The Yukon Legislative Assembly

Number 5  4th Session  24th Legislature

HANSARD

Tuesday, March 31, 1981 — 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

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

Government Members

(Progressive Conservative)

| Al Falle            | Hootalinqua                  |                                      |
| Doug Graham         | Whitehorse Porter Creek West |                                      |
| Jack Hibbert        | Whitehorse South Centre      |                                      |
| Peter Hanson        | Mayo                         |                                      |
| Grafton Njootli     | Old Crow                     |                                      |
| Donald Taylor       | Watson Lake                  |                                      |
| Howard Tracey       | Tatchun                      |                                      |

Opposition Members

(Liberal)

| Ron Veale           | 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: Patrick L. Michael
Clerk Assistant (Legislative): Missy Foliwell
Clerk Assistant (Administrative): Jane Steele
Sergeant-at-Arms: G.I. Cameron
Editor of Hansard: Lois Cameron

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

DAILY ROUTINE

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

Reports of Special or Standing Committees?

Petitions?

Reading or Receiving of Petitions?

Is there any Introduction of Bills?

Notices of Motion for the Production of Papers?

Notices of Motion?

Statements by Ministers?

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

QUESTION PERIOD

Question re: Foothills' Property Taxes

Mr. Veale: Mr. Speaker, I have a question for the Government Leader regarding the Foothills' pipeline tax. Could the Government Leader advise when the amount of money to be paid by Foothills pursuant to the agreement — in other words, the $15 million negotiated — was that sum of money based upon a percentage of the total cost of the pipeline to Foothills?

Hon. Mr. Pearson: No, Mr. Speaker. If the Honourable Member is really interested in the agreement, it is a matter of public record; it was part of a Bill in this House. That agreement calls for Foothills to pay to this Government, in 1980, $5 million; in 1981, $10 million; in 1982, $15 million, and so on.

Mr. Speaker, that agreement evidently was entered into based on a supposition that construction would start in 1980. Subsequent to that, for various reasons, the construction date, the actual start of construction, was set back until 1982. It is Foothills' contention, Mr. Speaker, that the fact that happened automatically set back the dates from 1980 until 1982 when they first have to start paying the Yukon Government the $5 million for the right to be in the Territory; really however, because, it is not taxes that it is; it has nothing to do with taxes. The agreement is quite clear, they are going to pay this no matter what they had going at that point in time. That is the way we read it. It is not a substitute for taxes nor anything else, Mr. Speaker. We have the right to tax them, as a user of lands, when they have the pipeline built.

But this is part of that agreement, and the Honourable Leader of the Opposition should really read that agreement.

Mr. Veale: The Government Leader is well aware of the fact that the cost of construction of the pipeline has increased from some $10 billion, when the matter of monies which he says was not in the lieu of tax was negotiated, and it has now risen from anywhere to $17 to $20 billion. My question to the Government Leader is whether or not the Government has raised that fact with Foothills, in its ongoing negotiations to have monies paid.

Hon. Mr. Pearson: Well, Mr. Speaker, save and except for one meeting, I have not been a party to these negotiations. I did sit in on one meeting with our people and the Foothills people in Calgary. Also they have been here a couple of times; we have met; however, those have not been negotiations.

Mr. Speaker, I am not a part of the actual physical negotiations that are going on. I cannot answer the Honourable Member's question.

Mr. Veale: Mr. Speaker, I am sorry to hear that the Government has no control over the negotiations. I am not clear then who is doing the negotiations on behalf of the Government. Has the Government in any way indicated to Foothills that it will accept a settlement of less than $15 million?

Hon. Mr. Pearson: No, Mr. Speaker. If that was the question, he should have asked it. Now, if he would like to know who is doing these negotiations, I will answer him. But no, we have not indicated to Foothills or to anyone else that we will consider anything less than the $5 million. But, Mr. Speaker, that does not preclude the hope that negotiations will continue. And they have so far.

Question re: Fuel Imports through Skagway and Haines

Mr. Penikett: Mr. Speaker, I have a question for the Government Leader in his capacity as Minister of Finance. A recent newspaper article in the Vancouver Province indicated that the Federal Government's energy program was going to treat both Skagway and Haines, Alaska, as foreign ports, even though Yukoners get their fuel through these ports starting tomorrow, April 1. Further, Mr. Speaker, because we could also be treated as foreigners, our fuel prices would be slapped with an additional tax of 56 per cent, which would mean the cheapest gas in Whitehorse could rise from $1.76 to $2.75 per gallon.

Could the Government Leader indicate whether he is aware of this situation, and what steps the Government has taken to ensure that Yukoners are not treated as foreigners to Canada, and that we are not taxed over and above what the energy policy calls for southern Canadians; even though tomorrow may well be April Fool's Day?

Hon. Mr. Pearson: Yes, Mr. Speaker, we petitioned the Minister of Mines and Resources and the Minister of Finance the day that the new energy policy was announced, because it became obvious to us then that there was, at that point in time, a surcharge on fuel oils being exported from Canada to United States' ports. We were very quick to point out to the Federal Government that a great number of the fuel oils in Yukon got into this Territory via Skagway and Haines, Alaska.

Mr. Speaker, we were assured, unequivocally, by the Federal Government that that surcharge would not be imposed upon any fuel oils of any kind, shape, or description, that are brought into Yukon Territory through either Skagway or Haines.

Mr. Penikett: I would appreciate it if the Government Leader could elaborate on his answer a little bit. I would like to know if that is a permanent commitment both from the Energy, Mines and Resources as well as Finance, because the information I have is that the Federal Transport Department has requested and received a one month delay from Finance to May 1 on this matter; but there has as yet been no public and specific commitment made from Finance to, in fact, forestall this money-grab by the Federal revenue mongers.

Hon. Mr. Pearson: Mr. Speaker, I am not aware of the article. Certainly, we interpreted the undertaking by the Federal Government to be one of permanence, because we made it clear to them that we intend to be here permanently, as well.

Mr. Speaker, I will undertake to follow up on this immediately, because, of course, this must be of major concern to everyone in the Territory.

Mr. Penikett: I appreciate the Government Leader's answer.

I understand the Federal Finance Department may be willing to classify Skagway as a domestic port for Canadian fuel tax purposes; can the Government Leader indicate what steps he has taken to ensure that the same treatment is accorded to Haines, so that White Pass' competitor may be treated equally?

Hon. Mr. Pearson: Mr. Speaker, my recollection of our dealings with the Departments of Finance and Energy, Mines and Resources was that the same rules had to apply to both Skagway and Haines, because some of our suppliers bring their commodities into the Territory through Haines, and some through Skagway. As far as we, as users in the Territory, are concerned, there was no difference. My recollection, Mr. Speaker, is that both ports were to be exempt from this.
The other factor involved was that if the goods are exclusively for Yukon, the companies hauling it were working at getting an exemption from that export tax for the fuel that they burn on the ships, as well. I am not sure where that is at.

**Question re: Barite Deposit at MacMillan Pass**

**Mr. Fleming:** My question will be to the Government Leader or, possibly, the Minister of Tourism and Economic Affairs; I will just put it to the Government Leader. Regarding the barite deposit of Dome Petroleum in the MacMillan Pass area, is the Government aware of the statement made by Noel Broom in the Whitehorse Star March 30, in which he stated that if a mill was built, it would be definitely be built in Inuvik, and, of course, subsequently the material would be hauled over the Dempster Highway?

**Hon. Mr. Pearson:** Yes, Mr. Speaker. Just so that everyone understands the background on this, I regret that the Minister of Tourism and Economic Development is not here to answer today, because he has spent a tremendous amount of time and done a tremendous amount of work with respect to this.

Mr. Speaker, when it became evident to us that Dome was interested in mining, or having someone mine barite in Yukon for export to the Northwest Territories and to their drilling operations in the Bering Sea, we immediately entered into negotiations with them with respect to the desirability, for local labour purposes and local industry purposes, of establishing that mill here in Yukon; preferably in the Ross River area. We could not think of an area in the Territory that could better stand that kind of help with respect to industrial development.

Mr. Speaker, we have been literally months at this now, and we are now convinced that what Mr. Broom is saying on behalf of Dome is correct. The cost of building a mill at Ross River as opposed to Inuvik is prohibitive due to two factors. Number one: the transportation of refined ore is so much more expensive than that of the raw ore. Number two: as to the capabilities of storing raw ore as opposed to refined ore, the refined ore is a highly volatile thing; it must be kept under cover, and it must be looked after environmentally. All in all, Dome felt that it was economically unfeasible for them to build a mill in Yukon. They would have been better off to continue exporting their barite from Alberta.

Given that, Mr. Speaker, we then negotiated with them to ensure that Yukon truckers would benefit from the haul of the ore from the mine site, which is on the North Canol Road to Inuvik. Discussions have taken place between the responsible Minister in the Yukon, Mr. Lang, and the responsible Minister in the Northwest Territories. As far as I know, they are well into those discussions, and an agreement is imminent with respect to who is going to do the hauling.

**Mr. Fleming:** Mr. Speaker, supplementary: he also stated that there is some hope that the mine would possibly be in production in 1982. I wonder if this Government has considered the building of a bridge across the river at Ross River, at the junction for the Canol Road? I wonder if this would not cause such to be done? Has Government considered this?

**Hon. Mr. Pearson:** No, Mr. Speaker, I doubt very much that we could get very much of a sympathetic hearing in Ottawa, with respect to the expenditure that would be required to build a bridge across the Pelly at Ross River because of this Barite Mine. Maybe in the long run it certainly will help, but I do not believe that that situation is going to be the crux of getting a bridge across the Pelly at Ross. It is certainly going to be the major help that we need, though, Mr. Speaker, in order to get the Federal Government to seriously look at the reconstruction of the North Canol Road, and we are working actively on that now.

But I would respectfully suggest that the barite is very likely to come out over ferries and ice bridges for some considerable time.

**Question re: Association of Yukon Communities**

**Mr. Byblow:** Mr. Speaker, I have a question that I would direct to the Minister of Municipal and Community Affairs. As a matter of policy, I would like to ask the Minister if it is the position of his Government to continue the support and encouragement for the continued existence of the Association of Yukon Communities?

**Mr. Lattin:** Mr. Speaker, I am not entirely clear on the question is that the Member is directing to me. If he is asking if we support the Association of Yukon Communities — yes, we do. I attend almost all the meetings they have in town. We discuss mutual concerns and in that respect we do support them. If you have any other specific questions, would the Member please phrase them so?

**Mr. Byblow:** Mr. Speaker, I was leading to them. I recognize that the Minister supports the continued existence of the Association of Yukon Communities. I also recognize that a campaign by the AYC over the past couple of years to have a full-time executive director named, culminated this past month at their annual meeting to threaten disbanding the Association if there was not some funding forthcoming to share the expense of that director.

Recognizing those factors and the value of the Association to the Government in terms of liaison between Territorial and municipal levels, is it the intention of the Minister to respond positively to the AYC request for an executive director?

**Hon. Mr. Lattin:** Mr. Speaker, in regard to this director, we are investigating it; we are doing some review on it, and when we make the decisions I will certainly notify the Member.

**Mr. Byblow:** I will be anticipating a favourable and positive response to his review of that. I would then like to clarify with the Minister if it is correct that the AYC will be having an official of the Department of Municipal and Community Affairs seconded to the proposed executive director position.

**Hon. Mr. Lattin:** Mr. Speaker, as we are reviewing the whole situation, it would be incorrect to suggest that somebody from Municipal Affairs would be involved at all. It is something that is under review. As I mentioned before, when the review is done and we have made the decisions, I will only be too happy to notify the Member as to what our decision is.

**Question re: Order Paper**

**Mrs. McGuire:** I have a question for the Government Leader. At one time it was the courtesy of this Government to send the House Leader around to Opposition Members, to advise the Opposition as to what the Government plans to deal with on the Order Paper, at least three hours before Session begins. I would like to ask the Government Leader if he would reinstate this practice.

**Hon. Mr. Pearson:** No, Mr. Speaker. This is a most extraordinary question for Question Period, but, Mr. Speaker, we have not changed anything, nor do I believe that there is any requirement that I do anything at least three hours before this House sits. I resent the implication very much that I have to do anything three hours before the House sits.

Mr. Speaker, we have tried to cooperate and afford the Opposition every cooperation that we can from this side; we will continue to do so. I recall talking to the Leader of the Opposition as early as last evening, discussing what was going to be on the Order Paper today.

**Mr. Speaker:** Perhaps this type of questioning ought to be done on a more informal basis between both sides of the House.

**Question re: Agricultural Policy/Country Residential Lotas**

**Mr. Vasey:** Mr. Speaker, I have a question for the Minister of Municipal and Community Affairs. Yesterday, Mr. Speaker, the Minister indicated that land suitable for agriculture will be included in the proposed release of country residential acreages. I ask the Minister, will he agree that the agriculture policy for Whitehorse North and South should be in place to meet the regional agricultural requirements, prior to the release of country residential acreages?

**Hon. Mr. Lattin:** I thought I made it perfectly clear yesterday, to the Member across from me, that we were talking about two different classes of land. If I recall my answer yesterday, I said that what we were considering for country
March 31, 1981  YUKON HANSARD  Page 63

residential would not utilize land that has been set aside for agricultural use.

I also informed the Member across from me, Mr. Speaker, that most of the agricultural land that we are aware of, at this particular time, is under the jurisdiction of the Federal Government. I am praying that his party in Ottawa will be very favourable if we ask to have this land transferred, but I have my doubts. I cannot hold my breath too long, so I will not try that exercise.

There are two different types of lands; the rural residential land that we are going to release is not identified as agricultural land.

Mr. Veale: I will not hold my breath for an answer, Mr. Speaker.

Mr. Speaker, I am directing my question to the regions of Whitehorse North and Whitehorse South which are transferred — at least the Whitehorse North area has certainly been transferred to this Minister and is under his control. I am referring to the recent, so-called, “Agricultural Policy” put out by his fellow Minister. In that policy, there is a statement that in the area of Whitehorse North there should be planned agricultural development, and that should take place prior to any residential development.

Mr. Veale: Well, Mr. Speaker, I am comforted that the agricultural land is not going to be released as rural residential acreage; but when will the Minister be releasing agricultural land in the Whitehorse North region?

Mr. Lattin: Mr. Speaker, I do not know how I can get the message through to the Member across from me. We are telling him that we are working on an agricultural policy. When that agricultural policy is finished, when the results are brought to this House, I am sure he is going to have something to say on it. Then we will release the land that has been designated as agricultural land — I reiterate — will not be sub-divided into rural residential. The land that is identified as not being suitable for agriculture will be the land that we will be releasing first.

Mr. Veale: Oh, yes, Mr. Speaker. We are diligently working on this now in my department are identifying the various types of land. Now the land that is designated as agricultural land — I reiterate — will not be subdivided into rural residential. The land that is identified as not being suitable for agriculture will be the land that we will be releasing first.

Mr. Penikett: Mr. Speaker, I have a question for the Government Leader. I recently received a petition from residents of the Carcross and Tagish area, protesting withdrawal of electrical power subsidies. I understand the Government Leader may have received an identical petition. Could the Government Leader indicate if this was the case, and, if he has received such a petition, can he tell me if he has responded to it?

Hon. Mr. Pearson: I am sorry, Mr. Speaker, I have not seen that petition yet.

Mr. Penikett: I notice in the Budget that was tabled last week that there was a provision for the spending of $900,000 in electrical power subsidies in the Territory. Could the Government Leader indicate whether these new subsidies come into effect tomorrow, or whether it will still be some time yet, or will we at least wait until the House has adopted the Budget?

Hon. Mr. Pearson: Mr. Speaker, I believe that the new subsidies will come into effect tomorrow. I believe everything is in place.

I will take the question under advisement and advise the House tomorrow.

Mr. Penikett: When the Government Leader is taking his advice, could he also explain to the House why the Federal Budget calls for $500,000 contribution to the Yukon Government for rural and non-government domestic power subsidies, while, of course, the YTG Budget allocates considerably more than that? Does this mean the Government of Yukon will be absorbing that difference?

Hon. Mr. Pearson: Mr. Speaker, I cannot possibly answer why, but, no, the money that is reflected in our Budget as a transfer payment from Ottawa is all a transfer payment from Ottawa; there is no YTG money in there.

Question re: White Pass and Yukon Route/Financial Assistance

Mr. Byblow: I have a question I will direct to the Government Leader, as well, on the subject of White Pass.

Last week this Government outlined the fiscal assistance that is planned to be given to White Pass: something in the order of a potential $10 to $12 million, collectively from this Government, from the Federal Government, from the Alaskan Government and from Cyprus Anvil. My question to the Government Leader is: what conditions are being set by this Government, with respect to the injection of that funding from this Government, besides its request for a Government-appointed board member to White Pass?

Hon. Mr. Pearson: Mr. Speaker, as quickly as we have an agreement of our negotiations with White Pass and the Federal Government, I will be most happy to table that agreement in this House. If the House has risen, I will undertake to mail immediately, or get to every Member of the House, a copy of that agreement, as quickly as I possibly can.

Mr. Byblow: I appreciate that assurance from the Government Leader, Mr. Speaker.

Mr. Penikett: I would like to raise another matter on the same subject. Speaking to the Globe and Mail recently, the President of Federal Industries, John Fraser, made some very provocative statements about White Pass, with respect to controlling the transportation network in Yukon: his anticipation of considerable profit margin this year at the expense of the Government injection of fiscal aid, and at the expense of the rate increase anticipated with Cyprus Anvil.

In light of these statements and this posture by the President of the company, has the Government Leader reason to reassess his Government’s approach in its attempt toward ensuring continuation of the railroad?

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

I must qualify that answer to some degree, though. I have known and dealt with Mr. Fraser for a considerable length of time now, and I recognize that what he said was very untimely from the point of view of this Government, from the point of view of the Government of Canada, Cyprus Anvil Mines, even the Government of Alaska: everybody was terribly upset.

Mr. Speaker, I would respectfully suggest that probably the most upset people were the people from White Pass, who live and work here in Yukon and hold senior positions in that company — one as high as the president of the company. It was an unfortunate thing; I do not know if there is any control over those kinds of things happening. I honestly do not believe that Mr. Fraser really realized what he was saying when he said that.

Mr. Byblow: However, having said it, it certainly does raise the matter of the senior position of Federal Industries to the railroad.

My final supplementary to the Government Leader would be: has the Government Leader had direct communication over the President’s statements?

Hon. Mr. Pearson: Mr. Speaker, I have had direct communication with the President of White Pass.

Mr. Fleming: I have a question for the Government Leader in the same vein, on the same subject.

At one time, as we know, we had a vote in the House against giving them a considerable sum: $5 million, or something. Now, it seems that the Government is willing to loan a little over $1 million to White Pass. My question would be: what caused the Government to change its mind now, and how can this small amount of money, according to the reports of the Government, do so much good for White Pass when they wanted so much before?

Hon. Mr. Pearson: Mr. Speaker, we stated quite emphatically that we were diametrically opposed to the taxpayers of this Territory subsidizing that railway, with a direct subsidy of
any kind, shape or description. Now, Mr. Speaker, this is a repayable loan, and it is one that has been negotiated between the Government of Canada, the Government of Alaska, the Government of Yukon Territory, Cyprus Anvil Mines — being the major user of that railway — and Federal Industries, or White Pass and Yukon Route.

The split is as follows: The Government of Canada is making $5 million in cash available to White Pass to be repaid on a loan basis. The Government of Yukon is making available $1 million. The Government of Alaska is making available a sum of money on the same basis as well; it is to be a repayable loan.

Mr. Speaker, the reason, I believe that the reason that sum has not yet been determined is because White Pass has not yet determined exactly what they are going to need, in view of what has been transpiring in the past year. There is a time when this equipment can be picked up, and when it can be bought, and so on and so forth, which enters into it. Cyprus Anvil Mines agreed to pay what is being called a “compensatory rate”, which is, I would suggest respectfully, an artificially high rate in order to make sure that that railway continues operation. They have agreed to do this.

Our share was deemed to be $1 million. Mr. Speaker, I think it was probably a number that the Federal Minister of Indian Affairs and Northern Development pulled out of the air as being one that would indicate very emphatically that Yukon is committed to that railway. Our acceptance or rejection of that kind of an offer, I submit, was one that determined whether in fact the railway stayed in business or not.

**Question re: Pipeline Employment/Owner-Operators**

Mrs. McGuire: I have a question for the Government Leader. In view of the fact that pipeline contractors and their respective unions did not permit owner-operators to work on the Quill Creek Project, Mr. Speaker, I will ask the Government Leader to tell this House: what specifically has this Government been doing to rectify this situation for future projects?

Hon. Mr. Pearson: Mr. Speaker, this problem was but one of a number that arose during the construction of that section. Now, in the Throne Speech, we said that we thought that Foothills had to be commended for going ahead with that test section, and we meant that sincerely, Mr. Speaker. It allowed us to really look at exactly what is going to happen in construction, and we did find that some things happened which we had not foreseen. There are a number of them, and this is one of them. We are working on these things to try to resolve them. It is virtually impossible for me to get into specifics, but I want to assure the Honourable Member that this is a major problem that has been identified and one that we are working on actively.

Mrs. McGuire: Mr. Speaker, the issue at hand is an issue that has to be dealt with, and deserves specific answers. My supplementary is: the Government Leader has stated that it is not the intention of his Government to interfere in the collective bargaining process between Government contractors and unions. Does the Government Leader not feel he has a responsibility to interfere for the people he supposedly represents?

Hon. Mr. Pearson: Mr. Speaker, there can never be any question about whom I represent, not at any time. Now, I have got a lot more truckers living in my constituency, I am confident than are living in the Honourable Member’s constituency.

Mr. Speaker, I said that this Government does not want to interfere in any kind of a collective bargaining situation. We were talking about a specific item, which was United Keno Hill, who are in a collective bargaining situation. Mr. Speaker, if the Honourable Member knew anything about unions, she would know it has nothing whatever to do with the problem that has arisen as a result of the private owner-operators of trucks. It is an entirely different problem and it is one that we hope we can deal with, and we are trying to do so.

Mrs. McGuire: I will ask the Government Leader: it was stated that the pipeline officials in the Department of Consumer and Corporate Affairs met to discuss the owner-operator predicament. If they have, what were the decisions made, what was the outcome?

Hon. Mr. Pearson: Mr. Speaker, I just simply cannot, nor will I, answer specific questions like that in the House on half a moment’s notice. Those are unreasonable questions, as far as I am concerned.

If it will make the Honourable Member feel any better I will tell her that the Deputy Minister responsible for pipelines will be arriving in Victoria this afternoon, and I know that he is on his way to Victoria to discuss this problem.

**Question re: Destruction Bay Maintenance Camp**

Mr. Veale: Mr. Speaker, I have a question for the Minister of Municipal and Community Affairs. Could the Minister inform the House as to the status of the Government’s plans to close the Destruction Bay Highway Maintenance Camp?

Hon. Mr. Lattin: I am a little bit miffed at this particular question, because we never intended to close Destruction Bay. The Department of Highways and Public Works considered moving some of the people from that location to other locations. That was the only commitment we had in Destruction Bay.

Mr. Veale: Mr. Speaker, in the Fall Session, the Minister indicated that he was going to make enquiries of the banks, to determine whether or not mortgage financing could be made available to people who chose to stay in Destruction Bay. Could the Minister inform us of the results of his enquiries?

Hon. Mr. Lattin: As the Member may be fully aware, we had some property there that we opened up for a specific reason: people indicated they wanted to purchase this particular land. Some of them were our own employees in Highways and Public Works. We wrote to the various banks and it was determined that they would provide a certain amount of financing there. I might inform the Member across that I think three people in my Department have purchased lands there. I think two of them have moved in a mobile-type home, and the other one is anticipating doing so.

I might say, while I am on my feet, that we assured these people that if they did purchase land in that area, their jobs would be assured. When I was with the Cabinet for a meeting out there, we told these three people that they were assured a job, and they will be remaining in Destruction Bay.

Mr. Veale: Mr. Speaker, I asked the Minister if there is going to be any withdrawal of normal community services. Will the Government continue to provide full services to the remaining people who have chosen to purchase land there?

Hon. Mr. Lattin: Mr. Speaker, on the particular land that we released on this new subdivision, they are on septic tanks, and they drill their own wells, so there is no particular service there. We have the roads in place. I believe that there is electricity there, so we are not withdrawing any services whatsoever.

Mr. Speaker: I am afraid the time for the Question Period has now expired.

We will now proceed on the Order Paper to Orders of the Day.

**ORDERS OF THE DAY**

Mr. Speaker: May I have your further pleasure?

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 Member for Whitehorse Porter Creek West, 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 Chair

**COMMITTEE OF THE WHOLE**

Mr. Chairman: I call Committee of the Whole to order. We will be discussing the Budget this afternoon.
I would like to call a short break at this time.

Recess

Bill No. 5: Second Appropriation Ordinance (1981-82)

Mr. Chairman: I call Committee to order. I refer Committee to Page 34, under School Programs. Is there further discussion?

Mr. Veale: Mr. Chairman, would the Minister respond to the question which I gave her notice of yesterday, regarding Special Education and the specific problem at Whitehorse Elementary, relating to a special segregated class: whether or not the Government is considering any arrangements to have those children in normal classes and then going for special training to a class at Whitehorse Elementary as an alternative.

Hon. Mrs. McCall: Mr. Chairman, I think the Member was asking yesterday about the philosophy of the Department, as far as mainstreaming Special Education is concerned. The philosophy is not to segregate those children; there are times with certain children that they have to be partially segregated. I think a definition of whether they take part is whether they take part 50 percent of the time in regular school activities. They are included in regular school activities and classes as much as possible. They are also partially segregated for special needs and, in comparatively rare cases, they are in segregated classes, but that is only if they really need to be segregated.

Now, the class at Whitehorse Elementary, as far as I know, are children who really have special needs that must be catered to most of the time. The philosophy generally is to include them in the mainstream as much as possible.

Mr. Veale: If I can just follow up on that: the Minister, I am sure, is familiar with the Fleming Report, which had a number of recommendations in it. In particular, recommendations 8, 9 and 12 have not been implemented. I do not know whether the Minister has that report or not.

Hon. Mrs. McCall: I do not have it with me, Mr. Chairman.

Mr. Veale: Can the Minister indicate when those specific recommendations — and I can certainly elaborate on them, as I have a copy of the report here — will be implemented; will it be during this Budget or not?

Hon. Mrs. McCall: Yes, Mr. Chairman, perhaps the Honourable Member would like to give me written notice of those particular questions, and I can elaborate on them specifically.

Mr. Veale: Well, the recommendations are 8, 9 and 12. Basically, they deal with developing courses for classes where children are having real difficulties with the present curriculum. I think it is a staff issue, because I do not believe that the department has the staff at the present time to serve those particular children.

The other area deals with a rehabilitation class for adolescents who have been rejected from school, or have themselves rejected school, and whether or not there will be any special classes for those pupils.

And finally, recommendation number 12 is that there be a meeting of department officials to have a broader and more visible coordination of services. In other words, we do have services for very young children with rehabilitation needs, and we also have the service of a rehabilitation centre for older children, but it is that middle ground, that is right in the Department of Education’s jurisdiction, where there does not seem to be that coordination.

Hon. Mrs. McCall: Mr. Chairman, I think there are, perhaps, some children who are either falling through the cracks, you might say. Mr. Rodney took over the supervisory position in Special Education in January, and he is reviewing the lack throughout the program. We are very conscious of the special education needs, not only with the so-called handicapped children, but with the gifted children as well. This whole program is being looked at very carefully. He has just had since January to work on it, so he has not finished his review. There are 22 teachers assigned to the school for Special Education purposes, by the way.

Mr. Fleming: I do not know whether this is exactly the right time, but may I ask the Minister some specific questions?

Mr. Chairman: Yes.

Mr. Fleming: Last year, as you know, the Government put in Grade 11 classes in some of the schools that did not have them. Teslin, for instance, was one of them, and this is one of the reasons I am asking the question. Do you feel, at this time, that this program is going along successfully, and do you feel that those children are really getting the courses that are needed in those schools? There have been some people come to me and say they did not feel that they were getting quite enough. For instance, the French and English classes in Teslin definitely do not seem to be comparable to what they would get for instance, if they had come to Whitehorse. I would like to get the view of the Minister as to how she feels about it.

Hon. Mrs. McCall: Mr. Chairman, I do not think I can address particular courses, but I think that the philosophy of the Government goes along with decentralization, which is making each community more self-sufficient, in its educational needs particularly. I think that as far as Teslin is concerned, Grade 12 is under consideration there. A decision has not been made on it. As far as individual courses, there is going to be more emphasis on vocational needs in the lower grades, so we will be addressing the needs of that particular community. I have not had that particular course brought to my attention, but if you would like to give me notice of that, I can explore it.

Mr. Fleming: Just for the Minister’s information, I would like to say that I am very happy with the situation, and many of the people are too. However, there are always a few who feel that their children possibly could do better if they had a little better chance and did get a few more courses that are not now being offered. In the event that the Government does put Grade 12 into the school in Teslin, I am sure that you will need more English and more French in that school, and I would hope that they would have a teacher for that very thing. Up until now, I do not think that Grade 11 is getting quite enough of that.

Other than that, I would like to commend the Government on the program. I think it is wonderful. It is doing a good job, especially for many of the native people who really would like to keep their children home. But there are the few who wish their children to really be academic, and they feel that they are not getting quite enough and that maybe they are missing a course or two that they could have.

Mr. Byblow: In that we are dealing with the schools program of the Budget, and in that we have talked at length in the past regarding a particular thrust of educational programming, and in that the Minister just made reference to an increase of the vocational question in schools, I would like to pursue that just a bit.

The Minister is certainly aware of the Committee report on career and vocational needs in Yukon schools, which made a number of recommendations, one of which was to the effect that the Department of Education must assume and accept the responsibility of planning and implementing vocational education programs in the Yukon schools. Insofar as the Throne Speech and the Budget Address made reference to this as a thrust, as a directional shift of priorities in schools, I would like to solicit from the Minister an assessment of how her Department is dealing with this.

She could, no doubt, Mr. Chairman, approach it in a number of ways. She could discuss what is intended over the long term to introduce a greater emphasis on the vocational nature of educational programming; she could discuss it from the degree or amount of funding injected to help bring that about in the classrooms; or she could respond in terms of what her Government’s position is in terms of addressing this vocational shift, as demanded, to put it very gently.

Hon. Mrs. McCall: Mr. Chairman, at the present time, for the Member’s information — I am sure that we cannot emphasize this enough and he will just have to believe that this is what we intend to do, I do not think we can go over it too many times
— I will go over some of this. We have, first of all, the Pipeline Training Plan. We are planning to set up a campsite together with adjacent training sites. The training program will be available to anyone who wishes to participate and become involved in the pipeline project.

Yukon College is looking at vocational training, particularly with the Trade and Industrial Department. In fact, there are many phases in the Yukon College plans that will cover vocational and trades training.

Our apprenticeship training: the responsibility under the Adult Occupational Training Agreement with Canada Manpower Industrial Training Program to determine the Canada Employment Centre priorities for Employer’s Centre Training to provide Yukon employers with the expertise and assistance in developing training plans and to monitor the quality and technical aspects of industry base training. This is something that we are emphasizing in a big way. Cyprus Anvil is becoming more involved in training. The Government of Canada, through the Canada Employment and Immigration Commission provides funds to employers who provide industry-based training. Cyprus Anvil is taking advantage of two programs: Canada Manpower Industrial Training Program and Critical Trades Skill Training, and support is being provided generally to employers in Yukon.

There will be a number of new trades designated under the Apprenticeship Training Ordinance in the near future. The Regulations and Ordinances are continuing to be reviewed with the Trade Advisory Committee and other representatives in unions and associations and businesses in Yukon. Apprentices continue to be sent to British Columbia and Alberta for training. At the present time there are over 150 apprentices registered in the Yukon. Carpenter Level III has just been offered at the Yukon Vocational and Technical Training Centre, with a particularly qualified instructor and having 14 students in attendance. All the students did very well. In the coming year, Level III and IV In-School Training for Apprentices will be held at the Vocational Centre. These are five week module courses.

There is an effort being made to hold up-grading courses for non-certified journeymen. These courses will provide theoretical knowledge to the non-certified journeyman to enable him to write his exam. These courses will be in heavy equipment mechanics, parts men, welding, oil burner mechanics, and carpentry.

I do not know what more I can say, really. The Community Extension Services: the basic skill development courses in communities, Vocational and Technical Training Centre, will be available in the communities to offer training to adults for out-of-school use and in-school use. Courses in small engine repair will be offered.

Without reading every single bit of this, I just want to emphasize that in no way are we neglecting the vocational needs. We are, perhaps, not perfect yet, but we certainly are aiming that things that in no way are we neglecting the vocational needs. We are dealing with the schools program, and I believe the comprehensive list that she presented dealt with the adult and continuing education portion of the Budget and of the total educational Budget.

Very specifically, what I wanted from the Minister was: does this Budget reflect any increased funding to introduce vocational at the K to Grade 9 level to increase on it? I should not say “introduce” as it does exist sporadically through various schools. So that is the question: within the school system, and again I make reference to the report from the committee on career and vocational needs of Yukon students. Is this Budget addressing vocational needs in these schools?

Hon. Mrs. McCall: Yes, Mr. Chairman, the singling out of vocational courses is a matter of realigning the school curriculum. I do not see that it is going to make that much difference to the Budget in that way. A full curriculum can be guided in any way that we like, and as far as I know that is accounted for in the Budget. Maybe the former Minister can answer that.

Mrs. McGuire: The Department of Education contributes a certain amount to the Child Development Center, but I cannot seem to find it in here. Is it included with something else?

Hon. Mrs. McCall: The Education Department contributes the premises, and I think the materials. The Department of Human Resources contributes $50,000 to the Center. So it is supported mostly through Human Resources, but the premises and so on are supplied by the Department of Education.

Mrs. McGuire: I understand they also contribute to taxes, insurance, maintenance, and utilities. Under what department do we find that?

Hon. Mrs. McCall: It is in here; we will come to it. I cannot say just exactly where it is, but I will show you when we come to it.

Mrs. McGuire: In that section, would we find the ten percent raise as contributions to the child care centre, because it does not appear in Human Resources?

Mr. Chairman: We will be coming to that, the Minister says.

Hon. Mrs. McCall: The ten percent raise does appear; it was $46,000 and it is now $50,000. It is in Human Resources, yes.

Mr. Veale: Going back to Special Education, the Department has 28 Special Education teachers — it has 26, equivalent to 22 person-years. In any event, how many of the 28 are located in areas other than Whitehorse?

Hon. Mrs. McCall: I do not know if I have that. Just a minute, I will see if I have that specific information. I think probably most of the teachers are in Whitehorse. Yes, as far as I can see, most of the teachers are in Whitehorse.

Mr. Veale: Well, I could help the Minister out by indicating that there are students in Watson Lake and in Mayo who do require assistance, and it would seem to me there must be an allocation of staff to —

Hon. Mrs. McCall: Mr. Chairman, if there are students there, then I imagine there are teachers there, as well.

Mr. Veale: Can the Minister say how many teachers are in the rural areas other than Whitehorse?

Hon. Mrs. McCall: Well, I cannot determine it from the information that I have here, but I will have that information for the Honourable Member.

I could not possibly carry further details around with me.

Mr. Veale: Well, teachers are very important. Could the Minister indicate what has happened to the counselling program that was initiated last year? I believe there was one half day allocated to Selkirk Elementary School; is the counselling service going to be expanded to a full day, or is there another person-year going to be added?
Hon. Mrs. McCall: Are you referring to the guidance counsellor?

Mr. Veale: No, that is specifically counselling unrelated to career guidance. That is counselling with the student and the family, to assist students to adjust to school and so forth.

Hon. Mrs. McCall: I do not have any particular information on that, Mr. Chairman. I believe the Member did ask me about the career guidance program yesterday. I have some information on that. As a result of the report on the subject, a career vocational guidance coordinator is being seconded to the Department. This person is presently a guidance counselor in one of our high schools, and a long time employee. This individual family, to assist students to adjust to school and so forth.

Mr. Graham: The local individual chosen for this position will also be attending summer school sessions at the University of British Columbia, to work on a Masters Degree in Career Vocational Guidance.

Mr. Veale: Just following that up, will there be, then, two positions at F.H. Collins? Is there someone being added, or is that person simply being retrained and upgraded?

Hon. Mrs. McCall: Perhaps the former Minister can answer that.

Mr. Graham: Mr. Chairman, the person will be seconded from F.H. Collins. I think there are a couple of things you have to understand, in both Special Education and Career Counselling. What the Department of Education has been trying to do over the last year, is to train people in the schools to handle those jobs. There is, at the present time, I believe, in every school in the Territory, a person involved in Special Education.

We will be attempting to accomplish the same end with guidance people. We will have one person — Mr. Sheardown — who has been seconded, I believe, from F.H. Collins, who will be going to these rural areas, and attempting to train teachers on the job to handle guidance counselling, because we simply do not have the man-years necessary to hire a person for all 23 schools in the Yukon Territory. We also do not have the capability of hiring someone specifically for Physical Education in all 23 schools. They have to be dual roles, and that is the intent behind the program.

Mr. Veale: I take it then that there will be someone replacing Mr. Sheardown at F.H. Collins while he is going around the Territory.

Mr. Graham: Yes, Mr. Chairman, that was the intent.

Mr. Byblow: Is this person who is going to be circulating around the Territory, and training individual staff members in the various schools, also going to be engaged in program development of a vocational nature in the schools? Is that also part of his function?

Hon. Mrs. McCall: Maybe the former Minister can answer that.

Mr. Graham: Mr. Chairman, it will be a part of his function. I think that a great deal of the time is going to be taken up with training personnel and doing a lot of career counselling himself, but he will be working with other members of the Department of Education to attempt to put together a package that he considers essential to the Territory.

You must remember that this gentleman also served on the committee that recently prepared a report, so he is very well aware of the problems that exist in the Territory, and he will be working to start new programs.

Mr. Byblow: So the best assessment of the actions of the Government is that they are in the process of establishing the programming to answer to the committee report and the pressures. In other words, they are setting up the vocational programming; it is really not in place yet, it is only being set up from a concept point of view.

Hon. Mrs. McCall: Mr. Chairman, some of it is in place, some of it has been in place. I know a particular school is under review just at this very moment, with a view to looking at the vocational thrust.

Mr. Veale: I wonder if I could switch a little to the Yukon College, and ask the Minister to explain how much money is being spent on the development of the Yukon College concept, and where that comes in the budget items.

Hon. Mrs. McCall: The Yukon College comes under Capital expenditures, and it is roughly $100,000.

Mr. Veale: I see. So, is there no component, then, in this Budget, for programming that is going to go into the Yukon College?

Hon. Mrs. McCall: Not yet, we have not yet gauged development.

Mr. Veale: What is the timeframe in terms of the Yukon College's actually being a reality? Is it going to be in the Capital Budget in the fall?

Hon. Mrs. McCall: Hopefully, Mr. Chairman. We will have to see. Perhaps the Member could read the two volumes of the Report, Towards a Yukon College, and that would help him to understand how the program is going to evolve.

Mr. Veale: It is the intention, then, to have it commence with funds from the Capital Budget this fall, is that correct?

Hon. Mrs. McCall: We will have to set the Budget first, Mr. Chairman, before we know that.

Mr. Veale: Could the Minister just briefly explain the YTEP program, and indicate how many of the teachers or professors teaching at YTEP are being brought in from outside, and how many local people are actually being hired for that staff?

Hon. Mrs. McCall: It is still the University of British Columbia's program, Mr. Chairman, but there is more and more emphasis on hiring people locally, and there are lots of qualified people.

Mr. Veale: Is it the intention of the Government, ultimately, to have YTEP brought under the umbrella of the Yukon College?

Hon. Mrs. McCall: Yes, Mr. Chairman, yes indeed.

Mr. Chairman: Is there any further discussion?

There being no further discussion, I will refer Committee to Pages 35 to 36. I would ask the Committee if at this time they have any questions regarding the supplementary information.

Mr. Veale: Could the Minister comment on the number of pupils in the Whitehorse region, from the 1980-81 to the 1981-82 calendar? There does not seem to be any significant increase in the number of students. Does that affect the Government's plan to construct new schools?

Hon. Mrs. McCall: Mr. Chairman, would the Member indicate which page he is on? I think we had better get together on our pages.

Mr. Veale: Well the Chairman indicated we are on page 35.

Mr. Chairman: Pages 35 and 36; are there any questions on the supplementary information?

Hon. Mrs. McCall: Would the Member repeat his question, please, Mr. Chairman?

Mr. Veale: I am looking specifically at the Whitehorse region, which is at the bottom of page 35, and the number of students. The actual number in 1980-81 is 3,255. The estimate for 1981-82 raises that to 3,255. I am asking the Minister whether that has any impact at all on the plans of this Government to build additional educational facilities in Whitehorse.

Mr. Graham: Mr. Chairman, obviously we have not decided to construct any new elementary schools in the City of Whitehorse in the next little while. However, I think you must also realize that at the present time we spend in the neighbourhood of $1 million in the area of busing in the Territory, the majority of which is in the City. We should be able to cut that figure down considerably by constructing the planned school in the Porter Creek area. By doing that, we will eliminate a great number of the buses necessary to bring students from Porter Creek down into the City of Whitehorse.

Mr. Veale: That is the Junior —
Mr. Graham: That is the only school scheduled for construction at the present time in the City of Whitehorse.

Mr. Veale: Just picking up on the former Minister's statement, have there been any changes in the decision to construct the new junior high school in Porter Creek this year?

Mr. Graham: Mr. Chairman, I am not really up-to-date on this one, because this is the Minister's own decision, or it will be her and her Department's decision, but as I understand it, at the present time there is no plan to delay construction of that school; however, I believe the Minister and her Department are reconsidering what kind of a school they should build.

Hon. Mrs. McCall: We are reviewing it at the present time.

Mr. Veale: Perhaps the Minister could elaborate slightly on that, as to what kind of school they are now considering.

Hon. Mrs. McCall: We are considering which sort of school we are going to build, whether it will be a junior high or a high school.

Mr. Veale: On the same page, the number of students for kindergarten level is actually going to decrease substantially by 22.9 per cent. What significance or what impact is that going to have on the implementation of the school system this year?

Hon. Mrs. McCall: The number of students in schools fluctuates, as the Honourable Member well knows. We adjust accordingly, as the enrolment time comes round.

Mr. Veale: What implications does that reduction have? Is there going to be some changes in where kindergarten classes will be?

Hon. Mrs. McCall: Mr. Chairman, that is an administrative decision that will have to be made at the time. I really think we are getting very bogged down in details that I could not possibly know, and I really think we are wasting the time of the House by dwelling on these things at length. We are never going to get through the Budget, for one thing. We discussed this last night, and I thought the Honourable Member understood that we were trying to address this Budget with a larger view to policies and priorities and direction; instead, we are getting bogged down in the details and the bookkeeping.

Mr. Veale: Well, is the Minister going to answer the question or not? I appreciate the eloquence of the statement; if the Minister can answer the statement then we will proceed to another one.

Hon. Mrs. McCall: No, I cannot, Mr. Chairman, and I will not.

Mr. Fleming: I notice in the Budget that there is no breakdown of each school in Yukon Territory, and I presume that this may be a question I could possibly ask in Question Period in this House and get an answer to it that way, although this is the Budget. If that question would be permissible in the House in Question Period, I would ask it then, because I know that the Minister likely cannot get a breakdown of schools in the Yukon Territory now.

Hon. Mrs. McCall: I will look up that information, Mr. Chairman.

Mr. Chairman: Mr. Fleming, you are telling the Chair that you can ask questions on this Budget in the House in Question Period?

Mr. Fleming: No, Mr. Chairman, I was just wondering if it was the proper time.

Mr. Chairman: The Budget was referred at second reading to the Committee of the Whole for discussion, so I would advise you to ask your questions now.

Mr. Veale: Mr. Chairman, they have a teacher's aide hired at the Child Development Centre which is funded under Human Resources. Why is it not funded under the Department of Education? Is there a reason for that?

Hon. Mrs. McCall: Yes, Mr. Chairman. Their ages are one to six; they do not go to school.

Mr. Chairman: Is there further discussion on the information? There being no further discussion, shall School Programs carry?

Some Members: Agreed.

Mr. Chairman: I declare School Programs cleared. I would like to refer Committee to the next program, which is the French Language Program. You will find the Program on Page 38. Is there general discussion on this Program?

Mr. Byblow: Was there going to be any introductory statement by the Minister?

Mr. Chairman: Would you like to elaborate on this Program?

Hon. Mrs. McCall: I think it is self-explanatory, Mr. Chairman. We have included a narrative, so that people can read it and understand what the program is about. French Immersion is pretty self-explanatory.

Mr. Byblow: My question then relates to the nature of the shared expenditure.

I notice in the Recovery section reflecting French language, there is a drop of approximately $60,000; I am referring to Page 49 under Recoveries. With the drop of $60,000 and the increased funding under the French Immersion Program, it being a Federal program, I have some problem understanding why you have a drop when I know that you have an increase in your actual Federal portion.

Hon. Mrs. McCall: Mr. Chairman, I will let the former Minister explain that; he was the one who planned this program.

Mr. Graham: Mr. Chairman, the drop in recoveries is due basically to the fact that the number of Federal and Territorial civil servants taking French language training at the French Center has also dropped. All of those students were enrolled in a French language program and were paying for it, either they or their Government was paying for the French language training. That has dropped considerably, due to the fact that last year as you will probably remember we eliminated one person from the French Language Center staff.

Mr. Penikett: In view of that decreases involving and the continuation of the programs, I wonder if the Ministry has given any consideration to permitting Members of this House to participate in either French Language Programs or Remedial English, because I am sure they would be a benefit to Members.

I ask the question not entirely light-heartedly, because it seems to me there are some part-time programs like that they may be undersubscribed, and from the point of view of pure efficiency, there might be some sense and benefit, not only for the Members but for the community, in having Members advance their education, as long as they were able to subscribe in the proper way.

Hon. Mrs. McCall: I agree with the Honourable Member opposite. I think that Members of this Government should take advantage of French training courses, and they may, if they want to pay.

Mr. Chairman: Are there any further questions on the statistics on Page 39 regarding French Language? Shall the program carry?

Some Members: Clear.

Mr. Chairman: I declare French Language cleared. I would like to refer the Committee to Page 40 regarding Teacher Training Program.

Mr. Veale: Would the Minister confirm that this is YTEP that we are talking about: teacher training? Is there a continuing demand or an increasing demand, or is this an area where the demand is going to be decreasing, in that over the years the number of teachers who stay will in fact receive additional training and education, or is it something that is going to be increasing continually?

Hon. Mrs. McCall: There is a tremendous increase and a tremendous demand, and it can only become more and more over the years.

Mr. Chairman: Is there any further discussion? There being no further discussion on Teacher's Training, shall the program carry?

Some Members: Agreed.

Mr. Chairman: I declare Teacher Training Program
March 31, 1981

YUKON HANSARD

Page 69

cleared.

I refer Committee to Page 42 at this time, and also to the Supplementary Information which is on the following page.

Mr. Veale: The Advisory Committee; does that refer to YRAC?

Hon. Mrs. McCall: Yes.

Mr. Veale: The $150,000; could the Minister give a breakdown of how that is spent? Is there a large travel component involved in that, in bringing people in to meetings, or is it for other things?

Hon. Mrs. McCall: Let’s see now, I am quite sure it is $25,000 to Yukon Arts Council included there. There is about $3,000 or $4,000 for travel. Transfer payments are covered by statute, monies are disbursed by the Advisory Committee. Yes, there is about $3,000 or $4,000 for travel.

Mr. Fleming: Yes, I note the difference in the Pool Program. It has been upped considerably as we continue through the years. I am just wondering whether that is due to more pools being put in in the Territory somewhere, or is this just due to expenses occurring?

Hon. Mrs. McCall: No, Mr. Chairman, the salary for pool manager is the only increase there.

Mr. Veale: Could the Minister just give a breakdown of the rest? She has delineated about $29,000 of the $158,000. What does the remainder of the funds for the Advisory Committee cover?

Hon. Mrs. McCall: Perhaps I will let the former Minister answer that, Mr. Chairman.

Mr. Graham: Thank you, Mrs. McCall. The $158,000 is basically the grant money that the Yukon Recreation Advisory Committee gives out. It includes a grant to the Sports Federation, a grant to the Yukon Arts Council, and then money given out to Yukon’s sports governing bodies around the Territory. As the Minister has said, it includes $3,000 or $4,000 for the members’ travel in to meetings, as well as their per diem. Other than that, it is all grant money.

Mr. Veale: Will the Advisory Committee be involved in the discussions in the Department to rationalize the recreational programming in the Territory, as has been discussed in this House in Question Period earlier this week and last week?

Mr. Veale: Then it is not soliciting them; it is up to them to come forward with their own recommendations, is that correct?

Hon. Mrs. McCall: No, the Government solicits them, Mr. Chairman.

Mr. Chairman: If I can have the attention of the Committee, the Chair is having a problem with regard to questions and answers. The proper way, for the benefit of Hansard to be able to identify the speaker, is to wait, if you please, for the Chair­man to identify you, and then speak. I would like to see you stand up when you answer questions. I would appreciate that.

Do you have any further questions in regards to the Recreation Program?

Mr. Byblow: Just to pick up on the last line of questioning, I would like to query the Minister or any representation from the front bench with regard to this whole concept of recreational funding; there has been a fair amount of debate in the Terri­ory as to who should be the disbursing agent for monies of a recreational nature, be they operating-type grants or be they capital projects. There has been a fair amount of debate in the municipalities and certainly under the new ordinance and the Fiscal Aid Ordinance that is going to be coming down. No doubt this is going to be some component of how the money is going to be disbursed. Is it the intention of Government to continue having YRAC dispersing this particular amount? At the same time, I have another question: how is the amount for disbursements arrived at, why have you chosen $158,000 and $149,000 last year? There are two questions there: one of a philosophical nature, the other a specific one.

Hon. Mrs. McCall: Mr. Chairman, I have indicated there is a review of recreational funding at the present time. The whole concept of funding for recreation is being reviewed very care­fully. Your other question I will perhaps let the former Minister answer.

Mr. Graham: Mr. Chairman, the $158,000 is set the exact same way as almost every other item in the Budget is set. The Department requests a certain amount of money and they get as much as the Government feels they deserve, warrant or require, and that is the way it is set.

Aside from what the Minister has said about recreation funding, I think as a Member, as a backbencher, I should say something also. In my opinion, recreation in the Territory has two masters. Municipal recreational services such as swimming pools, hockey arenas, and that type of thing are obviously going to have to be funded by municipalities around the Terri­tory. But you are crazy if you think that municipalities are going to handle all of the funding. There is no possible way that a municipality can handle funding for Yukon representative teams at, say, the Canada Games. There is no way, so that is why you have a Yukon Recreation Advisory Committee represented by one member from each of the 16 ridings around the Territory. These people are in charge of sending representative teams outside, funding teams, funding recreation on a Territory-wide basis.

There is no way any municipality can organize and hold a Yukon Games. There is no possible way, because a municipality does not have representation in every community in the Territory. Those things are logically a Territorial responsibility; they have been in the past, and I for one, as a Backbencher in this Government, will be putting forth my recommendations to the Government, that it continue to be that way.

Mr. Penikett: Mr. Chairman, I want to tell the former Minister how very pleased I am to hear that, given the development of the patronage system in Yukon in the last couple of years, whereby I am absolutely certain that every single person who has ever voted Conservative in any election since 1900 is now on some Board or Committee. I am very pleased that there is at least one body, namely YRAC, to which individual MLAs may nominate a representative. I can only wish that there were more such boards, and I am encouraged that the Member for Porter Creek West has given his vote of confidence to the board, especially in light of rumours recently circulating around this building, that YRAC was about to undergo a rather serious change of light, and that those non-Tory members on the board might be replaced by people whose thinking, or lack of it, was more in line with the Government’s.

Mr. Graham: Mr. Chairman, I might add from my personal experience with Yukon Recreation Advisory Committee, it totally amazed me when I found out that the five members from the Opposition could choose members as capable as they did; in fact, I am convinced that they are also all Tories, because I cannot see them choosing anything other than that.

Mr. Byblow: Any compliments there are well received, Mr. Chairman.

I am also very pleased to hear the former Minister’s comments, with respect to retaining this as an umbrella organization for that kind of recreational funding disbursement. I think he is quite correct in assessing certain aspects of recreational needs as not possible without a certain kind of umbrella organization to do it. The particular system that is in place, as was so aptly described, is certainly a type of organization for disbursement of funds that I am sure we all would like to see continue.

With that, then, I would pursue with the Minister; is there any known intention to change the method of administering the portion of funding regarding the pool and community programs?

Hon. Mrs. McCall: Mr. Chairman, I would like the Members to realize that I have not given any indication of any intentions whatsoever. I merely said that there would be a review of recreational funding, and that is where I stand at this moment.

Mr. Fleming: I would like to say that, in choosing my repre­
sentative, I did not look at the political side whatsoever. I do not know what party he belongs to; I hope he is very Independent.

The Advisory Committee on Page 42, I notice that 1979-80, $178.2 million and forecast $149 million; I am wondering what the reason for the drop is there. I would appreciate finding out from the Minister what the majority of this money was actually used for. I know she does not have a breakdown, but what was the majority of the money really spent on?

**Hon. Mrs. McCall:** Mr. Chairman, I am sorry, we did not get the exact spot that the Member was referring to.

**Mr. Chairman:** Was it the Advisory Committee, sir?

**Mr. Fleming:** The Advisory Committee, Page 42.

**Hon. Mrs. McCall:** I think I can just say, Mr. Chairman, that the money went all over the place; it went to hockey teams and various groups. I could get a breakdown for the Member if he would like to see it.

**Mr. Fleming:** No, sorry. It was regarding Advisory Committee expenditures. Would that be the total over on the other side?

**Hon. Mrs. McCall:** I do not have that information, Mr. Chairman, but I can get it for the Member.

**Mr. Veale:** I have an information question for the Minister on Page 43.

Could you confirm that there will actually be no increase from the 1980-81 forecast for Recreation Assistance Program grants in the 1981-82 Estimates? In other words, there will be no increase at all for any of the community associations in this Budget?

**Hon. Mrs. McCall:** I think he would have to look at the other Budget, Mr. Chairman. The Member will have to do that in order to compare; I do not have a comparison.

**Mr. Veale:** Maybe the Minister could just explain. There are three asterisks in the 1980-81 Forecast and, if you go down, it says "1981-82 Estimate is the same as 1980-81 Forecast". So, if that, in fact, is the case, it appears to me it is clear that there has been no increase to all those community groups listed. Is that correct?

**Hon. Mrs. McCall:** Yes, Mr. Chairman, there has not been a census since then. I can let the former Minister elaborate on that, if you like.

**Mr. Graham:** Mr. Chairman, these things are based on our Canadian Census. A census is taken once every five years, and the grants to the communities are based on that census. It is based on the mini-census; yes, it is a five-year program. There is no change over last year, because there was no census.

**Mr. Veale:** Has the Minister been informed of any difficulties that will be encountered by any of these community associations, other than the Watson Lake Association which has had problems this year, due to the fact that they are not increasing in their funding, and we know inflation is going to keep pace.

**Hon. Mrs. McCall:** No, I have not been informed of any difficulties they have run into, Mr. Chairman.

**Mr. Graham:** Mr. Chairman, if I may, this Government, also, last year was aware of several communities that had financial difficulty. Let us face it, they all do have these, and, by Order-in-Council, this Government decided to allow the square footage grants to continue one additional year, which was last year.

**Mr. Byblow:** I have one observation and one question. The observation is that there probably could be, in the Supplementary information, some further breakdown of the pool program and its disbursement. I think there has been a change of the disbursement in the last year, as to which communities and so on. It may have been useful to have that information.

My question relates to the Games program, and the particular situation that arose with respect to the surplus funding that was left from the Arctic Winter Games Host Society. I believe this Government made some inquiries, with respect to whether or not they should become involved in the re-disbursement, as far as what came out of that group in terms of where the money was allocated. At this point, is it reasonable to expect any form of update on what has happened to that funding, the $150,000 in question?

**Hon. Mrs. McCall:** No, Mr. Chairman, that was out of the hands of this Government. There was discussion with the City of Whitehorse, and they were not inclined to be reasonable about it. The Government has no right to take funds back from the City, especially funding as voted on by this House.

So, the Arctic Winter Games Society is something that was rather unpopular. They did not do anything wrong in terms of their constitution; there is not really anything that can be done. If pressure is to be brought to bear anywhere, I suppose it should be to the City of Whitehorse.

**Mr. Byblow:** How does the City of Whitehorse become involved in a separate host society structure?

**Hon. Mrs. McCall:** Well, they were the main beneficiaries, as we all know.

**Mr. Fleming:** I am just a little bit confused. I know the former Minister has been nodding his head or shaking his head and saying to us, more or less, that there have been no changes in some of the allotments here. I might ask this question: you can have the authority in a community club, for instance, in one place, and we can mention Teslin, or some place like that, where it has not been taken over by the L.I.D., or you can have a place such as Haines Junction, which has been taken over by the L.I.D. If it was taken over, how do you differentiate between the two, and how do you work it into the budget here? One is more or less under Community Affairs, and the other is under Education.

**Mr. Graham:** I think the Member must understand that these grants go to the recreation authority in that area. Teslin, the Teslin Community Club gets the grant for their pool or their curling club. In the case of Mayo, where it is the Mayo L.I.D., the Mayo L.I.D. operates those facilities, so they get the recreation grant. It is the recreation authority in that area that gets it.

**Mr. Fleming:** If he may just answer me, then, though, is it all under Education here? I wanted to know where those figures are; are these the actual figures for all of it, such as the pool program? It may be handled by the two different societies, but is this all the money in one place, in Education?

**Hon. Mr. Graham:** Mr. Chairman, as far as I know, all the recreational operation and maintenance funds allotted to communities in the Territory are in the recreation budget, yes.

**Mr. Byblow:** I just want to pursue this Arctic Winter Games money just a little further, so that I have a better understanding of the allocation of the disbursement, and the future intention of this Government.

Under what authority was money given to that Society by this Government?

**Hon. Mrs. McCall:** The Minister of Finance can answer that.

**Hon. Mr. Pearson:** Mr. Chairman, the allocation that was given to the Arctic Winter Games Society was a sum of money that was voted by this Legislature.

**Mr. Byblow:** As such, the money voted to that organization became strictly under its purview, and with no strings attached and no sense of commitment back to this Government for its disbursement?

**Hon. Mr. Pearson:** Mr. Chairman, that is absolutely correct, just the same as they did not have to answer to anyone else who donated money to them. Mr. Chairman, a lot of donations went to that Society.

It must be well understood, Mr. Chairman, that this was a completely autonomous society, set up deliberately as an autonomous organization in order to run those Games. They wereanswerable and are answerable to no one. Mr. Chairman, we cannot second-guess them anymore than anyone else can with respect to what they chose to do with that surplus.

What we did do, as a Government, was speak to members of the City Council, and point out to them that there was a perceived problem, because of their being the major beneficiary to the exclusion of some of the other communities in the Terri-
tory. Mr. Chairman, once again, as a Government, we could do nothing else but point that out to the members of the Whitehorse City Council, and we did that.

Hon. Mr. Green: Mr. Chairman, I moved back here just to make sure that none of my comments will be mistaken as comments of the Government because, in my opinion, this Government has done pretty well everything that they could do to rectify what I considered a very inequitable situation.

I think there are a few things that must be understood. That $75,000 grant that came from YT G came through the Arctic Winter Games Corporation. The Corporation is made up of two members each from Yukon, Northwest Territories and Alaska. The Yukon, Northwest Territories and Alaska, being represented on this Arctic Winter Games Corporation, decided on a host city; they gave the Games to Whitehorse and, in turn, asked that a host society be set up in the City of Whitehorse.

It was the Host Society, not the Arctic Winter Games Corporation, on which the Government of Yukon has two votes. It was this Host Society which determined where this money should go. The Host Society had on it representation from City of Whitehorse, various citizens from around the Territory, and they had on it one representative from Government of the Yukon Territory, one only on the Host Society. It was this Host Society that determined where the $148,000 should go. I considered it an extremely inequitable distribution of funds as well.

However, as I said before, the Government pretty well used all of the moral suasion that they could in attempting to redistribute the money. I think it is now up to the communities around the Yukon to make their point with the City of Whitehorse. I notice the Member opposite is a great supporter of the Association of Yukon Communities, and yet I heard nothing at the last meeting of the Association of Yukon Communities about this inequitable distribution and “What was Whitehorse going to do?”. We heard only that the communities want more control over recreation. So I think it is time that some of the communities got their act together as well, and determined what they want to do about the inequitable distribution of funds.

Mr. Byblow: One final question: It is my understanding that YRAC was involved in some way with the selection of the funding. Is that correct?

Hon. Mrs. McCall: I do not know how he could have that understanding, Mr. Chairman. I say absolutely not.

Mr. Chairman: Shall this program carry?

Some Members: Agreed.

Mr. Chairman: I declare Recreation Program carried.

I refer Committee to the following Pages: 48, 49, 50 and 51. Is there any discussion on these particular parts?

Mr. Veale: Mr. Chairman, funds received by the Department of Education from Indian Affairs: are they reflected in the expenditure recoveries somewhere, or is there some other program of the budget that reflects that receipt of Federal monies?

Hon. Mrs. McCall: There is no money from Indian Affairs, Mr. Chairman.

Mr. Chairman: No further questions? Shall the Department of Education carry?

Some Members: Agreed.

Mr. Chairman: I declare that the Department of Education has cleared.

Before we go into Page 68 on Health and Human Resources, I would like to call a brief recess.

Recess

Mr. Chairman: I call the Committee of the Whole to order. I refer Committee to Page 70.

The total estimated budget was carried for the Department of Education.

The Committee will consider the Department of Health and Human Resources at this time. I refer you to Page 70. You will find a list of programs there. Administration-Human Resources, you will find on Page 72.

Hon. Mrs. McCall: I have a short preamble, Mr. Chairman. We recognize that the area of health and social services, Mr. Chairman, is a controversial one in many ways, since we deal with the every day needs of citizens of all ages and in all income brackets. My Department is often dealing with the effects of unemployment, personal tragedy, or family disintegration. At the same time, it is basic to our philosophy that we work towards the prevention of individual and family breakdown.

I believe that our programs for this Session reflect this philosophy, through increased support to this portfolio. The Throne Speech provided an overview of the specific program changes and directions in the area of social and health services, and throughout the Budget debate I can provide more specific information when asked for it on the individual subjects, if the Members would like that.

I would like to briefly highlight the initiatives which the Government had undertaken in this area with the Seniors: the Pioneer Utility Grant has been increased by 20 per cent, and we are presently developing a Pharmacare Program for senior citizens. We have introduced a Day Care Program, based on a sliding scale fee schedule which provides financial aid to day care users who are in a lower income group.

In addition, we continue to ensure quality health services, and support private non-governmental social service agencies, to encourage the growth of community-based social services. Mr. Chairman, as mentioned in the Throne Speech, provision of good medical care is one of the fastest increasing expenditures faced by governments today, and therefore we have had, as everyone knows, to adjust the system of medicare premiums and the rates, due to the high cost of all health programs to this Government. It has been our philosophy that the medicare plan should be self-supporting, by way of contributions from the Federal Government under the established Programs Financing Act and premiums paid by Yukoners.

Over the past seven years since its inception, the medicare plan has been faced with a deficit each year, to an accumulation of over a half a million dollars. If the premiums had not been adjusted, this figure would have escalated. The rates have been established to offset this deficit and to ensure the plan will be self-sufficient.

We are especially pleased, Mr. Chairman, with the fact that we are participating in the International Year of the Disabled by facilitating community participation through the citizens’ committee. There has been the establishment of a new private rehabilitation therapeutic group home funded by this Government. The recent $100,000 capital grant provided to the Rehabilitation Society for the purchase of a new facility is another example of the way that we are working with the private sector
to provide needed services.

The Department has a one person-year increase. This is a speech therapist audiologist. I described this new department to the House, and we are very pleased with this, particularly as it was pointed out that this was a need that was unknown in Yukon; we had not realized there were serious problems with speech and hearing to such an extent.

The relocation of the Youth Services Centre to the two smaller downtown locations will significantly improve services to youth, and we are encouraged that our programs for juveniles will continue to have positive results.

As noted in the Throne Speech, the treatment and prevention of alcohol abuse continues to be a priority of the Government. We are committed to continued initiatives to address this major problem. We have allocated a ten percent increase in the grant to Crossroads, and are working cooperatively with the Crossroads’ Board, toward our mutual objective of Crossroads providing an effective program for Yukoners.

I have just had information recently advising me that the National Native Alcohol Abuse Program funding for Crossroads has been withdrawn. This has caused the Department to initiate a review with the Crossroads’ Board, as to the overall direction of the program and the implications of being able to operate within the grant allocated for 1981-82. The review may indicate a need for a review of funding resources.

In conclusion, Mr. Chairman, I am very pleased with our budget and am looking forward to going over it.

Mr. Chairman: Is there any discussion on Administration-Human Resources?

I would like to entertain general discussion before we proceed with departmental programs.

Mr. Veale: Mr. Chairman, let me express my disappointment that Pharmacare was not actually introduced as part of this Budget. I assume that the Minister is going to go into a detailed explanation of the sliding scale day care subsidy at this time. Is that correct?

Hon. Mrs. McCall: No, Mr. Chairman. I am not prepared to go into it; I can present the general thrust of the program. It will be a while yet before we have the actual details.

Mr. Veale: The other area of great concern, of course, is the fact that it appears that there is only one person-year increase within the entire department. That would concern me, particularly regarding the outlying areas of the Territory, where there is a great need for the services of this Department.

The other area of concern, I suppose, is the assessment of needs that is conducted by the department: the fact that there seems to be surprise expressed by the Minister regarding the requirement for speech therapist and audiologist. I welcome the establishment of a private therapeutic group home; I think that is an important step in the right direction.

I would hope also that there could be some initiatives in the area of Medicare. We are, of course, distressed that there has to be such a large increase in the premiums at this time, and I wonder whether or not the Minister has done everything to negotiate with the Federal Government — until such time as the transfer is completed — negotiate any new expenditures the Federal Government is incurring which this Government will have to pay for. Perhaps the Minister could elaborate on that as well?

Hon. Mrs. McCall: Mr. Chairman, perhaps the Honourable Member, who is fairly new to this House, does not realize that we have elaborated on our problems with the Federal Government many many times. Our budget is prepared by them without consultation with us, and it is given to us in quite an extraordinary way. We are not involved in the planning of priorities, or anything else. We have a very difficult time with the Federal people. We have been assured, recently, that there will be more consultation, and we are looking forward to that happening. Up till now, we have had virtually no consultation.

Mr. Fleming: Mr. Chairman, I would just like to congratulate the Government on some of their programs. In the area of Medicare, of course, I definitely feel it is a social program, but it should pay for itself. So the rise in Medicare premiums, I would not object to in any case.

However, I wondered about the rationale of the Government and their logic or the reasoning that they had, in changing the Medicare rates from $6.50, I think it was, to $18.00 now for a single person, and then from whatever figure it was before — I think it was approximately $12.00 or $12.50 — to $25.00 for two people. Leaving it at $25.00 for families, I do not see any problem with that. I do wonder why a single person is charged $18.00 today, in an era when women’s rights and so forth have been given to them, and they are supposedly to have equal rights for pay and work and so on, and that should be so — but I am wondering: what was the rationale for the amount of $18.00? I would like that question answered. Why raise the single person’s premium three times when it is only $25.00 for two people.

I am not saying it should be $36.00, but I am suggesting that somewhere along the line there should have been a little more equal division. If one person is $18.00, I would take it that two people would be $36.00.

Mrs. McCall: Mr. Chairman, because we have incurred a deficit over a long period of time with this program, we identified the deficit to the Department of Finance, who came up with this formula. It was well reasoned out. Families, we believe, are penalized in the Yukon more than anyone else. There is a preponderance of single people. If the single people were to pay less, married people would pay more. It was a well thought out decision, and merely a matter of paying a bill.

Mr. Penikett: If I may comment on the Minister’s statement; I agree that it was well thought out, in that I think it was probably politically shrewd, in spite of the justifiable anger in some quarters about the raise in rates. The fact of the matter is that there are a sufficient number of people in the Territory, under collective agreements where their medicare rates are subsidized, that those in the middle and middle-low income groups who are going to be adversely affected by this new rate structure, will not, in most cases, be sufficiently well organized into economic groups to make their voice felt. As I commented earlier, I think the Government Leader was justifiably proud of his achievement in avoiding an income tax increase. But in terms of any sense of fairness, I would have preferred to have the burden fall onto the taxpayer, corporate and personal; where taxes are based on an ability to pay, rather than fall across the board, as they will with these premiums, onto people, whether rich or poor.

The fact of the matter is that the poorest people in the community may have some premium assistance. The most well to do will probably not even notice this increase. The great number of people in between, and particularly some of the single parents, to whom the Minister just referred, are going to feel this increase quite painfully. Had we observed the principal that I have enunciated in this House on a number of occasions, and I will not bore members by repeating myself, of paying for universal services to people by the progressive method of taxation, namely income tax, it seems to me that the whole sense of justice and fairness would have been advanced.

As I have recognized, and I attempted to recognize in my budget statement, there has been an injustice done us by the Federal Government in a number of these areas, I think, by increasingly transferring the burden to local provincial and territorial governments.

In some of the provinces this has become so bad that they have now begun to take it even further, down to the municipalities and local governments.

The fact of the matter is that originally certain kinds of taxes were designed to pay for certain services. It is the reason we have argued in this House for the abolition of the school tax. Property taxes were designed to pay for services to property. Power services which are paid for by the tax on the property, services which improve the value of that property, should be paid for by the tax on the property.

It seems to me that Medicare premiums, at their worst, become a kind of tax on the sick, because what you really need
to recognize is that what this country did when it made an
historical step in developing the Medicare program — hopefully
we will be going from the emphasis on curative medicine to
preventative medicine in the next generation — is remove the
problem of people paying for being sick. We have removed the
burden from families who were unable to pay for health care.
For the first time we enabled all citizens, whatever their
means, to be able to feel sufficiently secure about their health;
they could see a doctor without worrying about whether they
could pay the bill. They could have an operation without wor-
rying about whether they could pay the bill.

When you introduce a tax, which is what this is, it impacts on
rich and poor alike, without regard for their ability to pay. It
seems to me it goes entirely in the opposite direction in which I
think we should be going in connection with Medicare funding.
I asked an Order Paper question last year about the costs of
collecting Medicare premiums, and I remember there was an
employee of this Government who spent a lot of time chasing
people around the Territory who had neglected to contribute
their fair share. It was not as high as I thought it would be, but
I still think it was a considerable cost. I think it was something in
the order of $70,000 or $80,000.

I think it would be much more fair to finance the health care
system out of general revenues, and, if necessary, have a
commensurate or necessary increase in income taxes. Now, I
admit when I say this that I am expressing a distinctly philosop-
ical point of view. I am expressing a bias in favour of the
poor members of the community. The Government may dis-
agree with that philosophy; so be it.

I want to talk, while we are on this Budget — and perhaps I
can give the Minister notice of this question because she may
not have the information available — about the poor people in
the Yukon, because we do not talk frankly enough about them
sometimes. We talk a lot about the Indian community, and
many of them are poor, and sometimes when we talk about poor
people we talk about them as if they are all Indian; we
know that is not the case.

The Minister has a special responsibility for those people in
the community. Given the levels of unemployment in this
place, there is real poverty in this community and it is at quite
a high level and it is quite sharp. I want to ask the Minister
about the rates for social assistance, the food allowance, clo-
thing allowance, and the incidental allowances.

I believe it was last year that I asked the question, and we had
a statement of these rates from the Minister. I want to know if
there is any plan in the current year to raise these rates; to
index them according to inflation, as we have done with our
own salaries; or whether there is a formula or scheme for
upward re-adjustment, because these people, the Minister will
admit, are most adversely affected by the increase in the cost
of living. If food inflation affects everybody, it affects these
people worse than anybody else. Housing inflation, of course,
hurts them. The other taxes which we have increased in this
Budget, the fuel tax and gasoline taxes, will obviously affect
these people.

So, could I ask the Minister that second question — having
made my philosophical point, if you like, about the medical
premiums — whether she can say what her plan is with regard
to those social assistance rates. If she cannot, perhaps she
would agree to take the question as notice and bring the answer
back.

**Hon. Mrs. McCaffrey:** Yes, Mr. Chairman, there has been an
increase to the cost of living allowed in the general rates.

**Hon. Mr. Pearson:** Mr. Chairman, if I may, I would like to
respond to what the Honourable Member has said with respect
to how we collect from the people who use the Medicare plan in
the Yukon Territory. It always has been a major problem, but,
Mr. Chairman, it is a fact of life that when this plan was put into
place initially, it was deemed to be a plan that should be self-
supporting. There was a specific reason for that, Mr. Chairman.
It was so that no one would lose sight of what medical costs are. It happens so easily, Mr. Chairman. For instance, I
do not think that anybody realizes or knows really what it costs
this plan for one day in the Whitehorse General Hospital. We
are talking of $300 a day. That is the cost of the plan. Has
anyone tried flying Outside on an airplane lately? If we have
a medical evacuation, we are looking at a number of seats, not
just one, on the airplane. Conversely, we are looking at char-
ters, and they are very, very expensive. Costs have risen very
very quickly, and we are faced with having to increase our
premiums dramatically in order to reach those costs.

We anticipate we are going to be faced with this year, possi-
ibly going to some other sort of scheme.

Mr. Chairman, it was a basic, philosophic decision that was
made, that we were going to continue to have the scheme as a
self-paying one. Now the Government of Canada does partici-
pate with us in the cost of this scheme, to a certain percentage.
It started out originally being a percentage of the scheme.
They then virtually opted out of the plan by going to the EPF
block funding system, so that no matter how much our costs
rise, there is no relation between that and the EPF, in the block
fund transfers that are made with respect to health care. That
was a very good, wise financial move on the part of the federal
government, when they did pay with the cost sharing on
health care and went to the block fund transfers. It was very
smart on their part. So the balance between our federal fund-
ning for health care and our actual costs has been getting wider
apart all the time. We are having to assume more and more of
the increased costs all the time.

We were well aware of the fact, Mr. Chairman, that there are
a lot of people who have suggested that maybe we should pay
for health care via an increase in our income tax. So we did
some calculations with respect to that, Mr. Chairman, and
what we determined was: once we knew, or had fairly firm
estimates on what our health care was going to be costing us
next year, if we were to charge corporations additional tax and
individuals an additional tax on the same ratio as they now pay
their tax to the Territory, in order to make up this money, it
was going to mean, Mr. Chairman, that we would have had to
charge a four per cent basic personal tax, a provincial tax of
four per cent, and a one per cent corporate tax.

Now, Mr. Chairman, that would have meant that a single
person, making $20,000 a year, would have paid an additional
$122 in income tax during the course of the year.

We then looked at it and said that this has got nothing to do
with corporations. If we just put it on the personal income tax,
then it was going to mean, Mr. Chairman, that we were going to
have to charge an additional five per cent personal income tax.
The basic tax would be 45 per cent federal, five per cent provin-
cial, and four per cent territorial, and that would have meant that the average
single Yukoner making $20,000 a year would then have to pay
an additional $154 per year.

So, Mr. Chairman, what we did was set the rate, we hoped, at
what would be a fair and equitable one: at the additional $144 a
year. Recognizing that single people do not use the plan as
much as married people do, we still felt that the proportion that
they pay should be greater because we felt that, on the whole,
they are in a better position to pay than the married people with
families. So, this was the rationalization that was used.

**Mr. Penikett:** Mr. Chairman, I am fascinated by the Gov-
ernment Leader's figures, and I thank him for his lengthy
answer. The fact remains that I think a single person earning
$10,000 a year is now going to be paying $150 extra, or whatever it
is, and the Medicare premiums, whether he likes it or not, are
a tax.

Let me just suggest to him, because I do not want to argue
about numbers because I certainly am not possessed of suffi-
cient information to be able to stand a very long discussion,
perhaps ten seconds or so, that once again, were this Territory
to aggressively face the problem of collecting income taxes
due the Territory from our fairweather friends — and I am
saying that thousands of them are now arriving again this
summer who are going to contribute to the coffers of British
Columbia and Alberta before the end of the year is out from
money they made in the Territory — that would more than pay for any increases we would have to have for the Medicare scheme.

Hon. Mr. Pearson: Mr. Chairman, my only defense to that one is that we are bashing our heads against the wall; we are whistling in the wind. The Income Tax Act is a federal act, and it is very explicit, as the Honourable Member says, with respect to our fairweather friends in Yukon. We do get the short end of the stick with respect to that issue and frankly, Mr. Chairman, we have not been able to find any way around it, nor has the Honourable Member, because I know it is of as great concern to him as it is to us.

Mr. Fleming: I still do not have my question answered really, as to the rationale between 18 and 25. I realize what the family situation is, but a couple as you call it, just a couple, that is two people, it matters not what they are, male or female, but I am presuming that somewhere you must have had a rationale for making it 18 and 25. When one person is 18 and then two people are 25, I do not quite get it because of the very fact maybe man and wife, she could be very well a school teacher and he could be a ditch digger, she could be making twice as much as him, so that rationale would not work at all. I am just wondering what rationale you worked it out on, because I cannot quite buy that one at all.

Hon. Mr. Pearson: Mr. Chairman, there were many different alternatives that we could think of. One was that we set one rate for everyone in the Territory. Another was that we stuck with the three rates. The third one, of course, was that we go in fact to two rates: a single, and married or married with family — a couple or couple with children.

We had to make a choice, Mr. Chairman, and all I can say is that it was a value judgment. If we had broken it down more, then I respectfully suggest either the singles would have had to pay more, or the married with the family would have had to pay more. It is just a case of numbers. We had to be able to raise a certain amount of money. That was the objective of setting the rates and if we had three or four classifications, then those two, at the two parameters of the classification scale, would have moved, quite dramatically.

Mr. Tracey: Mr. Chairman, I think there is one thing that should be cleared up in regards to Yukon Health Care. It is an insurance policy, it is not a social welfare system, and it was brought in as a user pay scheme, and Mr. Penikett has made the remark that it is a tax. It is not a tax; it is a premium to pay for an insurance policy, and there is a big difference between a social welfare system and a user pay system.

Hon. Mrs. McCall: Mr. Chairman, I appreciate the remarks of the last speaker. I would like people to consider what they pay for their car insurance, and compare that to what they are willing to pay for their health insurance.

Mr. Penikett: Mr. Chairman, I am glad the Minister brought up that point today. If the Government is willing to do what I proposed, bringing in a Medicare scheme for cars, we will support it.

Mr. Chairman: There being no further general debate on the Department of Health and Human Resources, I would like to refer Committee to deal with the departmental study, starting on Page 72, Administration-Human Resources.

Are there any questions on this particular program?

Mr. Penikett: I asked a question earlier and, Mr. Chairman, I would ask the Minister again, if she would undertake to let me know what is the percentage change in the rates for social assistance, because the global increase in the program budget is fairly small. That global increase, I would point out to her, is considerably less than the rate of inflation in the last year.

Hon. Mrs. McCall: Mr. Chairman, the percentage change is ten percent.

Mr. Veale: Can the Minister explain the decrease in the projections for 1981 on foster homes?

Hon. Mrs. McCall: Mr. Chairman, on which page is the Honourable Member?
summer, which I understand is correct, what happens to those funds? Do they get transferred, then, to the other institutions?

Mr. Chairman: Would the Minister undertake to give me a breakdown of the components of the $649,700, so we could determine precisely what funds will then be available, after the closure of the Youth Services Centre?

Mr. Veale: I have the figures, if the Member would like them, Mr. Chairman.

For a total of $649,700, the personnel costs are $590,900. Other costs include operating costs at the Centre, freight and telephone, health care services, vehicle costs, repair of appliances, utilities, office supplies, food and beverage, recreational equipment. That amounts to $55,300, and allowances for residents comes to $3,500.

Mr. Veale: Mr. Chairman, I assume then that some time in July the sum of $55,000, or the remaining portion of that sum, will be available for re-direction in the Department. Is that correct?

Mr. Veale: Well, perhaps I have a misunderstanding Madam Minister, but I understood that the removal of the facilities, or the removal of the Youth Service Centre from Wolf Creek to downtown was going to amount to a substantial cost savings.

Mr. Veale: Mr. Chairman, I do not think that was ever thought. It certainly has been a white elephant of a building. Eventually perhaps costs will change, but it was essentially a philosophical change, a change in direction with the way that young offenders are looked after, to a residential center rather than an institute way out in the bush. No, the costs we will have to see when we have the new facilities opened, to see how they work and how they run, and possibly we will have less in the way of man-years, but that was not essentially the reason for closing Wolf Creek.

Mr. Veale: Perhaps the Minister could tell us what plans the Minister has for the white elephant at Wolf Creek.

Mr. Veale: Mr. Chairman, I have no plans for the white elephant at Wolf Creek. That building then goes to the central agency in the Government that looks after Government buildings. It is out of my department.

Mr. Chairman: Shall the program clear?

Some Members: Clear.

Mr. Veale: Does the Honourable Member have the unanimous consent?

Some Members: Agreed.

Mr. Veale: Does the Minister believe that the Youth Services Center will be turned over to the board in July? Is that the projected date?

Mr. Veale: No, Mr. Chairman, the Government owned building goes back to the central agency that looks after government buildings, and then, I do not know, it goes up for tender or something.

Some Members: When will we move out of it?

Mr. Veale: When, when we move out of it. Well, I cannot give you a date. I said that. The first facility will be opening April 15th, and possibly the other a month later, I do not know. I am not giving a specific date. You never know about renovations, but, before the summer.

Mr. Chairman: Shall the program “Residential Facilities” carry?

Some Members: Agreed.

Mr. Chairman: I declare Residential Facilities carried.

I would now like to refer Committee to page 80, where we will be discussing Grants. Your information is shown on page 81.

Hon. Mrs. McCall: Mr. Chairman, if I may, I will just give a little overview of the day care program that we are planning. Department of Health and Human Resources will be implementing this program for qualified users, effective July 1st, 1981. The intention of the program is to provide a subsidy or assistance, whichever word you want to use, to those users who are single or two-parent or two-parent families. Full subsidization of day care costs will be available for those whose total net family income is at or below established levels. A sliding scale fee schedule will be employed, to determine the amount of subsidy for applicants who are earning in excess of the net income at which a family ceases to be eligible for full subsidy. An eligible applicant will contribute 50 per cent of their net income which is in excess of the point at which full subsidy ceases for their income level and family size.

Officials of my Department are presently developing the details of the policies and administrative procedures within which this program will operate beginning in July. My intention is to see that the program be both administratively simple, for the benefit of the applicants, yet one that is fiscally responsible and not unnecessarily complicated. The program is being established in accordance with criteria and guidelines set out by Health and Welfare Canada in order that this Government may recover 50 per cent of the program costs from the federal government under a cost-sharing agreement.

In an effort to encourage the continuing development in the use of quality day care services for our young people, this subsidy will be provided to those users of day care services in licensed non-profit day care centres, and in supervised licensed family day homes throughout Yukon. In the event that an applicant does not qualify for a subsidy assistance under the day care subsidy program, the applicant may qualify for financial assistance under the Social Assistance program, so that people who are having a struggle are covered one way or the other.

Day care subsidy assistance will not be provided for day care costs incurred prior to the date of application. The Department will be initiating a public information program, to inform residents of Yukon as to the details of the program and the process of applying.

Mr. Veale: It is unfortunate that the Minister could not have supplied us with that written information prior to this so we could have examined it and understood it. Do I understand correctly that the 50 percent recovery from the Federal Government will apply to the $190,000 total, or does it apply to the $150,000?

Hon. Mrs. McCall: No, I think it applies to the $190,000 total, yes.

Mr. Veale: In the rush of words from the Minister I did not quite hear whether or not the subsidization will be paid to the day care user or to the day care centre or day home centre.

Hon. Mrs. McCall: No, I am sorry about the rush of words, Mr. Chairman, I was reading slowly. No, the subsidy or assistance is to the user, not to the day care centre.

Mr. Veale: Could we have just a minute, Mr. Chairman, to consider what the Minister has said?

Mr. Byblow: In that rush of words, there was reference to the cancellation of social assistance upon application for day care assistance. Did I hear correctly?

Hon. Mrs. McCall: No, Mr. Chairman, the $40,000 that we are now paying under social assistance for day care is to be included in the $190,000. It is not to cut anybody out in any way, if that is what the Member is implying.

Mr. Veale: I was wondering if we could have an undertak-
Mr. Veale: Could the Minister just give a run-down on the grants of $130,900, are broken down among Crossroads and other places? I would appreciate it, Mr. Chairman, if the Minister could indicate the increase to each institution, as well.

Hon. Mrs. McCall: Yes, Mr. Chairman, I have got a lot of figures here now.

I think you have them, as well, on Page 1, have you? Yes.

Hon. Mrs. McCall: I can break this down a little for the Honourable Member. The grant to Crossroads is $105,900. The new Alcohol Awareness campaign is $25,000.

Mr. Chairman: Is there further discussion?

Mr. Penikett: Mr. Chairman, I had understood that members of the Board of Directors of Crossroads were going to be making representations to certain government members, with regard to a motion to have some spokesperson called as a witness. The representation was to the effect that they wanted to appear as a witness before Committee of the Whole, because, as I understood it, their increase, which is in the order of ten per cent, was not, they felt, given the case load and the inflation that they have been experiencing, sufficient to deal with their caseload.

Could I ask the Minister if a representation was made to her in that connection? I know personal appeals from one of my constituents was made to me about having them appear as a witness, but was any such request made to a Government Member as well?

Hon. Mrs. McCall: Yes, Mr. Chairman. I have spoken with the Board at Crossroads. I think the misunderstanding must have been with the method of procedure. As you know, Crossroads closed its doors a year and a half ago or so. The budget they had at the time was a fairly skeletal budget, but because the program had collapsed I asked them to see what they could do with the monies that they had, and they have done a remarkable job. They wanted to come to the House to let people know that Crossroads has very much changed its image.

The thing is now they have been as creative as possible within the budget that they have, and I certainly acknowledge that they have, and it is time to go on to another stage of expansion. So, at the present time, as of Friday, and I think probably you were talking about this before that with various members, the Board and Alcohol & Drug Services and my Department are going to get together, and begin to actually plan where the direction is going to be, how they are going to expand, and then we have to look at the funding for that, as well. But that is something in the future, and that has been cleared up with the Board to their satisfaction.

Mr. Penikett: Can I take it from the Minister then, that in the first place the Board of Crossroads no longer wishes to make a representation to Committee of the Whole, and, in the second case, the Minister is at least giving a commitment here that the question of funding for Crossroads is not closed for this Budget year and, should they demonstrate a need for further funds, that negotiations between Alcohol and Drug Services and Crossroads is, at least, an open question?

Hon. Mrs. McCall: I think it is fair to say that Crossroads is quite happy with the arrangement that we have now. It would have been the normal way of doing it; it was something that came up that they did not quite know how to handle. As far as further funding is concerned: when the program is planned — I do not make any undertaking regarding funding and the new direction they are going to take, or the expanded direction or whatever you want to call it — certainly funding will have to be taken into consideration.

Mr. Chairman: Are there further questions on Alcohol and Drug Services? There being no further questions, shall the program carry?

Some Members: Agreed.

Mr. Chairman: I declare Alcohol and Drug Services carried.

I refer Committee to Rehabilitation Services which is found on Page 84. The statistics are found on Page 85. Any questions?

Mr. Veale: Mr. Chairman, is this the section under which
the allocation has been made to the disabled?

Hon. Mrs. McCall: Yes, Mr. Chairman.

Mr. Veale: That refers to the $10,000?

Hon. Mrs. McCall: Mr. Chairman, I am not sure what the Honourable Member is asking. Do you mean the grant to the Rehabilitation Services for their building?

Mr. Veale: No, Mr. Chairman, I understood that there was going to be some sort of board set up to distribute a sum of $10,000.

Hon. Mrs. McCall: Yes, Mr. Chairman, the sum of $10,000 has been allocated for a steering committee for the Year of the Disabled. That committee has been formed and is active and is planning activities. It has $10,000 at their disposal.

Mr. Veale: Could the Minister advise us as to the composition of the steering committee?

Hon. Mrs. McCall: Yes, Mr. Chairman, it is pretty open-ended. We expect them to use that money creatively and I think they are already demonstrating that they are going to do that.

Mr. Chairman: Any further discussion?

Mr. Veale: Could the Minister advise about the new therapeutic residence, and its relationship to whether there will be a cost increase or decrease from the present rehabilitation group home?

Hon. Mrs. McCall: The therapeutic group home, Mr. Chairman, was established to provide a specialized service in the area of rehabilitation. It will serve eight residents. It is something that we are very pleased with. It is a need that has been met. We have been forced to send some of our people to places outside the Yukon where really we should be taking more responsibility for them ourselves. So this will be a facility that we have not had and it is a great addition, especially in the Year of the Disabled.

Mr. Veale: Maybe the Minister can answer another question in relation to the Rehab. Centre. The question may have been answered already, but how does the Rehab. Centre fit into the Rehabilitation Services budget?

Hon. Mrs. McCall: Well, Mr. Chairman, we have just put $100,000 towards the purchase of a new building, new premises. There is a monthly amount that we will be paying for a mortgage on this building as well. I do not think that that amount has been arrived at. Is that what the Member was asking?

Mr. Veale: Well, is the assistance, Mr. Chairman, simply then in terms of a capital grant for the building, and the payment of monthly expenses of the Rehab. Centre? Or is there assistance above and beyond that?

Hon. Mrs. McCall: I have not got those particular figures completely. I will get those figures for the Honourable Member.

Mr. Penikett: Yes, Mr. Chairman, I was interested in the Minister's remark about the relative benefits of trying to deal with the problems here in this community rather than shipping people outside, and I notice from the Special Parliamentary Committee on the Disabled and Handicapped that there was not only a strong argument made that institutionalizing disabled and handicapped people reinforces their dependency, and, of course, isolates them, alienates them from their community, but it is also generally socially debilitating. But I note also, from a financial point of view, the costs of institutionalizing these kinds of problems - and this Minister will remember an issue which we debated in the first Budget or during the first Budget Session - the costs of institutionalizing persons in southern Canada is in the neighbourhood of $30,000 a year, which is almost four times greater than the cost of what they call independent living of $8,000 per year.

Given the relatively much higher cost for us to send people outside of the community for special training and so forth, has the Minister's Department done any kind of similar analysis of the relative financial benefits - apart from the obvious human benefits, to this community and to this Government, in terms of keeping people in the community and in their homes if possible - of keeping them here and trying to deal with these troubled people as much as possible here in this environment?

Hon. Mrs. McCall: Mr. Chairman, I thank the Honourable Member for his remark. Yes, I think the Department is very very conscious of keeping disabled people in the Yukon and in their own homes if possible. It is true that when we have the facility to keep people here it is much the better thing. We cannot, however, provide facilities for every sort of care, so we are still obliged to send certain people out. But the trend is, and we are working very hard towards that: keep people in the Yukon, keep them at home, rehabilitate them in fact, put them back into the community as useful members of society, and we are very conscious of that.

Mr. Veale: Could the Minister advise us as to why there has been a substantial increase in the order of 61 percent in the administration for rehabilitation services, over $50,000? There is only one person-year increase, so what is the explanation for the substantial administration increase?

Hon. Mrs. McCall: Mr. Chairman, I think there was perhaps a mistake in the Budget there, in that the new speech therapist audiologist position was put in here by mistake, when it ought to be in Administration under Health. I think that is just a mistake in numbers. But that is really mostly the reason for it. I am pretty sure that is the case. The speech therapist audiologist is a new person-year, and should be under the program entitled Administration-Health.

Mr. Penikett: I noticed, Mr. Chairman, while we are on the subject, that there was a 50 percent reduction in Alcohol and Drug Services in the same line item.

Mr. Veale: I wonder if the Minister could just clarify this. Is the Minister then saying that the additional speech therapist audiologist is mistakenly placed in Administration under Rehabilitation Services, and it is in fact already recorded in some other section of this Budget?

Hon. Mrs. McCall: Yes.

Mr. Veale: What would the difference be in the estimate for 1981-82 for Rehabilitation Services?

Hon. Mrs. McCall: Everything is accounted for in the Budget, Mr. Chairman.

There is only one additional man year in the entire Budget and that is for the speech therapist. It has simply been placed in the wrong program, nothing sinister.

Mr. Veale: Does that indicate, then, that the estimate of $143,300 remains?

Hon. Mrs. McCall: The overall figures are correct for the department. There may be a little shifting around and if the Member would like the exact numbers I could get those for him.

Mr. Veale: Thank you, Mr. Chairman.

Mr. Chairman: Is there any further discussion? Does Rehabilitation Services carry?

Mr. Veale: Could the Minister advise us if there are any expenditures that will be taking place regarding ramps in the City of Whitehorse swimming pool or in the particular facilities in this Government building to assist people in wheelchairs? Is that a capital item or is it something that is handled under this Budget?

Hon. Mrs. McCall: That, Mr. Chairman, is not in this Budget. I would certainly like to see attention paid to that. The City, of course, is on its own with those things and I think they are addressing it; I am told they are.

There are some provisions in this building for disabled people, but that is something my department cannot address.

Mr. Penikett: Mr. Chairman, the Minister, I think,
appeared to ask a question. I think the answer is that the National Building Code has recently been amended to require all governments to accommodate the handicapped. In fact, people will notice that the sidewalks installed by the City last summer facilitate wheelchair travel, but the ones built prior to that obviously did not. I think all public buildings now under construction will be adapted accordingly.

I do not know if there is a requirement, but I think there is an effort, certainly in Federal buildings, to try to accommodate disabled people.

**Hon. Mrs. McCall:** Yes, Mr. Chairman, there is a heightened public awareness, certainly with government buildings and public buildings.

**Hon. Mr. Graham:** Mr. Chairman, it seems we have come to a lull in the questioning. I would move that we report progress on Bill Number 5 and beg leave again.

**Mr. Chairman:** It has been moved by the Honourable Mr. Graham —

**Hon. Mrs. McCall:** Mr. Chairman, are we stopping in the middle of a program?

**Mr. Chairman:** Does the Rehabilitation Services Program clear?

**Mr. Byblow:** Just before we clear it and move out of Committee, is there any indication of what departments we will be looking at tomorrow?

**Mr. Chairman:** There is a motion on the floor now and in regards to the motion I would assume that the Rehabilitation Services would have to be declared before we resume tomorrow.

It has been moved by Mr. Graham that the Chairman do now report progress on Bill Number 5 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 Mr. Graham that the Speaker do now resume the Chair.

*Motion agreed to*

**Mr. Speaker resumes Chair**

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

**Mr. Njootli:** Yes, Mr. Speaker. The Committee of the Whole has considered Bill Number 5, Second Appropriation Ordinance (1981-82), and directed me to report progress on same and ask leave to sit again.

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

**Some Members:** Agreed.

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

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

**Mr. Speaker:** It has been moved by the Honourable Member for Whitehorse Porter Creek West, seconded by the Honourable Member for Mayo, that we do now call it 5:30.

*Motion agreed to*

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

*The House adjourned at 5:23 p.m.*