



The Yukon Legislative Assembly

Number 8

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24th Legislature

HANSARD

Monday, April 6, 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

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

Government Members

(Progressive Conservative)

Al Falle	Hootalinqua
Doug Graham	Whitehorse Porter Creek West
Jack Hibberd	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
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(Independent)

Maurice J. Byblow	Faro
Robert Fleming	Campbell

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

Patrick L. Michael
Missy Follwell
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G.I. Cameron
Frank Ursich
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Whitehorse, Yukon
Monday, April 6, 1981

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

Prayers

Mr. Speaker: It gives me a great deal of pleasure to introduce today to you two pages who will be serving the House, from Haines Junction. They are Happy Brewster and Jill Guttman.

We will proceed to the Order Paper, at this time.

DAILY ROUTINE

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

TABLING OF DOCUMENTS

Mr. Penikett: Mr. Speaker, I have the honour to present for tabling the Second Report of the Standing Committee on Public Accounts.

Hon. Mr. Lang: Mr. Speaker, I would like to table today a policy-oriented assessment of sports fishing in Yukon.

Mr. Speaker: Also, the Chair has for tabling, pursuant to 65(8) of the *Elections Ordinance*, the report of the Yukon Elections Board on the by-election in the electoral district of Whitehorse Riverdale South.

Are there any Reports of Standing or Special Committees?
 Are there any Petitions?

Reading or Receiving of Petitions?

Introduction of Bills?

BILLS: INTRODUCTION AND FIRST READING

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that a bill entitled *Petty Trespass Ordinance*, be now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Member for Tatchun, that a bill entitled *Petty Trespass Ordinance* be now introduced and read a first time.

Motion agreed to

Hon. Mr. Lattin: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that a bill entitled *An Ordinance to Amend the Lands Ordinance* be now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Minister of Municipal and Community Affairs, seconded by the Honourable Member for Hootalinqua, that a bill entitled *An Ordinance to Amend the Lands Ordinance* be now introduced and read a first time.

Motion Agreed to:

Mr. Speaker: Are there any Notices of Motion for the Production of Papers? Notices of Motion? Are there any Statements by Ministers?

MINISTERIAL STATEMENTS

Hon. Mr. Pearson: Mr. Speaker, the matter of conflict of interest guidelines for Ministers, and the development of an appropriate code of conduct, has been under consideration. A number of factors were reviewed and two principles emerged.

First, Ministers must be subject to more stringent conflict of interest guidelines than Members of the Legislative Assembly must be, because executive decisions through Executive Council have a very significant impact on economic factors in Yukon. Ministers' duties and their remunerations necessarily reflect a full-time occupation.

Second, a high standard of ethics must be maintained by Executive Council Members.

The areas of possible conflict fall into four categories: contracts with Government; business or professional activities in Yukon; financial interest and positions in corporations and other bodies operating in Yukon; and assets.

Mr. Speaker, the position of Government contracts was felt to be one where no compromise could be condoned. A Minister should not benefit privately from the application of public monies. There were, however, a few exceptions and qualifications that were reasonable, and these are detailed in the Code of Conduct. With these reasonable exceptions, a no-contract rule can be applied to a Minister and his family, without too heavy a sacrifice.

Under the former terms, all business or professional activity was absolutely banned. In view of the fact that a Minister will have to return to private life after a period of service, it is unreasonable to force him to entirely extinguish his previous activities. Providing a Minister attends to his public duties on a full time basis and avoids conflict situations, there is no reason why he should not occasionally attend to his private interests, to help keep a family business running, or to maintain his standing in a profession.

We considered that to ask a new Minister to entirely abandon years of investment in a business or profession was too much of a sacrifice for him and his family.

The third aspect involves financial interest and positions with companies. The *Yukon Council Ordinance* provides for the declaration of companies and other organizations in which an MLA holds an interest. In this regard, the rules for Ministers will be made more detailed.

The fourth aspect of concern is assets. In his capacity as an MLA, every Minister is called upon to disclose his assets, except for certain defined private family assets. It was felt that this would ensure control and scrutiny of Ministers' ethical conduct, with respect to their own assets.

With regards to a Minister's family, his spouse and dependents living with him inevitably become involved in the constraints which have to be accepted to keep private and public interests apart — and demonstrably so. Provisions have been made to allow family members to hold jobs with this Government, except in the Ministers' own departments. Ministers will file their declaration with the Clerk of the Legislative Assembly, who will make them available for public inspection.

I am confident that on such an important issue, compliance by Ministers will be as strict and as careful as if the code had the force of law.

I am tabling a copy of this statement and the copy of the Code of Conduct respecting conflict of interest, to place the matter on public record. Thank you, Mr. Speaker.

Mr. Veale: Mr. Speaker, I would like to thank the Government Leader for making a copy of his comments available earlier this morning, so that we would have an opportunity to examine them and comment on them with some precision at this time. I personally am shocked at the looseness of the new regulations. The whole purpose of the Ministers' Codes of Conduct is to enhance public confidence in the Ministers of the Crown, and to prevent conflicts of interest arising.

The code of conduct that has now been set out by the Government does not successfully do this. I would much prefer, and our Party would much prefer, to have the Code of Conduct that Ministers were originally bound by, particularly considering the small population and the small number of businesses in this Territory; because the result now is that an individual can run a business in a community and maintain the provision of goods and services to any department of the Government, and that, Mr. Speaker, I suggest, is going to lead to a great deal of public disillusionment and distrust.

The objective of having a public disclosure is simply to say that we are going to ask the citizens of the Territory to provide the policing necessary. In my submission, that is simply an inadequate remedy for the difficulties that we are going to face down the road.

The other area, Mr. Speaker, that is not dealt with by the new code, is that of publicly-traded shares in the holdings that Ministers may have. That should be included as part of a disclosure, or simply be banned, so that there could be no conflict of interest in that regard.

I am very sorry to say, sir, that I think that the Ministers' Code of Conduct, as now enunciated, is going to lead to a greater disillusionment on the part of the public.

Mr. Penikett: On the whole, Mr. Speaker, I would say that the Minister's Code of Conduct looks quite good. The possible problem that I see is in the area of exceptions, which are, of course, referring to the Code of Conduct, which is an appendage to this as a requirement of the *Yukon Act*.

I would expect that the operation of the Government Leader's Code and the Code required under the *Yukon Act*, will require, as yet, some time to work out.

We have been through this question in the House a number of times, both in connection with MLAs and with Ministers. It is my view that we have had to change the rules from the way they previously operated. The basic fact of life in this Territory is not that there are a limited number of businessmen or limited number of professionals — which is the argument used by some people — and therefore we had to loosen them up to allow more of those people to run. I am not one of those people who shares the view that only people with those kinds of backgrounds are eligible for public office.

It seems to me there is somewhat of a shift in emphasis there, as we had with the *Yukon Council Ordinance*, away from divestment towards disclosure, and I think that is not a bad thing. It would be absolutely ludicrous to have continued with a divestment principle, in view of the obvious brevity of ministerial careers in Yukon: to force someone to surrender 20 or 30 years' work for the dubious privilege of three or four months in not so high office in Yukon is, I think, a whole new category of injustice.

What I think we would have had, if we had that kind of rule continue, is, as in the colonial days of Upper and Lower Canada, a legislature whose membership was limited to certain professions; certain merchants; it would have been a sort of debating club for the bourgeoisie.

What we now have is a situation in terms of the disclosure. Now, I am becoming an increasing fan of disclosure because here we have the possibility, it seems to me, of dealing, not with the rumours about Members' business activities and their relationship with the Government, but the facts. I think that would probably be, on the whole, a healthier arrangement.

I do have some problem with the references in the Government Leader's statement to family members. It seems to me again this is a very small community. We all have family members, indirect and direct. The definition of "family members" is difficult. I would suspect that in many cases some of us have a closer relationship perhaps with a brother or a father than we may do with a spouse or an ex-spouse or a future spouse. There is a problem in terms of the reference to Ministers not supervising a member of their own family. Again I go back to the fact that Ministers change jobs here frequently; I think it would do an injustice to an employee of the Government to force him to change departments or quit just because a Minister shifted jobs, and that is a possibility that can happen.

In this enlightened age, it seems to me that we ought to recognize the fact that a spouse is perfectly entitled to pursue an independent career, independent of the partner in a marriage, and that career may be in the public service while the partner's career is in politics.

Again, I think these are the kinds of rules and standards of conduct in relationships like that, which have yet to be devised effectively, and I think we are only going to be able to devise them on the basis of experience.

Thank you, Mr. Speaker.

Hon. Mr. Lang: Mr. Speaker, I am pleased to have the

opportunity this afternoon to outline to the Legislature the details of a program to assist the White Pass and Yukon Route Railway. The agreement which has been signed culminates a year of intensive negotiations aimed at maintaining the integrity of our major transportation system well into the future.

In signing this agreement, the Government supports its belief that the railway is a viable entity in the longer term, and strengthens our commitment to the preservation of the railway as an energy-efficient tool, required to facilitate the orderly, economic development of Yukon.

I recognize, Mr. Speaker, that most Members of the Legislature are aware of the background behind the negotiations, but I would like to briefly capsule these events for the House. Subsequently, I will briefly outline the main points of the agreement that has been signed, and the position of this Government on the matter before us today.

As you may recall, Mr. Speaker, in May, 1980, the Canadian Transport Commission, the CTC, after an in-depth investigation into the White Pass situation, recommended that the White Pass and Yukon Route railway receive an immediate capital infusion of \$18 million: to acquire new rolling stock, to upgrade the Skagway machine shop, and to improve the rail bed. In addition, the CTC recommended that Cyprus Anvil Mining Corporation pay compensatory rates, and that the Carcross-Skagway Road not be upgraded as an alternative route for Cyprus Anvil.

Following the CTC report, a negotiating team consisting of Federal and Yukon Government officials was formed to pursue an agreement. These representatives met with the Alaskan Government, the U.S. Federal Government, representatives of Cyprus Anvil Mines, White Pass and Yukon Railway, and its parent company, Federal Industries to formulate a long-term solution.

In early 1981, Cyprus Anvil, while refusing to invest in the railway, agreed to a new rate structure for transporting concentrate. These new rates represent a 60 percent increase over the previous rating structure, and will cost Cyprus Anvil \$10 to \$12 million over the next three years.

Alaskan Senator Ted Stevens agreed to support attempts at the U.S. Federal level to obtain grants and low interest loans, and the Governor of Alaska, Jay Hammond, offered the railway access to low interest loan funds available under the *Alaska Industrial Development Act*, and also committed \$750,000 U.S. money over the next ten years for dock improvements for White Pass, through grants to the municipality of Skagway.

With these problems resolved, the Federal and Territorial Governments, throughout February and into March, hammered out the details of the agreement, to provide the funds we had jointly committed to provide to White Pass.

Having outlined the background, I would like to now briefly outline the major terms and conditions agreed upon. These terms are as follows:

1. Yukon will extend to British Yukon Railway Company, a subsidiary of White Pass and Yukon Route, an interest free loan of \$1 million, in order to purchase specific capital assets. Concurrent with this \$1 million contribution, the Government of Canada will contribute \$5 million towards the purchase of these assets.

2. The loan will be repayable at the rate of \$50,000 per year for the next 20 years commencing in 1984.

3. Immediate repayment provisions are provided for, in the event of the failure of the company to meet its repayment obligations.

4. The company has agreed to secure the loan by first

charge on all assets of British Yukon Railway.

5. No company of White Pass and Yukon Railway will pay a dividend until such time as the loan is repaid.

6. The Government of Yukon has the right to appoint a member to the Board of Directors of the Railway.

7. All financial records of the Railway will be made available to the Government of Yukon. For its part, the White Pass and Yukon Corporation has agreed to fund continuing losses and working capital requirements. As well the company has agreed to make an investment of \$6 million in the overall transportation system in 1981. That, Mr. Speaker, is the equivalent to the total profit made by White Pass in the past ten years.

The Government of Yukon, Mr. Speaker, feels that this agreement is a fair and equitable means of assistance to a vital element in Yukon's transportation network. This agreement satisfies our objectives with respect to the railway which are:

1. To preserve the long term viability of the railway.
2. To provide the minimum level of assistance required to allow the railway to achieve this long term viability.
3. To have a measure of control over the future direction of Yukon's transportation system.

The agreement, Mr. Speaker, provides for a one time only loan, which will be repaid. It is not a subsidy, nor is it a grant intended to obligate this Government indefinitely. This loan will not be used to offset operating losses; rather it will be used to purchase capital equipment necessary to revitalize the railway and to achieve a cost-efficient system over the long term.

The White Pass and Yukon Railway, Mr. Speaker, does not wish to live off Government hand-outs. The company merely wishes to receive interim financial assistance to cushion them through this rocky period, and as a responsible Government, it is our decision to do just that.

More importantly, Mr. Speaker, this agreement accords the Government of Yukon some measure of control in directing the future of Yukon's transportation system. The Government will sit on the Board of Directors of the company; it will have immediate access to all records of the company, and it will maintain the option for future railway extension to Faro — when such an extension is considered less a dream of Don Quixote and more a vision of John A. Macdonald.

I am certain, Mr. Speaker; that there are individuals, perhaps within the Legislature and throughout the Territory, who feel this assistance is inappropriate. Some will say that the assistance is insufficient to solve the problems, and others will say we are encouraging the creation of a corporate welfare bum in the White Pass and that we must nationalize the railway. Still others will maintain that assistance of any kind is a form of subsidy which should be discouraged in a freely competitive market.

This Government, Mr. Speaker, rejects these extremes. The revitalization of the railway is a three to five year process. New management has already dramatically reduced operating costs and increased efficiencies; this will continue. New revenues will be generated from the recently signed Cassiar Resource Contract and compensatory rates from Cyprus Anvil.

The funds from this agreement will provide for the acquisition of the most critical capital assets, requiring long lead time for delivery. The other improvements, such as upgrading the Skagway machine shop and improving the rail bed, require shorter lead times, and will be funded through the Alaskar program and the commitment by the company itself; therefore, we reject the contention that the funding is insufficient.

As for other concerns, Mr. Speaker, I must say that the Government of Yukon continues to believe that the private sector can provide the most cost-efficient and effective methods of operating the railway, but, in the short term, some financial assistance is necessary to support the system.

This Government feels we have made the optimum compromise which will ensure the long-term viability of the railway, with a minimal investment of public funds.

In conclusion, Mr. Speaker, I must say that all parties involved, including the Federal Government, the Alaskan Government, Cyprus Anvil Mines — the major user of the system — and ourselves have believed from the outset that the problems of the railway cannot be separated from its operating relationship with other components of the White Pass system. All along there has been general agreement that what was desired was a long term solution, and not simply the rescue of a particular company having financial difficulties.

In this respect I am pleased to state that, as a result of commitments of various parties, the White Pass and Yukon system will be in a position to effectively meet the long-term transportation needs in Yukon.

Mr. Speaker, I have also available for tabling the agreement that was just signed this morning.

Mr. Veale: The general objective I believe that the Minister has reiterated is one that is acceptable to most parties, sir. The concern that I have is in the particular method that the Government is taking at this time. I would hope that the amount of money being contributed by the Canadian Government and the Yukon Government will go to the purchase of Canadian assets, and they will be purchased in Canada. I am a little concerned that the \$50,000 a year rate of repayment is not tied to any other thing, such as profits or changing interest rates. When you consider that the going interest rate of prime plus one or two results in around 19 or 20 percent in today's market, the gift of the taxpayer to the British Yukon Railway Company becomes a substantial gift on an annual basis. My concern is, that if the profitability of the company actually were to increase or turn around markedly, and there are some indications that it might, there is nothing built in to ensure that the payments would accelerate and that interest payments might be added to it.

Mr. Penikett: I notice that the Minister who recently returned from Ottawa is wearing an Ottawa suit. It sounded like it this morning.

Mr. Speaker, reference is made in the Minister's statement, which we received ten seconds before we came into the House, to the CTC report: which report, I would point out, developed a number of credibility problems shortly after its issuance, with respect to the Government Leader's promises and a number of other points.

As I recall that report, it threatened an apocalypse in a matter of days if we did not fork over the money. Since that time, all Members will know, there have been quite a few interesting events, not the least of which are the statements I noticed in a number of press reports, talking about how half the revenues of the Federal Industries come from White Pass; that White Pass had a profit in 1980; that some Senator in Ottawa was proposing that the Government buy it. There have also been statements from Mr. Fraser — not the statements referred to by the Member for Faro, but the one talking about, "Are we ready to move forward and buy up some more companies?" and "If you want to make a long term investment, buy Federal Industries."

All of these have coloured people's perceptions on this issue. I want to say that we have basically bought ourselves a seat on the Board of Directors with this money. I am pleased to see that it is part of the agreement that the loan will give us first charge against all the assets. I think that is good. That there will be no dividends paid out is good.

I think that the Government's appointing a member to the board is also good. I would only hope that the member appointed is a Member of the Cabinet, so that that Member will be accountable to this House and so that we can ask him questions, if we see some things going on which do not meet with our approval.

Now the Minister referred to the dreams of Don Quixote and the visions of John A. Macdonald. I certainly hope that he is not talking about the visions of Donald Macdonald who is another popular character nowadays, or having any quixotic dreams, because I think there are still, as the Minister's statement indicates, a number of problems here.

I remain concerned about one important point, and that is the resolution of this House which talked about full public disclosure. Now, it may be achieved by having a member of the Government on the Board. The Government Leader, in a statement a few days ago, referred to the fact that there was a piece of legislation that prevented the Government from abiding by the resolution of this House of March 14, 1979, to this effect: that we would have full public disclosure in the finances of White Pass. I have been dying to ask the Government Leader exactly what legislation that is, but, unfortunately, the Member for Campbell returned to the House, so we have had fewer questions every day, Mr. Speaker.

I want to know when the Government Leader became aware of this legislative restriction on the resolution of this House; and I would be very interested in hearing from the Minister of Railways what it is, specifically, that restricts us from having access to this information. I go back again to the point again about the CTC report having a lot of information in it, but I am sure all Members opposite will recognize that there were errors in that information, including references to a \$6 million promise.

Hon. Mr. Lang: Mr. Speaker, perhaps a number of other things should be clarified. Wherever possible, the purchase of almost the total amount, if not all, purchasing the required equipment will be spent in Canada.

The other point, Mr. Speaker — and I am certainly glad to see the Member of the New Democratic Party supporting us in our efforts to keep the private sector involved in the railway, as opposed to incorporating it as a Crown Corporation — is the fact that the agreement is outlined in such a manner that, with respect to profits and this type of thing as far as the White Pass and Yukon Railway's assets are concerned, they cannot pay any dividends. So the incentive is there for the White Pass and Yukon Railway to pay back this loan as soon as they possibly can. Every indication has been given that they are going to do it as quickly as they possibly can, while they are getting the railway back into a position of a viable financial corporation.

I should point out, Mr. Speaker, that I think that sometimes when a situation like this arises, we believe we are the only ones in the country who have confronted it. I think one should look across Canada, from a national perspective, to the Government to which we all pay Federal income tax, Federal corporate tax; our royalties go to the Federal Government, and they authorize use of it according to what they see is in the public interest. I agree, Mr. Speaker, that the amount of money that we are making available is substantial, but when compared to funds provided to various railways, both by Federal and provincial governments, it really is minimal in comparison if you take a look at some of the operations presently in effect.

For example, CN and CP have received the amazing total of \$993.8 million and \$454.9 million, respectively, in grants and subsidies from the Federal Government between 1975 and 1979, in order to keep them operating in the black. That is yours and mine and everybody else's, as Canadian citizens' Federal tax dollars going into offsetting the costs of running those particular transportation corridors, which are deemed to be in the public interest.

The other point, Mr. Speaker, that I think should be made: for example, the northern Alberta railway, the Algoma Central, and the Ontario Northlander, are provincial railways receiving subsidies and grants. Over the last five years, these companies have received assistance totaling \$1.25 million, \$14.7 million, and \$46.2 million respectively.

As well, the provincially chartered British Columbia Railway has received loan guarantees totaling over three-quarters of billion from the BC Government, plus an undisclosed amount of direct assistance.

Mr. Speaker, these are on-going subsidies that I am talking about, with respect to many of our sister provincial jurisdictions, and as well from the Government of Canada. The Federal Government, through the taxpayers, is offsetting those costs

because it is in the public interest that we have these transportation corridors.

In this particular case, what we are doing is we are making money available, but it must be repaid; the incentive is to repay it as quickly as they possibly can, with certain terms and conditions attached to it. As was indicated by the NDP Member as well as the Leader of the Opposition, the Government of Yukon will have a member on the Board of Directors, and will have knowledge of the long-term future of the transportation corridor.

Also, Mr. Speaker, the point must be made that this money will be repaid. The taxpayer of Yukon will get this money back, and I am assuming it is going to be much quicker than the minimum that is dictated in the terms and conditions that we have negotiated.

I must say on the Government's behalf that we are very pleased with the cooperation we have received from the Government of Canada on this matter, from White Pass and Yukon Railway, as well as Cyprus Anvil, and both levels of the U.S. governments.

Thank you, Mr. Speaker.

Mr. Speaker: Order, please. I am afraid the debate on that particular Ministerial Statement is now concluded.

Are there any further Statements by Ministers?

Hon. Mr. Lattin: Mr. Speaker, it is my pleasure to report to the House today that the Government of Yukon's Department of Municipal and Community Affairs will be concluding discussions with the Association of Yukon Communities, to provide for the cost-sharing of a full-time executive director to handle the affairs of the Association.

Your Government commends the Association in its foresight in determining the need for a full-time executive director, and has proposed to share 75 percent of the cost of maintaining a full-time office, up to a maximum contribution of \$30,000 during the 1981-82 fiscal year.

You may recall, Mr. Speaker, that the Association passed a resolution at its March 14 meeting in Whitehorse which called for such an arrangement. Officials within the Department of Municipal and Community Affairs will discuss this matter with the Association's executive, and both parties hope to finalize the arrangements by the middle of this month, so that the Association can proceed with its 1981 workload.

The department will provide the funds for the position during this current fiscal year, and future funding will be taken from the municipal finance funds available to municipalities.

Your Government's decision is conditional on two points of the agreement being reached with the Association: we have requested an opportunity to approve the job description prior to advertising, and we will request that the Association assume some of the duties performed by members of the Municipal and Community Affairs department.

We are proposing that such duties include:

1. Responsibility for developing regular training programs for elected officials.
2. Providing an information service to member communities to ensure they are fully briefed on general Yukon Government programs that may affect municipalities, and
3. Investigation of the feasibility of bulk purchasing programs and intra-municipal services which could benefit association members.

Thank you, Mr. Speaker.

Mr. Veale: I am encouraged by this Ministerial Statement, and I believe that the contribution of the Government will be of great assistance to the Association for Yukon Communities. It is an association that I believe is extremely important in this Territory, because probably the most important purse level of Government is that of municipalities. I think the Minister should be commended for responding so quickly to the request of March 14 of this year.

I hope, too, that the person hired will be able to do some research on the inequities of the school tax that the Government of the Yukon insists that the municipalities collect.

I also would like to comment, Mr. Speaker, that I believe that the development of a regular training program for elected officials will be a very positive step, because generally speaking it is the elected officials in the communities who ultimately end up sitting in this House.

Mr. Penikett: I thank the Minister for his statement. I just wish he had given us enough time to read it. I am sure the AYC will be pleased by this decision. They may, however, in a few years, find it a mixed blessing. When I saw that the Government's decision was conditional on two points of agreement, I was fearful that this employee was going to have to be a very tame one. It will be interesting to see if the funding continues, if AYC decides they want to take on this Government on some major issues.

It is also interesting to see that in giving the money to the organization they have also given them some work to do, which, given the nature of things, may turn out to be a profitable arrangement for this Government, as well.

Thank you, Mr. Speaker.

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

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

QUESTION PERIOD

Question re: Hibberd's Moving Personal Effects from Yukon

Mr. Veale: Mr. Speaker, over the weekend a prominent Yukon surgeon and a Conservative Member of this Assembly took leave of Yukon in a dramatic fashion. The Government Leader adjourned the proceedings in this Assembly, and I would ask the Government Leader what steps he took, on behalf of the Member of this Assembly, to enforce the *Transport Public Utilities Ordinance*.

Hon. Mr. Pearson: Mr. Speaker, it is my information that the Member in question left Yukon over a week ago today.

Mr. Veale: He did not take his furniture, unfortunately, Mr. Speaker.

Mr. Speaker, does the Government Leader condone the Bill of Sale method, of getting around and avoiding the use of the local transportation companies, as required under law of the Yukon Territory?

Hon. Mr. Pearson: Mr. Speaker, a most extraordinary question. It is like asking me when I quit beating my wife; I cannot possibly answer it.

Mr. Veale: Mr. Speaker, the only people who took a beating on the weekend were the businesses of the Territory.

Has the Government Leader made any inquiries as to whether or not the furniture was actually delivered to the Honourable Member in Quesnel?

Hon. Mr. Pearson: No, Mr. Speaker, I think maybe we had better get the record straight on this.

Not the Government of the Yukon Territory, or this Legislature, nor any Member of it, had anything whatsoever to do with the movement of that furniture. They did not tell anybody anything; they did not do anything; there was no action taken by a Member of this Government or a Member of this Legislature who is presently sitting in it today.

Question re: Yukon Housing Corporation in Dawson City

Mr. Penikett: It sounds to me like the Member was beating himself.

Can I ask the Minister responsible for the Yukon Housing Corporation a fairly easy question? Can the Minister confirm that the Yukon Housing Corporation does not intend to sell Corporation housing units in Dawson City to the Klondike Visitors' Association?

Hon. Mr. Lattin: Mr. Speaker, this is the first time I have heard about it, and I cannot comment either way. I think what the Member is referring to is that we probably will be surplus-ing one particular building; it will be up to the Board of Survey,

and if they have no further use for it in the Government, this building will be up for sale. Other than that, I am not aware of any other building.

Mr. Penikett: Could the Minister confirm, in the case to which he has referred, that it would be his intention to observe the long standing practice of sale by tender, if such a unit were to come up for disposal?

Hon. Mr. Lattin: Mr. Speaker, I believe in a situation like this we have two forms of disposal. One would be by tender and the other one could be by auction if that were the case. Everybody would have the same opportunity to acquire the assets, yes.

Mr. Penikett: Would the Minister then confirm that there is no arrangement right now that would see such a government housing unit in Dawson intended to go to the KVA for the purpose of housing summer tourist staff?

Hon. Mr. Lattin: Mr. Speaker, as far as I am aware at this particular moment, there is no such deal in the offing.

Question re: White Pass & Yukon Route/Financial Assistance

Mr. Byblow: I would like to respond to the Ministerial Statement by the Minister for Economic Development on the subject of White Pass. Recognizing that Don Quixote is not a member of the White Pass Board, I would like to ask a question on that topic.

To what extent was there any discussion or guaranteeing of railroad extension, in the negotiations surrounding this fiscal injection?

Hon. Mr. Lang: Mr. Speaker, there was no guarantee that there would be an extension. As we all know, a large part of an extension would be the responsibility of the Government of Canada. I have no doubt that they agree philosophically that, when the time comes, there should be an extension for the railway. That is the long term approach to the revitalization of the present transportation corridor, as it now exists.

I would like to think, Mr. Speaker, that in the next number of years some decisions could be made in respect to the extension of that particular railway, because I think it would be to the benefit of the Territory.

Mr. Byblow: I did not catch whether or not the Minister indicated whether the loan on the part of the Federal Government was also interest-free. Could the Minister also clarify that?

Hon. Mr. Lang: Yes, Mr. Speaker, it was interest-free.

Mr. Byblow: Recognizing that this agreement does not any profit sharing built into the repayment schedule, and rather that it is a fixed amount each year over a number of years — I believe twenty — as a matter of policy, is the Minister saying that it is not this Government's intention to support the railroad in any way to be a Crown Corporation, or in any part owned by Government?

Hon. Mr. Lang: Mr. Speaker, I, for one, as a Member of this House, do not want to become involved in the direct running of a railway, if I possibly can help it.

From all appearances with respect to the White Pass and Yukon Railway, I think most Members will agree that it has turned around dramatically over the course of the last couple of years, and it would appear to us that it will be within the next three to five years that it will become a viable entity and be able to pay its own way, as it has over the past 80 years.

Question re: Alcohol and Drug Services Programs

Mrs. McGuire: Mr. Speaker, I wish to question the Minister of Health and Human Resources, since I have, once again, witnessed a needless tragedy. An alcohol and drug death in its worst form: suicide. This is the fourth such case in my constituency in the span of two-and-a-half years. The Minister has stated in the past that her Department of Alcohol and Drug Services is working and is effective.

Will the Minister explain how the alcohol and drug service programs are related to outer communities? And to what capacity? And, if not, what are the plans for outer communities?

Mr. Speaker: Perhaps the Honourable Minister can keep her statement fairly brief and concise.

Hon. Mrs. McCall: Well, Mr. Speaker, it is indeed very sad. I am very sorry to hear of another death as a result of alcoholism. You know, alcoholism and suicide and poverty and crime are all things that no one can answer for. They are very hard to control. As far as the outer areas are concerned, people who have a problem with alcoholism can come in to Whitehorse and go through the treatment centre here. We are not a large enough population to have treatment centres in the outer areas, but help is available for those people if they want it. However, they have to be motivated to want that sort of help.

Mrs. McGuire: Mr. Speaker, in my judgment, in order to have a truly effective program, one must involve the experienced. Government does not always know best. I would ask the Minister if she would seriously consider a Yukon-wide alcohol and drug conference, to involve people directly affected by the problem, people who would have valuable input to the program?

Hon. Mrs. McCall: Well, Mr. Speaker, we can certainly consider a conference of that type. There is no doubt that there is room for improvement in the alcohol program. It has improved greatly, but there is certainly room to look at further extensions of the services.

Mrs. McGuire: Mr. Speaker, the Minister has also stated that her department has been looking into alcohol and drug educational programs for schools. Would the Minister comment on the progress, and tell us whether these programs are in place in schools now?

Hon. Mrs. McCall: There is not a program, as such, Mr. Speaker, in the schools, but we are certainly looking at many different programs. A public awareness program, a media program, raising public awareness; there are a great many programs like this in the offing which I can discuss with the Member.

Question re: Watson Lake Sewage Treatment Lagoon

Mr. Veale: Mr. Speaker, I have a question for the Minister of Municipal and Community Affairs. The Minister stated recently that the Government has spent approximately \$100,000 on the Watson Lake sewage treatment lagoon. Would the Minister tell the House what the expenditure was for, and to whom it was paid?

Hon. Mr. Lattin: Mr. Speaker, I believe that, when we were referring to that lagoon, the original proposal was accepted. The \$100,000 is for new designs and engineering on a proposal that will be acceptable to all concerned.

Mr. Veale: If I understand the Minister correctly, Mr. Speaker, the \$100,000 is for a new design which is to be put to the Water Board in the future. Would the Minister then indicate how much money was spent on the old design which was rejected by the Water Board?

Hon. Mr. Lattin: Mr. Speaker, I am sorry, I do not have that figure at my command, but I will certainly get it and bring it back to the Member.

Mr. Veale: Would the Minister also, in taking that question under advisement, indicate which company is actually preparing the present \$100,000 proposal, and if it is the same company that did the original work that was rejected by the Water Board.

Hon. Mr. Lattin: Yes, I will bring that information back, Mr. Speaker.

Question re: Tax Rate around Whitehorse

Mr. Penikett: I have a question for the Government Leader, or the Minister of Finance. The Government has established a .8 per cent tax rate for the area around Whitehorse. Can I ask the Government Leader if he is aware that this tax rate will increase taxes as much as ten times for some of the residents concerned?

Hon. Mr. Pearson: Mr. Speaker, there may be some people whose tax rate is going to be increased that much, but it is not because of the tax rate; it is because of their assessment. More than likely, Mr. Speaker, it is because they have done consider-

able improvement between this year and last year.

Now, there will be some inequities, but they are few. We tried to be as careful as we could with this. There will be some inequities, just because of the change in assessment. The tax rate is the same for everyone.

Mr. Penikett: It has been my observation that there seem to be differing tax rates, but since the Government is responsible for the assessment and the taxation, I wonder if the Government Leader or the Minister of Municipal Affairs could tell the House — because there are some people whose taxes are going from in the neighbourhood of \$100 to over \$1,000 — if there is going to be any corresponding increase in the level of government services to these citizens during the year?

Hon. Mr. Pearson: Mr. Speaker, I cannot let the Member claim that somebody's taxes are going to go from \$100 to over \$1,000; I would challenge him to point that one out to me personally. I would very much like to see it.

Mr. Speaker: the problem of setting a fair and equitable tax rate, when you change the whole basis of assessment, is a very difficult one; it is one that we spent a lot of time talking about in this House, at the time that we changed the legislation to allow us to go to the new assessing formula.

Now, Mr. Speaker, it was pointed out time after time after time that the new assessment was going to create what appeared to be inequities, but they are not really, because what has happened now is that those people who are getting faced with a fairly rapid increase at this point can look back and see that they had things better before.

Mr. Speaker: we are not increasing taxes, to my knowledge, anywhere, that are going to create a hardship on anyone. It is one of the reasons, too, that we hope that the Home Owner Grant may be able to help offset this increase in taxes, for those who are faced with not only the increase in taxes, but also the change in the assessment as well.

Mr. Penikett: I would be pleased to respond to the Government Leader's challenge, since it is a friend of his involved. I am, of course, talking about taxes, not the assessments.

In view of the fact that property taxes are, of course, based on financing to provide services to those properties, could the Government Leader or the Minister of Municipal Affairs indicate if, in this year, the residents of this year will be experiencing, or benefiting from, improved fire protection service?

Hon. Mr. Pearson: Mr. Speaker, we are trying to improve services, generally, to all of the areas of the Territory, but, specifically, I cannot reply as to where the improvements are going to take place with respect to fire protection. We just dealt with them in the Municipal Affairs' budget a matter of days ago; surely that was a question that should have been raised at that point.

Question re: Foster Home Care

Mr. Byblow: I have a couple of questions I will direct to the Minister of Health and Human Resources. It is on the subject of foster home care. A recent report by the Alberta Ombudsman revealed that foster children are frequently ill-treated, and provided with questionable home care, at least in that province. Can the Minister, Mr. Speaker, assure me that very strict measures are taken by her department to ensure the safety and well-being of the children placed in this form of care?

Hon. Mrs. McCall: Yes, Mr. Speaker, I certainly can assure the Member opposite that the care of children in foster homes is very carefully monitored by the department.

Mr. Byblow: Mr. Speaker, as a matter of policy, I would like to ask the Minister whether all potential foster parents are subjected to fairly rigid screening, including RCMP criminal checks, before they are considered for this type of care?

Hon. Mrs. McCall: Mr. Speaker, the foster parents are considered carefully, regarding their suitability as parents.

Mr. Byblow: Can the Minister tell me whether her department maintains any child abuse registry?

Hon. Mrs. McCall: Mr. Speaker, records of children who have been abused are kept, yes.

Question re: Cabinet Conflict of Interest Guidelines

Mr. Veale: Mr. Speaker, on November 6, 1980, the Government Leader indicated that a Cabinet Minister's job is 24 hours a day, seven days a week, and that there was no time for anyone in a position like this to have any sort of outside interests. Could the Government Leader tell the Assembly what has led him to change his mind, and relax the conflict of interest guidelines?

Hon. Mr. Pearson: Oh, I have not, not at all, Mr. Speaker. I still feel very strongly that any Minister working in this Government is required to work at this job 24 hours a day. Mr. Speaker, what I was making clear was that the job is a very time consuming one, and I cannot see anyone running a business or being involved in a profession and maintaining that business or that profession, and being a Minister at the same time.

But, Mr. Speaker, I certainly can see someone being a Minister yet still having an association with such a business or profession.

Mr. Veale: Does the Government Leader not consider that there will be some public disillusionment at the fact that a Minister of the Crown will earn some \$45,000, and yet continue to maintain a business interest on the outside?

Hon. Mr. Pearson: No, Mr. Speaker, I do not believe that there will be any public disillusionment at all. I question the thinking of the people who put that requirement in place in the first place. Mr. Speaker, those kinds of rules make it very explicit as to exactly who can and who cannot run for this Legislature, or who can or cannot be a Minister in this Government, because only certain can afford it.

Mr. Speaker, we ran on the basis that we were going to change those terms and conditions, and we have stood up in the House and been counted on that basis. It is also on the basis that we wanted more people in this Territory to be able to exercise the right to run. We feel very strongly that they should not be inhibited or stopped from running or serving this Government and the people in the Territory because we are requiring them to give up their whole life's work. It is just very unfair.

Mr. Veale: Would the Government Leader indicate why there is no provision regarding either a prohibition or a disclosure of the activities of Government Ministers in publicly traded shares?

Hon. Mr. Pearson: Yes, Mr. Speaker, that requirement is there for an MLA. What I have tried to do is not duplicate. Every Member, Ministers included, is going to have to make public disclosures to the Clerk of the Legislature. I would like to remind all Members that they must do it before the end of this month. Mr. Speaker, that disclosure will be made at that point in time.

Question re: Motor Vehicle Registration and Insurance

Mr. Penikett: I have a question for the Minister of Consumer and Corporate Affairs. Mr. Speaker, the Minister has not replied to a letter I wrote him some weeks ago, concerning a constituent who was hit in an accident by another person who had no insurance and no registration. Could the Minister tell me if and when he is going to reply to the letter, and if he has had an opportunity to deal with this as a matter of policy?

Hon. Mr. Lang: Mr. Speaker, I expect to be replying to the Honourable Member probably within 26 hours and 20 minutes from now. In respect to the policy aspect, that will probably be covered in a letter that I will send to him.

Mr. Penikett: The Minister is obviously clearly briefed on this question, so my next question would be appropriate. Has the Minister ascertained whether there is a flaw in the law as it now exists, or whether this person is a victim of their own insurance company?

Hon. Mr. Lang: Mr. Speaker, once I have all the information, it will be included in a letter to the Member opposite. As he well knows, I just returned. I did not have the opportunity of going through all the work that I have on my desk. As soon as I get to it, I will get it to him, and I am sure we can have a very good, lively discussion either here or in the Members' Lounge.

Mr. Penikett: I felt sure that the Minister and his temporary Special Assistant would have discussed the question on the plane. Could the Minister inform the House, then, what he is going to do about this problem, if it is not an isolated case — because one assumes by the indications that it is not — particularly as it affects people suffering accidents as pedestrians, which appears to be a little flaw in the law.

Hon. Mr. Lang: Mr. Speaker, I am sure that that question could be addressed as well.

Question re: Mine Inspections

Mr. Byblow: I too, have a question for the popular Minister from Ottawa. Last fall the House was informed that the Yukon Government was negotiating the transfer of mine inspection services from the Federal Government. Can the Minister advise how soon this is going to take place?

Hon. Mr. Lang: Mr. Speaker, the possibility exists that it could happen sometime over the course of this year.

Mr. Byblow: Can the Minister advise, Mr. Speaker, whether or not his Government has undertaken any preparatory research into the availability of qualified mining personnel for inspection services, in light of the fact that at present the Federal Government is having serious difficulty in recruiting several positions within Inspection Services?

Hon. Mr. Lang: Mr. Speaker, I do not know why the changes would be any different for this Government, as opposed to the Government of Canada, with respect to recruitment. I recognize that this has been a problem. This is one of the things that would be discussed.

Mr. Byblow: Finally, Mr. Speaker, in conjunction with this transfer, could the Minister advise whether or not his department is presently reviewing mine safety regulations in anticipation of any change?

Hon. Mr. Lang: Mr. Speaker, I am not too sure where the department presently is in that particular respect.

Question re: Selkirk Street School Annex Roof

Mr. Veale: Mr. Speaker, I have a question for the Minister of Education. The Minister indicated last week that her officials would be looking at the Selkirk Street Annex roof. Now that the Minister is in a position to have had discussions with those officials, does the Minister know what the cost would be to repair that roof?

Hon. Mrs. McCall: No, Mr. Speaker, I did not ask them the exact cost. I can assure the Member opposite though that we will not be building a new school because of that leak.

Mr. Veale: Does the Minister confirm then that a new roof is required?

Hon. Mrs. McCall: No, Mr. Speaker, just a repair is required.

Mr. Veale: Would the Minister provide that information to the House, as to the cost of the repair. And, if it is a substantial cost, would the Minister indicate that perhaps the Government policy of having the school on a temporary basis will be changed to confirm its permanent status?

Hon. Mrs. McCall: Mr. Speaker, if the Member opposite would really like to know the exact cost of that repair, I will have those figures for him. I do not think that the leak in the roof should be the reason that the school ought to be made an independent or autonomous school.

Question re: Workers' Compensation Board Hearing

Mr. Penikett: Mr. Speaker, I would like to ask another question of the Minister of Consumer and Corporate Affairs, who is doing such a good job of imitating Mr. Trudeau this morning.

Mr. Speaker, a constituent of mine had a serious problem with the Workers' Compensation Board. He went through a series of appeals to the Board and was turned down each time, despite medical evidence of a work-related injury. After he hired a lawyer, suddenly the Board changed its mind and he was given an award, but half of the award went to lawyer's fees.

I would like to ask the Minister if he could explain, given the present operations of the Board, how, in the same case, the

Board could give one decision at one hearing, and then, when a lawyer is present, give an entirely different decision on the same case?

Hon. Mr. Lang: Mr. Speaker, I do not know of the circumstances the Member is referring to, so I think I would be totally irresponsible in attempting to answer a question on which I do not have all the background. If the Member opposite, after Question Period, were to give me the information, I will get the necessary answers.

Mr. Penikett: Never let it be said that I called the Minister irresponsible.

In light of the fact that half the award to my constituent went to lawyer's fees, and in light of the previous error by the Board, could the Minister indicate whether the Government is willing, in such cases, to pay the lawyer's bill, so that this injured worker could collect his full benefit; and what procedure would a person follow to make such a claim?

Hon. Mr. Lang: Mr. Speaker, it is my understanding that there are a number of programs in effect: namely legal aid, that could quite conceivably be made available for such a case that the Member is referring to. The thing that I would like to check with the Workers' Compensation is why is it required a lawyer to begin with. I have the greatest respect for the legal profession, but sometimes, perhaps, we can resolve a problem without having intervention of high-priced help.

Mr. Penikett: I thank the Minister for his announcement of expansion of the Legal Aid program.

Given that there is apparently no worker representative on the Workers' Compensation Board, can the Minister explain why there is not, why he has not filled the vacancy, and could I ask if he has consulted the Yukon Federation of Labour and asked them for a nomination to fill this position?

Hon. Mr. Lang: Mr. Speaker, with respect to no labour representative, we made the decision some time ago that the present complement on the Board would serve, up to the time we had hosted the national conference; after that time we would make sure that there was somebody directly from labour represented on the Board. As he knows, the present member was representing labour, and subsequently did take over a management job, very much to his credit.

Also, Mr. Speaker, with respect to the other side of his question, I do not have an answer for him.

Hon. Mrs. McCall: Mr. Speaker, I have an answer for the Honourable Member for Riverdale South, to a question that he asked on the number of single people and families registered in the health plan. Of approximately 13,500 registrants, 7,500 of the registrants are single; 2,000 of the registrants are single with one dependent; 4,000 are family memberships. 3,700 of the single registrants pay their own premiums; 3,800 are in a group plan. 700 of the single with one dependent pay their own premium; 1,300 are in a group plan. Of the 4,000 family memberships, 1,200 of these pay their own premiums; 2,800 are in a group plan.

Question re: Property Taxes/Carcross Townsite

Mr. Penikett: I have a question for the Government Leader, or the Minister of Finance. Mr. Speaker, the Government set property taxes this year on March 27, through an Order-in-Council. This order carves the Territory's property into nice, neat boxes for taxation purposes; one of these is supposed to be the Carcross townsite.

Can the Government Leader explain why the Carcross townsite is wrongly identified in map references, in the Order-in-Council?

Hon. Mr. Pearson: No, I am not aware that it is, Mr. Speaker, but I do not profess that this Government is infallible always; I am quite prepared to take the Honourable Member's word for it that it is wrongly identified. I am sure that it is not going to change the intent of the Order-in-Council, and I will have it looked into.

Mr. Penikett: The definition for Carcross is given as the area east of 133 degrees and 44 minutes longitude, and west of 134 degrees and 99 minutes longitude. Mr. Speaker, I am sure

the attempt was made to box Carcross in for a higher tax rate, but the attempt may have failed. Will the Government Leader, if necessary, seek legal advice as to whether the Order-in-Council, which wrongly defined the area, would undermine the validity of your Order-in-Council in any way?

Hon. Mr. Pearson: No, Mr. Speaker, that would not, I am quite confident, undermine the validity of the Order-in-Council. As I have said, I will have it checked out; the intent must be clear to everyone.

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

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS

Mr. Clerk: Second reading, Bill Number 2, standing in the name of the Honourable Mr. Pearson.

Bill Number 2: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Mayo, that Bill Number 2, *Interprovincial Subpoena Ordinance*, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Member for Mayo, that Bill Number 2, *Interprovincial Subpoena Ordinance*, be now read a second time.

Hon. Mr. Pearson: Mr. Speaker, the purpose of this Ordinance is to enable the Territory to participate in the new mechanisms now being adopted by the provinces to provide, in civil actions, for the compulsory attendance of witnesses from other jurisdictions.

Similarly, Yukon residents could be compelled to go to another jurisdiction to act as a witness. Federal legislation makes it possible to subpoena witnesses from other provinces in criminal matters. In civil proceedings, it is strange that we can subpoena a witness to attend a trial at Watson Lake, all the way from Herschel Island, but we cannot compel his attendance from Lower Post.

The Ordinance is based on a uniform act, and it will be effective only with respect to other provinces that have enacted a similar law. The uniform act is now being adopted by British Columbia, Manitoba, Newfoundland, Saskatchewan and the Northwest Territories. Our Ordinance will be useful almost immediately with respect to our closest neighbours. Under the existing law, evidence can be obtained from persons who are outside the Territory, by having the witness give his evidence, and submit to cross-examination in his own jurisdiction. The procedure is often expensive and time-consuming, and, in any event, the court in the Territory receives only a transcript of the evidence, and never gets a chance to see the witness in person. Of course, the witness can come to the Territory voluntarily, but if he is worried about being sued himself or being prosecuted for a Territorial offence he committed earlier, he may be reluctant to come.

Under the new Ordinance, the witness will be protected from such proceedings, arising out of matters occurring before he comes to the Territory as a witness.

Mr. Veale: Mr. Speaker, our Party is in agreement with the *Interprovincial Subpoena Ordinance* in principle. It has been a great frustration, acting in courts in the Territory, when so often very important witnesses are not in the jurisdiction and do not have to respond to a subpoena from this jurisdiction. I would express one caution, perhaps. That is that the *Public Inquiries Ordinance* be considered in the passage of this legislation, to ensure that it is brought under the same principle as is being applied presently to the Supreme Court of the Yukon Territory.

Mr. Penikett: Mr. Speaker, I will go along with this bill, quietly.

Motion agreed to

Mr. Clerk: Second reading, Bill Number 3, standing in the name of the Honourable Mr. Pearson.

Bill Number 3: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 3, *Survival of Actions Ordinance*, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Member for Tatchun, that Bill Number 3 be now read a second time.

Hon. Mr. Pearson: Mr. Speaker, in common law, personal actions for bodily injuries ordinarily are extinguished by the death of the injured person. The proposed Ordinance preserves the actions for the benefit of the deceased's estate, since he may have incurred heavy expenses before his death, as a result of the injury. The effect of this is to shift the burden of such expenses from the estate to the person who suffered the injury.

This Ordinance is based on a uniform act adopted in 1963. The Uniform Law Conference reports that legislation on this subject continues to vary from province to province, but New Brunswick, at least, has adopted the Uniform Act without change. The Committee on the Revision of Uniform Acts has recommended that the Uniform Act not be revised.

The subject of survival of actions is now dealt with in Sections 36, 37 and 38 of the *Trustee Ordinance*. The right to maintain an action is expressed but, indirectly, as a power of the executor, an exception is made for libel and slander. Actions are to be brought within one year after the death of the injured person, but the provision omits to say whether this extends or curtails the limitation period that would apply if the injured person had not died.

The Ordinance also provides for the maintenance of actions against the estate of the deceased.

Mr. Veale: Our Party is in support of this legislation to clarify the situation of common law, Mr. Speaker.

Motion agreed to

Mr. Clerk: Second reading, Bill Number 4, standing in the name of the Honourable Mr. Pearson.

Bill Number 4: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that Bill Number 4, *International Child Abduction (Hague Convention) Ordinance*, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Member for Hootalinqua, that Bill Number 4, *International Child Abduction (Hague Convention) Ordinance* be now read a second time.

Hon. Mr. Pearson: Mr. Speaker, the purpose of this Ordinance is to give legal effect in Yukon to the Convention of the Civil Aspects of International Child Abduction, which was enacted by a number of States, including Canada, on the 25th of October, 1980, at the Hague.

The Ordinance adopts the Convention by reference. Upon enactment, the Ordinance is due to go into force six months after the Government of Canada declares that the Convention extends to Yukon.

The Ordinance provides machinery designed to protect children internationally from the harmful effects of their wrongful removal or retention, and to establish procedures to ensure their prompt return to the state of their habitual residence, as well as to secure protection for their rights of access.

When the Convention becomes law, Yukon citizens and children will obtain reciprocal rights to all the jurisdictions who adopt the Convention in their own States.

Mr. Veale: Mr. Speaker, I do not believe that there could be any greater hardship than the hardship visited upon a spouse by the spouse who has left Canada and taken a child with him or her and not revealed the location of that child, and I would certainly support this legislation in principle, and I hope that it is going to be adopted by many countries.

Motion agreed to

Mr. Clerk: Second Reading, Bill Number 14, standing in the name of the Honourable Mr. Pearson.

Bill Number 14: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the

Honourable Member for Whitehorse Porter Creek West, that Bill Number 14, *Miscellaneous Statute Law Amendment Ordinance 1981 (No. 1)* be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Member for Whitehorse Porter Creek West, that Bill Number 14 be now read a second time.

Hon. Mr. Pearson: Mr. Speaker, it is very difficult to say anything, in principle, with respect to this bill. It is a bill that is enacted in order to correct errors of a minor or typographical nature that appear in existing legislation.

Mr. Veale: Mr. Speaker, I wonder if I might just put a question to the Government Leader. Section 7(1) of the *Miscellaneous Statute Law Amendment Ordinance* does appear to deal with a substantive issue under the *Municipal Ordinance*, or is it simply a typographical error of age in that?

Mr. Speaker: Order please; it is not proper for any Member to discuss the specific items of the bill at second reading, only the philosophy of the bill.

Mr. Penikett: Philosophy is great, Mr. Speaker.

Motion agreed to

Mr. Speaker: May I have your further pleasure?

Mr. Fleming: I move that Mr. Speaker do now leave the Chair and the House resolve to the Committee of the Whole.

Mr. Penikett: I will second that, Mr. Speaker.

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

Motion agreed to

Mr. Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Mr. Chairman: I will now call the Committee of the Whole to order. I would like to inform the Members that we will be considering the Budget of Yukon Housing, and Consumer and Corporate Affairs in that order.

I would like to call a short recess.

Recess

Mr. Chairman: I call the Committee of the Whole to order. We will be discussing the Yukon Housing Corporation. The information is on Page 264 of the Budget.

Hon. Mr. Lattin: Mr. Chairman, the 1981-82 Budget for Yukon Housing Corporation represents, mainly, this Government's position of maintaining the status quo in the area of housing involvement. Last year, some 44 additional housing units for senior citizens were added to the portfolio of the Corporation, to meet the needs of the seniors in Yukon. This year, we expect to construct approximately three units of staff accommodation. Other than this, Mr. Chairman, this Government intends to continue the operation of its present housing stock, and continue its five-year program of upgrading the energy efficiency of the existing housing stock.

Mr. Chairman, the increase attributed to the first full year's operation of the 44 units of senior citizens' accommodation, and the forced price increase for fuel, power, maintenance, and salaries are the main components of change in this Budget. These increases are offset by the closing of an old tri-plex apartment in Mayo, the closing of the bulk of our housing in Destruction Bay, and the termination of the provision of staff housing in Whitehorse to new employees.

Mr. Chairman, there is not much more I can add to this without bogging everyone down in details; however, I will be happy to answer any questions that are asked.

Mr. Veale: Mr. Chairman, let me express my concern — and the Minister has indicated it quite clearly — that the Yukon Housing Corporation is simply going to maintain the status quo in the Territory. It is the view of our Party that the Yukon Housing Corporation has a far greater role to play in the provision of housing, particularly housing outside of Whitehorse. I do not believe that the Housing Corporation has really been given the benefit of being a truly independent housing corpora-

tion that can go ahead and make initiatives in those areas.

It is my general impression that the funding for the Yukon Housing Corporation comes from Federal Government — 50 percent or 75 percent, depending on this particular program — and I believe that it is something that this Territory should take advantage of.

I am particularly concerned about the lack of facilities for senior citizens outside of Whitehorse. There has been some initiative in this area in the past, but in my view it was simply inadequate, and has resulted in older people having to move into Whitehorse to obtain the kind of accommodation where the Housing Corporation, to its credit, has recently built quite a number of units.

I would also indicate that I am critical of the fact that there seems to be provision of housing of a certain style outside Whitehorse; that is, it ends up with two or three bedrooms. It does not provide the one bedroom accommodation that is so important for many people, and the result is that people who could be in one bedroom accommodation are taking up two or three bedroom accommodation.

The other area, Mr. Chairman, that I would just like to comment on, is the Rural and Remote Housing Program that is cost-shared with the Federal Government. The Yukon Housing Corporation, and perhaps I should say the Territorial Government, has not taken a very active role in either implementing this program or, in fact, actively pursuing it and making the program known to the citizens of this Territory. It is a program that is extremely useful in almost every area of the Territory outside Whitehorse. To me, you are losing a great advantage when you allow people to get the kind of beneficial mortgage financing that allows them to build their own homes in the communities. I think that is very unfortunate, and I would ask the Minister whether or not they are going to be entering into a new agreement with the Federal Government, as I assume that that agreement will be coming up for signature some time in this fiscal year.

Mr. Chairman, the other concern I have, which I will just put the Minister on notice of, is the issue of the Manager; I understand that the Manager is leaving at the end of this month. My question to the Minister is whether or not they will be rehiring or hiring a new Manager, or whether there is going to be some demotion in the status of the Yukon Housing Corporation by simply putting it under the Minister's Department of Municipal and Community Affairs, as opposed to keeping it on an independent basis.

Hon. Mr. Lattin: Some of the remarks of the Member, I think, were of a Capital nature, like building new houses. That is a Capital program and at this time we are interested only in the O&M Budget.

In the Rural and Remote Housing we have not been overly active in this field. We have not had very much demand from the people to whom this applies. Just recently we had some discussion with CYI on this aspect; we are reviewing the program, but at this moment that is as far as it went.

I might say that in that program we have constructed four homes, I believe it is. I think there were two in Haines Junction and I think the other two were in Watson Lake.

In regards to the hiring of a new Manager for Yukon Housing, at this moment, Mr. Chairman, there is some consideration that we might make it a part of Municipal Affairs, but we are reviewing it very carefully. We will be having meetings with the Board of Directors and our department, wherein we will decide exactly how we will treat the Housing Corporation; I am sure I will make everybody aware of what we have decided.

Mr. Byblow: The entire philosophy of housing under the mandate of the Yukon Housing Corporation is something that, particularly with the previous Minister, we have debated on numerous occasions in this House, and out of this House. Now, to the new Minister I would like to query a couple of general policy matters pertaining to the Corporation.

One deals with whether there is any change or anticipated change in the policy of the Government to step up the rural

housing program. Recognizing that that is of a capital nature, I shall not pursue it too far. The Minister certainly knows what I am leading to, and that is the degree to which this Government now feels that they should participate in the smaller communities where housing is an abnormal situation. As frequently debated in the past, Yukon housing has undertaken the obligation to provide staff accommodation. It has undertaken the obligation to participate, where possible, to encourage the development of housing by individual citizens. I would like to hear from the Minister, whether, because of the Federal cost-sharing arrangement which has not imposed an undue hardship on this Government, they will be stepping up that program in light of those considerations. That is one area.

The second area I would like to hear from the Minister from deals with the actual maintenance of units. In the past, we have brought to the attention of Government a very weak system of adequate maintenance. In many cases it was not so much an organizational problem, as a problem of just deficient units that are nearly impossible to work with. That may relate to the first matter I raised. To what extent has this Government committed itself to encouragement of public housing, particularly in the outlying areas where you do have this abnormal situation?

So I would like to hear from the Minister whether he feels that his maintenance program has improved to his satisfaction, and if he is addressing those problems brought to his attention by people accommodated in the units.

Those are the two main areas where I wanted to hear from the Minister.

Hon. Mr. Lattin: Well, Mr. Chairman, we follow the philosophy that we want people to own their own homes, but, Mr. Chairman, we realize the problem in some of the outlying districts, and however desirable this may be, it is not going to happen overnight.

I believe, from the questions that the Member was raising, he was probably thinking of his own particular town. In places like this, Mr. Chairman, we realize that it is a private market, and the people do not have the wherewithal to have their own accommodation, and therefore it is our function to provide the necessary housing for them. But our basic philosophy is that we encourage the people to own their own homes.

The maintenance that you refer to is an ongoing problem. In the constituency that the Member represents, we have experienced quite a lot of difficulty. I believe that the other people who have the housing — I am thinking of Cyprus Anvil — also experience it to a degree. We have made contracts with local people, but due to the fact that they are fully employed and have other priorities, the availability of qualified trades people is not there. We have experienced a lot of problems. As much as we try, in the future we are still going to experience a certain amount of difficulty, but it is something we are addressing. It is not very practical to take somebody from Whitehorse all the way there because of the distances, but it is of concern to us, and we are addressing it and trying either to eliminate it or to correct the deficiency to the best of our ability.

Mrs. McGuire: I just want to ask the Minister: how does a community or area qualify for a senior citizens' home? Is it done in numbers, or how is that done?

Hon. Mr. Lattin: I did not quite get the whole question. Did you ask how it is for a senior citizens home?

Mrs. McGuire: I asked how does a community or an area qualify for a senior citizens' home. Is it done in numbers, or how is it done?

Hon. Mr. Lattin: As a rule, Mr. Chairman, the need is identified. As soon as the need is identified, if it is for one person, we have a problem. If we realize that we have, say four or five people, then we would address that particular problem, identify the money for it and spend it. I think it was in Mayo that we just had a small one there, and as the needs are shown to us in the various communities, we address them as such, put them into their appropriate priorities, and then take steps to implement our decisions and put the various homes where they are

needed, or the various foundations where they are needed.

Mrs. McGuire: But there is a minimum number? Is there a minimum number to qualify?

Hon. Mr. Lattin: I would not like to say a "minimum number" per se. But there is, because, as a rule, these projects are apartment-type complexes and so, for one person, it would be a single home. It would appear to me that the smallest practical number would be in the vicinity of four. Below that, I do not think it would be very practical.

Mr. Fleming: Mr. Chairman, I have had a little problem with Yukon Housing Corporation for many years. On the Recoveries, for instance, you have: Rental/Purchase Housing, Indian and Northern Affairs, Canada Mortgage and Housing Corporation, Staff Housing and, of course, Other. On those recoveries, are you speaking there of the rental of those houses? Is that what that is in that section?

Hon. Mr. Lattin: May I ask the Member which one is he addressing?

Mr. Fleming: Well, I may be a page ahead, Mr. Chairman. What page are we on now?

Mr. Chairman: Page 266, sir.

Mr. Fleming: Well, I am a page ahead. I will wait for that. However, I do have some comments to make first, if I may?

Mr. Chairman: Yes.

Mr. Fleming: It seems, somewhere along the line, in the Yukon Housing Corporation, that it costs, in my estimation, almost as much to maintain and operate those houses as is receiving in rent.

As we go along, I think you will possibly find that out, and that is what I want to get clear. It seems that most of it is maintenance, and, from what I have seen of many of the houses that were built not too many years ago, they are not up to scratch — in Watson Lake, I can say for sure, and Ross River, and there are a few in Teslin. Of course, it is not always the fault of the building; sometimes it is the fault of the tenants, too. However, they do not really seem to be paying their way.

I will wait, Mr. Chairman, until we get to the other page for my specific question.

Mr. Veale: The Minister has not really responded to the question about Rural and Remote Housing. It, in fact, seems to fit in very well with the basic philosophy that he has espoused that he would encourage private ownership. Although you are making some initiatives with CYI, my question is: what is the Government going to do this year, with respect to its agreement with the Federal Government for everyone in Yukon, particularly in the rural areas, under that program?

Hon. Mr. Lattin: Mr. Chairman, as I mentioned before, we are addressing that. Rural and Remote Housing is housing that is applied mostly to native people, and we are discussing the implementation of this program with CYI. This program has been used all over Canada in different provinces. In some cases, it has been very successful; in other cases, it has not been so successful. That is one of the basic reasons, Mr. Chairman, that we are discussing it and consulting with CYI on this problem: to see how we can best suit this type of home for the native people.

Mr. Veale: It is my understanding that the program is far broader than an Indian housing program. I am not sure whether the Minister understands that? If he does know better than I, I would appreciate clarification, but my understanding is it is available for all Yukoners who qualify. My question is: why are we not taking advantage of it?

Hon. Mr. Lattin: Mr. Chairman, basically I understand that this program is mostly for native people. That is my understanding of the program. I think that we have not had the need for this particular program, but if we are not taking full advantage of the program, I will sit down with my department and review it.

Mr. Penikett: Mr. Chairman, as the program was announced five or six years ago, under Section 40 of the *National Housing Act*, it was designed for non-status Indian people and non-native people, in pockets of intense poverty through-

out rural Canada.

Mr. Byblow: The Minister made reference, Mr. Chairman, earlier, to a policy respecting Government employees being provided with accommodation. Could he clarify that policy? In other words, is it policy to provide staff employees with housing for a certain period of time or indefinitely, and does it vary from Whitehorse to rural areas?

Hon. Mr. Lattin: Mr. Chairman, we recognize that if we want people to work in various communities, we have to provide the housing, if there is not other adequate housing available.

Now, the housing for staff, Mr. Chairman, is geared to their income. Outside of Whitehorse, as far as I am aware, we have no limitation. There is no limit on how long they be there. Mr. Chairman, because the availability of units on the private market is such, we do not have to maintain a block of staff housing in Whitehorse; but if you look at some of the outside communities, I think you will see that some of those people have been in our housing for quite a number of years.

Mr. Byblow: In reference to the Employee Buy-Back Housing Plan, there was discussion last year of the possibility that that program may expand beyond the employee buy-back scheme. That is, it might become possible for people other than Government employees to acquire accommodations that are YHC-owned, and thereby take ownership and possession. Can the Minister clarify if this program is expanding in that respect? I guess I am strictly referring to outlying areas.

Hon. Mr. Lattin: I know Mr. Chairman, we have looked at it, but at this particular time, no. I think the Member might be confusing it with municipalities, who, in connection with the housing of their own employees, have asked us whether they could enter into such a plan with us. We have had a certain amount of discussion with them but at this particular moment, while we are still in the throes of discussion, it would appear that if the municipality did wish to get into it, there are some areas where we could probably work together, but nothing has definitely been decided at this particular time.

Mr. Byblow: I have just one question. The Minister may not have the answer and perhaps we could pursue it outside the House. Is he aware of whether or not YHC has released by sale, any units to other than Government employees, in the outlying areas, in the last year? Has YHC sold any units to other than Government employees in the last year?

Hon. Mr. Lattin: Mr. Chairman, I would like to bring the answer back because I am not sure. It is a fairly definite question and I had better just check to make sure.

Mrs. McGuire: I would just like to ask the Minister: you have 14.5 person-years; does that include the contract people who work in the outer areas, or is that just administrators?

Hon. Mr. Lattin: No, Mr. Chairman, that would be the administration; that is the people in our administration here.

Mr. Chairman: Any further general debate on the Housing Program?

There being no further discussions, shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare Yukon Housing Corporation cleared.

Any more discussion on the supplementary information?

Mr. Byblow: I would be curious as to how that Dawson sewer and water charge applies. Is that because of the increased rate that will be applied on YHC units?

Hon. Mr. Lattin: No, Mr. Chairman, that is not correct. We have quite a few houses in the City of Dawson, and when they put the new sewer and water in, we had to put in new services. We, just as any other individual, are responsible for putting the services in ourselves. That entailed that expenditure.

Mr. Veale: Mr. Chairman, could the Minister indicate if the maintenance costs have decreased from 1980-81 to 1981-82? It appears to be in the amount of approximately \$200 per unit. That is under Maintenance Costs on Page 267. I am not clear whether that is an indication that there is less money for maintenance or whether houses, apparently, need less maintenance.

nance.

Hon. Mr. Lattin: No, Mr. Chairman, one of the factors that makes that amount less is the fact that this year we do not have that Dawson water and sewer hook-up, which was \$100,000 in last year's Budget. Therefore this year will be less, for that reason.

Mr. Fleming: As I said earlier, on Page 268 you have the Recoveries: Rental/Purchase Housing, Indian and Northern Affairs, Canada Mortgage and Housing Corporation, Staff Housing, and Other for a total of \$1,468,500. Is that a figure for all of the housing and is that the rent that you collect from them?

Hon. Mr. Lattin: Mr. Chairman, that is a combination of various amounts of money. Some of it is for rental. Some of it we receive where we share housing operation costs with Central Mortgage & Housing. Some of it would be the rent for staff housing and other rents. It is a combination of all, and that is how much we recover on our housing. Our whole O&M housing bill for this 1981-82 year, you will note, is \$2,825,500. The recoveries for this year amount to \$1,468,500; the difference is the amount of our operating budget.

Mr. Fleming: Mr. Chairman, I am interested in knowing — unless this is all right over here — on the previous page they have, I am not sure how many units. I assume it is 7,150. They have a "4" in there and then a "520" and I do not know what that is all about, but whatever it is, I would like to have an explanation of it, because I do not understand how many units there are. Is it 7,150 units? Is that the figure?

Hon. Mr. Lattin: No, Mr. Chairman. On Page 267 you are looking at the total number of housing units. Of the total number of 7,150 housing units in the Yukon, the Yukon Housing Corporation had 520. Now, this total is an estimate only. The figure "4", you will notice, refers to item 4 below in the Footnotes, saying "Estimated only". Of the estimated 7,150, Yukon Housing Corporation has 520 units.

Mr. Fleming: If the Yukon Housing one is only 520, what are these other figures here for? Does that include the 1,700 and something, or is that just for 500 of them here in recoveries?

Hon. Mr. Lattin: Mr. Chairman, perhaps what we should do is go right up to the top heading, Yukon/YHC. Let us go right through it, Mr. Chairman. On the residential construction, we estimated last year that there were 150 Yukon-wide construction — Yukon Housing had seven. Residential sales: we say that Yukon as a whole had 375; Yukon Housing had 5. The vacancies, Mr. Chairman, were the same thing. Annual tenant turnover was the same thing. Revenues, as you notice there we have none, because we do not know the revenues that the private sector would have, but we have identified our revenues to be \$722,400. Maintenance cost: we do not know what the private sector maintenance cost is, but we do know that ours has come out to \$1,701. Of the total number of housing units, again as I said before, we estimate that there is 7,150 throughout the Yukon of which there are also 520 Yukon Housing units.

Mr. Fleming: Then we are speaking of those 500 units. We are not speaking of 1,700 units. It sounds like we are speaking of only 500 units in our recoveries and the amounts of money that we put forth, which is \$1,357,000, to operate and maintain these homes. I cannot really believe that. I think this book does not explain things very well.

Hon. Mr. Lattin: Mr. Chairman, I have a little problem in seeing where the Honourable Member is getting the 1,700 from. That is where I am having a problem. Maybe he can explain where he is getting this particular figure?

Mr. Fleming: Pardon me, 7,150 is exactly what I meant to say, because that figure is in here. The problem is that I cannot believe they only have 500 units. If this is a fact of life, okay, we have 500 units. If that is the case, I would certainly like to know what the operation and maintenance is per unit. I would say it is coming out to a lot more than what we divvy up for. It is coming out to, oh my God, in the neighbour of \$1,357,000, that is

Hon. Mr. Lattin: Mr. Chairman, if you would go to the line above, you will notice the maintenance cost is \$1,701; that is

our maintenance cost per unit. It is right there, Mr. Chairman.

Mr. Byblow: Referring to one of my earlier questions about sales, under the grouping of information that we were just looking at on Page 267, residential sales indicate five sales on the part of the YHC. Does the Minister have at his fingertips just what those five sales constituted, and whether they were in Whitehorse or in the outlying areas?

Hon. Mr. Lattin: Mr. Chairman, I am sorry, I do not have that here but I will certainly bring it back for the Member.

Mr. Fleming: Is that \$1,701 after recoveries or before?

Hon. Mr. Lattin: Mr. Chairman, recoveries have nothing to do with it. Really, what this \$1,701 is, is the maintenance of the units; that is the actual cost of maintaining that unit. Now, what we recover is something altogether different, Mr. Chairman.

Mr. Fleming: I will not belabour the subject. The fuel alone would cost \$1,700, in every one of them, and you talk about the operation and maintenance that way, and over here we put up \$1,357,000 on top of that again. When you split that up into 500 units, you have got that much and more again, two or three times. It does not fit.

Mr. Chairman: There being no further discussion on the Program schedule, is the Committee prepared to carry the total amount of \$1,357 million for this program?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

I would like to refer Committee now to Consumer and Corporate Affairs Department, Page 54.

Hon. Mr. Pearson: Mr. Chairman, while other Members are finding the new page, I would like to answer a couple of questions that were put to me in the Finance Budget.

There were two questions from Mr. Penikett, with respect to Workers' Compensation and how the administrative fee is worked out. Our Yukon Government charge, Mr. Chairman, is the result of an equation whereby the dollar value of Government of Yukon claims for the year is divided by the dollar value of all of the Workers' Compensation claims for the year, and multiplied by the Workers' Compensation administrative costs for the year. It varies somewhat from year to year, with respect to the number of accidents that take place in the Territory. In 1978, our actual cost was 5.5 percent of the administrative costs. In 1979, it was 6 percent.

He also asked why the fairly dramatic jump this year, from an estimated expenditure in 1980-81 of \$102,000 and then in 1981-82 of \$182,000. I have a sheet, Mr. Chairman, that I will give to the Honourable Member that shows that, in fact, in 1979-80, our cost was \$172,000, so we had a dramatic decrease last year. I have figures back to 1977-78, when the same thing happened. For some unexplainable reason, all of a sudden every third or fourth year there is a dramatic decrease in the administration, and then it jumps back up again. I will give these papers to the Honourable Member and surely they will clear it up.

Mr. Veale asked about insurance, and I undertook to provide him, in writing, with the details of our insurance policies; I have them here and will be happy to give them to him via one of the Pages now, Mr. Chairman.

Hon. Mr. Lang: Mr. Chairman, I presume we are discussing Vote 4, are we not?

Mr. Chairman: Yes, under Consumer and Corporate Affairs Department. The Chair would like to entertain general debate at this time.

Hon. Mr. Lang: Mr. Chairman, the Department of Consumer and Corporate Affairs estimates expenditures totalling roughly \$1.3 million in the year 1981-82, representing an increase of roughly 27 percent over the revised appropriations for the previous year. A large portion is a one-time increase which is largely due to the winding-up of the Whitehorse Credit Union. The decision was made approximately a year and a half ago to wind down the Credit Union, in view of the financial difficulty that they had been involved in; subsequently, if the Government had not stepped in, as I indicated in answer to an

earlier question, there would have been a major recession, if the Government had not seen fit to ensure that those people who had their life savings there would not lose them.

As you can see, the Estimates of revenues generated by the Motor Vehicle Registration has increased, largely due to the fact that there has been an increase in motor vehicle registration fees.

I should inform the House, Mr. Chairman, about the integration of the Manpower Planning Unit from the Department of Education; it was transferred to the Department of Consumer and Corporate Affairs to form a Manpower and Labour Branch. The Branch is functioning effectively towards the number of objectives that were stated in the previous Session, for 1981-82. That is: a revision of the *Labour Standards Ordinance*; *Fair Practice Ordinance*; preparation of an *Occupational Health and Safety Ordinance*; examination of delivery mechanisms for occupational health and safety services; development of an employer/worker awareness program to ensure both are aware of their respective rights and responsibilities under the applicable legislation; assessment of manpower needs in the Tourism industry; further training programs to assist women to prepare themselves for entry into the workforce; and the very important function that has to be performed over the course of this year, which is the negotiation of a revised Adult Occupational Training Agreement with the Government of Canada.

Other initiatives on behalf of the Department include: implementation of a simplified registration system for personal property securities; eliminating registration of actual contract documents in providing faster and more positive research capacity; the implementation of a system to examine applicants for licences to transact insurance in the Territory; as well as expansion of the Consumer Education and Information Program now in the initial stages of implementation.

Mr. Veale: Mr. Chairman, I would just like to give the Minister notice of some issues that I think he could deal with. One of the major problems, I think, in the past, and perhaps it is being rectified now in Consumer and Corporate Affairs, has been that there has been a great deal of, for example, consumer protection legislation, but the enforcement has never been undertaken by the Government. I would appreciate hearing whether or not there is enforcement taking place under the *Fair Practices Ordinance* and *Consumer Protection Ordinance*.

The Budget also indicates a doubling of the expenditure of public boards. I would like to hear which boards are receiving it, and what their increased work load is going to be.

Of course, one of the major concerns is food price monitoring, and I would be interested in hearing what the Minister is going to be doing in that area, if it is any different than what has been done in the past year.

I would also like to give notice of a concern in the Whitehorse Credit Union area to have some explanation of the history of the loss and the outstanding balance of that loss at this time, and what the estimate for 1981-82 is based upon, and whether or not we are likely to see that in future budgets.

Finally, Mr. Chairman, I understand that a study of the cost of insurance and the idea of going on a government program was considered by the Department last year or in previous years. I would appreciate hearing what the decision of the Government was at that time, and whether there is any cause to review it, at this time.

Hon. Mr. Lang: Mr. Chairman, he is asking some very general questions; once we get into the Budget, I guess we can get into debate on the specifics of them.

With respect to the Whitehorse Credit Union, all I can say is that there was a paper tabled, I believe, during the last Session, with respect to the Whitehorse Credit Union. As indicated in the Budget, I believe \$250,000 was allocated to try to wind up the Whitehorse Credit Union building; I would like to think this would be the end of it. As you know, one portfolio is outstanding and we are doing everything we possibly can to collect the

outstanding debts, as per the arrangement with BC Central.

In respect to whether or not the Government is going into the insurance business, I think at this time that at least I can say no. I understood there was a study done some time ago; I believe it was done by another department, if I remember correctly, with respect to the insurance business; the Economic Development Department, I believe — I am just going on memory. It is not my intention to become the insurance broker for the Territory, and I would be very surprised if that were to come about.

With respect to the other aspects of the Budget: On the food pricing, we are monitoring the spatial index. I believe that is the title of the quarterly report, or it was, at least, this morning. It is available for all Member to peruse, and I will see that the Members get copies of the Report. Perhaps I should have tabled it this morning; it slipped my mind.

With respect to other aspects of the Budget, I think we can just wait until we get into it, and we can discuss specifics as money is being discussed.

Mr. Penikett: Mr. Chairman, just to refresh the Minister's memory about insurance, he will discover if he checks the record that there was a commitment to me to pursue or to get answers to the questions I asked last year, in terms of contractual arrangement with one or the other provinces. The original undertaking to do this, I gather, was a fairly superficial inquiry, which found the obvious: that none of the provinces that now have public automobile insurance has specifically had a provision in their act which permits their going beyond their borders.

If the Minister checks back far enough, he will find that it was an unfulfilled commitment of the department in the previous Legislature to investigate this, and I gather the investigation was fairly light-hearted. In fact, I gather the Deputy Minister of Consumer and Corporate Affairs has managed to — I will not say "sluff it off" — pass the project on to the Deputy Minister of Economic Development.

There was some investigation done, but the problem remains, of course, that there is still a significant category of people in this Territory who cannot get private insurance. The question has always been posed as to whether this Government could move in and provide some protection for these people. Obviously it would not be economic to do it entirely for high-risk clients, so obviously the logic would inevitably lead to the conclusion that the correct thing to do there would be to create a public corporation to provide this much-needed service for Yukon citizens.

The Minister was earlier saying that he did not intend to get involved in the running of a railroad. That is a great pity, because I had thought that if Mr. Pearson found himself too busy, there might be at least one Member of the Cabinet on the board of the railroad. He is now not going to get involved in insurance. Well, I hope he will at least get involved to the extent of providing me with answers to the questions he has been asked in previous years.

Rather than taxing the Minister's abilities beyond their limits at this point, I would like to give him a couple of questions now which I do not expect to have answered today, and I do not even mind if he takes a couple of months, if that is what he needs, but I would like the answers to some questions here.

There is — and I say this in a complimentary way — a lot of very interesting information in these estimates. In fact, I think this may be the best example of the use of this new form of the estimates so far. Some of the information, I expect, in future years will become more interesting, and enable us to plot trends in the department. I think what all of us begin to appreciate is that there are significant performance indicators provided to us for the first time in a Budget, and that we will be able to discuss the merits, the Minister's performance, and his officials' performance based on much more factual information rather than deep personal feelings of impression or whatever it is that now colours our comments.

I am pleased to note a significant increase under Occupation-

al Health and Safety in the Minister's Budget. There is a break-out now, which did not previously exist, for Labour Services, which are not well described yet, but perhaps the Minister will get into that.

Under the supplementary information on Societies, I am fascinated — and I give the Minister notice on this — I notice there are 121 applications rejected. Now, I do not know whether Mr. Spray was getting very picky about these things, or whether there were in fact people just drafting very sloppy applications for registration. If that is the case, I would still be interested in knowing.

Some Member: Perhaps because there are lots of lawyers.

Mr. Penikett: If it is the lawyers, Mr. Chairman, then certainly the Government should be doing something about the lawyers. The Minister is often promising to do something about the press; maybe he can do something about the lawyers too.

There is also, in the final pages of the supplementary information, a fascinating piece of information. It is a line which says, "Occupational health surveys" — star — "28" as opposed to 24 forecast last year and 9 in the previous year. And then the star refers down to "occupational health surveys covered asbestos, ventilation, noise, dust (silica and wood) and anaesthetic gas in operating theatres (Whitehorse General Hospital)." Now I am very interested in these questions and I am going to be asking the Minister, if not now, then later, for some tabling of some of these reports, because I am sure they would be interesting reading.

The Minister may decline now, but if he does we will just keep after him in Question Period.

I do want to express my personal interest in this question, so that it is clear. When it comes to anaesthetic gas in operating theatres, I recently had an experience of being gassed at the Whitehorse General Hospital and the last words of the anaesthetist, or whatever he is called, as I was going under: did I think the Liberals would win the by-election. I thought probably he was referring to the by-election in my own riding, and I think my heart stopped there for a couple of seconds. I have a lot of personal experience about the political prejudices of doctors, but I did not expect to have such a personal experience. Obviously he was referring to some other event and it did not mean anything to me, because I am still here today.

The Member for Mayo says "Unfortunately." Mr. Chairman, really I do not know how he could say that after all I have done for him, by continually bringing his constituents' concerns to this Legislature, helping him get up to Mayo and back on long weekends; providing an escort service for him when he is in Mayo and continuing to help rectify some of the deep and grievous social schism that has developed in that community since his election. So on a minor point of privilege I would object to the Member's remarks.

I wonder if the Minister, on an entirely serious point, could undertake to provide for the House by tabling, some of these surveys on these particular and very serious occupational health problems that he has identified here. We did not know of their existence before, but now that we know of their existence, we look forward to getting some of this information.

Hon. Mr. Lang: All the Member has to do is ask the proper question and I will see what I can do to comply with it.

Mr. Penikett: Mr. Chairman, I have been asking proper questions of the Member all the time, but he has usually responded by insisting that one had to phrase them in terms understandable to "Joe Lunchbucket", and since I am normally used to speaking in sentences, it is a real creative leap for me, Mr. Chairman, to have to do as the Minister does, and speak in dangling participles and disconnected phrases.

Mr. Chairman: Is there any further general debate? The department has five programs. We will begin with Consumer and Corporate Affairs on Page 56. Is there any discussion on this program?

Hon. Mr. Lang: On the questions that were asked, I will ensure that I get responses back to the Members. I hope it does not hold up the Vote, because a lot of them are major policy

questions, as opposed to financial questions. As the Member indicated, he does not even mind waiting a couple of months. I could possibly get hold of him while he is on the road by phoning him collect later on in the month.

Mr. Veale: Mr. Chairman, would the Minister explain the decrease in budgetary allocation for Consumer Services on Page 56? Specifically in relation to the enforcement issue, does that indicate that there is going to be no enforcement of the *Consumer Protection Ordinance*?

Hon. Mr. Lang: Just one minute, Mr. Chairman. He is quite correct, there is \$104,000 estimated for this particular expenditure. I think it is fair to say that we intend to continue the same standard of enforcing the legislature. I cannot find the reason for the \$20,000 decrease, and I will bring that back to you, Mr. Chairman.

Mr. Penikett: I wonder if I could give one other very serious question to the Minister. Last year I asked him, following the publication of an advertisement in the *Whitehorse Star*, which invited complaints of sexual harassment to be directed — I believe it was to the Women's Bureau in the Minister's department. I asked if the Government could provide some report on the number of these complaints received and the number investigated, and if this Government has yet worked out some method of resolving or dealing with such complaints. I would of course be interested in knowing whether there were any generated from inside the Government.

Hon. Mr. Lang: I will take the question under advisement.

Mr. Veale: I have one question about the Policy and Planning function - \$139,000. This appears to be a completely new budgetary item. What is it going to be? Perhaps that is where some of the monies have gone from Consumer Services, but what is Policy and Planning actually going to entail?

Hon. Mr. Lang: Mr. Chairman, this is largely along with the transfer of the Manpower responsibility from Education to the Consumer and Corporate Affairs. On the policy side, other than for the major increase in the Collective Agreement, there is an increase there for the provision of the salary of an Employment Development Officer, attached to this particular unit. Also, casual assistance is required in the Motor Vehicles, Consumer Services, and Manpower and Labour during peak periods.

Mr. Chairman: Shall the Consumer and Corporate Affairs Program clear

Some Members: Agreed.

Mr. Chairman: I declare Consumer and Corporate Affairs Program cleared.

I would like to refer the Committee now to Page 62, under the *Medical Profession Ordinance* program.

Hon. Mr. Lang: Mr. Chairman, this is just a common line item with respect to the *Medical Profession Ordinance*. The provisions are there for various things to happen with respect to the medical practitioners; therefore, we do not know what we will be spending over the course of the year — it depends on circumstances and how they evolve.

Mr. Veale: Mr. Chairman, I just have one item in the previous issue that perhaps the Minister could also take under advisement. On Page 59 there were a number of consumer complaints and landlord and tenant complaints. Could the Minister advise how many complaints resulted in action leading to prosecution?

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

Mr. Chairman: There being no discussion on the *Medical Profession Ordinance*, shall the program carry?

Some Members: Agreed.

Mr. Chairman: I declare the *Medical Profession Ordinance* program cleared.

The following Page is 63; the next program is *Legal Profession Ordinance*. Are there any questions in that department?

Mr. Penikett: Mr. Chairman, on a number of occasions in this House there have been some very intelligent suggestions about means to make these boards more accountable to the

Legislature. Suggestions were made as to how to cut down the number of members on these Boards by giving some Members of this House some additional responsibility. Has the Minister got any plans in this regard that he would like to announce at this time?

Hon. Mr. Lang: No, Mr. Chairman.

Mr. Chairman: Just for your information, Mr. Penikett, we are dealing with Boards in the next program. We are on the *Legal Profession Ordinance* now.

Shall the Program clear?

Some Members: Agreed.

Mr. Chairman: I declare the *Legal Profession Ordinance* program clear.

I would like to refer Committee to Public Boards, on Page 64.

Mr. Veale: There appears to be a tripling of the budget for the Electrical Public Utilities Board, and, while Labour Standards is doubling and Transport Public Utilities is going up in the order of four, could the Minister give some explanation as to what each Board is going to be doing, in addition to its present functions, to justify the expenditure?

Hon. Mr. Lang: Mr. Chairman, it is a forecast that you are looking at, here, in the Main Estimates. Our experience is that it appears that the Yukon Electric and Public Utilities Board, through its responsibility, is going to be meeting that much more, and subsequently more monies are going to have to be made available to the Board members who do the work on behalf of the general public.

Mr. Veale: Actually, then, Mr. Chairman, there is going to be no change in any of the jurisdictions of these Boards; it is just an anticipation of increased meetings because of increased applications.

Hon. Mr. Lang: Mr. Chairman, a lot of it is dictated by external forces, for example, in the case of Yukon Electrical and NCPC, when forced rates come about that have to be reviewed and this type of thing. Subsequently, when they are put forward, the Yukon Public Utilities Board has no choice but to review them.

Mr. Penikett: Mr. Chairman, last year the Government introduced legislation to convert the Electrical Public Utilities Board into the Public Utilities Board and expand its terms of reference, the passage of which bill might have explained the increase in the estimate there.

Could the Minister responsible indicate to the House now whether such legislation again will be coming forward or if it is a dead duck?

Hon. Mr. Lang: Mr. Chairman, as you know, we are looking at the whole area of energy. Not only with respect to energy in the short term, but also in the long term, as to where the Government of the Yukon is going to participate, and, if so, to what extent. Until we resolve these outstanding issues with the Crown Corporation presently involved in this particular area, namely NCPC, I cannot see the legislation coming forward, unless, perhaps, a portion of it could. But it is not coming forward this Session, if that is the question.

Mr. Veale: On Page 65, Mr. Chairman, there is an item which appears to be a breakdown of, I assume, Public Boards. Correct me if I am wrong, but Other Expenses are increasing by 157 percent; from 97,000 to 250,000. Could the Minister indicate what that expenditure item is for?

Hon. Mr. Lang: I am sorry, Mr. Chairman, could you, please, tell me where he is referring?

Mr. Chairman: Page 65, Other Expenses.

Hon. Mr. Lang: Mr. Chairman, the Other Expenses have to do with the Whitehorse Credit Union.

Mr. Chairman: Shall the Public Boards program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Public Boards program cleared.

I would like to inform Members that we do not have a page here for the Whitehorse Credit Union, but we have to clear it. So if you have any questions on that, we will proceed with them now.

Mr. Penikett: What are you telling us, Mr. Chairman? That we do not have a page in our estimates but we have to clear an item?

Mr. Chairman: Yes, there is Whitehorse Credit Union for \$250,000, and we do not have a page for information or explanation on that subject. Is there any further discussion on Whitehorse Credit Union?

Mr. Penikett: Yes, Mr. Chairman, if you wish us to pass an item, we should have the page in our —

Mr. Chairman: Perhaps the Chair should ask the Minister responsible if he has any information available for Members on that?

Hon. Mr. Lang: Mr. Chairman, there have been a number of questions asked about the Whitehorse Credit Union, which I have committed myself to bring forward. The \$250,000 should, perhaps, have been outlined as Credit Union expenses, as opposed to the forecast. That is the vote authority in that respect.

Mr. Byblow: I have a question on the supplementary information on Page 66. What is the specific authority of the recovery under the Yukon Tourism Agreement for that \$46,000?

Hon. Mr. Lang: Mr. Chairman, this has to do with the manpower component of the Department of Consumer and Corporate Affairs. We have a person on staff there working with Tourism and we recover their salary through the Tourist Subsidiary Agreement, for various Manpower programs that could come into effect as they relate to the Tourism Subsidiary Agreement.

Mr. Chairman: I would like to clear the Whitehorse Credit Union item before I go into the supplementary information. Is the Committee prepared to clear it?

Mr. Penikett: Mr. Chairman, the Committee will, of course, make its own decision on that, but I do want an undertaking from the Minister that we will have, in future, a program page for any item like that. It seems to me it is not adequate to simply have an item in the summary without any description or narrative whatsoever.

Hon. Mr. Lang: Mr. Chairman, it was an oversight on my part because I felt that the subject had been gone over for approximately a year-and-a-half in this House, with respect to the situation that developed with the Whitehorse Credit Union and how we resolved it. I am sorry. Perhaps in Standard Object, rather than Other Expenses, it should have read Whitehorse Credit Union expense.

Mr. Chairman, that was an oversight on my part.

Mr. Veale: On page 56, the Consumer Association grant of \$3,000; what did that relate to?

Hon. Mr. Lang: Mr. Chairman, on a point of order. We would like to clear Page 65 and then proceed to the following page, in order to keep on track here so that everything is cleared properly.

Mr. Chairman: Mr. Lang is quite correct. Is the Committee prepared to clear Whitehorse Credit Union, \$250,000?

Some Members: Agreed.

Mr. Chairman: I declare the Whitehorse Credit Union cleared. I would like to now turn to Pages 65 and 66. Do you have any questions on the supplementary information?

Mr. Veale: Just to repeat it for the record, Mr. Chairman: what is the Consumer Association of Canada \$3,000 grant?

Hon. Mr. Lang: It is the grant to the local association here in the Territory which performs certain functions on behalf of the Government.

Mr. Chairman: Is the Committee prepared to carry the amount of \$1,332,500?

Mr. Fleming: The \$250,000 we just passed, is there nothing on the Whitehorse Credit Union in recoveries anywhere?

Hon. Mr. Lang: Mr. Chairman, it is going to be an expenditure on behalf of the Government, to attempt to wind up the Credit Union in a manner that was outlined, I believe, two Sessions ago.

Mr. Fleming: Yes, but I understood that the Government

did have the building or something. Did they not sell the building or do something with it; is there not something in recoveries in that area somewhere?

Hon. Mr. Lang: I think that that would be put in recoveries probably — I do not believe it is in this particular Budget, because a decision was made just a number of weeks ago so it could not be put into the Budget in time.

Mr. Veale: Mr. Chairman, just to clarify that last point of Mr. Fleming's, would it be the case, then, that the expense of \$250,000 would be covered by the recovery of about the same amount from the sale of the building?

Hon. Mr. Lang: The recovery from the building is offsetting the costs that are going to accrue to the Government. It looks to us as if the direct costs to the Government are going to be in the area of \$1.3 or \$1.4. It is hard to say until it is totally wound up. Mr. Chairman, with respect to the recoveries that we get from the building, it will offset those costs that we put forward, there is no question about that, and it will be reflected as a Budget item somewhere; I am not too sure where.

Mr. Chairman: Shall the total amount clear, at this point?

Some Members: Agreed.

Mr. Chairman: I declare the total amount awarded to Consumer and Corporate Affairs carried.

The Chair would like to have a short recess, and then proceed with the Tourism and Economic Development Department.

Recess

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

Page 122, for Department of Tourism and Economic Development. General debate.

Hon. Mr. Lang: Mr. Chairman, since last year in the presentation of the Budget, there have been significant changes and increased activity within the Department of Tourism and Economic Development. I would just like to highlight a number of the plans for the forthcoming year.

A major re-organization was commenced over the course of the last year, and the re-organization reflects the department's consisting of five branches, reporting directing to the Deputy Minister. The branches are easily identified: Tourism Marketing, Tourism Planning and Development, Economic Research and Planning, Special Programs, and Administration.

Over the course of 1980, Mr. Chairman, the tourism industry experienced a very good year, which was contrary to what people were predicting in the late fall of 1979 and early 1980. We held our own, if not exceeded it, in comparison to other parts of Canada.

During the course of 1980-81, we launched a marketing program in a cooperative venture with the State of Alaska, called "Worlds of Alaska and Canada's Yukon" program. Participation in this program enables Yukon to reach qualified tourist prospects on a much wider base than we have ever been able to do before.

It also has provided us with access to extensive and sophisticated tourism marketing research analysis; we are in the process of evaluating and discussing with the State of Alaska for the forthcoming year, as to what our participation will be.

During the past year, Mr. Chairman, I think it has been indicated that this Government supports the tourism industry and is very supportive of the Yukon Visitors Association, which we feel is a very major organization as far as Yukon is concerned and is a spokesman for the industry, which in turn is responsible for our successful industry, as well as the employment of a great number of our citizens.

With the Cooperative Marketing Program that was extended from the year previous, we have penetrated special markets in California, in Arizona, and the further development of the European market. I should note that with the advent of British Airways into Western Canada, and also the possibility of the granting of landing rights to Lufthansa in the West, many new marketing opportunities are going to be made available to Yukon.

It should be noted also, Mr. Chairman, that the Members of

the Government, as well as members of the private sector, attended travel expositions in London and Berlin, and as a result, there should be an increase in the number of tours from Europe in the forthcoming year.

The department has undertaken a conversion study of the 1979-80 marketing program. This study determined what percentage of people requesting Yukon travel information actually arrived in Yukon, and their expenditure levels. The results of the study will be tabled, hopefully tomorrow, Mr. Chairman, and during 1980-81 the advertising account for the Tourism Marketing Branch was transferred from a non-resident firm to a local advertising agency. This was in keeping with the Government policy and Conservative policy, to hire local contractors and services wherever possible.

In the area of Special Programs, the department reorganization resulted in the formation of a branch that coordinates and implements the department's economic development and energy conservation programs with two cost-sharing agreements with Energy, Mines and Resources which were signed in May of 1980. Under the Conservation Renewable Energy Demonstration Program, nine projects have been approved. In future it is anticipated that a higher priority will be given to projects which provide wider community benefits, and hopefully we will see the participation of NCPC and Yukon Electrical, so that we can get a wider utilization of the finances that have been made available through this program.

The Energy Conservation Incentive Program was late getting started, due to the difficulties in recruiting an energy analyst. Despite the late start the program has been well received, and over 27 applications for energy audits have been submitted to date. There appears to be a great deal of interest by the private sector in this particular program, and I think it is one that the media should continue to take note of, because it is very beneficial to people in private enterprise and as well, in turn, to consumers.

The Special ARDA Program was active with 21 projects being funded, and, in turn, the creation of 44 jobs. The coming year will see a greater priority assigned to the area of Manpower Development and other training programs. During the course of the Session, I intend, on behalf of the Member for Campbell, to table a comprehensive and detailed report on the Special ARDA Agreement, to date; we have got that information together.

Departmental officials have been working with the Government of Canada, with respect to an agreement for the Business Development Assistance Program. It appears that it may be on the horizon. We are presently negotiating with the Government of Canada, with respect to that particular program; hopefully, we can have something in place by no later than mid-year.

Also, this branch is currently involved in discussions with the Government of Canada concerning the development of a Yukon energy policy. It is anticipated that the discussions will culminate into a formal policy paper later on this year, hopefully no later than fall. There is a lot of work that has to be done, but we are trying to put as much pressure as we possibly can on, to get it done. Towards this end, we have commissioned a firm to prepare a total energy demand forecast for Yukon for the year 2001, and this will be cost-shared between the Government of Yukon, the Department of Energy, Mines and Resources, and the Department of Indian Affairs and Northern Development. This study will be integrated with that of NCPC, which is presently updating its electrical energy forecasts.

In the area of the Branch of Economic Research and Planning, we have expanded our statistical service to the public by producing a new and expanded publication, entitled "The Yukon Economic Review", which I told you you would get copies of. It does look fairly favourable for the forthcoming year. The publication is designed to bring all the existing surveys together, plus a wide range of additional information which will be of value to industry and people involved in Government.

It should be noted that we have a Contract Survey Coordinator on staff, and, as well, the Economic Research and Planning Branch has persuaded Statistics Canada to take the Canada Labour Force Survey and Consumer Price Index for 1981.

Further to that, Mr. Chairman, as indicated through various press reports, and I think I discussed it once or twice in the House during the Session, the fact is that we are very much involved with the mining industry and the formulation of a broad Yukon mineral policy. We have had a number of, I think it was three or four, meetings with industry and the Federal Government in this respect, and things to date look pretty favourable. Industry is very happy that they have a forum, and that they can talk to two levels of Government. I would like to think that we are going to come to some decisions on broad policy statements which are required by Government.

Exploration and development expenditures in 1980 were, a total of \$78 million. This represented an increase of over 45 per cent over 1979, which I think bodes well for the Territory. It appears that for 1980 this figure is going to be well exceeded. These figures for exploration development in capital expenditures reflect confidence by our mineral industry, and also the fact that the Yukon mineral potential is among the highest in Canada.

As I indicated to you, the MacMillan Pass task force has been formed, and we expect to see various stages of development in this particular area by the three major mining properties which are active in stages of exploration and development. And as indicated, this department, and I think a lot of credit has to go to it, was very much involved with the negotiations with White Pass and Yukon Railway, which was announced earlier today. I think the department needs a lot of credit for the work that they have done, and the long hours that they have put in, trying to come to a resolution of the problem that has confronted Yukon in this particular area.

Also I should indicate, Mr. Chairman, over the course of this year, in consort with Renewable Resources, we will be initiating negotiations for the Government of Canada for a new general development agreement to provide for new development programs for the Territory, which will be broader and much more comprehensive than the existing cost-sharing agreements.

In the area of tourism, Mr. Chairman, there has been an upswing, as I indicated, during the past financial year. The estimated cost of construction activity related to the tourism industry for 1980 is roughly \$8½ to \$9 million. These figures include construction activity in the areas of transportation, accommodation, food services, attractions, recreation and retail outlets. As indicated, there has been major progress made under the terms of the Canada-Yukon Sub Agreement. One project that comes to mind, of course, is the Ski Chalet. Other programs were announced in the House: the Dawson downtown improvement, and stabilization of the historic buildings that we have along the Yukon River, as well as the Dawson historic facades.

A program, also in the making, working with the City Council, to improve the commercial viability and attractiveness of downtown Whitehorse, is in the planning stages.

We have invited the City of Whitehorse and the downtown business people to get together to submit proposals for cost-shared initiatives. At this point, we have not received any proposals, but I understand they are speaking to one another and hopefully we can get something off the ground in the course of this year.

I am also happy to relate that there are a number of projects underway in respect to the wilderness adventure travel sector of the tourism industry. The first involves an assessment of the industry's potential and recommendations for specific policies and programs. The second is aimed specifically at the need for training and standards for wilderness guides in the Yukon. These projects have been undertaken and will be done in close cooperation with the private sector.

Mr. Chairman, of interest to Members will be the fact that

the department is hosting the federal-provincial Ministers of Tourism Conference in Dawson in September of 1981 and this will bring people from all across Canada and, of course, provide additional revenues to the Community of Dawson.

In conclusion I would say that the department has had a very rewarding year in many areas where we began various projects and have seen the completion of them. All I can say is that we are expecting this forthcoming year to be prosperous as well.

Mr. Penikett: I thank the Minister for his recitation of the activities of his department. There have been a number of commendable developments in the past year. One of the most interesting things, from my point of view, having added my signature to a critical comment in last year's Public Accounts Committee Report, how very pleased I was to see the market information that is now going to be available to this Government through the cooperative program with Alaska. As long as we share that tourist market with Alaska, I think that information will be invaluable from a planning point of view.

I must say, at the same time, though, I continue to have some nervousness about the definition of "tourist" as it is presently used: anyone who travels more than 50 miles to come here, which of course includes many of the MLAs in this House, people like Mr. Byblow who come from Faro to Whitehorse. I am not sure that that definition is a very useful one, but I do not think it can be changed overnight. I think, when we are analyzing the market data in coming years, we are going to have to be much more realistic or honest about what tourists are.

Last year, the Minister will remember that he talked about the Conservative policies; at one point I think he used the word in its flattering sense. I think if he is fair to himself though, he will admit that he has not become a total right-wing ideologue, because he did introduce a socialist housing policy for tourists in Dawson City last year.

I am sure that the Minister is all in favour of private housing for citizens whether they can afford it or not, but tourists are going to get public housing assistance. That was an interesting example of the Minister's flexibility on it, and we all noted it.

Rather than go into a long reply to the statement by the Minister, let me ask him three questions. He may want to elaborate on his answers to them now, or he may want to wait until later.

The first one concerns the basic activity of his department, at least one part of it: the Economic Research and Planning Unit. Now, at this point in time, it does not seem to me that the Department is doing very much of what I would call planning. I mean long range economic planning. I realize that it is difficult to do, because we do not have very many of the economic development levers available to us. However, the Government is trying to conclude various agreements with the Federal Government, and is talking about some of the mineral developments and so forth. I would like the Minister to say something about what his Department is doing in terms of long-term economic planning.

Secondly, on a specific question arising from that, I would be interested in knowing a little more of what is happening in the MacMillan Pass. We had a previous Minister of Economic Development in this Government who, quite rightly, expressed strong objection to having a mine site in the NWT with workers from NWT, with taxes going to NWT, but being developed around a Yukon ore body. I would be interested in knowing at just what stage the discussions are on that project, and from that point of view — because obviously I think it is a concern shared by all Members that we not have Yukon ore profitting our sister Territory, much as we love it, with no proper return to us by way of jobs or tax revenues.

The third question arises out of the whole business of tourist development. I saw the display that the Minister arranged with Alaska. I was impressed with it. I would be interested in knowing, though: what is the next step? How much further are we going to be going with them, and what kind of costs are we looking at? I ask the question because it seems to me that right

now we are sharing a market with them, and it makes a lot of management sense to be piggy-backing on their research and their advertising and so forth. But I would be interested in the Minister's views as to whether we are, at some point in the near future, going to be developing our own market that may not be cost-efficient? If it is, what kind of impact does this piggy-backing with Alaska have on our own advertising projects and so forth? Not the ones we are sharing with them, but the other promotional things.

Perhaps the Minister would care to say a word or two about that.

Hon. Mr. Lang: Mr. Chairman, I cannot accept the principle that the Economic Research and Planning component of the department is not looking not only in the immediate future, but in the long term future. The department is involved, as you know, with the MacPass Task Force which is looking at broad government policies as far as public infrastructure, and this type of thing, are concerned. As indicated, we were involved in respect to the negotiations of a general development agreement with the Government of Canada for renewable resources, as well as the tourism industry. We were also involved with NCPC and the Department of Indian Affairs in dealing with the question of long-term power requirements and what should transpire as far as Yukon is concerned. So, there are quite a number of areas that the department is involved in now in the long-term.

I recognize, and agree with him, that we perhaps do not have the legislative or the executive authority in many of these areas, but we are involved and we are getting the ability, through this department, to become involved in long-term decisions that are going to affect the Territory. This is what we have been requesting in our evolution of constitutional development of Yukon and we are attaining that, through persistent work, I might add, on behalf of the department, with the mandarins in Ottawa and the various Federal employees here, and with industry.

As far as I can make out, industry is very pleased with the initiatives taken by this department. Take, for example, the Tourism Sub-agreement; that was an initiative by the department. We did come to a successful conclusion for that program, which I think holds Yukon in good stead and the department should get full credit for it.

In respect to tourism development, we are in the process of discussing the forthcoming year with the Alaska Visitors Association and the State of Alaska, in respect to the responses we got over the course of this year and whether or not we will continue. I would say that we will probably continue for the forthcoming year, anyway, until we get a good evaluation of what effect our being involved in that marketing program is going to have as far as the Yukon tourism industry is concerned. I will be discussing it with various directors of the Yukon Visitors Association in trying to do an evaluation.

One of the problems with the program, as you know, is that we started pretty late last spring. I do not think a lot of people in the private sector who are involved in the tourism industry are aware of the benefits that are available to them through that particular program: primarily the information that is made available, through their in-depth marketing program, of people who are in certain age categories and of certain incomes who can be directly contacted by businesses themselves. They make these people, for example, who are making between \$35,000 and \$50,000 a year, aware of what products they have here and what is available to them. So, there is the question of making the small businesses in the Territory aware of the exact advantages to them, but there has to be a certain amount of incentive on their part to become involved and get that information and try to get these people to come to the Territory, not just through the work of the Yukon Visitors Association and the Department of Tourism.

That is a long term decision now, so, as far as I can see, in the respect, Mr. Chairman, as I indicated, that we are actively discussing the forthcoming year with the Alaska Visitors'

Association. We have somewhere between 13,000 and 14,000 direct responses from the World of Alaska/Yukon, and more are coming every day. Also, it should be indicated, with the complete advertising program that we have with the major newspapers and magazines, as well as the marketing program done by both Alaska and Yukon in Europe, that we should see a great influx from that particular market as well.

I agree with you. I think we should be sharing our expertise with the State of Alaska. As was indicated at the presentation that was given by the Alaska Visitors' Association, on the pros and cons of the tourism marketing program, I thought it was very interesting: the various aspects that one could take part in, and also benefit from, if he or she were going to get involved with, or was already involved in, the tourism industry.

Mr. Penikett: Mr. Chairman, the Minister did not respond to my question about Mac Pass, but perhaps he could do that in the next round here.

Let me deal with the question about economic planning for a second. I do not want the Minister to think this is an entirely philosophical discussion. Let me state briefly to him what I would see as an economic plan. A couple of years back we were given some insight into the computer model of the Yukon economy, which was developed at some cost, I expect. Was it two or three years ago? Maybe it was a little more than a year. I would anticipate that an economic plan for the Yukon would include some kind of analysis of each of the sectors of the Yukon economy. Some of the basic information for such analysis could come from that economic model. Given that analysis, over whatever period of time, whether it is ten years or whatever planning period the Minister was looking at; some kind of targets in each of the sectors, targets in terms of employment, investment, both public and private, the kind of generation of capital formation, the kind of generation of product in dollars — all those kinds of indicators, some of which we are now starting to measure, some of which we are starting to record. But we are not yet, it seems to me, beginning to do the kind of planning which allows the Minister of Economic Development to come into this House and say, in the mineral sector, "We are not just looking at just another couple of mines, but we are looking at this level of production, in this range, with this kind of dollars, this amount of employment and these kind of trades, and this is the planning and training to match that." And, "Now in the tourism sector, we are looking at this many hotels, this many of rooms, and this is what we are going to do to achieve those goals."

There is not, I would guess, Mr. Chairman, a plan like this in place or in development right now. Could the Minister confirm that?

Hon. Mr. Lang: Mr. Chairman, he makes it sound so easy. I do not disagree with the point that he is making in respect to the planning process. There has been a number in that area: for example, the decision to go ahead and try to develop a program for the Dawson City area, in respect to, as he refers to it, the socialistic housing program for tourists. We felt that it was important, in view of the number and influx of tourists to Yukon and primarily the Dawson City area, that there be an incentive for private enterprise to become involved. We looked at it, and we felt that if we had approximately another 100 hotel rooms in that area, it could well take the numbers of tourists going there. As it turns out, there has not been that many applications. Contrary to what the Member would like to think, it was not a major windfall, obviously, but there are a number of applications under consideration.

There are areas that we are looking at. I do not totally agree in saying that in your planning process, you are going to get that specific where you are right down to the kitchen helper in saying how many jobs are going to be made available. It is a question of working with industry, as far as I am concerned. I look at them as the investors and, as long as they are prepared to go along with Government and the various aspirations that we have to ensure that local people are employed and trained and whatever, I think it can be done in conjunction. So, work is

being done for the long-term benefit of the Territory. You can plan all you want, but the key to Yukon's future, of course, is energy and until we resolve that, it is the chicken and the egg situation. All you have got are committee meetings and you have not got any reason for anybody to make any major investment, as far as the mining community is concerned and, for that matter, any other major industry in the Territory.

Mr. Chairman: There being no further general debate on the department, I would like to go on to the programs. As the Minister stated, there are five programs; we will begin with Administration on Page 124.

There being no discussion, shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Administration program cleared.

I would like to refer Committee to the next program, which is Special Programs, on Page 126. You have your explanations on Page 127.

Mr. Veale: Mr. Chairman, the estimate for the 1980-81 in Special Programs was about, as I understand, around \$285,000. The actual forecast, now, is coming in at \$133,000. Would the Minister explain the reason for the low actual forecast compared to what was estimated? What plans and projects did not take place?

Hon. Mr. Lang: Mr. Chairman, for clarification, that is not the case. For the 1981-82 year, certain professional and special services and contract staff, applicable to the cost-shared agreements, will be charged against the Capital Estimates, as opposed to the Operation and Maintenance Estimates. That will reflect in some of the expenditures for this coming fall. Previous to this they were in the direct O&M costs to the Government. It was felt that it should be reflected in the Capital, because these programs are contingent upon the fact that we continued cost-shared arrangements with the Government of Canada.

So, Mr. Chairman, in clarification, the same programs are in effect as they were last year; it is just a question of reallocation of dollars that we are taking out of the Capital, which will be presented to you this fall, as opposed to the Operation and Maintenance side of the Budget, which you have here.

Mr. Veale: Just to make sure I have it clear, Mr. Chairman, I was referring to the 1980-81 Estimates as opposed to the 1981-82, and the fact that there was a substantial drop last year. That is because, you are saying, what you estimated in 1980-81 was actually put into the Capital Budget, as opposed to this O&M Budget?

Hon. Mr. Lang: For the 1980-81 year, there could be a cause for some discrepancy, because the Branch Director's salary and related costs, which are not cost-shared by the Government of Canada, were included in the Economic Research and Planning Branch Estimates for the Department, in the forecast aspect of it. Subsequently, that would cost in the area of \$50,000; that could have caused the discrepancy that the Member is trying to point out.

Mr. Chairman: Is the Committee prepared to clear Special Programs? Shall Special Programs clear?

Some Members: Clear.

Mr. Chairman: I declare Special Programs cleared.

We shall now proceed with the Tourism Marketing program. Your statistics are on Page 129. Is there any discussion on this program?

Mr. Byblow: Is my interpretation correct on the man-years, that there is a reduction of four man-years, or is that, perhaps, a transfer?

Hon. Mr. Lang: Mr. Chairman, yes, you are correct. That reflects a re-organization in which three positions were moved to the Tourism Planning and Development Branch, and one position transferred to the Administration Branch.

Mr. Veale: Is the Minister still considering the feasibility of some sort of game farm or assistance to a game farm in the Territory?

Hon. Mr. Lang: No, Mr. Chairman, the Government was

not looking at acquiring or buying into a game farm. There has been some discussion in the Renewable Resource Branch, of utilizing the game farm that now exists for some experimental purposes, if the proprietor wishes to enter into serious discussions on things of that nature. We have some contractual arrangements for birds of prey and this type of thing with the present game farm, but it is not our aspiration to purchase a game farm, no, Mr. Chairman.

Would the Minister explain how much of the marketing is actually transportation. That may be broken down, but I am not clear on where the breakdown is in the Estimates.

Hon. Mr. Lang: Mr. Chairman, basically I think that the Member is looking at the cost of marketing, roughly \$869,000. Approximately \$116,000 is for printing literature, posters and brochures and that type of thing. The Worlds of Alaska and Canada's Yukon cost approximately \$180,000. There is approximately \$65,000 in a printing of the follow-up manual for the Worlds of Alaska and Canada's Yukon program, which is done in conjunction with the Yukon Visitors Association.

Also there is a certain amount of marketing done with the Yukon Visitors Association in the area of about \$120,000. Familiarization tours for travel agents and seminars and this type of thing amounts to about \$76,000. We will continue to cost-share marketing with the Canadian Government Office of Tourism and Canada West which is roughly \$20,000.

Last year we had to respond to approximately 45,000 enquiries for 1980 and that cost us in the neighbourhood of \$60,000. Also Canadian advertising and publicity and other promotions is roughly \$42,000.

Mr. Veale: Mr. Chairman, that does not precisely answer my question, though. How much of the marketing is in actual transportation costs of people who run the department actually visiting and promoting, going out to tourism conferences and that sort of thing.

Hon. Mr. Lang: Mr. Chairman, in respect to the budget before you, there is really not much money actually being spent in comparison to the total amount of money being authorized here. I do not have the exact figure with me, I do not believe, but I can provide the Member with that as far as staff travel is concerned. We had, for an example, this past year, one person go over to both Germany and England and a number of other European countries. Another attended the CGOT in concert with the European countries marketing program from government as well as from the Yukon Visitors Association. So as far as the European market is concerned there are only two or three trips involved.

There is a great deal of travel down to the lower 48 States in presenting familiarization shows and this type of thing. I do not have the specific amount of dollars that would be put into travel.

Mr. Veale: The Minister has indicated that maps are now going to be distributed privately. I am not clear on why that move was made because it seems to me that that is quite an opportunity for the Government to include all sorts of other advertisement in Government mapping and then produce it free and use it as a promotional device. Perhaps the Minister could indicate whether there is going to be any major change in the use of mapping and whether or not the distribution is going to be as wide and successful as previously.

Hon. Mr. Lang: Mr. Chairman, I just got a response to the first question, I am sorry. I got, roughly, a ballpark figure that was for travel outside of the Yukon and it was approximately \$30,000 for the various programs we are running, of that total budget. With respect to the distribution of the maps, through a private firm, to our local businesses in one of our information booths, it is our contention that it is costing more and more money as every year goes by. More for printing and more for distribution. It was felt that we should at least be in a position where it is not costing taxpayers' dollars totally. We are providing a map service, where they will be sent to people who make enquiries about the Territory if they request it. With respect to people who get here, they will have to purchase a

map. That is not uncommon in some other provincial jurisdictions. I think that on the east coast they do charge in certain cases. I think the charge is roughly a dollar for a map of the Yukon. I think this gives small business people some further encouragement to tourists, to stop in their establishments and also to make a few dollars out of it for providing these particular services.

Mr. Veale: Did the Minister's Department make any survey during the World Cup, or come to any conclusions about the usefulness of that sort of thing from a tourism potential?

Hon. Mr. Lang: Well, no, Mr. Chairman. I guess one could assess the publicity that we have received, free of charge, which was international. The fact is that quite a number of people did come into the community. I think it would be very difficult to put a dollar figure on either the publicity or the money that was spent locally in the community. I think it was good for the Yukon, and good specifically for Whitehorse as far as the community is concerned. That is all that I can add to it. I do not have any specific figures on this.

Mr. Byblow: Does \$96,000 for the information centres reflect primarily the personnel?

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

Mr. Chairman: Any further discussion on Tourism Marketing? Shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare Tourism Marketing program cleared.

I refer Committee to page 130. We shall now discuss Economic Research and Planning. The explanation is on page 131. Discussion?

Mr. Veale: Can the Minister indicate the precise expenditure that will be going into the preparation of the mineral policy, and when we are likely to see that? And, also, the amount of expenditure that goes into the Mac Pass Task Force?

Hon. Mr. Lang: Mr. Chairman, that would be very difficult to break down. What you are asking me is to break down certain staff time: how much time has been involved in the Mac Pass task force, how much time has been involved with NCP, and down the line. All I can indicate to you is that, with the monies we are asking authorization for, we are looking at three or four facets of the economy, and we are confident that we can come up with something fairly solid over the course of this year. A lot of it, and I must emphasize this, Mr. Chairman, depends upon the cooperation we get from the Government of Canada, as well as from industry, so that we can come up with something that is going to be long-term as far as the Territory is concerned.

Is the mineral policy going to come out with broad policy recommendation, in terms of this Government taking over functions presently held by Federal Government? Right now, a great deal of this will be out of the jurisdiction of this Government, but will the policy be a very wide ranging one?

Hon. Mr. Lang: I do not know if it will get to the point where it is recommending certain responsibilities be turned over from the Government of Canada. I do not really think that is the forum for that. That is a government to government discussion, not necessarily with industry. I think basically what it is going to be doing is recommending whether or not we should have further townsites, or we should be flying workers in and out of mining areas. These are very basic policy decisions, and guidelines that I feel should be in place prior to anything major taking place. All these questions are being addressed, and, as I indicated, depending on the ability of people to make meetings over the course of this summer, I am hopeful that we can come up with something relatively conclusive. Then at that stage in the game, I would expect that the two Federal Ministers responsible would be invited to the Territory to discuss these various issues at that time.

Mr. Veale: Just following that up then, is it the case that the mineral policy is following closely the Mac Pass Task Force, particularly if it is going to talk about housing locations for that

new mine? I presume then that the mineral policy is going to come out after the task force reaches some conclusions about how it is going to proceed.

Hon. Mr. Lang: There is no question that that is the way it should work, from my perspective. Major decisions made in that area are going to be pretty well general government guidelines, as far as the total Territory is concerned. We have a forum, as I indicated some time ago, with people from the various mining interests who are fairly high up in their prospective companies, working with the two levels of Government, and once we come to some conclusions on this, then we as a Cabinet will have to consider the various recommendations in these various areas, to see whether to accept, reject, or modify some of them, and at that stage, we are in a position to say this is the policy as far as we are concerned as a Government.

Mr. Veale: Is it anticipated that the Government at the end of this Task Force and perhaps the publication of a mineral policy — that the Government will enter into arrangements with mines on an individual basis, to provide certain services and have the mining company make certain commitments and obligations?

Hon. Mr. Lang: That possibility is not really that remote. I think there is going to have to be flexibility in any policy that comes forward, because the sizes of mines vary, as does their location. Their circumstances are always different. Therefore there are going to have to be general guidelines with some flexibility built in.

Mr. Chairman: Shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare that the Economic Research and Planning program cleared.

The final program in this Department is Tourism Planning and Development on Page 132. There is supplementary information on Page 133.

Shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Tourism Planning and Development program cleared.

There is further information on Pages 134 and 135. If there is no further discussion based on that information, I would like the Committee to carry the total amount of \$1,819,600 for the department. Shall the total carry?

Some Members: Agreed.

Mr. Chairman: I declare the total carried.

We will now proceed with the next department which is Renewable Resources to be found on Page 236.

Hon. Mr. Lang: Mr. Chairman, I would like to take a moment of the Committee's time to look at some of the highlights of the department. As you know, the department consists of four branches: Wildlife, Parks and Historic Resources, Resource Planning and Administration. This Budget reflects the administration branch, which has been reorganized to achieve more efficiency as well as further control of finances; budget; personnel and other related administrative duties. This was primarily brought about by transferring the positions from the Parks and Historic Resources Branch and two positions from the Wildlife Branch. During the up-coming year the Parks and Historic Resources Branch will continue three projects cost-shared under the Canada/Yukon Sub-agreement; which are developing shelters and signs for campgrounds and the expansion of campgrounds along the Dempster Highway. In addition, three new campground projects will be initiated at Million Dollar Falls — which I am sure the Member for Klucane will be happy to hear — Watson Lake — I am sure Mr. Speaker will be glad to hear — as well as Carcross. Further restoration work will be carried out at Fort Selkirk as well as on the Tutshi, and we will also be looking at a number of park proposals for the coming year.

The highlight for the Territory will be the hosting of Federal/Provincial Parks Conference in September. This will include Parks officials from across Canada who will participate in a

national conference, bringing about 100 to 150 people to the Territory on the shoulder of the tourism season.

The Resource Planning Branch will continue to direct the bio-physical inventory of natural resources under the Canada/Yukon Sub-agreement. Field studies this summer will concentrate in the MacMillan Pass and North Canol area, which we indicated was a priority in the Tourism and Economic Development Department. We expect two ongoing regional studies to be completed, which are the east Kluane as well as the Dempster Highway over the course of this year. The resulting maps and reports will be used as a guide to allocation of resources as well as land use. As indicated earlier, we tabled a discussion paper on agriculture and I am confident and optimistic that we can bring forward an agriculture policy probably in the fall.

Earlier today I tabled a technical report with respect to fresh water fisheries responsibility. As you know, I am in the process of discussing the transfer of this responsibility to the Government of the Yukon.

I am hopeful that something can come of this transfer, since the report definitely indicates that it is an area that has not had that much attention by the Government of Canada, and I feel that if it is under the Department of Renewable Resources, and with the necessary legislative authority, we can administer it in a much more practical way, and one for the long-term of the Territory.

The Yukon River Basin Study, which is a joint program between the Government of B.C. and Canada, is in its initial start year. It is expected that some of our staff will be involved in the implementation of the study agreement. The program is designed to provide information relative to Renewable Resources, and can be of great use to the people who have to make decisions for the long-term of the Territory.

With respect to the Government's position in the area of enforcement within Wildlife, you will note in the Budget we have created a man-year for the Old Crow district, and also four previous contract positions have been converted to permanent positions; these are a regulations officer and three wildlife technicians.

I think it is important that I emphasize here that we are going to be putting extra emphasis on public information regarding wildlife management, in concert with the Public Affairs Branch of Government Services. We have established a unit within the Department, which is referred to as an Information Education Officer.

I should also indicate to Members that a major emphasis on wildlife management for the forthcoming year is going to be directed towards establishing better inventories, especially in the area of the moose population, which is of concern to the Department and, I am sure, the public, due to the fact that it is a major meat animal for most hunters in the Territory.

As indicated, it will be my intention over the course of this year to bring forward a new wildlife ordinance, and, at that time, we can have a lively discussion with respect to the game laws of the Territory.

Thank you, Mr. Chairman.

Mr. Veale: I wish to express a great deal of concern regarding the Wildlife Branch. Firstly, the placement of an enforcement officer in Old Crow strikes me as being somewhat unusual. The RCMP has been handling that extremely well, and bearing in mind that most of the population of Old Crow is not subject to *Game Ordinance* regulation, it just surprises me that, when we have so many areas in this Territory where there is a great deal of pressure on wildlife populations, we would be seeking to place an officer in Old Crow, who probably will have a great deal of difficulty in finding something for himself to do.

The other area of the Wildlife Branch that gives cause for concern is the substantial reduction in the entire department. There is a decrease of 9.3 per cent overall, and the management aspect, which of course is extremely crucial to the Territory, is one of the areas that is being cut and being reduced by

some 27 per cent. It seems that the expenditure is going to be put into information and education. I am not just clear on why such a diversion of funds would be taking place, and I would like to hear what information and education programs are going to be planned, specifically. It does not seem to me that it in any way compensates for the substantial reduction in the wildlife management aspect.

There was also a great deal of discussion in the Fall Session by the Member for Whitehorse West regarding the Game Management Paper that was prepared by the Government, and I am interested in hearing what the Minister has planned on that, and when it will be produced. It appears that some study will go on regarding the Dempster Highway, and I would ask the Minister about the Dempster Highway Management Committee, in terms of its composition and what role it is going to play in the new study, and particularly what plans the Minister might have regarding the placement of local people on that Committee, such as people from Dawson City, Old Crow and MacPherson.

I am a little distressed to hear that the agricultural policy is off until the fall. I have asked before whether or not there could not be some limited implementation of an agricultural policy for Whitehorse North and Whitehorse South, where the agricultural potential of those areas is very defined and limited to marginal market gardening, and perhaps grazing and raising of stock. It seems to me that it would not be out of line to expect something from the Minister on that later this Spring, rather than waiting until the Fall, particularly as 100 country residential lots are going to be released this Spring.

Hon. Mr. Lang: Mr. Chairman, with respect to the agricultural policy, we are not talking about rural residential. We are talking about a policy for those people actually interested in agriculture and large tracts of land. As he knows, we have a Government of Canada which has indicated, at one time, it did not want any land disposed of until there was a Land Claim settlement, and then after that indicated it was because there was no agricultural policy in place, so subsequently we are trying to get an agricultural policy in place that would address specific problems with respect to the area of agriculture itself — not rural residential.

As I indicated to the agricultural organization, we would be working with them, hopefully, as I said, no later than the Fall. I expect our department to be meeting with the livestock association over the course of the next month or so, and perhaps it may be much sooner than that. I would like to think we could have it done in the Spring.

In respect to the cost of wildlife management, no, it is not an accurate statement that less money is being put into this department. What has happened, if he had been listening to my opening remarks, a number of man years have been put over to the administration aspect, where it actually was before, but we wanted to clearly delineate those people actually involved in administration. We have actually increased the man years, which were for contract people, to permanent staff. We have also have a conservation officer who, in discussions with the Member for Old Crow, would be stationed there. It has to be understood that he or she would not be totally just in Old Crow itself, but would have responsibilities for the total northern Yukon. As you know, we have had a number of outstanding game issues with the Northwest Territories, which I think we have resolved, but we have certain laws to enforce.

The Member probably will get an opportunity to put his position forward in the Legislature tomorrow when we discuss the resolution that is on the Order Paper.

I would also point out, Mr. Chairman, on the Dempster Highway Management Plan that is being developed, the possibility exists that perhaps there could be some people put on a board once that has been completed. Now, we have to look at the recommendations from the information we have and at that time a decision would be made. I do not know whether it is necessary or not. I think we are jumping the gun on that.

So, I think I have answered all the questions put forward by the Member opposite. I think it is fair to say that this is a Department we have highlighted over the course of the last number of years because we recognize our responsibility in this area and I feel that, with the co-operation of the various organizations involved, and the formation of the Wildlife Advisory Council, that we can go about managing the responsibility for wildlife in a manner acceptable to all parties.

Mr. Chairman: Is there any further general debate on the Department? If there is no further debate, I would like to call a two hour recess.

Recess

Mr. Chairman: I call the Committee of the Whole to order. Just before the recess, we were engaged in general debate on the Department of Renewable Resources. There are four programs for this department. We will now proceed with the Administration program on Page 238. Is there any discussion on this program?

Mr. Veale: Mr. Chairman, the Minister indicated that his administration is taking over some administration from Wildlife. Is that the reason that his administration is going up 60 percent?

Hon. Mr. Lang: That is correct, Mr. Chairman. If you compare this to the Budget of last year, you will see that there have been three man-years transferred over to administration from Parks, and two from Wildlife. This consolidation within the department is for the purpose of increasing efficiency, and also to strengthen the administration of the total department. Actually there will be more money spent in Wildlife, as is true in all departments, as compared with last year. It is a question of reorganization.

Mr. Chairman: There being no further discussion of the Administration program, shall we clear the Administration program? Is the program cleared?

Some Members: Agreed.

Mr. Chairman: I declare the Administration program cleared.

I now refer Committee to Page 240, Parks and Historic Resources.

Hon. Mr. Lang: Mr. Chairman, in the Parks and Historic Resources, I should indicate that there has been a mistake made, in the information under the heading "Branch Highlights". It should read:

"Three new campgrounds will be established at Carcross, Watson Lake, and Million Dollar Falls. Existing campgrounds throughout the Territory have been upgraded and the campground at Congdon Creek has now been eliminated, except that the expansion of that particular campground has been deferred."

Mr. Penikett: Mr. Chairman, I would like to ask the Minister: how many parks does the Parks Branch have?

Hon. Mr. Lang: Mr. Chairman, I do not have the total number offhand, I am sorry, but I can get the information for him. I could sit here and start naming them off; if you could add as I name them, we could probably come up with a round figure.

Mr. Penikett: It is a very round figure, Mr. Chairman, zero.

Mr. Chairman: Is there further discussion on this particular program? There being no discussion, shall the program carry? Does the Parks and Historic Resources program clear?

Some Members: Agreed?

Mr. Chairman: I declare that Parks and Historic Resources program is cleared.

We will, therefore, go on to Page 242 and discuss Resource Planning. You have statistics on Page 243.

Mr. Veale: Just an information question, Mr. Chairman: I suppose the two last year were Whitehorse North and Whitehorse South?

Hon. Mr. Lang: No, Mr. Chairman. As indicated earlier, I was referring to East Kluane, as well as the Dempster. In this forthcoming year you have completion of the East Kluane and the Dempster Management Plan and, also, you have the Mac-Pass, which is a new start for this year.

Mr. Chairman: Further questions on this program? There being no further discussion on this program, shall it carry? Shall it clear?

Some Members: Clear.

Mr. Chairman: I declare Resource Planning cleared.

I refer Committee to Page 244, under the Wildlife Program. You have your information on Page 245. Discussion?

Mr. Veale: Mr. Chairman, it seems that, despite what the Minister has said, there has in fact been a transfer of administration from Wildlife over to the Administration Department, yet it seems to me quite clear that there is still a 27.7 decrease in Wildlife management itself. That would seem to me that each particular management area, by species, or however it goes, is going to be decreased, in terms of the amount of field-work that will be done. Is that correct?

Hon. Mr. Lang: That is not a fair statement, Mr. Chairman. The reflection that you see in the Budget has been a transfer of two man-years to the Administration, but also you see the fact that there has been four contract employees who have been converted to permanent man-years, and also a new conservation officer for the Old Crow area. Subsequently, I would suggest that the complete reverse is true with respect to this branch of the department. It is the philosophy of this Government that we have to give ample support to the Wildlife Department in order to do the job.

Mr. Veale: Perhaps the Minister could tell me what the Conservation Officer in Old Crow is going to do to enhance wildlife management.

Hon. Mr. Lang: The Conservation Officer will be in charge, not only of Old Crow, but will be involved in the whole Northern area. As you know, and I indicated earlier in discussion, we have done a number of things in order to accommodate the people of the NWT and that area to be able to come over and hunt and this type of thing, and there is going to have to be certain enforcement provisions made. This would be one of the responsibilities of the individual you are questioning, as well as to be involved in the management of the Dempster Highway.

Mr. Veale: Mr. Chairman, it seems to me that what the Conservation Officer in Old Crow is, is precisely what you said: enforcement. He will not enhance the effectiveness of wildlife management. Is that correct?

Hon. Mr. Lang: Mr. Chairman, I was always under the understanding that enforcement was an integral part of game management.

Mr. Veale: The two functions are separate and there is a different amount of money allocated. The enforcement function has increased, and I presume that is the addition of the Game Officer. But the wildlife management has actually been decreased by 27 percent.

Hon. Mr. Lang: Mr. Chairman, there are two functions within the department: (a) there is enforcement and (b) there is wildlife management, which is the biological studies and surveys done by the professional expertise that we have on staff, and all this type of thing. So there are two distinct components in the Wildlife Department, if you want to distinguish within the branch internally.

Mr. Veale: Well, not to belabour the point, Mr. Chairman, but it seems quite clear that the Conservation Officer has added to the enforcement section, and wildlife management has a reduced amount of money to use for all the studies that they are going to do.

I would ask, also, a question regarding the man power in information and education; how many person-years are there, and what precisely is that going to accomplish?

Hon. Mr. Lang: Mr. Chairman, right now, and I am going on memory, I believe there is one person actually responsible for that area, and he is involved with the schools; he is involved with the various organizations throughout the Territory. The whole idea is to set up an information awareness program, most importantly within the schools, and also for the general public. I think it is a very important task that the department has been actually involved in for a number of years. We are

putting more emphasis in this area because we feel that as long as we, as Government, are prepared to go forward and let the general public know the importance of the wildlife, the responsibility each and every individual has with respect to that wildlife is going to do a lot more than, say, hiring ten or fifteen more conservation officers to try to cut down on some of the abuses that have occurred.

Mr. Veale: Mr. Chairman, my suggestion is not that one put the \$160,000 which is going into information and education into enforcement, but rather that it go into wildlife management, so that it will enhance the planning that the Government is going to be doing and the policy it is going to announce regarding outfitters, for example.

Hon. Mr. Lang: Mr. Chairman, this is all part of it. It is an integral part of the total department, as far as the aspect of renewable resources which is involved in the wildlife area. If the Member reads, on the right hand side of Page 245, with respect to the information and education part of it, there is firearm safety involved, conservation education instructor manuals, and, of course, to enable persons to become familiar with various aspects of firearms, safety and conservation of wildlife. Is the Member indicating that we should not have that component within the department? If so, say so.

Mr. Veale: It is precisely what I am saying, Mr. Chairman. It seems to me that it should be put into wildlife management, which is the major concern that we have.

There is going to be, I gather, a policy emanating from the department regarding outfitters. When can we expect that policy?

Hon. Mr. Lang: Mr. Chairman, I have been meeting with the Outfitters Association on a number of occasions — in fact, just last night. I was hoping to have it available the first week of April; it does not appear that I am going to have it ready until towards the end of April, because I have to meet with the Wildlife Advisory Council. Once it is completed and has been accepted by Cabinet, I will make an announcement at that time, but, due to various things beyond my and other people's control, I have not been able to reach the deadline of April 1, and it will probably take another month.

Mr. Chairman: Is there any further discussion on the program? There being no further discussion, shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Wildlife program cleared.

Is there any discussion on the information provided on Page 247? There being no discussion on that, I would like the Committee to carry the total amount of \$4,086,900. Does that carry?

Some Members: Agreed.

Mr. Chairman: I declare the amount carried.

I would like to refer Committee to the next department which is the Department of Government Services on Page 250.

Hon. Mr. Lang: Mr. Chairman, as you know, this is the department that is responsible for the purchasing throughout the Government. I have some interesting information here that I think should be highlighted. Over the course of the year, up to February 28, 1981, the percentage of purchased products in the North was 73 percent, as opposed to the previous year of 59 percent. I think it will give you an idea that the department is following the wishes of this Government, and in turn the Legislature, that there be more emphasis placed on the local purchases, where possible and economically feasible. I think it is of great benefit to the various businesses that are involved with Government, and it is very much needed within our community.

Over the past year we completed a study on word processing, and an IBM 4331 computer has been installed which has meant conversion from the old IBM System Three, and that is underway at the present time. With the new computer system that we are instituting within the Government, we are able to clear up much of the system's back-log that has occurred over a number of years in various departments. Also, we have the capability of establishing remote computing capabilities which

includes word processing within the various departments. I guess that is about it for now, Mr. Chairman.

Mr. Veale: Mr. Chairman, I cannot let it go in passing that this is also the Public Affairs Department, which is going to increase information services by \$150,000, and I note that it is not going to be the area of facts, booklets, and building guides which is going to decrease. It is going to be, primarily, the press release category.

I think it is significant that at the same time as we have a tremendous increase in the Executive Council Office, Inter-governmental Affairs, of course, the Ottawa office; we are going to have an increasing barrage of paper on the public.

Hon. Mr. Lang: Mr. Chairman, I just want to make a point that I think has got to be made. As you know, I was in Ottawa and appeared before the Standing Committee on Natural Resources and Public Works, dealing with Bill C-48. It was very interesting. I will get the *Debate and Proceedings* for the Member opposite, with respect to the argument for or against setting up an office in Ottawa. It was very interesting that both sides of the House, the Conservatives and the Liberals, concluded by recommending to me that we should be setting up an office in Ottawa, so that we can be made aware of the various pieces of legislation and government policies emanating from Ottawa, as opposed to being caught by surprise. You may smile when I say this, but when I get the *Debates and Proceedings*, you will see it is there in black and white. I explained to them the discussion that was going on back home with respect to the concept of, I think it was expressed by the Member for Whitehorse West, forming a Yukon Embassy. It was further to that that one of the members of the Standing Committee, who had served at a provincial level prior to entering into Federal politics, indicated that they had gone many years without setting up any type of formal administrative connection with Ottawa, but once they had done so, it seemed to clear up a number of the major problems they had had. Now only time will tell.

Now, that is an aside, Mr. Chairman. The Member has raised a point and I sorry that I do not have the answer directly. I did not realize that we would be on Government Services this evening.

We have had a significant increase in the Public Affairs branch, primarily, for the purpose of working through the various departments. I indicated Renewable Resources as one area that we intended to highlight, for the purpose of getting more information out to the public. We have been criticized because people have no knowledge of some of the programs that are available. If I recall correctly, over the course of the past couple of years, various Members have, at different times, raised the fact that people within their area were not knowledgeable on what Government programs were available, and subsequently were not taking advantage of them. This is a prime reason for the increase in the Public Affairs Branch.

We talk about \$150,000 but the fact is that printing is very expensive. I will get copies for the Members who might need it and for the Member opposite who is new to the Legislature; we did a one-page brochure called "Bare Facts". That document cost us in the neighbourhood of \$7,000 by the time it was all finished. This just gives you an indication of the expense of printing and disseminating information as opposed to what it was three or four years ago. It goes back to the argument that the Member opposite was raising regarding the cost of printing maps. It is so expensive now that you are starting to deal with big dollars as opposed to what it was five years ago. The whole principle behind that aspect of the Public Affairs Branch is to attempt to disseminate more information to the public so they are aware of what the various Government departments have to offer, and can take advantage of those programs that they are perhaps eligible for.

I think it is a worthwhile effort on behalf of the Government to do this, because they are the people who should be aware of what Government is all about and what we have to offer.

Mr. Penikett: I am sure that if the Minister was perfectly frank with the House, he would admit that the reason why the members of the Committee he was addressing last week wanted an office in Ottawa was to save them the trouble of coming North to find out the facts of C-48.

Hon. Mr. Lang: Mr. Chairman, everybody knows that this is an open Government, and I am attempting to disseminate as much information as I possibly can; I will get the *Votes and Proceedings* for the Honourable Member for Whitehorse West and the Honourable Member for Whitehorse South and they can read them through. It is there in *Hansard*.

Mr. Penikett: Yes, Mr. Chairman, a very, very Conservative Premier of Alberta, by the name of the Reverend Ernest C. Manning, once used to observe that an open mind was an empty mind. I would just say that to the Member when he brags about his openness.

Mr. Veale: I think it is notable, as well, Mr. Chairman, that no one has missed anything, despite the lack of an Ottawa office. There seems to be a great deal of communication, and the \$176,000-odd dollars it is going to require to staff it and run it seems to be quite excessive.

Hon. Mr. Lang: Mr. Chairman, I am not here to argue Vote 2, but if you are prepared to argue it, that is fine.

I just want to make a correction. I have been told by the Clerk that they are referred to as *Debates and Proceedings*, but I will get the necessary information for Members opposite so they can see the situation and the way it has developed for themselves.

Mr. Penikett: I am certainly glad the Member is apologizing for misleading the House, but he should be corrected on the one point about the press releases. As we recall from a year or two ago, it was established that they were costing us about \$1,000 per press release, and I must say, with all honesty to the Member, that some of them really were not worth anything like that. We got six of them today, I think.

Hon. Mr. Lang: Mr. Chairman, I am sure the Member opposite is a lot more informed than he was before he got up this morning.

Mr. Penikett: From listening to the CBC.

Mr. Chairman: There being no further debate, I would like to inform the Committee that there are four programs that we have to clear. We will start with Administration.

If there is no discussion on Administration, shall we clear the Program?

Some Members: Clear.

Mr. Chairman: I declare that the Administration Program is cleared.

I refer Committee to Page 254 under Systems and Computing Services. Your information is provided on Page 255.

Is there any discussion on this program? Can the program clear?

Some Members: Agreed.

Mr. Chairman: I declare Data Systems and Computer Services Program cleared. We shall now go on to Supply and Services on Page 256. The statistics are on Page 257. Shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare Supply and Services Program cleared.

I refer the Committee to Public Affairs Program, Page 258. Discussion?

Mr. Veale: Mr. Chairman, just an information question. Some of the paper released by the Government now comes under the name of Don Sawatsky. Is he in this Public Affairs Department? Is he on contract or is he employed?

Hon. Mr. Lang: He is on a contract for one year, Mr. Chairman, to do a total review of the public affairs, as well as to attempt to get this program underway within the departments, and to get the necessary information out to the public.

Mr. Veale: Will there be a report coming forth from the Government on the revamping of this department?

Hon. Mr. Lang: Mr. Chairman, I expect to see some recom-

mendations to myself; as for a full-fledged report, no, I cannot see a total full-fledged report being prepared. They are to try to give some advice to the Public Affairs Branch, as well as other departments to start getting information out to the public.

Mr. Chairman: Shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Public Affairs Program cleared.

Is there any discussion on the information provided to you on Page 260 and 261? There being no questions on that, I would like the Committee to carry the total amount of \$2,735,000 for this department. Shall the amount carry?

Some Members: Agreed.

Mr. Chairman: I declare the amount carried.

At this point in time I would direct the Committee to address Loan Capital on top of Page 271.

Hon. Mr. Pearson: Mr. Chairman, there seems to be some question as to what this is all about. Loans to third parties, Mr. Chairman, are estimated at \$4.5 million, that we are making available to municipalities for general purposes loans; that is reflected in a bill that will be considered along with Bill Number 5. The \$500,000 is land development. The total amount is \$5 million.

In addition, Mr. Chairman, we have to vote our loan amortization, \$5,033,000: \$2,082,300 of interest and \$2,950,700 of principle. This money, by the way, Mr. Chairman, is 100 percent recoverable.

Mr. Chairman: Any questions on the Loan Capital? Shall the figure, \$5 million, clear, for Loan Capital?

Some Members: I declare the figure, \$5 million, carried. Shall the expenditure to be voted for Loan Amortization, \$5,033,000 carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried. I would like to refer Committee to Page 2, Schedule A of Bill Number 5. The normal procedure is to carry each amount for the respective departments. Shall the amount of \$989,000 for Yukon Legislative Assembly carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried. The amount of \$820,800 for the Executive Council Office, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried. The amount of \$24,035,900 for the Education Department, shall that clear?

Some Members: Agreed.

Mr. Chairman: I declare that carried. The amount of \$1,332,500 for Consumer and Corporate Affairs Department, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$22,177,200 for Health and Human Resources, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that carried.

The amount of \$5,540,000 for the Municipal and Community Affairs Department, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$1,819,600 for Tourism and Economic Development, shall that amount carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$7,984,000 for the Department of Justice, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that carried.

The amount of \$24,165,900 for Highways and Public Works, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$1,293,000 for the Public Service Commission, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$962,400 for Intergovernmental Relations, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that carried.

The amount of \$3,533,000 for the Department of Finance, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$1,665,400 for the Department of Library and Information Services, shall that amount carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$4,086,900 for the Renewable Resources Department, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$2,735,000 for Government Services, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$1,357,000 for the Yukon Housing Corporation, shall that amount carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$5,000,000 for Loan Capital, shall that clear?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The amount of \$5,033,000 for Loan Amortization, shall that carry?

Some Members: Agreed.

Mr. Chairman: I declare that carried.

Shall the total Appropriation of Bill Number 5, amounting to \$114,529,600 carry?

Some Members: Agreed.

Mr. Chairman: I declare that total carried.

I would like to refer Committee to Clause 2 at this time.

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

Mr. Chairman: Shall the title of the Bill carry?

Some Members: Agreed.

Hon. Mr. Pearson: Mr. Chairman, I move that you report Bill Number 5, *Second Appropriation Ordinance (1981-82)*, out of Committee without amendment.

Mr. Chairman: It has been moved by the Honourable Mr. Pearson that the Chairman do now report Bill Number 5, *Second Appropriation Ordinance, (1981-82)*, without amendment to the Assembly.

Motion agreed to

Mr. Chairman: I would like to inform the Members that this bill is now finished and we will now proceed with the following Bills in the following order: Bill Number 6, Bill Number 7, Bill Number 10, Bill Number 11, Bill Number 12, Bill Number 13 and Bill Number 8 in that order. Bill Number 6 is *Loan Agreement Ordinance (1981) No. 1*.

Bill Number 6: Loan Agreement Ordinance (1981) No. 1
On Clause 1

Hon. Mr. Pearson: Mr. Chairman, this series of Bills, Bill Numbers 6, 7, 10, 11, 12 and 13 are simply the specific pieces of legislation that now flow from the Budget. Each of these Bills must be passed individually in order to give credibility to the Budget.

The first one that we are dealing with here, Mr. Chairman, is the *Loan Agreement Ordinance (1981) No. 1* which gives this Government permission to borrow \$10.2 million. This money is used in its entirety for development of land. It is a composite number, Mr. Chairman, of monies voted in previous years but not yet borrowed. We are required to do this each year. We are

required to re-vote that following each year. In actual new money there is \$5 million, that \$5 million that we were just talking about in the Budget under Loan Amortization. So it is \$5 million of new money, the \$5.2 million is in fact a re-vote of money that we have not yet borrowed.

Mr. Byblow: I have one specific question to the Finance Minister. In reference to the money or that portion of the money under this bill that is appropriated for third party borrowing, which in essence is debenture monies for municipalities, can the Minister of Finance answer whether or not \$4.5 million that has been identified for third party borrowing, is adequate to cover the identified needs of the municipalities as requested.

Hon. Mr. Pearson: Yes, Mr. Chairman, but I must point out to the Honourable Member that that is the subject on another bill. Bill Number 10, Mr. Chairman, is the \$4,500,000 for a municipality.

Mr. Chairman, that \$4,500,000, I would like to assure the Honourable Member, is the best information that we have currently from the municipalities.

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

Mr. Chairman: Shall the title of the bill clear?

Some Members: Agreed.

Mr. Chairman: I declare the title of the bill cleared.

Hon. Mr. Pearson: Mr. Chairman, I move that you do now report Bill Number 6, *Loan Agreement Ordinance (1981) No. 1* out of Committee without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that the Chairman do report Bill Number 6, *Loan Agreement Ordinance (1981) No. 1*, out of Committee without amendment.

Motion agreed to

Bill Number 7: Financial Agreement Ordinance, 1981

Mr. Chairman: I refer Committee to Bill Number 7 at this point. I would entertain general debate.

On Clause 1

Hon. Mr. Pearson: Mr. Chairman, this is the *Financial Agreement Ordinance, 1981*. This is the Ordinance in which we receive from the Government of Canada what we now call our transfer of payments, what used to be horrendously known as deficit grant. Our transfer payment this year, Mr. Chairman, as reflected in the Budget, is \$39,913,000. We also must vote the amount of money that we are going to receive from the Federal Government in capital grants for this current year. This is the money that we voted at the fall Session. That amounts to \$22,233,000.

So we are dealing, in this Bill, with those two figures.

Mr. Chairman: We will study this bill clause by clause at this time.

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

Mr. Chairman: Shall the title to the bill carry?

Some Members: Agreed.

Mr. Chairman: I declare the title to the bill carried.

Hon. Mr. Pearson: Mr. Chairman, I move that you report Bill Number 7, *Financial Agreement Ordinance, 1981*, without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that the Chairman do now report Bill Number 7, *Financial Agreement Ordinance, 1981*, without amendment.

Motion agreed to

Bill Number 10: Municipal General Purposes Loan Ordinance, 1981

Mr. Chairman: I refer Committee to Bill Number 10, *Municipal General Purposes Loan Ordinance, 1981*.

On Clause 1

Hon. Mr. Pearson: Mr. Chairman, to answer the Honourable Member for Faro, this is the bill that allows us to make available, for borrowing purposes to the municipalities, \$4,500,000. We have indications that this will be a sufficient amount of money for this forthcoming year.

Mr. Veale: Just an information question, Mr. Chairman: how do you arrive at the figure of \$4,500,000? Is it through negotiation with the municipalities?

Hon. Mr. Pearson: Yes, Mr. Chairman, the municipalities inform us what they anticipate they are going to want to borrow from us during the course of the year.

Mr. Veale: Could the Government Leader indicate which communities and which facilities will be involved in this?

Hon. Mr. Pearson: No, Mr. Chairman, I do not have that information. Again, it is estimates provided to us by the municipalities. It is an on-going general purposes loan. I could get it for the Honourable Member, if he wanted it.

I should also say that this does not restrict the municipalities to borrowing only this money during the course of the year. We will always make further funds available if it is necessary, as we did a couple of years ago in Faro.

Mr. Byblow: For the Honourable Member's information, I believe Faro has applied for \$1.2 million; Dawson and Whitehorse are getting the rest.

Hon. Mr. Pearson: Mr. Chairman, I might be able to get the answer for the Honourable Member right away. How much did Dawson apply for this year?

Mr. Chairman: Sorry, no witnesses allowed.

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Mr. Veale: Are there any terms on the loans, Mr. Chairman?

Hon. Mr. Pearson: Yes, Mr. Chairman, they are debentures and the loans are made by by-law, passed by the municipalities.

Mr. Veale: Are they repayable with interest to the Government?

Hon. Mr. Pearson: Yes, Mr. Chairman, they are 100 per cent recoverable, with interest, from the municipalities.

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause 8

Clause 8 agreed to

On Clause 9

Clause 9 agreed to

Mr. Chairman: Shall the title carry?

Some Members: Agreed.

Mr. Chairman: I declare the title carried.

Hon. Mr. Pearson: Mr. Chairman, I move that you report Bill Number 10, *Municipal General Purposes Loan Ordinance, 1981*, without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that the Chairman do now report Bill Number 10, *Municipal General*

Purposes Loan Ordinance, 1981, without amendment.
Motion agreed to

Bill Number 11: An Ordinance to Amend the Tobacco Tax Ordinance

Mr. Chairman: I refer Committee to Bill Number 11, *An Ordinance to Amend the Tobacco Tax Ordinance*.

On Clause 1

Hon. Mr. Pearson: Mr. Chairman, we have just considered a Budget which hinges, to some degree, on our being able to raise some additional funds via the method of an increased tax on cigarettes.

The effect of this bill is to raise the tax on cigarettes from three-fifths of one cent per cigarette to one and six tenths cents per cigarette.

Mr. Byblow: Mr. Chairman, I cannot help but note that the Government chose to raise the tobacco tax by 20 percent, and health care premiums by 50 to 100 percent.

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

Mr. Chairman: Shall the title of the bill carry?

Some Members: Agreed.

Mr. Chairman: I declare the title of the bill carried.

Hon. Mr. Pearson: Mr. Chairman, I move that you report Bill Number 11, *An Ordinance to Amend the Tobacco Tax Ordinance* without amendment.

Mr. Chairman: It has been moved by Mr. Pearson, that the Chairman do now report Bill Number 11, *An Ordinance to Amend the Tobacco Tax Ordinance* without amendment.

Motion agreed to

Bill Number 12: An Ordinance to Amend the Home Owners' Grant Ordinance

Mr. Chairman: I would like to refer the Committee to Bill Number 12 at this time, *An Ordinance to Amend the Home Owners' Grant Ordinance*.

On Clause 1

Hon. Mr. Pearson: Mr. Chairman, once again as reflected in the Budget, the effect of this bill will be to increase the Home Owners' Grants from \$300 per eligible applicant, to \$350 per applicant.

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

Mr. Chairman: Shall the title to the bill carry?

Some Members: Agreed.

Mr. Chairman: I declare the title to the bill carried.

Hon. Mr. Pearson: Mr. Chairman, I move that you do now report Bill Number 12, *An Ordinance to Amend the Home Owners' Grant Ordinance*, without amendment.

Mr. Chairman: It has been moved by the Honourable Mr. Pearson that we do now report Bill Number 12, *An Ordinance to Amend the Home Owners' Grant Ordinance*, without amendment.

Motion agreed to

Mr. Chairman: Before we go on to Bill Number 13, the Chair would like to call a brief recess at this time.

Recess

Bill Number 13: An Ordinance to Amend the Fuel Oil Tax Ordinance

Mr. Chairman: I call the Committee of the Whole to order. We will now consider Bill Number 13, *An Ordinance to Amend the Fuel Oil Tax Ordinance*, and proceed with general debate.

On Clause 1

Hon. Mr. Pearson: Mr. Chairman, the effect of this bill is that the tax on fuel oils — on motor fuel oils only — will increase by one cent per litre. Now, Mr. Chairman, I want to reiterate that we are not increasing the tax on heating fuels or on aircraft fuels, but only on motor fuels: gasoline and diesel fuel.

Mr. Veale: Are they exempted under the main ordinance,

Mr. Chairman?

Hon. Mr. Pearson: No, Mr. Chairman. That is in other sections of the legislation that we are not affecting here at all.

Mr. Veale: Mr. Chairman, in the main legislation then, those two are exempted?

Hon. Mr. Pearson: No, Mr. Chairman. We have a tax on them, but we are not increasing those taxes. We are not increasing those taxes under this legislation. I just wanted to make that clear to all Members. The only taxes that we are increasing are those on gasoline and diesel fuel.

Mr. Veale: Could the Government Leader indicate the anticipated number of litres that are likely to be expended in the Yukon Territory in the next fiscal year?

Hon. Mr. Pearson: I will have to go back to the Budget, Mr. Chairman. That figure is in the Budget. It means about a half a million dollars in revenue to us.

Mr. Byblow: I may have missed some earlier questioning, and therefore might be asking a redundant question. The fuel that is used for the generation of electricity would also be affected. Is that correct?

Hon. Mr. Pearson: Mr. Chairman, that fuel is specifically exempted. That fuel is specifically exempted in this legislation. There is no tax on it.

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

Mr. Chairman: Shall the title of the Bill carry?

Some Members: Agreed.

Mr. Chairman: I declare the title of the bill carried.

Hon. Mr. Pearson: Mr. Chairman, I move that Bill Number 13, *An Ordinance to Amend the Fuel Oil Tax Ordinance* be reported without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that the Chairman do now report Bill Number 13, *An Ordinance to Amend the Fuel Oil Tax Ordinance* without amendment.

Motion agreed to

Bill Number 8: Third Appropriation Ordinance, 1980-81

Mr. Chairman: I refer the Committee to Bill Number 8, the Supplementary Estimates, *Third Appropriation Ordinance, 1980-81*. Do you have your yellow book for that?

On Clause 1

Hon. Mr. Pearson: Mr. Chairman, this is always the most unpopular bill to introduce in any legislature, as far as I am concerned. Supplementary Estimates I believe are a poor thing to have to deal with, but deal with them we must. It is virtually impossible for us to estimate the exact amount of money that we are going to expend during the course of the year. No matter how carefully or how hard we try, we always end up having to deal with Supplementary Estimates.

The object of the exercise of course is to try to keep the Supplementary Estimates to a point where you do not go broke entirely. In these Supplementary Estimates we are going to be voting some \$4,800,000 worth of additional expenditures for the fiscal year that we have just completed. But, Mr. Chairman, as will become evident during the course of the discussion, our revenue picture was also considerably higher than what we anticipated.

Mr. Penikett: Mr. Chairman, this is the bill, every year, which gives us an insight into the workings of the Cabinet. We had the Department of Education, as it then was under the control of the Member for Porter Creek West; you could see that he was given a fat budget, \$2 million more than he needed. We can even now, depending on our state of mind, compliment the Administration for the excellent restraints they exercised during the course of the year, or compliment the Minister on the skills in obtaining this unnecessary money in the previous Budget.

But it should be noted at the same time that the departments for which Mr. Lattin is now responsible, and Mr. Lang was responsible, managed to over-spend themselves in excess of \$3 million, the largest single part of this Budget. I do not know

whom we have to thank for that, Mr. Blackman or Mr. Lattin. Perhaps we should blame Mr. Lang, but that is an interesting thing to note, too.

I am also curious and interested to see if the Government Leader can offer us some explanation of the following figures: Tourism and Economic Development was under-spent by \$622,000, while, at the same time, Renewable Resources required another million dollars, some of which, of course, we know about. Those seem to be the major departures from the previous year's Budget, and I think they would warrant some explanation.

Hon. Mr. Pearson: Mr. Chairman, I would respectfully suggest that what we do is go through the Supplementaries page by page, vote by vote, and deal with them on an individual basis.

I am quite confident, Mr. Chairman, that each Minister that is now responsible for those departments will be able to give highly plausible and quite believable reasons for the variance between what was estimated and what actually has been expended.

Mr. Chairman, it should not always be assumed that because one department or another happens to be a couple of million dollars below their estimates that that was all efficiency. Sometimes, I respectfully submit, that can be inefficiency, because things did not get done.

Mr. Veale: Mr. Chairman, the \$4,855,000 that is going to be approved, is that entirely going to be paid out of increased revenues from 1980-81; if not, where does the short-fall come from?

Hon. Mr. Pearson: No, it is entirely paid, Mr. Chairman, out of working capital. That is where it comes from. It affects our working capital balances. As all Members will recall, this was, in fact, a deficit budget to start with. We were digging into the working capital. We are digging in some more, but we are not digging in to the tune of the \$4 million that is there. To start with that \$4 million is both capital and O&M; they are both combined in the bill. If Members would turn to Page 1 in the Yellow Book, our revenue is up by \$2,738,000, our recoveries are up by \$1,027,000 and our expenditures are up by \$3,389,000. In total, what we are doing is ending up with a deficit of \$38,800. That is the difference from our total voted amount we are ending up with — \$38,800, if you take into consideration revenues and expenditures.

Mr. Veale: Could the Government Leader explain the Operating Capital Fund that he has referred to and where it sits now?

Hon. Mr. Pearson: Operating capital, Mr. Chairman, is a figure that we, as a Government, feel that we must maintain in order to do business. It is entirely dependent upon cash flow. It is our perception that in order to be in a most comfortable position, this Government, on March 31 each year, should try to have about a \$2 million capital working capital and about a \$5 million operation and maintenance working capital: a total working capital of about between \$7 and \$8 million. That has got to be our objective as far as we are concerned. If we get any lower than that, Mr. Chairman, we run the risk of cash flow problems during the course of the year, just with money going back and forth, and so on and so forth. We pretty well have to have, particularly for O&M, about \$5 million worth of working capital all of the time.

Mr. Veale: Is that the precise amount, then, of working capital — the total of \$7 million that is available now?

Hon. Mr. Pearson: Mr. Chairman, it varies from day to day. It can vary so much. I might be able to give the Honourable Member something here. Our O&M working capital, Mr. Chairman: at March 31, 1981, we anticipated it was going to be \$4,684,900. We do not know for sure whether that is what it was, but that is what we were budgeting for it to be: \$4,684,900.

Mr. Veale: Where was the Government Leader reading from for that figure?

Hon. Mr. Pearson: Mr. Chairman, working papers that I have in front of me. Working capital is not voted money; that

money we do not vote, at all. It is money that is really taken into consideration very very seriously by the Federal Government, when we are talking about how much money they might give us as an operating grant next year. Virtually all of the discussions hinge around what we anticipate our working capital to be. Cash flow has become a very, very important part of financing in this Government now, and that, Mr. Chairman, comes with responsibility.

Mr. Veale: Was there an initial time period, Mr. Chairman, where the working capital was a fixed sum that developed from a surplus from a budget? Or is it something that has been built up over a number of years?

Hon. Mr. Pearson: Oh, yes. The working capital is a sum that has been built up over a number of years. In fact, during the mid-60s sometime, Mr. Chairman, I recall the Federal Government giving us another grant, at that time, of about \$2 million; something like that, specifically for working capital, because it got down so terribly low.

Now when we prepared last year's Budget, — I am talking about the Budget we just finished, the one that was a \$3 million deficit — we anticipated that if we did not budget a \$3 million deficit we were going to end up with working capital in the neighbourhood of \$8 million — too much money as far as we were concerned. That is why we budgeted the deficit budget.

Our forecasts for this year were that we were required, in order to maintain our working capital at an acceptable level, to budget a \$700,000 surplus. That is where that extra \$700,000, that is not spent in that budget, goes. It goes to working capital.

Mr. Veale: Well, it would seem, Mr. Chairman, that there is going to be a substantial amount of overrun again in this Budget, if we consider the Legal Aid supplementary vote and probably some RCMP money. Does that then bring the working capital of the Government well down below the \$5 million that it likes to have?

Hon. Mr. Pearson: Yes, Mr. Chairman. Again, we try to be as honest and straightforward as we can when we are estimating revenues. But, just because there are more licence plates sold that we anticipated; or there is more liquor sold than we thought was going to be sold; we end up last year making an additional \$2,738,000 in revenue. That is above and beyond what we had estimated we were going to make.

Normally, in this Government, with the kind of fiscal controls that we have, the kind of spending controls that we exercise over the administration, it is extraordinary for expenditures to really get very far out of line from revenues. What does happen during the course of the year, is that we have extra expenditures such as the two that the Honourable Member has just mentioned, which our revenues seem to be able to pick up for that kind of thing. As long as we are careful and we do not go overboard on some specific thing, normally these things are picked up.

Mr. Veale: Just to pursue that a little, Mr. Chairman, I presume then that any substantial disruption in the economy, such as a strike or anything of that nature, will have a devastating impact on that revenue picture.

Hon. Mr. Pearson: Yes, Mr. Chairman, that is absolutely correct. Mr. Chairman, our major reduction in working capital, we can attribute to the Cyprus Anvil strike, which was indeed devastating. That kind of a loss of revenue is really hard for us to recover from, because we have so few people in the Territory to pick up that slack.

Mr. Veale: Mr. Chairman, bearing in mind then that we are in the midst of two strikes that are affecting the economy now, United Keno and to some extent Cantung, has the Government Leader included that in the revenue estimate for 1981-82?

Hon. Mr. Pearson: No, Mr. Chairman, the one that we really have to be worried about and concerned about is the United Keno Hill strike. Hopefully it is not going to go on for that much longer that it will impact too severely upon this current budget that we are dealing with now.

Mr. Chairman, due to the size of United Keno Hill, it does not have anywhere near the impact of Cyprus Anvil, when there is

a strike. There is virtually no comparison between the two in the impact upon the people of the Territory.

Clause 1 agreed to

Mr. Chairman: I refer Committee to Schedule "A", and to Page 4 of your Yellow Book, Supplementary Estimates, Yukon Legislative Assembly, a reduction of \$1,300.

Hon. Mr. Pearson: Mr. Chairman, the reduction is due mainly to reduced travel paid to Members, because of the short duration of the Sessions. That is one thing about short Sessions, they do save the taxpayers money.

I might, Mr. Chairman, point out that this reduction is reflected even though we did have the by-election that there was no money voted for. We have been able to pick up that money and pay for the by-election out of what was saved in the department. So, they have done very very well during the course of this year.

Mr. Veale: The statement that the funds are available due to reduced MLA travel, offset by the costs of a by-election, you are referring to the fact that there was a shorter Session in the fall, shorter Sessions, last year, period?

Hon. Mr. Pearson: In effect what has happened, Mr. Chairman, there is about \$24,000 in reduced travel to Members; about \$8,000 in reduced supplies to the Clerk; and then \$25,000 in additional costs for the by-election. In round numbers that is the way the thing works out.

Mr. Chairman: There being no further discussion on the Yukon Legislative Assembly Department, shall the reduction of \$1,300 carry?

Some Members: Agreed.

Mr. Chairman: I declare that carried.

We will go on to Page 7 of your yellow book, where we will be discussing the Executive Council Office; an increase of \$214,800.

Hon. Mr. Pearson: Mr. Chairman, you will find, I believe, virtually all of the way through these Estimates, an increase. Part of that is attributable to the negotiated settlement with the Public Service Alliance of Canada. In other words, the wage settlement that was finally agreed to was greater than the amount that we had estimated and built into the Budget. So, in each department, especially those departments where there are a number of people involved, you will find that there is an offsetting figure just in respect to salaries.

The rest of the money, all of it in this department, Mr. Chairman, is for the additional costs that we incurred during the year for land claims. At the beginning of the year when we voted the Estimates, we had no idea that land claims were going to go along the way they have. That is the reason, of course, that we voted so much more money this year, because we are very, very optimistic now. We supplied, in our Estimates, the same amount of money as we had spent the year before, and we ended up \$200,000 short. We actually spent that amount of money, and it is simply because of the way land claims negotiations went. They have been so intensive and so frequent that it has made quite a difference, but it does cost us money.

Mr. Veale: Mr. Chairman, was there an increase also in travel, by the Government Leader, for purposes of constitutional committees and meeting Premiers?

Hon. Mr. Pearson: No, Mr. Chairman, I did not spend as much money as was provided in the Estimates for my travel this year, I am very happy to say. But as far as I am concerned, Mr. Chairman, I would just love it if this Government could not afford to send me anywhere for the next six months. I am sure my family would too. But, no, in fact my travel expenses were not as high this year as they were last year. This is all attributable to Land Claims, Mr. Chairman.

Mr. Chairman: If no further discussion on the Executive Council Office, shall the figure \$214,800 carry?

Some Members: Agreed.

Mr. Chairman: I declare the amount carried. Now we will go to the Department of Education on page 9 of your Yellow Book, a reduction of \$2,030,000.

Hon. Mrs. McCall: Well, it speaks for itself. Obviously this department overestimated a little, and we were able to save this for the Government.

Mr. Byblow: I am wondering if this shortfall was the result of efficiency or inefficiency, but I do have a serious question. Under the arrangements by which the Porter Creek Access Road is being constructed, how does it fit into an O&M Budget, being a capital project?

Hon. Mr. Lang: Mr. Chairman, there are two aspects of it. Under the vocational wing of the department, the rental of the equipment through Highways is one, and there is a cross over with respect to recoveries and that is where your cost gets into the Operation and Maintenance side. If you will recall, the actual capital was picked up through Highways, and the Department of Education rents that equipment from the Department of Public Works under the auspices of the, I believe, occupational training.

Mr. Chairman: Shall the reduction of \$2,030,000 clear?

Some Members: Agreed.

Mr. Chairman: I declare it carried. We shall proceed in your Yellow Book on page 11, in the Department of Consumer and Corporate Affairs, an increase of \$263,700.

Hon. Mr. Lang: Mr. Chairman, if I recall correctly, I believe the breakdown is \$97,000 for the Credit Union; the remainder is for the transfer of monies from the Department of Education to the Department of Consumer and Corporate Affairs, for the Manpower and Labour Branch that was instituted at the request of some of the Members of the Legislature here.

Mr. Chairman: Shall the Department of Consumer and Corporate Affairs Supplement of \$263,700 carry?

Some Members: Agreed.

Mr. Chairman: I declare that one carried.

We will proceed now to Page 13 in your yellow book, under the Department of Health and Human Resources, a figure of \$821,300.

Hon. Mrs. McCall: Mr. Chairman, the funding on Page 13 is due to increased case loads for social assistance. That is an actual increase in social assistance case loads and increased costs. The other figure comes to us from the Federal people, as a statutory figure.

Mr. Veale: Is the \$732,000 capital, or is that operating?

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

Mr. Chairman: Shall the figure of \$821,300 clear?

Some Members: Agreed.

Mr. Chairman: I declare that one carried.

Proceed to Page 15 of your yellow book under the Department of Municipal and Community Affairs. Is someone going to speak on behalf of Mr. Lattin?

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

Mr. Penikett: Mr. Chairman, on a point of order, the Minister has just gone to his office to get some information, so that he can speak to the question.

Mr. Chairman: All right, would you like to proceed then to Page 17 of your yellow book?

Hon. Mr. Lang: Mr. Chairman, we are underspent in two areas: in the area of professional and special services on the O&M side, and there was an underexpenditure due to vacant positions, which accrued about \$34,000. In the area of advertising there were also monies that had not been spent, and had been transferred to the "World of Alaska and Canada's Yukon" program.

Also, the cost-sharing agreements with Canada providing the funding for special service in the cost-shared Canada-Yukon Agreements was not utilized, because funds provided for expert analysis of energy demonstration and setting up programs was not required. As well, the Tourism Agreement O&M research and analysis project was charged against Capital, as opposed to the O&M side.

On the Capital side, the surplus, in the amount of \$530,000, was the result of a delay in the design implementation of some of the Canada-Yukon Agreement projects. The net result of

O&M and Capital expenditures is a surplus of \$621,500 for the Department of Tourism and Economic Development for the financial year 1980-81, if you take both the O&M and the Capital side of the Budget.

Mr. Chairman: Shall the reduction of \$621,500 carry?

Some Members: Agreed.

Mr. Chairman: I declare the figure carried.

We shall now proceed to page 19 in your yellow book, the amount of \$329,400.

Hon. Mr. Pearson: Mr. Chairman, the \$163,000 is O&M and, once again, funds were required to offset the wage agreement. We did some moving of court reporters. The unanticipated amount; as I explained when we were voting the Budget, with respect to criminal injuries, is something that we just cannot estimate, as well as some psychiatric help that we employed for correctional inmates.

The \$166,000, Mr. Chairman, was work that we felt that had to be done to the Whitehorse Correctional Institute and we have, with this work, at least brought the Correctional Institute up to the standards demanded by our Fire Marshall.

Mr. Veale: There being no psychiatrist for the general population, I am surprised to see that psychiatric help was available for inmates, unless it is done by court order or something of that nature.

Hon. Mr. Pearson: Yes, Mr. Chairman, that is exactly why it is done. Again, we have no choice in the matter, really. If the judge says that we shall do it, we must do it.

Mr. Chairman: Shall the figure \$329,400 carry?

Some Members: Agreed.

Mr. Chairman: I declare the amount carried. I would like to refer Committee to Page 23.

Hon. Mr. Pearson: Mr. Chairman, during the course of the year, in order to complement our training program, we did transfer one man-year. That increased the Budget. Then the rest of the \$33,000 was just salary increases which were not anticipated at the time of negotiation.

Mr. Chairman: Shall that figure carry?

Some Members: Agreed.

Mr. Chairman: I declare that figure carried. We shall now turn to Page 25.

Hon. Mr. Pearson: Mr. Chairman, once again this was a transfer of funds the other way. During the course of the year, we determined that we no longer needed the financial expertise that we had had in the Pipeline Branch. That person had been seconded to the Pipeline Branch from Finance, and we moved him back into Finance, hence the money was transferred at the same time. As well, we did not use all of the professional and special services money that was voted during the course of the year.

Mr. Chairman: For the matter of *Hansard*, we are now discussing Office of the Pipeline Coordinator, a reduction of \$51,800. Further discussion?

Mr. Penikett: Mr. Chairman, I have been getting a little puzzled by these explanations of man-years being transferred, and the money. I wonder if the Government Leader could just explain for a second. It occurs to me that if, in the course of a year, you transfer a person-year from one office to another, presumably their salary or their wage packet goes with them. But in some cases here we are getting explanations as if the person-year goes, which presumably is a chunk of money, not just a person, and, in addition, money is going, too. I wonder if the Government Leader can explain that, because it seems to be a bit of a double entry.

Hon. Mr. Pearson: No, Mr. Chairman, these supplementary estimates only deal with money; that is all we are talking about here. Now it is quite conceivable and it is possible, depending upon the negotiations that take place usually between the two Ministers, in the case of a person-year, and the Public Service Commissioner, in the case of a person-year, to be transferred from one branch or department to another. That is all that happens. Just that person-year is transferred.

The other instance is, not only is the person-year transferred,

but the money for the person-year is transferred as well.

Now of course, the program manager that is losing that person-year is going to start off the negotiations by saying, "Well, that is fine. I concede that I do not need the person-year anymore and you can have it, but I need the money, because I want to buy another five typewriters," or something like that. So he is going to negotiate for that money. The manager who is getting the person-year will say, "I need the person-year but I also need the money." It is conceivable, so those transfers, especially in the smaller branches, like Pipeline, where you only have half a dozen people — if you transfer one person, and the money for that person, during the course of the year, and particularly if it happens fairly early on in the year, it shows as a fairly big factor, whereas if it happens in the Department of Education, where they have 350 employees, for instance, it is a nothing thing; it does not really show and is not reflected.

It is highly possible, in the normal course of doing business in the Government in the year, for a person-year to be transferred from one branch or department to another, but the money stay where it was, or vice versa, and also, the other alternative, for both to go.

Mr. Penikett: Just so I understand that, or can be sure that I understand it, Mr. Chairman, if a person-year is transferred, as in some of the cases we have heard described, then the salary for the year, from the time that the person is transferred, is picked up by the new department, whether or not they have any money budgeted for that purpose. In most cases they may have to invade contingency or slack. The money, then, that is left behind, can be converted or diverted, or whatever the correct word is, into some other purposes, whether the legislative authority existed at that time or not.

Hon. Mr. Pearson: Yes, Mr. Chairman, that is correct. That is why, Mr. Chairman, the presentation of the Budget in respect to programs, I consider to be a much more realistic way to deal with the Budget. Then we are dealing with programs and we are leaving the management of those programs to the program managers.

Mr. Chairman: Shall the reduction of \$51,800 carry?

Some Members: Agreed.

Mr. Chairman: I declare the amount carried.

I see the Minister for Municipal and Community Affairs is now present. I would like to refer Committee to Page 15 of the yellow book. Mr. Lattin, the Department of Municipal and Community Affairs, an increase of \$1,598,300.

Hon. Mr. Lattin: You will notice that there are two amounts in this. One is for \$475,500, a transfer of ambulance, and the other one, on the capital side, Mr. Chairman, is for the Dawson sewer and water system.

Mr. Chairman: Any further discussion on this Department? Shall the figure \$1,598,300 carry?

Some Members: Agreed.

Mr. Chairman: I declare the amount carried.

I refer Committee now to the Department of Highways and Public Works, on page 21.

Hon. Mr. Lattin: Mr. Chairman, again, on the O&M side, they are funds required for the increased work on the Alaska Highway, for \$700,000. The other is funds required for various capital projects and road equipment, for \$1,121,100, making a total of \$1,821,100.

Mr. Chairman: There being no further discussion, shall the figure of \$1,821,100 carry?

Some Members: Agreed.

Mr. Hanson: I move that we report progress on Bill Number 8 and beg leave to sit again.

Mr. Chairman: It has been moved by the Member for Mayo that the Chairman do now report progress on Bill Number 8 and beg leave to sit again.

Motion agreed to

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

Mr. Chairman: It has been moved by the Honourable Member for Whitehorse West that the Speaker do now resume the

Chair.

Motion agreed to

Mr. Speaker resumes the Chair

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

May we have a report from the Chairman of Committees?

Mr. Njootli: Yes, Mr. Speaker, the Committee of the Whole has considered the following bills and directed me to report the same without amendment: Bill Number 5, *Second Appropriation Ordinance, 1981-82*; Bill Number 6, *Loan Agreement Ordinance (1981) No. 1*; Bill Number 7, *Financial Agreement Ordinance, 1981*; Bill Number 10, *Municipal General Purposes Loan Ordinance, 1981*; Bill Number 11, *An Ordinance to Amend the Tobacco Tax Ordinance*; Bill Number 12, *An Ordinance to Amend the Home Owners' Grant Ordinance* and Bill Number 13, *An Ordinance to Amend the Fuel Oil Tax Ordinance*.

And further, Mr. Speaker, the Committee has considered Bill Number 8, *Third Appropriation Ordinance, 1980-81*, and directed me to report progress on same and beg leave to sit again.

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

Some Members: Agreed.

Mr. Speaker: Leave is so granted.

May I have your further pleasure?

Mr. Tracey: Mr. Speaker, I move that we now adjourn.

Mr. Byblow: I will second that, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member for Tatchun, seconded by the Honourable Member for Faro, that we do now adjourn.

Motion agreed to

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

The House adjourned at 9:28 p.m.

The following Sessional Papers were tabled Monday, April 6, 1981:

81-4-8

A policy-oriented assessment of sport fishing in Yukon

81-4-9

Report of the Yukon Elections Board: By-election, Whitehorse Riverdale South, March 9, 1981

81-4-10

Report of the Standing Committee on Public Accounts (Vol. 2)

81-4-11

Ministerial Statement: Ministers' Code of Conduct

81-4-12

Executive Council Code of Conduct Regarding Conflict of Interest

81-4-13

Financial Assistance: British Yukon Railway Company