should not stifle any legitimate voice in the appeal process, which this seems to do.

Hon. Mr. Pearson: Mr. Chairman, I just wonder if we could pursue the point a little more with the Honourable Member, in that I still feel that the taxpayers in the community, the people who are going to end up paying the bills, have got to have a say, as the Honourable Member for Campbell does, a very important say.

Now, would the Leader of the Opposition consider some sort of a formula thing whereby ten per cent of the resident taxpayers, or double that number of residents, would be a feasible thing, or something like that, to launch an appeal?

Mr. MacKay: I appreciate the Government Leader's flexibility. I think that we should not get too hung-up on this section because obviously we are giving the taxpayers the initiative on 8(1). That can set the ball rolling if they so desire.

We are coming to the appeal stage and if nobody appeals it then the whole thing can proceed without any hearings at all. That is fine, that shows that there is probably a fairly unanimous feeling in the community that they should go ahead.

I am wondering what is wrong, though, with just allowing — maybe 25 is too low, maybe it should be 40 or 50 residents —, maybe a more significant number. If you have 40 residents in an area saying no, we do not want it, you have got trouble. If they cannot formally get involved in the process then I think we have got even bigger problems. I do not think that we are taking anything away from the taxpayers at this point, Mr. Chairman, because I think that they still have the right. They have initiated the process, they will be heard in the hearing process. The man or woman who holds the hearings will weigh up the evidence, but, in any event, the government in the end will be making the decision and they will no doubt weigh the taxpayers point of view as heavily or heavier than others.

I am only worried about missing out certain segments of the population in the appeal process. It does not necessarily affect the end decision, it seems to me.

Mr. Chairman: Because of the intensity of debate in this section, I think the Chair will call a brief recess, recognizing that the girls over there would also like to have a break.

Recess

Mr. Chairman: I call the Committee of the Whole to Order at this time.

Mr. Penikett: Mr. Chairman, I guess I would like the Minister to consider standing this clause over. The Government Leader has made an informal proposal considering an amendment which would allow for residents who were not taxpayers to file an appeal. Let me just add to my colleague to my right's reason for doing that.

We have a very small number of communities in the Yukon and they tend to have some features in common in regards to the type of housing that is in them. Typical of our smaller communities is the part of town which is Indian Affairs housing, some Government housing and some individually owned houses by private entrepreneurs and private citizens, people who can afford the private concerns. There are places in Yukon, but more so in the Northwest Territories, who have quite large communities where there are very few owner/occupied dwellings.

Mr. McWilliam will know of cases where most of the houses in

the community are either Government-owned and the people are tenants of the Government, or they are tenants of the one large concern that is there, the owners of the houses may pay taxes on them and the tenants contribute to the taxes by paying the rent and therefore earn the right to vote in the municipal elections. That is a battle that we fought a long time ago. It seems to me that tenants, some time ago in this Territory, I am not quite sure how, won the right to vote in the municipal elections even though they were not property owners, because it was recognized that renters pay taxes by contributing to their landlords' rents.

It seems to me that there are communities I can think of — well, it is not inconceivable that you could have in the north a community something like Frobisher Bay, for example, where there is one great, huge, large building sitting on a rock which may include the majority of the population. You could have a community that was a building like that. It is not inconceivable in this day and age, you could have a new mining company come along and want to house everybody under one roof and they would remain the landlord, but the community would grow and mature and the citizens might not only want to vote but they would want to have some say about their status.

Now, I think if you combine with the fact of tenants, whether they are government employees or whatever they are, and the possibility of a large Indian community who, for the time being anyway, may have some apprehension about joining a municipality, it seems to me we should probably stand over this clause and not just right here and now make an amendment, but perhaps the Minister could think of it overnight and come back with one that would cover the circumstances that I have suggested.

Let me make just one more point about that before I sit down. I am a little concerned about definitions of residents, as people have heard me talk about before. I looked at the one in the home owners' grant and is an interesting one to compare if you start to think, compare the number of home owners in communities with the number of residents. If you compare population and home owner statistics, there is quite a disparity in some cases. I think it would be useful for the Minister, in deciding the ways in which he is going to frame any amendment he might bring on section 4, or any change he might bring there, to look at that discrepancy. I know it has implications and I know it is something that has been studied by the Minister, I am sure, in connection with the green paper that we were given the other day. So, I think it would be useful to look at the figures for the Territory, the number of home owners and the number of residents, lest in such an important issue we do disenfranchise a lot of people.

Hon. Mr. Lattin: Mr. Chairman, I would suggest that 8(4) be set aside at this time and we will reconsider it.

Clause 8(4) stood over

On Clause 8(5)

Hon. Mr. Lattin: I was going to say, Mr. Chairman, that this particular clause makes it mandatory to have an inquiry upon receiving an appeal.

Mr. Penikett: Mr. Chairman, perhaps I should know this, and perhaps the Minister or the Government Leader could help me out: Is there, on such an appeal as this, under the *Interpretation Ordinance* or something, some statutory provisions about providing notices and posting them and so forth and so on, that do not need to be in here but which do cover that requirement?

Hon. Mr. Pearson: I do not know, Mr. Chairman, that there is any statutory requirement in general legislation, for example the *Interpretation Ordinance* that would cover all acts. But, again, it is a case of if an appeal is going to be heard, then the proper information to make sure that the people there who are interested in that appeal, from either side, are made aware. You know, it is incumbent upon the Commissioner to make sure everyone does know when the appeal is going to be held, where it is going to be held and why it is going to be held.

Mr. Penikett: Mr. Chairman, I did ask the question because, I remember, under the circumstances in which we operated when I was on City Council of Whitehorse, we had to notify in writing, I think, every interested party, or at least post public notices such that every party could reasonably be expected to know what and where the hearing is.

Hon. Mr. Pearson: Mr. Chairman, I recognize that that is in the case of individuals, specific appeals for specific things. We are talking about a pretty general provision: the creation, or not, of a municipality.

Clause 8(5) agreed to

On Clause 8(6)

Mr. Penikett: I would just like to have an explanation from the Minister of the reason for this clause. I would like to know whether it applies to — well presumably it does not apply to MLA's specifically; there are other laws that do that. It says, "No member of the public service of the Territory ...". That excludes a lot of people in the Territory. I can understand all the concerns about having an independent and impartial inquiry, and all that, and I would subscribe to them. I wonder if it is necessary to put in such a clause though? And I am inclined to use the Minister's type of argument that we do not tighten this thing up unnecessarily and we want to keep it flexible and loose. I can envisage a number of circumstances in small communities where they might either be a local person or a former resident of the community who was a public servant, or someone who, notwithstanding their being a public servant was someone of considerable stature and wide respect in the community who was well known and might, by consent of all concerned, be the ideal person to conduct such an inquiry. It seems to me that there is no particular reason why it should not be. I am not saying as a normal course of things that it would, but there might be a case when you want a public servant and I do not see why you are going to exclude them.

Hon. Mr. Lattin: The first thing is that we have not restricted federal civil servants. Now, with Territorial civil servants, this has been left so that the subject will not be challenged, on the basis that the individual was just acting on his employer's wishes. In other words, it would seem to me, and it seemed to us when we were preparing this, that if we let them be a part of it, it could be construed that they were acting in our interests and they would not be, their neutrality would be in doubt.

Mr. Penikett: Let me just question the Minister on that, because I do not, say, take a totally contrary point of view to the one he is expressing.

I realize that something like this it is extremely important that the inquiry not only be fair, as they say, but appear to be fair in that the person conducting the inquiry appear to be impartial.

However, this is such a small community that nobody comes without a collection of associations and friendships and various kinds of community knowledge and attitudes about the various persons, any individual. It seems to me, that even if you appoint a private citizen who has been, as a number of people in the Territory have, associated with the Conservative Party, for example, you are going to have people who are not inclined that way saying a person is just going to do the government's bidding.

I would admit that if you appointed some one from Municipal Affairs who might be knowledgeable but obviously too close to the Minister there, impartiality would be in doubt, but if you got a local game officer or something like that, or a game officer who was formerly resident who is not a member of the department but who all the time has to exercise some kind of judgment in the enforcement of laws, or who might be regarded as a reasonable person or a JP or someone like that, it seems to me that they might still serve your purposes very well and give all the appearances of being independent as well as being as fair as anybody else.

Hon. Mr. Pearson: Yes, Mr. Chairman, I have no argument at all with what the Honourable Member is saying, but the facts of the matter are, Mr. Chairman, that I think it would be grossly unfair of this House to put any of our public servants into such a position. If there is going to be an inquiry in respect to the establishment of a municipality, of necessity, the final decision is going to be a very highly political one. It very well may be a very highly emotional one.

Mr. Chairman, I just do not think it is fair to put own employees into such a position, because it would be virtually impossible. Mr. Chairman, for the Government, per se, I mean the front benchers, at some point in time even prior to that inquiry, to express some sort of opinion, either for or against the establishment of that particular municipality.

I would suggest to you, respectfully, that that could be an influential factor that should not be there. I feel quite strongly though, for many of the reasons that the Honourable Member mentioned, that we should be able to use other public servants in the Territory who do not work directly for us.

Mr. Penikett: Fair enough, Mr. Chairman. Just let me ask did the Minister, in drafting this clause, have the vision that the prohibition would extend to MLAs?

Hon. Mr. Pearson: No, I do not think we envisioned that at all, Mr. Chairman, because MLAs are not public servants. Not even us.

Clause 8(6) agreed to

Hon. Mr. Lattin: Mr. Chairman, 8(7) and (8) are unchanged from the present legislation.

Mr. MacKay: I had observed that and also observed that we do not find the present legislation entirely satisfactory in every way. A timing question, again, I wonder if there should not be should not be notice given. It says "inquiry at a time and place fixed". Should there be a notice posted somewhere in the village or whatever as there is in other ways. Again this is a tightening of it.

The whole thing is fairly loose and I appreciate that you do not want to get too formal about it, except that when I get on to (9), we are into summoning witnesses and administering oaths so I am concerned that on the one hand we want it very loose, and on the other hand we are really going to have very formal hearings. There seems to be a bit of ambivalence in this ordinance as to whether we are tying it down to the last degree or if we are trying to leave as much flexibility as we can. It seems that the flexibility is all on the Commissioner's side and when it comes to the citizens' side, everything has got to be tied down to the last dot.

Hon. Mr. Pearson: Mr. Chairman, I want to assure Honourable Members that that has not been the case, although it might seem like it. I think you will find a bit of change in style of drafting of legislation. Of course, when we say "Commissioner" now in legislation, we really mean the Government. Before when we said "Commissioner", we meant the Commissioner, a Federal Civil Servant. Mr. Chairman, the legislation, by the Members in the House at that time, was purposely made very, very strict and very, very stringent to make sure that the "Commissioner" was tied down to time limits, to dates, et cetera, to give him or her as little flexibility as possible.

Now, Mr. Chairman, I think all Members must recognize that when we say "Commissioner", we are talking about the Government.

The members on the other side, Mr. Chairman, should not lose sight of the fact that their fondest wish someday has to be to be the government and I suggest to them they would not want to be tied to tightly on some of these things at that point in time, either.

Mr. MacKay: It sounds like the Government Leader is trying to make a deal with us.

Mr. Chairman: Order, please.

Mr. MacKay: Okay, I will accept the Government Leader's notion because, in the event that they do not give proper notice and there is a riot, the government will be paying the political consequences.

Clause 8(7) agreed to

On Clause 8(8)

Mr. Fleming: In this section, I would like to get right down to the apples and the oranges, because it does not really matter to me who they are or what they think or anything else. "...where it appears to the person holding the inquiry that a substantial number of the residents of the area..." Now, this includes all the people in the area and this might be a wonderful thought and I am sure that the Honourable Leader of the Opposition will probably feel that this is a good thing. I say that this is not such a good thing.

We must face the fact that where we are sitting today, we have areas where people can do what they want to, and there are others that cannot do what they want to, when we have a government, if you sit down and look right at it.

I would like to see that section: "Where it appears to a person holding an inquiry that a substantial number of residents..." and I agree with that wholeheartedly, but I would also like to see it continue on somewhere and say that "...also a substantial number of taxpayer residents." Now, that would take two sections to cover here, I am sure, 8 and 8(1), say, but in this manner you can ascertain whether the taxpayers in that community really wanted a town, or whether it is just people who are in another area entirely wanted that town. If this cannot be done I would say to the government and caution them very carefully, that when it says "in a suitable manner", I say they had better make sure it is a suitable manner, and it is not people who are not taxpayers, because there is a majority of them just come forth and say: "Poof, we do not have a municipality." They have that right. I could not agree with that.

Hon. Mr. Pearson: Mr. Chairman, I recognize, quite clearly, the Honourable Member's concern. But — oh, I am going to love saying this to him, Mr. Chairman — I want him to consider one particular point. Mr. Chairman, a resident might not be a taxpayer, but a taxpayer is always a resident in respect to this clause. So that is really where it begins and ends. "A resident" means taxpayers as well as non-taxpayers.

Mr. Penikett: I recognize the Minister has told us these two clauses 8(7) and 8(8) are substantially the same as the present ordinance. However, I have a couple of problems in terms of the wording in this clause. One is "a substantial number of residents", and even given all we have heard today, I am wondering whether that word is perhaps not a bit too vague in terms of "substantial". I mean I have not got my dictionary with me so I cannot say the precise meaning, but it may be too vague. If there are people of my girth, you might regard two or three of them as "a substantial number of residents". If they are people of Mr. MacKay's wealth, you might regard one of them as "a substantial resident". If they are people of a different kind, perhaps it would take an awful lot of them to constitute "a substantial number".

The other word problem I have is in the third last line. The person holding the inquiry "may ascertain the wishes of the inhabitants in the matter in a suitable manner". I am still a bit confused as to what the current practice is about "mays" and "shalls", but if there is one case where I would have thought that a "shall" would have been better than a "may", I would have thought that that was it.

Hon. Mr. Pearson: Mr. Chairman, we are talking about a person conducting an inquiry and making value judgments, really. That is all that person is making, is value judgments. The person conducting the inquiry is sitting there listening to people telling him what their concerns are, and he is going to try and reach some sort of consensus, not at that point in time, but in his own mind. Then he is going to write a report to the Commissioner. He is going to be telling the Commissioner in that report, Mr. Chairman, I submit, his value judgments, what his best guess is, in respect to this whole thing. And that is all they are. So, Mr. Chairman, if we use the word "shall", that makes it mandatory. That person must ascertain the wishes of the inhabitants in the matter in a suitable manner. He is then open to appeal as to whether the "suitable manner" he used was of any value or not.

The section is one that espouses a principle more than it lays down legislation. It is one of the very, very nebulous areas that we get into every once in a while in legislation. The "may" and the "shall" are quite important here and I do not think that we can use "shall", although we really do mean "shall" here. We cannot say it in this case.

Mr. Penikett: The Government Leader sounds more like Podge all the time.

I would love to have that gentleman here to explain this clause, but I am sure we can be spared that delight, because phrases like "in a suitable manner", I guess I like them as a layman, as a person who is not a lawyer, as someone who is an ordinary citizen and I say that I can figure out what that probably means, "suitable manner". If you can meet most of the people by sitting in the coffee shop and talking to them that way then that is a suitable manner. I do not have a problem with that. That makes sense to me.

I think it is probably indicative of the fact that we do not have very many lawyers in this House and it may be a good thing because I doubt if they would find much enthusiasm for a phrase like that. I do not know, it does not matter. I kind of like that phrasing.

It may be interesting to see what judges and lawyers do with it in the months ahead because they may not.

Hon. Mr. Pearson: As I am trying to say, Mr. Chairman, hopefully, with the term "may" there rather than "shall", it does not get involved with the judges and lawyers at that point in time.

I would like to say that I take that as a compliment from the Honourable Member, that we are finally getting down to legislation in laymen's terms that people can understand. That has always been an objective of mine.

Mr. Fleming: I can understand the Government Leader's position in some cases, but I would like to go a little further on this. It is not a vote, it is merely an inquiry, and of course there will be people there who will say no and yes, and everything, and then the person who is holding that inquiry will be the one that does, in the long run, take that submission to the government, and finally, the Commis-

sioner.

What worries me a little is that in some cases there are people here now who do not pay taxes, land taxes, but everybody pays a certain amount of taxes; however, in this case, all these people have the right to say yes, no, or whatever.

However, the person might be living outside of that town and have a business right in that town and this is where this comes again. It affects him personally because that organization is going to be charging him business licences, garbage hauls and the whole issue. He, in this area, really does not have any say, unless he is just allowed to sit there. They do not know whether he is a resident taxpayer or if he is from New York, so they probably listen to him and say nothing. But he does not really have a chance, anywhere in this ordinance, until such time as that municipality has been formed. He has no say whatsoever until then. Then he will, I think, if the witness is right, have a right to vote on money matters, that is all.

Hon. Mr. Pearson: Mr. Chairman, I do not agree with what the Honourable Member is saying at all. I am quite certain that if any Member of this House was conducting the inquiry, they would be more than prepared to hear anyone that had any concerns.

Now they would weigh what they hear, and I am sure take into consideration whether that person was a resident of the community, or was not, whether they lived outside of the community, or might be adversely affected. I doubt very much that anyone conducting such an inquiry would say specifically to a person, "You cannot be heard because you live one mile outside of the proposed boundary", or even ten miles outside of the proposed boundary.

Mr. Fleming: I would just caution the Government. Hopefully in the case of a municipality being formed that this would all be taken into consideration.

Clause 8(8) agreed to

On Clause 8(9)

Mr. MacKay: I appreciate that the intent is not too different from the old ordinance, but I am wondering about the need for it. It seems to me that we are holding an inquiry to a certain opinion of the people. Do we need to administer oaths and summons witnesses to do that? Is the Government really saying that the people who are going to be summonsed under oath are going to be Government employees, and they are going to have to swear as to their belief in the figures that are being put up in the notice and here are the facts with respect to the boundary. Perhaps we could have a little clarification of what is intended by this thing; because I would not want it to be so intimidating as to really turn people off and not want to say anything.

Mr. McWilliam: What we are providing here is a basic enabling authority, so that if the person who is conducting the inquiry feels it is necessary to operate under those rules where he can swear witnesses in, he then has that ability, strictly to provide for a possible case that we cannot necessarily foresee at this time.

Mr. Penikett: While I am pleased at the general sort of, not cavalier, but relaxed process by which such a person can hold an inquiry under these terms, I do have a couple of questions here—it makes me speculate here about what Mr. Berger and Mr. Lysyk have done to the inquiry process in the North in terms of what you call the laid back-inquiry.

But Mr. MacKay has raised a question about oaths and so forth. I am reminded of something which the Member for Porter Creek East will remember, something that I think at the time was known as the Lueck Affair. I wanted to ask what authority will the person holding the inquiry have with regards to spending money?

Let me make the point fairly specific. If they have oaths and they wanted to hold a fairly elaborate procedure in terms of making sure everybody was here and booking rooms and all that kind of stuff, they presumably would have to spend money, and it may be a significant amount of money, if it is a large community involved and the hearings were going on for quite a while. What would this inquirer's authority be in terms of expenditure or would the Minister, in his appointing the person, have some kind of order in council that would lay that aside. I know we have a line item in the Budget somewhere about inquiries but could the Minister answer that?

Mr. McWilliam: I am not that familiar with the *Public Inquiries Ordinance*. I believe, under that ordinance, any funds that are expended come through the Government. We could have it checked. As I say I am not that familiar with the *Public Inquiries Ordinance*.

Mr. Penikett: There are two questions. Obviously, you do not want such an inquiry to have a blank cheque and that is obvious. Also, presumably the person has got to be able to make reasonable expenditures in order to conduct a proper inquiry. I just wondered about the authority for that.

Clause 8(9) agreed to

On Clause 8(10)

Mr. Penikett: We have a phrase in here "...a report within the time limits prescribed by the Commissioner...". We have been fairly relaxed about not getting into that up until now, but what this says is simply the Commissioner, I guess, in creating the inquiry asked the person to get back to them by the end of the month or something like that.

Okay, just because we are being relaxed and loose and open and easy about this, just let me say now and notice that I would expect that the standard of fairness, that is common sense standard of fairness would apply here, that not only would there be reasonable time for people to get ready for it, but also the inquiry would permit any citizen who reasonably wanted to have input would have it.

Let me cite the case that that is not always easy to do. There are times of the year when people in some communities are out of town. You could hold an inquiry in the summer in some parts of the Territory and not find hardly anybody home. So, I do not want to put something tight in there, but I do want to say that I want to make sure that whoever is administering this ordinance, because this debate is on record, that it makes sure that everybody has an opportunity to speak.

Clause 8(10) agreed to

On Clause 8(11)

Mr. MacKay: I think this is probably an improvement over the old one, because it does require the Cabinet to give notice of what they intend to do. The old one seemed to allow the Commissioner, as he was, just to do as he pleased at that point, after he got through all the hoops.

So, I would anticipate that the government is intending to give notice well in advance of what they are intending to do to allow that whole decision to percolate back to the community.

Mr. Penikett: Just so I understand it perfectly well, let me just give a case. We get some liberally minded people on the Mayo Road decide they want to have a municipality called the Village of Mayo Road. They go through the process of making their submission and inquiry and so forth. The Minister appoints some reasonable fair-minded person like myself to hold an inquiry. There does seem to be a large number of people that want it. There are some other people who are so mad they will not even talk to me, but, on the balance, I think enough people out there want it that it should go ahead. I bring that to the Commissioner; the Commissioner then creates it. All of a sudden, the roof comes off and some, for want of a better word, some Conservative people out there decide that they do not want it.

At that point,—there is no real legal thing—what they do is start pounding on the Minister's door, and that's it. If the Minister decides that I was a darn fool in making this recommendation, he just simply overrules it. Is that right?

Hon. Mr. Lattin: Mr. Chairman, the recommendations have to be made public. After they are made public, the final decision rests with the Commissioner.

Clause 8(11) agreed to

Clause 8 stood over

On Clause 9(1)

Mr. Penikett: Mr. Chairman, I see the Government Leader appealing to me not to speak on this one since it is only two lines. I am going to try to help him get it down to one line. It seems to me that in the wording there "create or establish a municipality", surely one word or the other would do. Do we really need both?

Hon. Mr. Pearson: Mr. Chairman, both words were used with advisement, because if we run into the problem, for instance, using Faro as the example, the Commissioner of the Yukon Territory actually did create a municipality from nothing, since it was not there before the Regulation was passed creating Faro. Whereas, if the Commissioner established an L.I.D. at Carmacks there is a difference. There is quite a difference.

Mr. MacKay: Mr. Chairman, this Section is fairly straight and to the point. I am wondering though what the purpose of Section 8 is, after we have just laboured all the way through here, if in fact there is no proviso in this Section to refer the Commissioner back to

Section 8 where it is applicable? It seems to me we have just laboured through this entire previous Section for nought. When we come to this Section, he can do it anyway. I think there should be some provision in here to refer him back to Section 8.

Hon. Mr. Lang: Mr. Chairman, it is fairly clear that 8(11) flows to 9(1). It is an inquiry; it recommends to the Government, and the Government makes a decision one way or the other, to either cancel the proposal to establish a municipality or to change or modify the plan but go ahead with a municipality. This takes care of both instances, when you go through an inquiry process, or you negotiate to set up a new community.

Mr. Penikett: Mr. Chairman, I fear that our friend from Porter Creek East does not always listen carefully to the Leader of the Opposition when he speaks. Maybe not, but it seems to me the point that he was making was an interesting one and I give credit to my friend, it had not occurred to me. Mr. Lang is quite right. There are these two optional processes whereby the Commissioner can come to this conclusion. But under Section 9(1), without any modifications whatsoever, it says the Commissioner may by order create or establish a municipality without any reference to the other clauses.

It seems to me, under the authority, the Commissioner can sign a paper tomorrow. It says, "Under the authority granted me under Section 9(1)..." however you say it, "Clause 9(1), I create the Municipality of Lang on the North Slope" without any restraints.

Hon. Mr. Lang: Mr. Chairman it is very clear in Section 8, "the Commissioner shall give public notice where in the process of establishing one". If you are creating one then it is a question of negotiation, so it very clearly in legislation gives the authority by either vehicle, to go ahead and establish or create a community which in one way or the other would definitely come up for debate in this House, whether it is through its Budget exercise or whatever.

Mr. MacKay: The Minister is referring I think to 8(2) where the Commissioner shall give public notice of the proposal. The proposal he is referring to is under 8(1) where the Inspector of Municipalities or a petition signed by 10 taxpayers. I question whether or it is not in order, though, that some reference in 9(1) should not made to forcing the Commissioner into this procedure where he is trying to establish a municipality. If the intent is to allow people to be heard, I think this one is so short and so brief and so to the point that it could be used to actually get around the previous sections, because the authorities clear it without any equivocation that he can do it.

Mr. Chairman: Before I go to the next speaker, I would just like to tell the Honourable Member from Riverdale South, that he is referring to Section 8(2) which is stood over and not to refer to that section again until that section has been clarified.

Hon. Mr. Graham: Mr. Chairman, as I see it, Clause 9 is simply a procedural section, the whole thing. The Commissioner may by order create a municipality after all the other requirements are fulfilled. Under Clause 9, once the municipality is created, it is a procedural section. It outlines what you have to do in order to create a municipality or establish one. That is all done.

You have to, some place in this ordinance, give the Commissioner the ability to create or establish a municipality and that is all it does.

Mr. Penikett: Mr. Chairman, I am sure none of us want to waste any energy scrapping on this thing because it is not a philosophical discussion. It is simply a technical question we are asking, in laymen's language. It seems to me the point is not as strong to us, without reference to the other sections, because there is nothing in this clause that says you have to, in accordance to that, explain it to me so I can understand it, if that is the problem, but it just simply says the Commissioner is looking at what he can do. There are tons of stuff he can do, but it comes here, it says "The Commissioner may by order create or establish a municipality".

Now, Mr. Lang, when he was talking to us, said that he may, when he is creating or establishing, that he had to do it the way it has been referred to in previous sections, but I must say that that authority seems fairly bold and unmodified.

Hon. Mr. Pearson: Mr. Chairman, if the Commissioner was not required to go through the procedure in the establishment of a municipality, 9(1) would say "Notwithstanding Clause 8, the Commissioner may by order create or establish a municipality." Then he would not have to do what he has to do under Clause 8.

Mr. Chairman: 8(11) says specifically that the Commissioner

states his intention to cancel, establish a municipality, or establish a municipality with some different terms. This clause, as the Honourable Minister of Justice has said, is strictly the enabling section and we would be doing just exactly the opposite if we referred to Clause 8 now by saying "notwithstanding Clause 8". We must not do that. He is required to meet the other requirements of the legislation, as long as we have it written this way.

Mr. MacKay: I would like to say that I accept and appreciate the Government Leader's explanation for that.

I have a Point of Order I would like to raise.

Mr. Chairman: A Point of Order.

Mr. MacKay: I have refrained from doing so to this point to allow the previous discussion to go ahead. You previously ruled that it was inappropriate to refer, in debate, to any Section that has been stood over when talking of a current Section. I have some difficulty with that, Mr. Chairman, because Sections are quite often interconnected and we have no guarantee that Section 8(2) will come back in any different form than what it is. It is very hard to discuss Sections if we are not allowed to go back and talk about Sections, particularly those with which we have problems, and which, naturally, are the ones stood over.

So I would request that you reconsider that ruling, Mr. Chairman.

Mr. Chairman: Mr. MacKay, the Chair has just reconsidered the ruling. Pursuant to Standing Orders, when a Section is stood over, it is inappropriate for the House to reconsider that particular clause until the time when the House is ready to proceed with that particular Section when it comes before the House again. So I would caution Members not to return to Sections that have been stood over, and try to amend some preceding clauses.

Hon. Mr. Pearson: With respect, Mr. Chairman, I think I would like to rise in defence of the Leader of the Opposition. It would be difficult and I honestly think that a reference to a previous Section, be it stood over or not, is not going to constitute any kind of suggestion that that Section should be amended in any way, shape or form. It is simply a reference to it. I honestly think, Mr. Chairman, the Honourable Member was not intending any specific reference to amending that Section when he referred to it.

Mr. Chairman: I was merely informing the Committee that there are some Standing Orders that we must conform to, and that is just a warning. It is not a statement that I am forcing you to use. I realize that the Committee of the Whole is the place where discussion takes place and that the rules therefore are less formal than in the House itself.

Mr. Fleming: I do not think I am confused on this one, but I would like to ask the question to make sure whether or not I am right. "The Commissioner may by order create or establish..." To establish, he would have to go through the criteria at the beginning. To create, he would absolutely have to do nothing. Is that right?

Hon. Mr. Pearson: Yes, Mr. Chairman.

Clause 9(1) agreed to

On Clause 9(2)

Mr. Penikett: Mr. Chairman, I wonder if I might petition the Chair, with respect. It seems to me that, judging from the debate that has preceded, Clause 9(2) is going to be one of the most, if not contentious, clause worthy of debate in this whole bill, and it seems to me that, rather than beginning now, I wonder if it would be appropriate if the Government benches would agree to call it 5:30 and begin debate on this, because it is going to be a very major discussion, Mr. Chairman. I suspect it would not do us any good to begin it for a minute or two and then adjourn it.

Mr. Chairman: The Chair will now call a recess until 7:30.

I would like to remind the witnesses that they shall return.

Recess

Mr. Chairman: I call the Committee of the Whole to order. At this time the Committee will consider Section 9(2). At the request of some Honourable Members, we will discuss the subsections (a) down to (i) individually. *On Clause 9(2)(a)*

Mr. Penikett: Just before we get to subsection (a), Mr. Chairman, in the first part there, I just wondered whether it is necessary to say "Except in the case of a hamlet, the order of the Commissioner establishing the municipality shall specify"? I just wondered if that phrase is redundant.

Hon. Mr. Lattin: I do not think so, Mr. Chairman, no.

Mr. Penikett: Mr. Chairman, it just seems to me that a hamlet is not a municipality under this legislation, so the Commissioner, in creating a hamlet — well, it does not apply, that is what I am saying.

Hon. Mr. Lang: It is more for clarification than anything else. A layman reading this particular piece of legislation realizes that there are three types of municipalities, and there is a hamlet later on in the legislation.

Mr. Penikett: Mr. Chairman, I do not mind that, I just want to make sure that my understanding was correct, that it is redundant and repetitious, but I do not mind that it is in there for the reason given by the Minister.

Hon. Mr. Lang: Mr. Chairman, the Member always knows that he can take anything I say as gospel.

Mr. Penikett: Mr. Chairman, if the Minister does not mind, I will get my gospel somewhere else.

Mr. Chairman: Is there any constructive discussion on subsection (a)?

Mr. MacKay: Yes, there will probably be a bit of constructive discussion, Mr. Chairman.

I think this is the key section of the ordinance that we are about to leap through. I must say, in the first reading of it, it did not really strike me as that. I have got a note here saying it was a cop-out, but then I re-read it and realized what you were doing.

The meaning of it is more clear to me, shall we say, in the third or fourth reading.

I guess what I would like to hear from the Minister is what kind of provisions he might make. When we get to another section we will find out, for example, under Subsection 4 of this same section that L.I.D.'s will automatically become municipalities. L.I.D.'s, up until this point, have had very limited authority and power, and they may well be suddenly thrust into the full gamut of municipal responsibilities. I would like to hear from the Minister — he must have a program in mind — what program have they got in mind for the L.I.D.'s that exist today under this section.

Hon. Mr. Lattin: Mr. Chairman, on this particular section I think we are considering more the special nature of a particular municipality. I would think a good example would probably be the case of Faro; that sort of place is what I envision on this. An order would be made, in the particular case, to accommodate any particular thing in their incorporation. That is the way I look at it. I think Faro would be a real good example. Rather than put it all in legislation, by going this route we can accommodate these special conditions for special occasions with special municipalities.

Mr. Penikett: Well, Mr. MacKay hit upon the same phrase I wanted to, and he may want to pursue it further. But over supper I was dwelling on the wondrous prospects presented to us by the Government Leader, shortly before we adjourned, of someday forming a government. Having a little phrase in here that "...may specify such other provisions and conditions as may be deemed necessary for the operation of the municipality," I am conjuring up all sorts of other special provisions and conditions that may be necessary for the running of a municipality. It leaves a lot of scope there. I think that is as liberal — if I may use the word — and as open as some of the previous sections in the bill. Because I think this is a very important clause in the Bill, and a very important phrase, I think it would do us all good to spend some time on this one because there is probably a lot more here than meets the eye.

Now, when I first read it, I must say that my reaction was that presumably these would be things that are special conditions or special circumstances or extra powers, that had arisen based on the recommendations of an inquiry, which we had previously had here. The inquiry happened, and the inquiry recommended that they had a particular problem, not with dogs running loose in this municipality, but cows at large and therefore although they might normally be covered by the *Game Ordinance* instead of municipal bylaws or whatever, this municipality was going to be responsible for cows, some special circumstances like that. But then I thought that we have been given to realize that this ordinance is going to last for a while. It will probably come to life, hopefully in a period following a Land Claim settlement; there may be some Indian communities right now which are not municipalities under our laws, but which could be municipalities under some future arrangement, if they so chose.

I began dwelling on some of the possibilities, and it seemed to me, for example, that were Burwash Landing, at some point, to

become a municipality and the band government to retire and a new municipal government to succeed it, they might want a provision that the head of that government — not called the mayor, he might want to call him chief or something — or they could use the terms interchangeably. That seems to me a not too outrageous possibility in a community like that.

That community already has some special relationships in terms of education. Maybe they would want to have that, rather than having a separate contract with the Department of Education, specified in this thing here for the Commissioner.

There was a possibility of that community's having a special arrangement with regard to game. Maybe they would want that specified as one of the provisions and conditions by the Commissioner.

We have previously talked, and I think most particularly the former Minister of Municipal Affairs has talked, about the kind of discussions and negotiations whereby you would come to these agreements. I want to understand, because there was some confusion at the second reading debate and I was upbraided by the former Minister for suggesting that some things which were not normally under municipal control might come under municipal control, and that it was ridiculous that things like education or whatever might be controlled by municipalities.

We know there are places in other parts of Canada where the municipalities have a lot of control over the school system and I would not want to foreclose against that possibility some time in the future of Yukon, on this municipality ordinance or any other one.

I think the Minister from Porter Creek East thought again, and re-thought what I was saying in second reading debate, and I think he said something different than when we were talking in Clause 1 debate. I would like the Minister to elaborate a little more fully than he has done about the kind of extent: he has mentioned the Faro possibility as being a special case. Does he anticipate very many communities being special cases? Has he anticipated any new class of community such as the Indian communities becoming municipalities in a number of years and then wanting to provide the kind of services to their community which do not fall into the list of municipal services so far provided in this bill?

Does the Minister see this clause here, "...may specify other such provisions and conditions..." as an unusual power, or does he regard it as a convention that would apply perhaps in every new case where a municipality was changing its status, or reordering its relationship with the Territory?

Hon. Mr. Pearson: Mr. Chairman, I would like very much to respond to some of the issues raised by the Honourable Member. As he was talking I started making a little bit of a list here. Some of the different problems faced by communities: Faro as a quasi-company town is certainly something that has to be considered. It is a different situation than exists anywhere else in the Territory, save and except Elsa at this point in time. Certainly Whitehorse as the capital city, should have some consideration. Watson Lake and Haines Junction are two major highway communities, and both of them have peculiar problems because of that Alaska Highway running through them. I recognize that Teslin has a similar type of problems, but Watson Lake and Haines Junction are a bit different and probably will be recognized as something different.

Dawson City, of course, with its historical aspects, is something different. I would suggest that Old Crow and Pelly will be treated differently than Mayo and Carmacks, primarily because Old Crow and Pelly are Indian villages or Indian communities, whereas Mayo and Carmacks do have the possibility for the joint community of just about 50-50, Indian and others.

We might even take into consideration that Mayo floods every five or six years on a regular basis. Maybe that is something that will have to be considered in that case.

So, there are a number of varying circumstances that are going to have to be taken into consideration, and certainly, with the experience that we have had in the past, it has to be a plus in that we can recognize some of these circumstance. We are not going into it blind, and it should be a plus for us to be able to establish these municipalities, and the terms and conditions for them, with a fair amount of background knowledge. So, that should be a plus.

Hon. Mr. Lang: Mr. Chairman, I do not want to be in *Hansard* having my words interpreted by the Member opposite. I just want to clarify it for the record. In respect to the legislation, it is to try and give a consistent approach as far as delegation of authority.

Now, how a community, and how much authority a community, takes on, in a lot of cases, is their decision to make, other than for those areas on the status of a community where it definitely states in the legislation they shall do certain things.

In respect to the situation with the native communities, we are negotiating land claims. If there is anything that affects municipal legislation or whatever, obviously we will be a party to that and we will have to change legislation, if that is the case. It may or may not be necessary, who is to know.

I think that the point that also has to be made here is in respect to the provisions and conditions to be specified concerning circumstances that are unique and different to that particular community. You have the situation, for an example, in the Haines Junction area where they were initially under the Capital Assistance Program, or even prior to that, for a water and sewer project. Now, the rules are changed considerably in respect to the agreement they went into. That is an area that I would suspect would be discussed with the community, so as to ensure that they have the same agreement they had prior, with the changes in the *Municipal Aid Ordinance* and the *Capital Assistance Ordinance*, so that it is consistent.

So these are the things that you would be looking at. As far as the delegation of authority, it is consistent and it is clear through the legislation, what can and what cannot be done.

Hon. Mr. Pearson: Mr. Chairman, the word "foisted" was used before as well, Mr. Chairman, by one of the Members opposite. It is not our intention, nor is it the intention of this legislation, to foist anything upon any community in this Territory. This is very much a cooperative thing. It is our hope that communities will choose to take advantage of this legislation. There will be no foisting upon them at all.

Mrs. McGuire: I just cannot let that one pass. But we are not to the section for discussing the word "foist". I think you will probably find that in Section 4, but we are not there yet. When we get there, you will see the definition of "foist".

Mr. MacKay: The word "foist", up until this point, has been beyond my ken.

Hon. Mr. Pearson: Mr. Chairman, if I may, it was the Honourable Member himself who used the word, Mr. Chairman. It will be revealed in *Hansard*.

Mr. MacKay: He is trying to say that I said it "foist", I guess.

I did not really get an answer to my first question, Mr. Chairman, and I would like to go back to that, because I am having trouble grappling with what the Government Leader said about the unique differences between Haines Junction and Teslin and so forth in the context of the powers that we get into later on in the Ordinance.

I would like to talk about some practical examples. The L.I.D.'s, in general, seem to me, at this point, to operate under the same rules; have the same sort of responsibilities; water and sewer; dog control; have a town manager; supervise some public works and so forth, but have many of the services that are presently provided by the Territorial Government itself in the form of inspections and so forth. So when I get to the ordinance — and I do not want to jump ahead to the "foist" section — but we are talking about L.I.D.'s suddenly becoming municipalities; in some cases they will be called towns, in some cases they will be called villages. I am wondering; when we get further on into the ordinance, we talk about sundry works and services, licensing and regulating of businesses, traffic, parking bylaws, all of these powers that are immediately conferred upon a municipality by virtue of their transition from an L.I.D. to a municipality.

There must be some transitional period in mind by the Government of a way of pulling back, from these L.I.D.'s, a sudden imposition of a whole bunch of powers that they really cannot exercise, by virtue of a lack of land power and a lack of expertise, and that will still have to be supplied from a central point. The substance of my question to the Minister was: what game plan do they have for this transition? What powers are the L.I.D.'s expected to assume immediately and what ones can they wait and choose?

Hon. Mr. Lattin: The mandatory powers we envision for them right away are: a requirement to adopt procedural rules for the council, employee benefit programs, limits of spending and borrowing, adoption of a capital expenditure program and the requirement to have a Fire Department, an Emergency Measures and a Building Code. Also, it is a mandatory requirement to have an official community plan and zoning by-laws. It should be noted that in this list, the mandatory powers have been developed with a full concurrence of AYC. These are the ones that we envision as the

mandatory powers.

Hon. Mr. Pearson: In reply to the Honourable Member from Riverdale South, the very reason that this legislation is here is because at the present time all the L.I.D.'s in Yukon must be treated the same, there is no latitude. The existing legislation is rigid when an L.I.D. becomes an L.I.D.; it is an L.I.D. and it must do certain things. Now, it has been our experience, Mr. Chairman, that in some L.I.D.'s this is fine but in others it is completely impractical. The reason for the legislation is to relieve some of these L.I.D.'s from some of the responsibilities that they have now, and in some cases give them more responsibilities, in other areas give them more responsibilities. But the very reason for the legislation is that the L.I.D. concept, as fine as it may have been when it first was adopted by Yukon, has not proven itself to work. We are looking for an alternative.

Hon. Mr. Lang: Just further to that, Mr. Chairman, in respect to the legislation and the mandatory aspects of it, I think that the Member underestimates the present legislation that is in effect, as the Government Leader has indicated. There are broad sweeping powers in the legislation that have been amended time and time out in the *Local Improvement District Ordinance*. We recognized, and you, yourself, raised the question in this House many times, that we do have a problem in certain areas. It seems to be breaking down in one or two of the communities, not working as well in another, and this is the approach we are trying to take: to give a clearer direction of what the authorities are, which was always suspect and always questioned, to the administration and even to the political arm of government, and, at the same time, give that flexibility for them to assume responsibility as they mature and grow as communities.

With that in place, then, the political arm of government, at the Territorial level as well as the L.I.D. level, can have further discussions, and it is an on-going exercise, as well as administration to administration, to assume responsibility, as the various problems encroach upon a community, and be able to have the necessary legislative framework in place to be able to at least address themselves to the problem and, hopefully, resolve it.

In respect to your question about the intentions of the department for administration purposes, for example the building inspectors, it is not the intention of the government to do away with that responsibility. We recognize that responsibility until a community gets too big, and it is something that would be discussed with the community at that time, when they would have to have somebody on a full-time basis.

With respect to the game plan and the implementation of the legislation, it would not come into effect until the election a year from this fall. The idea is to try to put the legislation in place so that we can get the framework together, let the people in the communities know exactly what it is all about and, hopefully, that there are well-conceived election issues going to be in place during the municipal elections at that time.

So that is the primary game plan, along with the *Municipal Aid Ordinance*, which will be coming in in the spring to complement this piece of legislation.

Mr. Penikett: Mr. Chairman, I am going to ask another general question and hope to get a general answer, because I think this is a pretty useful discussion we are having here; because all of us, whether we agree with everything in this thing or not, are going to have to take some responsibility for explaining it to people in the years ahead, most certainly in the period up until it comes into force in the next election.

Let me deal with the case of a new community. Now, the ex-Minister of Municipal Affairs has talked about the delegation of powers, and it seems to me that that, strictly speaking, is what we have here. The Government Leader has talked about, if you like, the attitude of the bill, the philosophy of the bill, the feeling in the bill of being one of cooperation and sharing.

Now, I suppose political scientists would argue that, constitutionally, power-delegation and power-sharing are slightly different things, and we are maybe falling somewhere in between or not quite on one side of the thing or the other.

I can understand that probably when you are talking about an established municipality and trying to work out exactly what special provisions might be there, such as the Government Leader mentioned in the case of Whitehorse, where both governments probably do it on the basis of some authority. I mean, they know what they want, they know where they stand, they know their

financial relationships fairly well.

Let me deal with the case of a new community for a second. If you are going to have a cooperative kind of approach, I would assume that whatever elected people you have in that community are going to sit down with the government people in Municipal Affairs or somewhere and work out what these special things are going to be, if any.

In order to do that, ideally they would negotiate from a position of, if not financial strength, then at least financial security. By that I mean that they would be able to not only know what expenditures they would want to make, or what services they would want to provide, but have a pretty good idea of what they would cost and where their revenue was going to come from, in order to meet those expenditures.

Given that this legislation does not have a financial package tied in with it, and the green paper that we have so far is of course just a discussion document, just a proposal, and we may or may not adopt finally, I would guess, a financial policy by the time this ordinance comes into effect — let us hope you do, but there can be no guarantee of that yet—

Hon. Mr. Pearson: It has to be, we must.

Mr. Penikett: Okay, we must, but let me just deal with the situation.

A new community is coming in now. We are contemplating a municipality or some area becoming a municipality.

Hon. Mr. Lang: Porter Creek.

Mr. Penikett: Let us just take Porter Creek for example, if it was not part of Whitehorse, but if it were Porter Creek right now. You have got a Porter Creek Citizens Association but they are not a municipal body.

You have had an inquiry. I have gone out there. I have been appointed to do the inquiry and I have come back with my report. I sit down with the Minister and I say, "It seems to be a fairly well organized community out there; they want to form a separate municipality and Whitehorse is not too sure about it, but we can ignore them, we always do; there seems to be a fairly healthy red-blooded group of citizens out there in Porter Creek and they seem to want to have some control over their own affairs, the roads and so forth."

Now Porter Creek immediately insists that it is special, it is unique, there are a couple of things that it wants to take care of. It wants to have, say, Pete Versluc's meadow made into a park or something, a game reserve, a golf course. They want to have Pete Versluc's meadow made into a golf course, and they want to have the power over golf courses which no other municipality has, a special provision.

Now what I am curious about is, we do not have an elected Government here. We have had merely an inquiry — somebody making a representation to the Commissioner. You have a new municipality but everybody may understand these special provisions. The Government Leader has indicated this cooperative kind of approach or attitude on the part of the Government which is good. I want to know how you actually work these things out, given that whoever is talking to YTG does not know what their financial position is yet, with any security, because they are not an experienced municipality, they are a new municipality. They may want these special provisions; they know how to ask for them but they are maybe not sure if they can pay for them. Could the Minister give us some guidelines as to what would happen there? Mr. Mackay talked about transitional periods, but you have got to have, presumably, some kind of situation either where you say you become a municipality under these rules right now, and a year from now after you know where you stand, we will talk to you again about special provisions; or you are going to have to have some way of involving the community, more than just a citizens' association or a community club, prior to establishing this Commissioner's order. The Minister of Justice was saying something to me but I could not hear him, Mr. Chairman.

Hon. Mr. Lattin: Mr. Chairman, I think when we were talking to these people, I am certain that they would be talking with the officials in our department and it is to our advantage to explain everything there is, and I think it is a matter of consulting with them and telling them the different options they have. We would be very remiss if we did not explain all the different things we have. I think that when we are talking about this, there will be a period of consultation back and forth.

I am sure that during this period everybody would get a clear

understanding of which way we were going and what the options were.

Hon. Mr. Lang: Mr. Chairman, I think if the Members refers back, with respect to the inquiry, if the uniqueness of the situation dictated that something different had to be put into an incorporation, it would probably come out of the recommendation of the inquiry, because you certainly are right. There is no designated group that one can speak to with respect to attempting to be a spokesman for the community, per se. Now you are in a little better position if you have gone from a hamlet and you are looking at progressing to another class or tier of government. But basically this is what you would be looking to.

I think the Member has a good question. I want to refer further to one of the witnesses, if I could. But I would see the incorporation largely dealing with financial obligations that would have to be taken on, over a transition period or whatever, because your delegation of authority is pretty clearly laid out in the legislation, as far as the decision-making is concerned, Mr. Chairman.

I would like to refer further to the witness on that.

Mr. McWilliam: Mr. Chairman, I think, as Mr. Lang points out, there is the opportunity there, when you are dealing with an area that was previously unincorporated, to provide that sort of information through the notification process that goes on. I would think that you would find, where you are dealing with an unincorporated area, that there has been some level of services provided by the Territorial Government there. We would have information on that, plus comparable costs for other communities of that size and nature. All this information would be made available to the people in that area which is proposed for incorporation. There are also, contained within this section, provisions whereby you could put in special circumstances for the first year or two of that municipality's operation. So there is an opportunity to have a transitional period there as well.

Mr. Penikett: Mr. Chairman, if I may, through you to the Minister, or through the Minister to the witness, may I clearly understand that you might, in the case of a municipality, that the Department would be quite prepared to have, if you like, a conditional or transitional Commissioner's Order which might cover the first year, with the full understanding that a new municipality or a new council would take at least that amount of time to get a grip on things and get a sense of what they really wanted and what kind of services their community wanted and where they wanted to go. It may be that a new municipality could not identify its special needs until it had had a chance to deal with the basics.

So what I would be interested in is how easy it would be for a municipality, particularly a new municipality, to re-open or re-negotiate or re-discuss, renew, if you like, the Commissioner's Order once it has been written.

Mr. McWilliam: I would suggest that this is one of the advantages of this method of incorporation. There is the opportunity there to re-open negotiations and change the Order, which would be somewhat more difficult if it was in legislation, for example.

In addition, as I have indicated, is the fact that there is opportunity for transitional spending arrangements, for example, for the first two fiscal years. We would certainly recognize that in some communities where there may not be a fully developed level of municipal services, extraordinary spending may be required there and that could be written into the Order, as well.

Mr. Penikett: Just let me pursue this to a logical conclusion.

Let us all recognize, dwelling on the Government Leader's observation of this afternoon, that this wonderfully benign group of individuals may not always be governing us here in the Territory, and you have some other government that has either a little more loose or little more rigid world-view, whatever, it does not really matter from the point of view of my question.

There is no statement in here that a community will get a right to re-open negotiations or renew the Commissioner's Order, review its relationship with the government, at its request. Clearly the way this is written, it seems to me that the Commissioner would be perfectly within his legal right to say, no, we are not going to re-negotiate that or re-discuss it.

I am concerned about that, but that is a small question. The bigger question I have is that these two lines here, "...may specify such other provisions and conditions as may be deemed necessary for the operation of a municipality..." may be the most important lines in this ordinance. They are only four lines, though, and we have had a lot of discussion about it, a lot of explanation about it, which is good.

I cannot help wondering if we maybe should not have filled it out a little bit more and gone into some of the details that both Ministers have provided us with.

Perhaps I can only feel sentimental on that subject at this point because we are probably going to shortly pass it. I wonder, let me ask a blunt question: what protection would a municipality have, whose needs change radically, against a Government who has refused to re-open the subject of ordering incorporation?

Hon. Mr. Lang: Mr. Chairman, it is obvious to me, and the Member was saying the other day, it is a very small community. If things do change radically in a community, for better or for worse, the flexibility lies in this legislation to be able to act, and act positively, within a short period of time. This is one of the principles of the legislation. Along with that, in respect to the services that the Member indicated that if he were the Mayor, God bless us — nothing personal — if he were the Mayor of a community and he wanted certain services in it, it would be just similar to the Capital Assistance Program on the financial side; the size of your community, other than perhaps a unique circumstance, similar to a transition period in the Haines Junction water-sewer, these types of things. It would be pretty straightforward in respect to what you can assume and what you cannot assume.

Now if a special circumstance dictates, like for example if all of a sudden there is a great influx of people or whatever, obviously the Government is going to have react. Now it may not necessarily have to be directly through incorporation either. It may have to be a case similar to when we had the Municipality of Faro through the Capital Assistance Program, where all of a sudden you realign your financial priorities because the situation and events have dictated that you have to. I am sure that as long as there are Conservatives on this side of the House, they will act responsibly and be prepared, if a radical change takes place as the Member indicates, to react positively to it.

Mr. MacKay: This is the only responsible Legislator here. Mr. Chairman, I listened carefully to what the previous speaker has said and also to what the witness said. I like what I hear but I do not see it here in the ordinance. What I would like to have pointed out is where in the ordinance, specifically, can it show that there is provision for changing this Commissioner's order.

If you read Section 9(2), it says "Commissioner, in establishing the municipality shall..." Now, two years later, along comes the council and says "We want to change this and we want to change that". I am wondering where in the legislation is there authority for the Commissioner to make these changes? I looked forward to seeing the change of status and boundaries — they can change the name from a village to a town — but it does seem to imply that they can change this order that they originally incorporated under.

Hon. Mr. Lang: Mr. Chairman, it is implied that it can be changed, but the point that I am trying to make is that, in the transition period or whatever, will things be built into the incorporation? I do not think anybody should be under the impression that these things are going to be changing every year, unless something radical happened and the Government had to look at a situation and say, "Look, we must amend the situation as far as incorporation is concerned, to allow certain things to be done". But I would suggest — and perhaps I should go to the witnesses again — that such a situation would happen very, very seldom, because I think that with respect to this legislation, we have everything pretty clearly spelled out, as to what can be done, what financial guarantees are available, and things of this nature. In other words, it is going to set the framework and the guarantees that, at present, they really do not have, nor does the municipality of Whitehorse. There are very limited guarantees, except for the per capita grant.

Perhaps the witness has something further to add.

Mr. Livingston: I believe, Mr. Chairman, that Mr. Lang is exactly correct. If the Commissioner adopts an order, I suppose, from time to time, a Commissioner can amend an order. In addition to that, throughout the Ordinance it would be evident that the Commissioner may enter into various agreements on almost any matters with municipalities from time to time. So there is that additional flexibility as well, to overcome or accommodate specific circumstances that arise from time to time.

Mr. Fleming: We have certainly worn this one out. As I read it, it is very plain. This is not like the one that says something that may not mean what it says. This one means exactly what it says: that the Commissioner can do anything he wishes to in that first, initial order. And I would assume — correct me if I am wrong — the

Commissioner may also put in that order, in the first place, that he may change that order and specifically so on, and so on and so forth forevermore.

As far as I am concerned that is very plain; I do not see any more to argue about, other than if you like it or do not like it.

Mr. MacKay: I am not quite so fatalistic as my colleague. Perhaps I have not been around long enough to accept these things as given.

There is one question that arose earlier that I do not think really got answered. It was my friend from Whitehorse West's suggestion that there were additional powers that might be included in this Order that are not specified in this ordinance, which is the way I read this section in the first place. I am not sure I am hearing correctly. One the one hand I am hearing about the delegation of authority, the authority being this ordinance, and on the other hand I am hearing suggestions that perhaps other authorities, perhaps Education, perhaps Game and this kind of thing, could be included in this Order.

Perhaps the Minister could tell me if this section encompasses this kind of suggestion?

Hon. Mr. Lattin: Mr. Chairman, it is my understanding that this would not be so.

Hon. Mr. Lang: Mr. Chairman, when you start getting into that type of legislation, or the principles that you are speaking of, that is all governed under separate pieces of legislation. First of all, it would be a major policy decision by any Member of this Legislature, and for that matter the Government, if we were to say we were going to devolve all social services down to the municipal level.

I think it is very, very clear from the municipalities, and there have been resolutions at the Association of Yukon Communities, which group the Member that you spoke so well of, the Member for Whitehorse West, used to be part of, passed resolutions stating those were "territorial-provincial responsibilities" and they did not want to get into the problems that the communities in southern parts of Canada have gotten into. I, for one, as a taxpayer and as a politician, agree.

If that were to come about, it would not be in incorporation. We would have to bring in legislation amending those other pieces of legislation that pertain to the social responsibility that government does have.

So, re the incorporation: I think that we are getting off track here as far as further delegations of power, unless you want to talk about the delegation of authority, vis-a-vis the taxpayer, for example, in the situation of the City of Faro, or say a new community of who would take the responsibilities. Like I said earlier, you may well incorporate, in the incorporation of a community such as Dawson City, a special water and sewer arrangement. That may well be in the incorporation, but probably in an agreement. These are the things that you would discuss with them.

So I do not think anybody should be under the impression that this section is going to automatically give the authority for the Member from Whitehorse West to assume the United States' Presidency in Watson Lake.

Mr. Penikett: At last, Mr. Chairman, we are getting some place.

Mr. Chairman: Where?

Mr. Penikett: Well how about Old Crow? Old Crow, perhaps following the *Settlement Act*, receives from Canada fee simple title to Crow Flats. Following the *Settlement Act*, as a result of negotiations with this Government, it creates a municipality, Old Crow and an area, say a village. I had understood from reading this Ordinance, but the former Minister is now telling me that I am wrong, and I am going to get very clear about this, that the Commissioner could delegate any of the Commissioner's authorities or the administration of any of the Commissioner's powers. He is just saying, "Only the powers under this bill."

Now it seems to me that that presents another problem because we have already talked about some of the potential which Indian communities might be concerned about, in terms of being included in municipalities and having some qualms about that, because of Section 8(4). We already have emerging, I think, some kind of controls, or some kind of interests in the Indian communities. It may well be that they are much more interested in, not policy but perhaps the administration, of, for example, game, in Old Crow than they would be in sewer systems. That would be perfectly natural for that community to have that kind of interest.

What the Minister is now saying to me and I want to understand clearly is that, for that eventuality to even be entertained requires other legislation, and probably amendments to the game laws, and something else. Is that what the Minister is saying?

Hon. Mr. Lang: If the Member opposite thinks that this legislation supersedes all other pieces of legislation on the books, I am sorry it does not. And it is not the intention of this side to imply that it does. If, through the settlement, as I indicated, there are Territorial legislative changes, and we agree with what those changes should be, we will probably have to, in some cases, bring legislative changes forward in this House.

Now, I am not saying municipalities, game, all these type of things.

Mr. Chairman, I am not at liberty to comment on that, but all I can say is that if we agree to a *Settlement Act* that affects our legislative capabilities, and we sign on the dotted line that we feel it is in the best interests of the Yukon Territory, then we are bound to bring legislation forward, if it necessitates legislative changes.

So, there could well be amendments, down the road, to this piece of legislation. The *Municipal Ordinance*, as the Member well knows, has been amended every second year; a minor amendment, a major amendment, and this is one of the problems we have been had, with respect to the present legislation on the books.

As far as the delegation of authority, I think it is fairly clear and concise in respect to what authorities the municipalities shall have and may have.

Mr. Penikett: Just so that I am absolutely clear on this point, let me ask Mr. Lattin, or Mr. Lang, to deal not with my esoteric case of Old Crow, perhaps, but the case of Whitehorse; in terms of arrangements between the Territory and this capital city for the provision of certain services, the territory can only, according to this ordinance, negotiate with that city concerning those services which are expressly identified as municipal in this ordinance.

Now, it is municipal services, primary, secondary, and tertiary that are in those lists; they are the only ones, and no-one but the Commissioner may specify such other provisions and conditions as may be deemed necessary for the operation of a municipality, may only describe in detail and cannot expand on those lists of services. Is that correct?

Hon. Mr. Lang: Mr. Chairman, it is my understanding that it will allow us in the municipal field, perhaps, to expand, but in respect to the other legislation we have on the books, we would have to amend it, i.e. education. I do not know who wants to take care of the *Game Ordinance*, but they would have to amend the *Game Ordinance* if that were the case. That is my understanding.

Mr. Penikett: The Minister will recognize that I am not being frivolous; I am getting at a very, very serious point, okay?

What he is now saying is he has described a new term for us, the municipal field. Now the municipal field is not one of the sections in the interpretation section. I am asking a very specific question and if it cannot be answered now, I would like to wait and get this answered, if I can.

These other provisions and conditions that the Commissioner may specify in the Commissioner's Order, deemed necessary for the operation of the municipality — and I am talking about my example of Whitehorse right now — am I correct in assuming now, from what the Minister has said, can only cover those services which are described in the section "Municipal Services", and expanded in the Interpretation Section, as primary municipal services, secondary municipal services and tertiary municipal services? I want to be perfectly clear about that, Mr. Chairman.

Mr. Livingston: Mr. Chairman, the intent behind this section, when it makes reference to specifying such other provisions and conditions as may be deemed necessary, is not just dealing with special terms and conditions respecting municipal services as defined "primary, secondary, et cetera", but it is also to deal with special terms and conditions respecting all municipal matters that are not consistent with the spirit of this legislation. I could go on and on. Not really services. Provisions of wards, rotating terms, you name it. All other matters of a municipal nature.

Mr. Penikett: Mr. Chairman, then what I am hearing from Mr. Livingston is that it is very clear, and perhaps Mr. Lang's phrase was the most appropriate one, "the municipal field", that the Commissioner cannot specify any terms and conditions outside the boundaries of this particular legislation. Is that a fair statement?

Hon. Mr. Lang: Mr. Chairman, yes, in a broad sense, but you

will be able to go into agreements such as the Impact Centre, the City of Whitehorse, things of this nature. I do not know the Section; I would have to refer to the witnesses, but there are Sections that refer to our us having the capability to go into agreement with the municipality, and giving a broad general area in which one could go into an agreement to resolve a problem or whatever.

Mr. MacKay: I want to switch the grounds a little bit and go back to something else I talked about before. I appreciated the answers from the former Minister and the witnesses and so forth, but I did not really tie it all down to my satisfaction.

There is a game plan, in terms of time of implementation of this, and the game plan is that by October, 1981, there will be elections called and we will be into the new system.

The government must contemplate that, upon proclamation of this ordinance, where this 9(2) interplays with (4) further on, will be the subject of negotiation with the L.I.D.'s. What I would like is the assurance from the Government that this negotiation will occur; that there will be specific consultations with each L.I.D. affected directly by this ordinance, to arrive at what kind of Order they would have had, had they become incorporated under the situations envisaged after this thing is proclaimed.

Perhaps to rephrase the same question, is that it seems to me that there are terrific safeguards being built in, for those communities which will come in under the ordinance, under the section we have just been debating. There seems to be no safeguards for the L.I.D.'s who will suddenly be drafted, shall we say, into this. I just want to get a specific commitment from the Minister that he will consult with each L.I.D. council, and will arrive at an agreement with them, specifying such other provisions and conditions as may be deemed necessary for the operation of that municipality, under this ordinance.

Hon. Mr. Lattin: Oh, yes, Mr. Chairman, I think that is one of the reasons we that are asking for that length of time, to have complete consultation with the various L.I.D.'s and other municipalities. That is one of our reasons why we feel we need so much time and why we are bringing it in a year hence, just for that one particular reason.

Hon. Mr. Lang: Mr. Chairman, I have no take exception to one comment that the Member opposite talked about, being drafted into a certain category or a certain status.

I think that the Member has to realize, and I emphasize once again, these present L.I.D.'s have a lot of authority. To date they have taken on a lot of responsibility. We are trying to clarify it and to put it in such a manner that it fits the situation that they are in.

I should also point out, Mr. Chairman, that we are dealing with a great deal of your, their, and everyone else's finances. Right now there are no guarantees respecting, for example, where on an annual situation they sit down and they negotiate with the administration and say, well, look, here are the dollars you have, that is it, that is all you can deal with.

With the *Municipal Aid Ordinance* and this ordinance, it is going to give them that much better direction of where they want to go locally, also the responsibilities.

I think that is important.

As my colleague has indicated, there will be discussion, as there has been in the past year, with the L.I.D.'s; discussions about the direction of municipal affairs and the direction the Government would like to see the various communities going, and for the most part they agree in respect to general philosophical terms. When you sit down and you talk about the financial framework and that type of thing, and the unique situations like that of Dawson City or Haines Junction, then you can sit down and say that we will not have to offset this or whatever, for at least a period of time or write something off or whatever the case may be.

That is why the Minister has indicated we are giving it a year, close to a year and a half, because the elections would be brought in in October and this legislation would be phased in. It is not as if it could be proclaimed right after it was assented to; it would take time, and various sections would be proclaimed as the transition period came in.

Mr. MacKay: Mr. Chairman, I am glad that the Government Leader came back because we missed him. The Members opposite might have to forgive the Members on this side for asking some questions that may appear to be self-evident to them. One of the problems we have, when we come to talk about 9(2) in the context of the future of the Yukon and the context of land claims negotia-

tions, is that we have absolutely no idea whatsoever of what is going on at the table.

We do not know if the Government has an agreement with the CYI to go ahead with this ordinance and will make adjustments later. We do not know if the CYI is aware of this. We are fumbling around here trying to feel what the Government's commitments are, and we may be putting the Government in an embarrassing position sometimes by doing this, because of compromising negotiations, that is fine, that is probably our job. Hopefully they are not going to be put in an embarrassing position, but we are in an embarrassing position here because we do not know what you are prepared to do with respect to land claims. We have no idea of what your negotiating positions are and, therefore, whether you will consider that aspect.

Looking at this section 9(2)(a), we have a right to be concerned about what powers and terms and conditions may be encompassed in this clause. I guess what I would like to hear from the Government Leader, Mr. Chairman, is this: without breaching any of the confidentiality of negotiations, does he envisage this ordinance becoming the constitution of communities all around the Yukon, regardless of their origin? If so, will 9(2) be big enough to encompass some of the things that you are talking about in land claims?

Hon. Mr. Pearson: I am sorry, Mr. Chairman, that I was absent.

It is very difficult for us, as a government, to withhold or not go ahead with legislation like this, which affects everyone in the Territory, while we wait for land claims. That is just not possible to do or else everything would be at a standstill.

Mr. Chairman, I am confident that, whatever the final agreement in respect to land claims is, this legislation and all our legislation will be subject to amendment to ensure accommodation. That will be done primarily, from my point of view, by what is commonly termed a *Settlement Act*. There will be a piece of federal legislation. Federal legislation is always superior and senior to territorial legislation, and it will be more beneficial for everyone concerned if we have this piece of legislation in place, prior to federal legislation in the form of a *Settlement Act* being drawn up, because then the federal legislation can get very specific in respect to what is going to happen.

There is little doubt about it, we have fond hopes on this side of the House that eventually all of the people in the Territory who live in communities will be in municipalities under this legislation, and that this will become the umbrella piece of legislation. This is a major piece of legislation in any one-government system.

We feel very strongly that that is the route that we should continue going. But, Mr. Chairman, I can put it to you also that this legislation does not preclude, in any way, shape or form, a two-government system, if that is the form of the settlement legislation. It is broad enough, there is enough latitude that we can, under this legislation, certainly encompass Indian villages, if that is what we are going to be looking at specifically, and under terms and conditions that will be to their liking and will satisfy their requests. We have worked on the legislation on that basis. I am quite confident that we can meet those requirements, because it is something that has been of paramount importance in our minds all of the time.

Mr. Penikett: Mr. Chairman, I thank the Government Leader for his intervention in this discussion. We, on this side, have just spent time, prior to his comments, getting some clarification of the meaning of 9(2)(a) from the point of view of the Ministers opposite. I think there has been some misunderstanding on this side; I should be frank about that because I think some of us — let me speak for myself — I had thought that 9(2)(a) would allow the Commissioner, by negotiation with the community, Indian or not, to delegate the administration of any power that he had under his control. There may have been a confusion, but perhaps an understandable one, given what I have heard from the Indian community in terms of the kind of things they want to control. It may have been understandable also because all of us are thinking about legislation nowadays in the context of what we think is going on at the table. Most of us do not know what is going on there, but we have imaginations and we speculate.

I am glad to have it clarified. I am not so sure now that the bill will do what the Government Leader hopes in this regard, because one of the things I have been struck by in my private discussions with Indian people within the community, is that in the Drury Commission Report in the Northwest Territories, the one thing, the

one recommendation in Drury that seemed to strike a responsive chord in the Native leadership here and in the Northwest Territories, was his section on local government.

The section on local government said that most of those communities were not as interested in roads and water and sewer, and the things that we regard as conventional municipal services, as in the management of things of more vital interest to them, such as game, and we just talked about that in the area of those communities.

Now we have heard from the former Minister, and I think the present Minister of Municipal and Community Affairs, that we would clearly have to pass, following the *Settlement Act*, other legislation to amend game laws. This bill would not be sufficient to encompass that. I am coming now to a much clearer understanding of that. If the demands of Indian communities in this Territory, for a form of local Government, do not fit neatly into what we have described as municipal services here, they probably will not want to, at least in the interim period, fall under this legislation. We may still have a one-Government system preserved at the Territorial level, but at the community level they might want to have an entirely separate kind of local Government.

I am glad the Government Leader has held out that possibility because I would have been very concerned had he admitted of that possibility in negotiations. So really this bill does not solve any of the mystery any of the concerns on that question; it simply may only be an interim piece of legislation until such time as there is a settlement, because we may yet again have to do some major revisions, major accommodations if they want to come under municipal legislation and they find this wanting in this respect.

Hon. Mr. Pearson: I anticipate, Mr. Chairman, that whenever we do have a piece of settlement legislation from the Government of Canada in respect to the Yukon Native Land Claims, it is going to mean some major work in this House at a very early date encompassing numerous pieces of legislation. I am confident of that.

Mr. Chairman, if I may, I would like to react to the one comment made by the Honourable Member in respect to the Drury Report and the section on local government. I recognize, Mr. Chairman, that I do not have to say this for the edification of the Member who spoke last, certainly not for him, least of all for him. But to compare communities in Yukon with communities in the NWT is just about like comparing apples and oranges, Mr. Chairman. They are both round and that is about as far as the similarity goes. There are tremendous big differences. I read Mr. Drury's report with interest and I have an awful lot of time for it. I believe that it is an excellent report, very, very well done, very, very well thought out.

There are a lot of areas that are quite easy to apply to Yukon in what he has said. But in some areas it is very, very difficult. Local government is one of the areas in which it is very difficult just because our communities here are so much different than the NWT's.

Clause 9(2)(a) agreed to

Mr. Chairman: At this time, the Chair would like to take a brief recess. But before I do that, I wish to inform the Members that Section (b) does not include the *Game Ordinance*. Would you just keep that in mind?

Recess

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

On Clause 9(2)(b)

Mr. Penikett: All I want to know about this, Mr. Chairman, is, are these qualifications referred to variable by the Commissioner or the Minister in any way?

Hon. Mr. Lattin: Sorry, Mr. Chairman, I missed the question.

Mr. Penikett: I wanted to know, Mr. Chairman, if these qualifications required for membership on the first council and for electors, are variable by the Commissioner? I do not see a Section in this Ordinance that suggests that kind of flexibility, and I wondered what was contemplated here.

Mr. Livingston: To some degree, they are variable. The reason this subsection was put in here is that, as you know, normally, in order to be eligible to vote, you have to be a resident for two years. If you are creating a municipality, perhaps that qualification could not be met and therefore some flexibility would be provided. I should correct that, it is one year in order to be eligible to vote.

Clause 9(2)(b) agreed to

On Clause 9(2)(c)

Mr. Penikett: There is a change in this legislation, Mr. Chairman, in that it seems to me that later on, with one fell swoop, we do away with the council/manager system and substitute a mayor/manager system. It seems, in some places in the bill, to refer separately to mayor in council. This clause only refers to the council. Is it necessary at all to add the mayor or is it redundant in this case?

Mr. Livingston: No, it is not, Mr. Chairman.

Clause 9(2)(c) agreed to

On Clause 9(2)(d)

Mr. MacKay: When you talk about respective terms for which members of the council shall be elected in the first election, does that envision having staggered terms, because I understood that that was a desirable goal. Further on, it seems that when you talk about elections, they must be held every two years and everybody gets turfed out or re-elected at that time.

I was wondering why these respective terms come in?

Hon. Mr. Lattin: Mr. Chairman, the capability is there to have it if we want to.

Mr. Penikett: Mr. Chairman, if who wants it: is it a request from the municipality or is it if the Commissioner deems it desirable?

Hon. Mr. Lattin: The municipality, Mr. Chairman.

Mr. MacKay: Just to be absolutely clear, this section, as well as Section 2(a), we are now talking about Section 2(d) actually overrides other sections of this Ordinance, to provide for staggered election terms.

Mr. Chairman: Do you have a question Mr. MacKay?

Mr. MacKay: I was asking the Minister just to confirm that this 9(2)(d) may override further sections which provide for regular, two-year elections in that it may provide for one council member to sit for four years and one for two.

Mr. McWilliam: The intent of this entire section is to deal with coming into effect of a municipality. This deals with the first election, and the reason for allowing the provision for separate terms is that you may be incorporating that community in an off year. There may be one year until the next general municipal election, and you could set it up so that the term of the first council was for one year only.

Mr. MacKay: We are then only dealing with the new incorporation, and therefore it is not intended that this ordinance should provide, in a regular way, for staggered election terms where someone might sit for four years, others for two.

Mr. McWilliam: This section which we are discussing only deals with the first election.

Mr. MacKay: Since we are on the subject, does the Government consider building that into the ordinance, as I believe was requested by some municipalities, for the sake of continuity, allowing some members of council to sit for longer terms than others and provide more experience?

Hon. Mr. Lattin: We would consider only the first election. No, I do not think we were considering it beyond the first election.

Mr. McWilliam: Perhaps, Mr. Chairman, I would suggest that we are getting to the point where we may get a little confused here by trying to talk about the incorporation procedures and the election procedures intertwined. What we are dealing with here is the first election. If you want a discussion about the policy of rotating terms, I would suggest that is in the sections dealing with terms, under elections.

Mr. MacKay: I will save my questions for later.

Clause 9(2)(d) agreed to

On Clause 9(2)(e)

Clause 9(2)(e) agreed to

On Clause 9(2)(f)

Clause 9(2)(f) agreed to

On Clause 9(2)(g)

Clause 9(2)(g) agreed to

On Clause 9(2)(h)

Mr. MacKay: Perhaps I could ask a question on (h) before it speeds by us. I would like a little practical explanation of the use of this section. I assume that the Department of Community Affairs would have a budget drawn up in advance for this municipality to present to the council in its first year.

In other words, what you are contemplating doing is really setting up the fiscal framework for this municipality before it gets started, and that includes therefore the borrowing powers. Is that the idea then? That will all be a package that will go to the council.

Mr. Livingston: Yes, Mr. Chairman, that is exactly the intent of that particular section. It would allow a new municipality and new council to become familiar with the operation of that municipality.

Clause 9(2)(h) agreed to

On Clause 9(2)(i)

Mr. Penikett: What does it mean, Mr. Chairman?

Mr. McWilliam: Mr. Chairman, throughout this ordinance, there are a number of dates that are referred to specifically. Because of the timing of incorporation, a new municipality may not be able to fulfill its obligation by that specific date. This would provide, were that to take place, that that municipality would be exempted, for that first year only, from that statutory date.

Hon. Mr. Pearson: Mr. Chairman, just for clarification, that may well mean that the Commissioner would be specifying another date instead of the statutory date in the legislation. Is that correct?

Mr. McWilliam: Yes, Mr. Chairman.

Mr. Penikett: Just so I am clear, if that happened because of a new incorporation, that refers back then to all these other sections about respective terms and so forth? The term might be only for nine months instead of two years, and so forth and so on? So that "... and once only in place of statutory dates," mean that it is only for the initial time the Commissioner may exercise his power and never again?

Hon. Mr. Lattin: Yes, Mr. Chairman, that is my understanding.

Clause 9(2)(i) agreed to

On Clause 9(3)

Mr. Penikett: I am sorry he is not here, because I would like to apologize to the former Minister of Municipal Affairs, since having read this thing three times, the only time I find the word "charter" in the bill is right in this clause.

Since that word is not used, what we are really talking about when we are talking about the existing charter is really these Commissioner's Orders that are referred to in Clause 9, basically. Am I correct in that?

Mr. Livingston: Yes, Mr. Chairman. It also includes Incorporation Orders of the Commissioner under the *Local Improvement District Ordinance*.

Mr. Penikett: I have no problems with this particular section, Mr. Chairman, even though I do wish the department would refer to these, when we are talking about these incorporations, as charters, rather than Commissioner's Orders. It is a much better term to describe what they are. We have got so many Commissioner's Orders about everything under the sun that it seems to me it could be confusing, and "charters" is a perfectly good word for this purpose.

Mr. MacKay: I read this section, initially, Mr. Chairman, and I noted that it is possible that we could have had the amalgamation of the City of Whitehorse, 1970 version, it would seem, under this section, without any requirement for referendum or consideration. This gives me some problems with this clause.

Could I ask the Minister if that kind of situation could occur under this section?

Hon. Mr. Lattin: No, I do not think so, Mr. Chairman. This particular clause gives us the power to dissolve and to re-incorporate the terms and conditions under this new legislation.

We were re-incorporating a previous L.I.D. or municipality and that is all it does say.

Mr. Penikett: Mr. Chairman, surely, it also means that you could take the existing charter of Whitehorse if you decided to renew it, and just abolish this old one and start again with new negotiations on a new one. It seems to me you could do that too.

Hon. Mr. Lattin: You probably could, but I cannot see why you would want to do that.

Mr. Byblow: I would assume that by the application of this section it would refer to all the previous sections of this Section 9 where you may have special provisions in this new charter and so on. Is that correct?

Hon. Mr. Lattin: Yes, Mr. Chairman, that is so.

Mr. MacKay: I read it: "In the exercise the powers under this section..." Everybody assumes that this section will be used only as a transitional section as a way of getting into the system or in the case of the first incorporation. I suppose if I can get assurance that that is the only way that section could be used, then I would not have such a big problem with it.

Hon. Mr. Lattin: That is the way I interpret it, Mr. Chairman, yes.

Mr. MacKay: I interpret it somewhat differently and I am willing to hear the witnesses' interpretation too, to add to the confusion. But it seems to me that we can incorporate residents of any area into a municipality; it is a pretty broad part.

Mr. McWilliam: I hope I am not going to add to Mr. MacKay's confusion on this subsection.

Basically what is intended here is to ensure that we start off with all communities incorporated under this legislation, as opposed to the existing municipalities which have various charters. If you want an interpretation which ensures that in any future incorporation that this would not be used, I would suggest that the way that would come in is either through boundary or status changes, or through the incorporation of any new municipality; you would have to carry out the provisions which are provided in this legislation.

Mr. MacKay: Let me stretch it a little bit. Assuming that the City of Whitehorse was to require, for some reason, the new charter, which they would do under this section, they would come to the Commissioner in council and suggest they would have a new charter; the City of Whitehorse has been here twenty-nine years, I think, in law, therefore it would seem to me you could use this section at this point and say that okay, while we are changing the charter, we will just take in the Mayo Road here, and we will take in the Carcross cut-off there.

That is what I am getting at, can that be done through this section?

Mr. McWilliam: Mr. Chairman, no.

Mr. MacKay: Thank you.

Clause 9(3) agreed to

On Clause 9(4)

Mr. Fleming: It may be a little hypothetical, but what may happen is that "For the purpose of this section, a local improvement district existing immediately prior to the coming into force of this ordinance, will be a municipality".

Now my question would be: if the residents or whatever in that district, did not wish to become a municipality, then I would presume that the Government, through Commissioner's Orders, would create a municipality. I would be interested in how that municipality would be run then — a mayor and four trustees, or whatever. What is the criterion for that situation if the people did not wish to have it?

Mr. Livingston: The intention of this subsection is not at all to legislate L.I.D.'s into municipalities. It is simple but municipalities are not L.I.D.'s; they are two different creatures and we are suggesting that for the purpose of this section, where the word "municipality" is shown, for instance, the dissolving of any municipality means the same as that of an L.I.D. Under these entire incorporation sections, that procedure would have to be followed, in consideration of whether an L.I.D. or that community becomes a municipality.

Mr. Penikett: I do not want to go skipping lightly over the subject. In the case of Mr. Fleming's home community and Mr. Hanson's home community, as I understand it, there are Indian communities now within the boundaries of the L.I.D. Under this law, Indian bands and Indian land will find themselves inside a municipality. I just want to be clear about that.

Let me ask all my questions at once and then perhaps the Government Leader, who is resisting this suggestion, or the Minister, may want to reply.

I have never been clear about this in the case of Whitehorse, but I wonder what is the status then of the band councils, in terms of governing their band council resolutions, their band bylaws that they adopt. Mr. Fleming may know, from his own experience in Teslin, but I wonder what happens in that case. I think, in Teslin, the band is included; they participate in the L.I.D. Perhaps given the history of that community, they may participate in the municipality, I do not know. But I am curious as to the exact relationship.

Hon. Mr. Pearson: Mr. Chairman, this legislation cannot, nor can we expect it to solve the problem that exists in these communities in respect to Indian villages inside of municipalities. As I suggested before, I do not believe that that problem will ever be solved to anyone's real satisfaction, until there is settlement legislation. It will be a major portion of the settlement legislation.

I must reiterate, Mr. Chairman, that this particular section of the legislation is going to have a very, very short life span. It is one of those sunset clauses; it is here today and it will be gone the moment all of the L.I.D.s in the Territory have been dealt with in one way or another. It is strictly a one-time clause.

Mr. Chairman, I must emphasize that this clause is not saying that all L.I.D.s are automatically municipalities. What it is saying is that all L.I.D.s will be automatically deemed to be municipalities for the implementation of this section only. It just applies to this first-time thing. It is not saying they are going to be municipalities. It is saying that they will be deemed to be municipalities until a decision is taken by the L.I.D., or what will be the municipality, wherever it is going to fit into this mosaic.

Mr. Penikett: Fair enough, Mr. Chairman, and I accept that explanation from the Government Leader. Could I ask the other question, even if I cannot get an answer right away? What is the status of those Band Councils within a municipality like that, and their band bylaws, their Band Council Resolutions and so forth? Because my memory is that their situation is, as I understand in Whitehorse, somewhat foggy legally. In fact I am not quite sure; is that the case in the other communities?

Let me say that I am not asking a facetious question here, because it seems to me it is an entirely different case in Teslin, where people in the community have participated in the L.I.D., stood for election, have served, and had a voice. There has been only one occasion in my recollection where a person from — well, I do not know if he was a member of the Whitehorse Indian Band, but anyway, an Indian person has stood for election for city council in Whitehorse, and that person was not elected. In fact, I do not think anybody from the band has ever run. Their view has always been that notwithstanding the fact that they were within the City of Whitehorse, as far as the reserve land was concerned, that they, the band council, were the legitimate government in that area.

Hon. Mr. Pearson: Mr. Chairman, I would suggest that possibly Mr. Livingston could tell us better than anyone just the exact status of the Whitehorse situation. The Honourable Member is correct in that there is quite a different situation existing in Teslin than exists in Carmacks. They are quite different in that in one case they are in, and in the other case they are not, but Whitehorse is a fairly unique situation.

Mr. Livingston: In every community, basically, there are probably different circumstances; land tenure is different slightly from community to community. In most communities, band bylaws affecting band lands have authority over those lands and, of course, you could compare that situation to a private owner of a mobile home court or the owner of a condominium, as an example. That does not mean at all that they could not participate in the decision-making process of the municipality.

Mr. Penikett: It sounds like a very reasonable explanation. I expect somewhat that David Joe might have placed a little different weight to the authority of the band council, Mr. Livingston, but now is not the time to get into that.

That is a very lucid explanation and I hope it is accurate. It is very clear.

Mr. MacKay: I am interested in the demotion clause. I think I understood what the Government Leader said is that this is just for the purposes of the section when we are dealing with L.I.D.'s; but what if, may we ask a hypothetical question, an L.I.D. presently existing decides that they are going to go the municipality route and we find, to our horror, that they do not have 300 in population? What do we do with this new animal, because when we turn to the next section, they will be accorded certain names and if they have only got 250, what would they call it, a semi-village?

Hon. Mr. Pearson: They will be called hamlets, Mr. Chairman.

Mr. MacKay: So I take it from what the Government Leader has said, it is impossible for an L.I.D. with less than 300 people to actually become a municipality under Section 9.

Hon. Mr. Pearson: I am sorry, Mr. Chairman, I did not hear whether the Honourable Member said it was possible or impossible.

Mr. MacKay: That it is impossible because of the exclusion of hamlets under Section 9(2). It is impossible for an existing L.I.D. with less than 300 population to become a municipality under this section.

Mr. Tracey: I think the existing legislation for L.I.D.s at this present time calls for a minimum population of 300 people so I do not see where the problem would be there.

Hon. Mr. Pearson: Maybe Mr. Livingston could clarify the matter somewhat.

Mr. Livingston: I am not sure that I could clarify it but I could give you some statistics. Watson Lake has a population of 1,389, Mayo - 496, Haines Junction - 460, Teslin - 367 and Carmacks - 342. It is deemed to be those populations.

Mr. MacKay: Could the witness tell us, I do not want to pick on poor old Carmacks, but maybe Haines Junction, the deemed population, does that include all the population within the present boundaries of the L.I.D.?

Mr. Livingston: Yes, it does, Mr. Chairman. I should add that this information was recently taken from the Health Care Insurance Records.

Mr. Fleming: I would take it then that maybe the witness is not necessarily wrong but possibly he feels it was taken from the L.I.D. but not necessarily so. The whole area for Health Services and so forth covers Johnson's Crossing and the highway in the case of Teslin. I doubt that figure of 367 in the little town of Teslin and I live right there, I am sure it is no way near it.

Clause 9(4) agreed to

Clause 9 agreed to

Hon. Mr. Graham: Mr. Chairman, I move that you report progress on Bill Number 57 and beg leave to sit again.

Mr. Chairman: It has been moved by the Honourable Mr. Graham that the Chairman do now report progress on Bill Number 57 and beg leave to sit again.

Motion agreed to

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

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

Motion agreed to

Mr. Chairman: I would at this time like to dismiss the witnesses and thank them for their assistance.

Mr. Speaker resumes the Chair

Mr. Speaker: I now call the House to Order. May we have report from the Chairman of Committees.

Mr. Njootli: Mr. Speaker, the Committee of the Whole has considered Bill Number 57, *Municipal Ordinance*, and has directed me to report progress on same and beg leave to sit again.

Mr. Chairman: You have heard the report of the Chairman of Committees. Are you agreed?

Some Members: Agreed.

Mr. Speaker: Leave is so granted. May I have your further pleasure?

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Old Crow, that we do now adjourn.

Mr. Chairman: It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Old Crow, that we do now adjourn.

Motion agreed to

Mr. Speaker: This House stands adjourned.

The House adjourned at 9:33 o'clock p.m.

The following Legislative Returns were tabled on Monday October 27, 1980:

80-3-11

Recovery Unit Attendant at Whitehorse Detox Centre (Written Question Number 10, Part (a))

80-3-12

Sales Clerk at Liquor Outlets (Written Question Number 10, Part (b))

80-3-13

Cost of the Brass Report (Written Question Number 10, Part (c))

80-3-14

Land Development Costs (Written Question Number 12)