



The Yukon Legislative Assembly

Number 10

2nd Session

25th Legislature

HANSARD

Wednesday, November 17, 1982 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

DEPUTY SPEAKER — Andy Philipson, MLA, Whitehorse Porter Creek West

CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Chris Pearson	Whitehorse Riverdale North	Government Leader — responsible for Executive Council Office, Finance, Public Service Commission, and Economic Development and Intergovernmental Relations.
Hon. Dan Lang	Whitehorse Porter Creek East	Minister responsible for Municipal and Community Affairs, Highways, Yukon Housing Corporation, and Yukon Liquor Corporation.
Hon. Howard Tracey	Tatchun	Minister responsible for Health and Human Resources, Renewable Resources, Government Services.
Hon. Clarke Ashley	Klondike	Minister responsible for Justice, Consumer and Corporate Affairs, and Workers' Compensation.
Hon. Bea Firth	Whitehorse Riverdale South	Minister responsible for Education, Tourism, and Heritage and Cultural Resources.

GOVERNMENT MEMBERS

(Progressive Conservative)

Bill Brewster	Kluane
Al Falle	Hootalinqua
Kathie Nukon	Old Crow
Andy Philipson	Whitehorse Porter Creek West

OPPOSITION MEMBERS

(New Democratic Party)

Tony Penikett	Whitehorse West Leader of the Official Opposition
Maurice Byblow	Faro
Margaret Joe	Whitehorse North Centre
Roger Kimmerly	Whitehorse South Centre
Piers McDonald	Mayo
Dave Porter	Campbell

(Independent)

Don Taylor	Watson Lake
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Clerk of the Assembly
Clerk Assistant (Legislative)
Clerk Assistant (Administrative)
Sergeant-at-Arms
Deputy Sergeant-at-Arms
Hansard Administrator

Patrick L. Michael
Missy Follwell
Jane Steele
G.I. Cameron
Frank Ursich
Dave Robertson

⁰¹ **Whitehorse, Yukon**
Wednesday, November 17, 1982

Mr. Speaker: We will proceed at this time with prayers.
Prayers

DAILY ROUTINE

Mr. Speaker: Are there any returns or documents for tabling?

TABLING OF RETURNS OR DOCUMENTS

Hon. Mr. Pearson: I have, for tabling, a sessional paper on the procedures involved in recording and appropriating funds for returned lots sold by municipal and community affairs.

I also have, for filing, a report of the Task Force on Mining Communities.

Hon. Mr. Ashley: Pursuant to the provisions of the *Interpretation Act*, Section 37, I have for tabling a report entitled, Report on Regulations for the Period March 8, 1982 to October 13, 1982.

Mr. Speaker: Are there any reports of committees?
 Petitions?

Reading or receiving of petitions?

Are there any introduction of bills?

Are there any notices of motion for the production of papers?

⁰² Notices of motion?

Are there any statements by ministers?

This then brings us to the question period.

QUESTION PERIOD

Question re: Cyprus Anvil

Mr. Byblow: I have a question I will direct to the government leader. The recent announcements that sales contracts for Cyprus Anvil ore are being cancelled by Japanese firms has created considerable concern in the Yukon community. I would like to ask the government leader what action his government has taken since the indefinite closure of the Cyprus mine to convince Dome that it should reopen the mine?

Hon. Mr. Pearson: We have been in contact with the president of Cyprus Anvil mine. We have also talked to other officials of Dome and Cyprus Anvil about the desirability, as far as this government is concerned, of that property opening up again.

The article in the newspaper the other night was simply a reiteration of something that has been known for some considerable time: that the Japanese buyers of Cyprus Anvil's mill feed are very concerned with their supply. Toho had made an announcement about a month ago that, by the end of November, they were going to have to know when Cyprus Anvil was going to go back into production. They have indicated to the minister their real concern with the problems, as they perceive them from Japan, at the mine site. They were hoping that they could get some assurance from the company that at least the labour dispute part of the problem was solved.

⁰³ That has not been forthcoming. They are now looking at Australia. However, I want to reiterate the Japanese concern too, that they want to continue to purchase ore, mill feed, from Cyprus Anvil, because they will have to undergo some considerable expense to change to the Australian mill feed. But they are hopeful that they can get some kind of a resolution of this problem quickly. The minister has reiterated that hope as well. The minister is also in a position where he cannot really do anything in respect to going to cabinet until he has some definitive word from the company and the union.

I have expressed my hope, and this government's hope, to both the union and the company that they could get back to the table very quickly and resolve this. I am distressed at the appeal for conciliation. In the company's view this may have been the quickest way to go, however, in my view it would have been far quicker if they could have sat down again and done some more

talking, and possibly have come to some sort of an agreement.

Mr. Byblow: Since Dome owes its very existence to the Canadian taxpayer, and since, now, Yukon relies on a subsidiary of Dome for its own economic health, has the government leader asked the federal government to use its influence to persuade Dome that it has an obligation to the Yukon economy, in fact, an obligation to its citizens, to its taxpayers, to its workers, to its small business, and in fact, that that obligation can only be met by reopening the Faro mine?

⁰⁴ **Hon. Mr. Pearson:** I do not think that anyone can really fault the federal government for its exhibited concern in getting this mine back into operation. Mr. Munro has been very concerned, personally concerned, and actively involved. We were told, in no uncertain terms, as I reported to this House, a long time ago by the federal government, that when and if Dome receives financial assistance from the Government of Canada in respect to their offshore operations, their oil and gas operations, it would not be a condition that some of that funding filter down to Cyprus Anvil. We asked for that consideration to be given. The federal government advised us that they had considered it and decided that that was not the way to go. There were no conditions regarding Cyprus Anvil put on the Dome assistance package. We know that. We also know that the Government of Canada is doing what they think they can do to try to persuade Dome they do have a responsibility to the people of this territory and to the taxpayers of Canada, generally, in order to keep Cyprus Anvil going.

⁰⁵ **Mr. Byblow:** Does the government leader intend to take Mr. Munro up on his offer to come to the Yukon to see if he can facilitate a solution to the Anvil labour problem or, does he intend to make a personal representation to Dome in an effort to persuade it to do the responsible thing by Yukon?

Mr. Speaker: Order, please. I would have to rule that question out of order as that is not a question that can be answered by this government. Perhaps I misheard the question.

Mr. Byblow: I asked the government leader if he intends to take a federal minister up on his offer and invite him here.

Mr. Speaker: I am sorry, I misinterpreted the question.

Hon. Mr. Pearson: I am afraid the hon. member has misinterpreted what the minister said, too. The offer was not made to me to come to Yukon to resolve the problem. The minister said, quite clearly, that should the union and the company feel that his presence in this territory would help them towards a settlement, he would be most pleased to come.

Question re: Landlord and Tenant Act

Mr. Kimmerly: A question for the Minister of Consumer and Corporate Affairs. It is a landlord and tenant question not affected by Bill No. 5 on the order paper.

Is it the government's present intention to introduce legislation concerning employer-owned and employee-occupied housing?

Hon. Mr. Ashley: No.

Mr. Kimmerly: In view of the recent problems at Elsa, and the potential problem at Faro, will the minister make a commitment to investigate possible necessary qualification in the law in this regard?

Hon. Mr. Ashley: I certainly will look into it and check it out.

Mr. Kimmerly: Employee housing is currently a contentious and very important issue in Faro. Will the minister ask the government leader what the departmental policy ought to be?

Mr. Speaker: I do not believe that question requires an answer.

INTRODUCTION OF VISITORS

Hon. Mrs. Firth: Before we get any further into question period, I would like to give recognition to a distinguished visitor that we have in the public gallery today. We have a visiting cabinet minister from the Alberta Government, the hon. Al (Boomer) Adair. Mr. Adair is the minister responsible for tourism and small business. Mr. Adair was first elected in 1971 and appointed to the cabinet, with responsibility for northern development and liaison for Indian and Metis people. He was re-elected in 1975 and appointed minister responsible for recreation, parks and wildlife.

After his re-election in March 1979, he was appointed minister responsible for tourism and small business and maintains both responsibilities with the new cabinet after the November 2, 1982 election.

Mr. Adair has long been associated with the north, having first moved to Alberta's Peace River country in the early 1950s. He has travelled and done work in the Northwest Territories and has visited Yukon previously.

We welcome Mr. Adair to Yukon.

Applause

Mr. Penikett: On the same question of privilege, after an introduction like that, we probably deserve a speech from the minister from Alberta.

Mr. Speaker: Order, please.

Question re: Indian Act

Mrs. Joe: I have a question for the government leader. A recent federal all-party parliamentary committee undertook to study the *Indian Act*. In their report they called for the removal of the discriminatory sections, particularly Section 12(1)(b), which deals with the rights of Indian women. Does this government support the abolition of this discriminatory legislation?

Hon. Mr. Pearson: Yes, without question.

Mrs. Joe: Did the government make any submissions to this parliamentary committee?

Hon. Mr. Pearson: No, we did not.

Mrs. Joe: Will the government make known to the federal government its position on the *Indian Act*?

Hon. Mr. Pearson: The Government of Canada has the *Indian Act* in place, and if the honourable member truly thinks that it would do some good, in respect to this section, for the government to write the Government of Canada and tell them that we think this is discriminatory legislation, I do not have any problem with doing that.

I would like to point out to her, though, the futility of such an act.

Question re: Occupational health and safety

Mr. McDonald: I have a question for the minister responsible for Consumer and Corporate Affairs, occupational health and safety.

Can the minister tell the House when the government will be pursuing its stated objective of last spring to continue public hearings into the green paper on occupational health and safety?

Hon. Mr. Ashley: No, I cannot.

Mr. McDonald: I did not really realize that these questions were requiring of a yes or no answer. Nevertheless, as this public review process is proving to me considerably more lengthy than the Yukon public had expected, is the minister prepared to open existing legislation to introduce workers' right to refuse unsafe work, the principle accepted in legislation across the country?

Hon. Mr. Ashley: We are looking at occupational health and safety, as I informed the members opposite before.

Mr. McDonald: I am reassured by that promise. There have been considerable efforts made in other Canadian jurisdictions to make mining a designated trade, which, of course, has considerable implications in the promotion of safety. Would the minister be prepared to open legislation to institute this change?

Hon. Mr. Ashley: As I said, we are looking into it and, if we deem it necessary, then, yes, we would.

Question re: Six & five legislation

Hon. Mr. Pearson: Yesterday, in reply to a question, I fear I may have misled members on the opposite side because I evidently misled some of the media. I was surprised to hear that I had said yesterday that we would not table "six and five" legislation in this House. Now, I am in absolutely no position to say such a thing, because I do not know whether we will find it necessary to table some guidelines in this House at some time in the future. I want it well understood that those options have to be left open to us to do that.

But the point that I was making, in reply to the question, "Has the federal government ordered us to table 'six and five' legislation", the answer is no, they have not ordered us to do so, and

hopefully we are not going to have to. If we have to table "six and five" legislation, I am hopeful that it will be something that can be done without taking away the bargaining rights of our employees.

Question re: Land claims

Mr. Penikett: Thank you, I am glad to get some good news today. I have a question for the government leader. Some time ago, the Conservative party convention adopted a resolution in favour of a "non-Indian, non-government representative at land claims negotiations". I would like to ask the government leader how he squares this position with his recent claim to represent all Yukoners with his party's policy on Yukon participation in land claims talks.

Hon. Mr. Pearson: I am sorry, but I am not aware of the resolution that the member is asking about.

Mr. Penikett: Apparently I pay more attention to his party's resolutions than he does. Since the government's claim to represent all Yukoners at the negotiations is radically different from the policy of a non-government, non-Indian negotiator, I would ask the government leader if he can answer the question as to when the government party changed its position?

Hon. Mr. Pearson: I am not sure what the hon. member is getting at. Is he suggesting that we have changed our position in respect to land claims? We have not, it is still exactly the same as it has ever been. Ever since the day we were elected.

Mr. Penikett: Either they are following party policy or they have changed the position. One or the other. But I would like to ask the government leader, in view of the publicly expressed views in the past by the land claims negotiator — publicly expressed views of this government — can he iterate if that government negotiator's mandate, or brief, is to represent the views of the government party, or, as he has previously claimed here, of all Yukoners, in which case how does he obtain the views of all Yukoners?

Hon. Mr. Pearson: I realize that the leader of the opposition is having a hard time swallowing it, but the fact of the matter is, we are the government. We represent all the people of the territory. Surely the leader of the opposition is not suggesting that we should be changing our views in respect to land claims negotiations. After all, we are the ones who have signed 30 agreements-in-principle. They have all been done since our election and since we put our mode of negotiations in place.

Question re: National Training Act

Mr. Byblow: I have a question I will direct to the Minister of Education. The minister recently signed a new three-year agreement with the federal government under the *National Training Act* which she announced in the House a while back. Since the *Occupational Training Ordinance* passed in 1975, it enables the government to create advisory committees, will the minister be considering the establishment of advisory committees, or an advisory committee, on manpower needs to aid in forecasting labour market demands?

Hon. Mrs. Firth: I may entertain that idea, yes, or I may not.

Mr. Byblow: If the minister will introduce an advisory committee in order to forecast labour demands, can she assure me that she will consider the inclusion of representation from industry, from labour and from experts in occupational training?

Hon. Mrs. Firth: If I do, I may entertain that also — if.

Mr. Byblow: Would the minister also give me the assurance that she will include in the representation adequate representation from the rural communities so that the special needs of smaller communities are considered?

Hon. Mrs. Firth: If I have such a committee, it definitely will be adequate.

Hon. Mr. Pearson: In reply to a question yesterday, I advised members that should they have any questions or any suggestions or want to know anything about the employment programs that we will be putting in place, the jobs we will be doing over the course of the winter, they should contact Mr. Ferbey. I would like to advise everyone that Dave Dornian of the Department of Consumer and Corporate Affairs has now been seconded to the job of co-ordinator of all of this work we are hoping to have done. He will actually be working out of the Department of Education while this is going on. He can be contacted at telephone number 667-5259 or 667-5131. I

would appreciate it if any inquiries are directed to Mr. Dornian rather than to Mr. Ferbey.

Question re: Landlord and Tenant Act

Mr. Kimmerly: Again, a question for the Minister of Consumer and Corporate Affairs about the landlord and tenant situation. A very simple question.

Is the minister aware of the Yukon Federation of Labour's recommendation on the issue, that is number 22 and 28, passed at their last meeting last month?

Hon. Mr. Ashley: No, I have not been given those recommendations.

Mr. Kimmerly: In view of the government policy to encourage people to stay in Yukon during times of lay-off, will the minister state the government's position on the question of utility service and rent increases in employer-owned occupation during lay-offs?

Hon. Mr. Ashley: I am not sure what lay-offs the member across is talking about.

Mr. Kimmerly: The whole town of Faro is on lay-off. What is the government's position concerning the proper notice provision for eviction after shut-down or lay-off?

Hon. Mr. Ashley: I think this will be properly dealt with under the *Landlord and Tenant Act*.

Question re: Legal Aid

Mrs. Joe: I have a question for the Minister of Justice concerning legal aid. Is the government's position that Yukon resident lawyers are getting preference over outside lawyers when distributing legal aid work?

Hon. Mr. Ashley: Certainly, that is the case. They are the ones who work in the legal aid field.

Mrs. Joe: The legal aid states that work be distributed equally among resident lawyers. Is this, in fact, the policy of the government now?

Hon. Mr. Ashley: There is a committee that actually does that and there are about ten lawyers basically in the law society that work on legal aid.

Mrs. Joe: Perhaps the minister will take this question as notice. The law society set up categories of junior and senior lawyers for legal aid purposes. Will the minister investigate the legality of this and inform the House of the government's position?

Hon. Mr. Ashley: It is perfectly legal for them to do that and we certainly recognize it in the fees that we pay for junior and senior solicitors.

Question re: Placer industry regulations

Mr. McDonald: As the minister responsible for resource planning is not present, I have a written question for the record, which I shall presently read. It has to do with placer mining and is of a similar nature to a question posed yesterday during question period. Although the answer yesterday was interesting...

Mr. Speaker: Order, please. The honourable member is now making a speech. If the honourable member has a written question, would he kindly submit it?

Mr. McDonald: I am glad you countenance that as a speech, Mr. Speaker. It certainly does it justice. While the answer yesterday was interesting...

Mr. Speaker: Order, please. Will the honourable member, if he has a written question, finally either read it or deliver it to Mr. Clerk?

Mr. McDonald: I will defer to your judgement once again. The question is of four parts and reads as follows: how many meetings have taken place between territorial officials, as observers, and federal officials, to create new placer industry regulations; from what date to what date have these meetings been held; has the Government of Yukon ever, in the last two years, officially requested of the federal government to fully participate in the development of new industry guidelines and, if so, have these officials' requests been denied by federal officials; and, lastly, have any meetings been convened at the ministerial level to discuss placer mining and, if not, has the Government of Yukon requested that such meetings take place?

Question re: Public Service Commission

Mr. Penikett: I have a question for the government leader, in his capacity as the minister responsible for the Public Service Commission. On Wednesday, November 10th, the government leader stated that the policy of this government is not advertise outside unless it is determined that no local people are qualified for the position. Since the minister made the statement in response to a question about why certain positions were not advertised locally, can the government leader say how the Public Service Commission determines whether there are any local people qualified for certain positions?

Hon. Mr. Pearson: Since being asked that question, I have determined that every position is advertised locally prior to it being advertised outside, without exception.

Mr. Penikett: I am glad to hear that but, in fact, I think I can recall at least one local case where that was not the situation, and I would like the government leader to check again, because there may be some Yukoners who, while qualified for certain types of jobs, have not registered for employment...

Mr. Speaker: Order, please. The honourable member is now debating.

Mr. Penikett: Mr. Speaker, if you will permit me one sentence, I will get my question out.

Mr. Speaker: Please continue.

Mr. Penikett: ...who have not registered for employment for some time but now wish to re-enter the work-force. If the Public Service Commission is not advertising the positions locally, or has not, in some cases, how can this government be certain that some local people are not being passed over for these positions?

Hon. Mr. Pearson: It is obvious the leader of the opposition did not listen to the answer to the previous question.

Mr. Penikett: I did not get an answer to the previous question. We are allowed long speeches from that side of the House. We are barely allowed one sentence from this side.

The availability of employment opportunities might be inducement necessary for some Yukoners to sharpen their skills in certain areas aimed at some future prospect. I would like to ask the government leader, has he, as minister responsible for the Public Service Commission, considered directing his department to prepare and make public a long-range projection of the expected manpower needs of this government, in order to help reduce the problem of a lack of qualified local workers for certain positions?

Hon. Mr. Pearson: We have had a major problem in one area with respect to this government for some considerable length of time. We have done a considerable amount of local advertising. We have entered into training programs at the Vocational and Technical Training Centre in order to offset that. We still do not have the problem solved. It is now becoming alleviated to some degree because of the major unemployment problems outside. I will have to reiterate once again, every job that we hire for is advertised in the Yukon territory. All of them are.

Question re: Carcross School

Mr. Byblow: The government leader will recall that I brought to his government's attention an advertisement for a number of teachers that was in outside publications and not advertised locally last spring.

My question is, however, to the Minister of Education. Having now had over a week to appraise and respond to the situation, can the minister advise the House what her department has done to ensure that the arsenic levels found in the drinking water at the Carcross school are not posing any hazard to the students attending?

Hon. Mrs. Firth: We have been constantly monitoring the situation in Carcross. A thousand gallon holding tank has been installed at the school. If it is not completely installed, it will be very shortly, with its own pressure system. We are taking water from the community well in Carcross, and that is what the school children are using for drinking water. The holding tank also has its own separate system to hook up to the taps.

I was speaking to the chief environmental health officer this morning and it will be another two days, or more, before they have done a final analysis of the drinking water in Carcross. They have had a second set of results that confirms the first set of results and

he has reassured me, as Minister of Education, that the drinking water is safe for the children at the school in Carcross.

Mr. Byblow: Can the minister state when the well for the water at the school was tested, prior to this fall? In other words, I am seeking some indication of how long that may have been the condition before it was discovered.

Hon. Mrs. Firth: We are not responsible for testing the water. That is the environmental health officer's responsibility and he did not indicate to me when they had last done the testing, so I would have to check with him to get an answer to that question.

Mr. Byblow: The minister has already indicated that the inspection branch of national health and welfare are involved. What other territorial or federal agencies are involved in the monitoring program of that situation?

Hon. Mrs. Firth: None that I am aware of. Like I said, I was speaking to the environmental health officer this morning and he did not indicate that any other departments were aware, territorially or federally.

Question re: Yukon Liquor Corporation

Mr. Kimmerly: A question to the minister responsible for the Yukon Liquor Corporation. Is it true that senior management personnel in the corporation have government-leased cars?

Hon. Mr. Lang: Not to my knowledge. They may well have leased vehicles through the liquor corporation for some purposes, but I would have to check into that.

Mr. Kimmerly: I thank the minister for his indication that he will look into it. I would also ask what is the expense involved, as notice of the question. What is the criteria or the policy concerning invitations to the liquor corporation's wine tasting functions?

Hon. Mr. Lang: If the member opposite is indicating that he wants an invitation, I could check into that as well. There may be some discussion on that particular matter in view of his position that has been exhibited in this House, and also, further, on the order paper — his obvious inclination towards prohibition. I would have to check into that as well, but I guess, the way the member opposite smiles, I will just take it as a frivolous question.

Mr. Kimmerly: Is there a government policy concerning possible benefits that potential liquor merchants may offer the Yukon government purchasing agents?

Hon. Mr. Lang: Perhaps questions of this nature had better be written down, as I think that it would take a fair amount of research as far as specifics are concerned. I will check into that as well, as the member well knows, that any time he directs a question to me, I am more than prepared to take it under advisement.

Question re: Dempster Highway

Mr. Porter: I have a question for the government leader. My question is, can the government leader tell us his government's policy in respect to a road into the north coast of the Yukon, connecting with the Dempster Highway. Does his government support the construction of an all-weather road in that area.

Hon. Mr. Pearson: It has never ever been considered, and I would doubt very much that anyone with any degree of responsibility at all could stand up and say that they either support or do not support such a road without knowing exactly what the effects of that kind of construction are going to be. As I said before, I have been on that north coast, and I recognize it for being the fragile part of ecology that it is.

Mr. Porter: I take it then the government leader is stating that at this present time they do not support the construction of an all-weather road. Is he aware that Gulf Canada, an exploration company that is operating in that particular area, does make no comment in respect to an all-weather road, and in their environmental impact statement before the ERP panel, they did indicate a preference for a winter road? What is the government's position on that?

Hon. Mr. Pearson: My understanding is that Gulf is prepared to make application in respect to Stokes Point, without any suggestion that there be a road. I am positive that Gulf Oil has said that they are only interested in sea access to that harbour port. I am sorry that the hon. member did not understand me when I answered

the last question. I did not say I was in favour of or opposed to, or this government was in favour or opposed to, any road.

Mr. Porter: Then I understand the government leader to say that he has not made any decision in respect to an all-weather road on the north coast? Last week, I asked the government leader about a question regarding Stokes Point and he indicated that, from his perspective...

Mr. Speaker: Order please. I believe the hon. member is again starting a debate. Would the hon. member kindly ask his final supplementary question?

Mr. Porter: In view of the fact that the government leader has stated that Stokes Point from his perspective is indeed a developable area, on what background or what area or expertise does he make that decision?

Hon. Mr. Pearson: I have lived in this territory for a considerable length of time — I guess half my life now. I have some technical training in the areas of engineering. I think I have been in the territory long enough to appreciate it.

I think the member is losing sight of another point that was made at the time. I said that there were two sites being looked at, King Point and Stokes Point, and it was my considered opinion that Stokes Point was much more desirable than King Point, because Stokes Point has already had ecological damage done to it. I submit most of the damage that is ever going to be done to it has already been done to it. It does not make any logical sense to me to go to another part of that north coast which is very fragile.

Question re: Public Service Commission

Mr. Penikett: I may be pumping a dry well, but I would like to try another Public Service Commission question. Given that a superior court has ruled that public employees may not be promoted to a probationary position for the purpose of dismissing them, something which is still possible under Yukon law, is the government leader considering amendments to the Public Service Commission's legislation to bring it into line with the court's decision?

Hon. Mr. Pearson: Certainly the next time the Public Service Commission legislation is open, and if we have legislation that is contrary to law, we have a responsibility to change it at that point.

Mr. Penikett: I understand, in Yukon, it is also possible for an employee to serve successive periods of probation in a new position. Has the government leader examined the efficacy of this measure and, if so, has he or his officials reached a judgement on its continuance?

Hon. Mr. Pearson: I stand to be corrected, but it is my recollection that, in fact, a probationary period can be extended once for a term of six months. At the end of that time, the person who has to make the decision is required to make a decision to either terminate the employee's employment or take him off probation.

Mr. Penikett: On the same subject, I understand that the federal employees have greater rights to appeal against employer's decisions than have territorial public servants. Is this, or has this, been a matter reviewed by him or his officials?

Hon. Mr. Pearson: We have appeal procedures, both negotiated and legislated, and they are in place. I am not satisfied with the hon. member just saying that it is his understanding that the federal government has greater rights of appeal. As far as I know, an employee of this government has every avenue of appeal open to him that anyone else has.

ORDERS OF THE DAY

MOTIONS FOR THE PRODUCTION OF PAPERS

Motion No. 1

Mr. Clerk: Item number one, standing in the name of Mr. Byblow.

Mr. Speaker: Is the hon. member prepared to deal with item one?

Mr. Byblow: Yes.

Mr. Speaker: It has been moved by the hon. member for Faro,

seconded by the hon. member for Mayo, that an order of the assembly do issue for a copy of: (1) all correspondence; (2) any agreements; and (3) any other relevant documents pertaining to the Government of Yukon's announced intention to buy a 50 percent interest in Yukon Hydro.

Mr. Byblow: The motion we are looking at, as you so eloquently read into the record, calls simply for all relevant correspondence, agreements and other documents that exist, and are available, relevant to this government's intent to purchase 50 percent of Yukon Hydro.

I would like to briefly address this motion in two aspects. Firstly, I would like to explain the intent behind the motion and, secondly, I would like to raise a number of concerns relative to government involvement in the energy resource.

I should make it quite clear at the outset that our party has a clearly articulated policy in the area of energy and, in principle, we are not opposed to public ownership in energy-generating facilities so, why the motion?

Politically, I believe that the taxpayers of Yukon, who are being expected, at least in part, to foot the bill for this acquisition, ought to know, have a right to know, the details of what they are buying. I think it stands to simple reasons that any good businessman would be expected, when he undertakes a new investment, to expose the terms and conditions, the commitments, whether they are fiscal or otherwise and, of course, the consequences to his participating shareholders before he would sign on any dotted line. I think that should be especially true when that business venture is an obvious shift in policy.

Now, this government is on record in its claim to be the last bastion of protection for private enterprise and I raise an eyebrow when I see this effort to be sort of half socialist, compromising their stated policy of not interfering with private enterprise ownership. Mind you, that is not harmful, it is not dangerous. I am glad to see the Tories shifting. I just hope that it is a shift left and not a shift right, and I will explain that in a moment.

I raised a number of questions surrounding Yukon Hydro in the last couple of weeks and I have, sincerely, not been satisfied with the assurances and the information that I have been able to procure. I am not satisfied with the information that is available, my constituents are not satisfied with the information, and I am sure that the Yukon taxpayers at large are not satisfied with the information presented. We are talking about information access. We are talking of freedom of information. We are talking about this government undertaking a directional change in policy towards investment and in the area of energy resource.

I think what I am simply saying to the government is, "Look, you are doing something new. It affects everybody in the territory. There are taxpayer dollars being spent, so just get up front and tell us what you are doing and what it is going to cost us. Tell us what the consequences are and how it fits into long-term policy. Those are simple requests. We simply want to know".

Having said that, I want to talk about some of the concerns surrounding this venture. I said earlier that, in principle, we do not disagree with public ownership of utilities. Certainly, in the area of energy, there is all the more reason that we ought to be taking some immediate action.

Concerns have been expressed to me about how this government is going about doing this. What I ask, is really being achieved by this government's purchase of a half interest in a private utility that generates, in normal times, hardly two percent of the territory's electrical needs? What is really being achieved?

Further to that, when you lay that question up against other concerns expressed to me, for example, that of the unusually close relationship between Yukon Hydro and Yukon Electric, the situation begs another series of questions.

For example, I have already noted to the government leader that the board of directors presently on Yukon Hydro are also on Yukon Electric. So, I simply ask the question, to what extent will this government be permitted to name directors to Yukon Hydro? Secondly, to what extent will that representation extend over, into Yukon Electric? As I pointed out in question period, the other day, how are the taxpayers of Yukon to be assured that this unusual

marriage of two companies will not have any negative impact in decision-making or in rates?

The government leader told me that the Electrical Public Utilities Board would look after that. Fine, I heard what the government leader said and so I looked at the financial statements of the two companies. I found some very interesting, very fascinating figures. For example, in 1981, on earnings of just under \$400,000, Yukon Hydro paid dividends of \$125,000, a return on gross revenue of just over 30 percent. An excellent return by any standards. Yukon Electric, on the other hand, in that same year, paid a \$175,000 dividend on gross earnings of just over \$14,000,000. When I calculate that return out against gross revenue, that is a return of something in the order of 1.25 percent. The assets of the two companies are nearly equal to their revenue figures.

I suppose we have to, in looking at those figures, remember that the Yukon Hydro board of directors also sits on the Yukon Electrical board, and we have to remember that Yukon Electrical is Yukon Hydro's sole customer. In other words, Yukon Hydro sells all of its power to Yukon Electrical who, in turn, sells it, in this case, to Whitehorse consumers. I would dare to ask what Whitehorse consumers would have to say about a 31 percent return to a company supplying some of their electricity, and what is the regulatory function of the Public Utilities Board permitting this?

What is the government's intention when they acquire their 50 percent interest, in respect to this unusually high profit margin, indirectly paid for by the hard-pressed consumers? I suppose as well, and I have not researched it out thoroughly, what is the impact of both of these companies being subsidiaries of Alberta Power? For example, could Alberta Power simply lift the assets of Yukon Hydro, and we could be left with nothing? I trust the government leader will assure us his business acumen is at a far higher standard than that.

In any event — and I think I heard some chuckles from the other side — Yukon Hydro is a lucrative little company. Heaven forbid, how I would have enjoyed a 31 percent return of my gross revenue in 1981. However, I think this is essentially some of the questions being raised in the motion for the production of papers. I think the government has an obligation to answer some of the questions, in fact all of the concerns that I have raised. I leave that portion of it there.

I would like to momentarily touch on a broader aspect of policy. Our party has advocated that major energy resources generating facilities and distribution systems be publicly owned and locally controlled through a Yukon energy co-operation. In the instance of small systems, our policy encourages individual or co-operative ownership, and thus, in respect to my latter point here, Yukon Hydro joint ownership, in principle, is something we can support, given that this government comes forward with some public information, some justification of what they are doing, and assurances that its intent is clearly not to protect anyone's private interests, such as Yukon Electric or Alberta Power, but that the interests are far greater toward the consumer than that. In the matter of acquiring control of that utility, which at this point of time is sincerely critical to our development, and I am sure the government shares that point, I would like to caution that we not lose sight of our commitment, in the long term, in energy. For example we must ensure that we are still working toward the Penner Report recommendations to be put in place. We must continue our pressure to have the debt load of NCPC written off. We must continue our efforts to see that that utility company become a territorially-owned Crown Corporation. I think we should encourage or even enshrine in legislation the opportunity for alternate energy systems and small private systems to come on stream.

We should be taking charge of our distribution system. Insofar as Yukon Hydro goes, I think it lends itself to at least one of those criteria, and I hope, and I say that sincerely, that this government has not given up or lost sight of, or given up on our ultimate objective in the delivery of energy. I think in conclusion, I would seek support on the motion for the reasons that I have outlined. I believe the public has the right to know where this government is coming from on this very significant subject. Certainly I look forward to some discussion.

Hon. Mr. Pearson: I regret that on a motion for production of papers that I have to rise and say that the government is not going to support the motion, because we are an open government. We recognize the public's right to know at the earliest possible opportunity. The fact of the matter is that we are in negotiations. As the hon. members should know, it is part of virtually any business deal that is made. There are negotiations before these things take place. There is absolutely no way that these negotiations can or will be conducted in the press, in the media, or in the public. It just cannot happen.

There will be discussions, negotiations if you will, that will be taking place tomorrow. So, it is regrettable, but the motion is most untimely and it is just impossible for us to allow it to pass.

Mr. Kimmerly: I am moved to enter the debate on the production of papers' motion for four reasons. The first two are logical or legal reasons. The last two are matters of policy or judgement, or opinion, perhaps.

Firstly, the acquisition of an interest in the company raises in my mind serious inconsistencies and serious problems. The leader of the opposition asked the government leader yesterday in question period about the problem of the government owning the production facility for electricity and regulating the price to consumers. And the question raises an inconsistency, or a problem about that. The Yukon Electrical Public Utilities Board is, of course, appointed by the government, and, of course, the directors of the company will probably be partially appointed by the government. The government is appointing people to potentially conflicting positions in terms of their duty, and it raises a problem of perceived bias and the possibility of the appointees being instructed by the same bodies, in essence, and essentially being a fairly small club. I use the word "club" advisedly, almost like the family compacts known earlier in Canadian history.

¹⁹ There is an inconsistency and a problem in the government regulating its own profits in this kind of a venture. It is complicated because it is not a solely owned government company, of course. The negotiations, as we understand them, are that the government is to be in partnership, in essence, with private individuals or private companies. The interests of the various people are obviously going to diverge and I ask the ministers on the government benches what guarantee does the consumer have that the price of electricity is going to be adequately regulated, from their point of view — not from the supplier's point of view, but from the consumer's point of view?

There was reference to the profitability of the company. Is it the intention of the government that the profitability remain approximately the same and is that acceptable to the Public Utilities Board, which the government appoints? All of those questions are important inconsistencies and raise questions in very many people's minds in the Yukon Territory.

A second area, and a clearer problem, is the potential conflict with the *Northern Canada Power Commission Act*, the federal act which, of course, gives NCPC the monopoly power to produce electricity in Yukon. There is a potential conflict and competition between NCPC and a potentially government-owned rival company.

We, and the citizens of Yukon, are obviously unable to form an informed judgement on this question because of lack of information. We simply do not know really what is going on here. The motion for the production of papers will enable us to form an assessment about the competition and conflict between NCPC and Yukon Hydro and we are unable to do that.

²⁰ The third area, the policy area, is a little more complicated. I have, as all members have, recently gone through an election campaign. During the election campaign, the question of power rates and NCPC and this acquisition were serious issues. I talked with many constituents about the relative merits of government-owned power producers and free-enterprise-owned power producers and distributors. It became fairly clear that the fundamental difference between my party's position and the Tory's position was that we stood for the proposition that electricity was an essential service as were roads and street lighting and that kind of thing, and it ought to be publicly owned and publicly distributed. My opponent, from the Tory party, very clearly said his position, and

his party's position, was it ought to be owned by private enterprise. The free enterprisers and privately-owned electricity producers would be, in his opinion — and it was a clear position evidenced in the literature — that the electrical production ought to be entirely privately owned. The constituents probably believed that, because that is clearly what he said.

The constituents now have a real problem in knowing what the government's position is. What is going on? There is an announcement of an acquisition by the government, of 50 percent of a power-producing company. What is the government's position about free enterprise? It is obviously inconsistent. The only way that constituents can be properly informed and make up their own minds about this issue is to know what agreements there are, what agreements are contemplated, and the relevant documents.

²¹ Mr. Speaker, the fourth area I wish to raise is the freedom of information issue. We are not now taking an absolute position on the question because all of the information is not known to us. The motion simply calls for information so that the citizens of Yukon and members of the assembly can make an informed opinion.

The government leader responded solely to that issue and talked about negotiations. I say this, if he really believed that, there would never have been a public announcement of the intention to make the acquisition in the first place. That is, in fact, negotiating in public, at least to some extent. The intention of the Conservative party and the government of the day was publicly announced, and it was incompletely announced. They simply announced a general intention and they are not telling us the details. The negotiation process is obviously and clearly affected by any such public announcement, and it has already been made. Once an intention of entering into a deal of this kind is publicly announced, the rest of the negotiations and supporting document ought to be public knowledge if it is the taxpayers' money that we are talking about.

Hon. Mr. Lang: It was not my intention to rise on this motion, but I have to admit that the hon. member for Whitehorse South Centre did get to me a little bit. I hope that in speaking to this motion, I do not cause the leader of the official opposition any medical problems during the course of my dissertation.

A couple of points that I think have to be made is, first of all, that negotiations are under way, as the government leader has indicated. Once the details are arranged, which the hon. member from Whitehorse South Centre indicated were being negotiated, and that is an accurate statement, the government leader indicated that any relevant document would be made public in any case.

²² I would like to point out, for the record — and so the member for Whitehorse Centre, who sometimes has an ability to use some facts that are to what he perceives his advantage, as opposed to the total facts — that the Progressive Conservative Party, approximately three years ago, passed a resolution that we should, as a government, seriously consider going into partnership with private enterprise for the purpose of the generation of power. That is where the mandate initiated from and, subsequently, this government negotiating with Yukon Electrical with the express purpose of acquiring some assets of Yukon Hydro, with the principle behind it being that the government could be involved locally and at a regional level in the development of hydro and, at the same time, and just as importantly, have the necessary expertise, through the private sector, to get both the instruction and the management capabilities to operate the plants and the distribution thereof.

I would submit that probably all the facts were all made public during the course of the election, and the electorate made a choice during the course of that election, and that is why you see the composition in this House. That was one of the major issues we deemed as to what the public saw or envisaged their government doing on their behalf in the area of energy.

What the member for Faro forgets and fails to look at is that the prime purpose of the government becoming involved in the production of power through the Yukon Hydro Company is to, principally, get off our dependency on diesel.

I want to lay one card on the table, that the members of the opposition never did do during the last election, and have not come up front with now, and that is the principle of purchasing, expropriating, the rights for the distribution of power throughout

the territory. Now, that failed and the public has a right to know, and the member for Whitehorse South Centre should be telling his constituents, which he always exhorts he is very concerned about in this House, exactly what they would be paying. You are looking at a price tag of anywhere between \$11,000,000 and \$20,000,000, depending on what the fair value of that expropriation would be.

Now what would that do to the people in Porter Creek — and perhaps the member opposite does not care about that, but I do, just like I care about the people in Whitehorse South Centre who have homes — to their power bill, over and above what the price is now? That is a bill and it would have to be paid through the monthly charge on their light bills.

But, the member, during the course of the election, did not stand up and tell the public that. No, instead, they were going to go into the Workers' Compensation fund and start funding something other than what the Workers' Compensation fund was set out to do.

So, I have listened here for the last two to three weeks to the pontification from that side of the floor. The point, as far as this resolution is concerned, is that the government leader has made it very clear that once there is a successful conclusion of the negotiations, we will make public whatever relevant documents that should be. We are not trying to hide anything.

All I can say is that I hope that the negotiations can be concluded fairly swiftly so that we can go on with the work that has to be done. Therefore, we will be voting against the motion.

Mr. Byblow: Just a brief response to the Minister of Community Affairs who just spoke. I find it very difficult...

Mr. Speaker: The hon. member now speaking realizes he closes debate on the subject.

Mr. Byblow: Yes, I understand that. I fail to understand why the minister is so hesitant to address the questions that have been placed before the House today, questions of concern surrounding this venture, the questions surrounding the relationship between the companies, the questions surrounding this government's compromising policy that appears to be coming forth.

The minister indicates that his party gave him direction some three years ago. As I understand, the direction, specifically on the McIntyre Creek development in the Yukon Hydro acquisition, was articulated in the motion this past April by his party. Yet, prior to that, in February, this government was already into discussions with Yukon Hydro and Yukon Electrical on the acquisition, and probably even before that.

The minister talks about the facts being made public during the past election. This is not so. Why would I be asking the questions I am asking if the facts were all laid out in the public forum before this? Why did the minister not address some of the questions I asked? It just seems very peculiar indeed, that there is a suppression of information here.

The minister talked about expropriation, questions of cost. I think, if the minister would review his party's stated position in the House, our party's stated position in the House, he knows full well that, when NCPC, if it becomes a territorial crown corporation, must become so with the absence of the capital debt load that it is now carrying, which would affect power rates by as much as 40 and 50 percent. I am very disappointed that the government is choosing not to address the issue at hand, and probably more so that they have not answered any questions. I can, perhaps, bend to their persuasion that it is not timely to produce certain documents, but I think it would be more than timely to answer some questions.

21 Motion defeated

Mr. Speaker: We will now proceed to motions other than government motions.

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Motion No. 6

Mr. Speaker: Is the honourable member prepared to deal with item 1?

Mr. Penikett: Yes I am.

Mr. Speaker: It has been moved by the hon. leader of the opposition, seconded by the hon. member from Whitehorse North

Centre, that it is the opinion of this House, that the government, in making appointments to boards of committees, should adopt a goal of having the membership of such boards and committees adequately represent all segments of Yukon society.

Mr. Penikett: Somehow it seems to me that there is some kind of beautiful symmetry, or, natural logic, to this motion following upon the previous debate. The question that is put before the House, I am sure all members will have noticed, including those opposite, is stated in the simplest and most unprovocative terms. I am sure, were those fair-minded members opposite removed from the tyranny of partisan politics for a few minutes, and perhaps on reflection, on Sunday mornings, when they are in their place of worship, they will recognize the good sense of this proposal that I am putting before the House.

But I do want to make clear what it is that I am talking about. While I have become increasingly concerned about, not only in my time in this House, but increasingly concerned since the election this spring, is the issue of what is generally known as patronage. Unfortunately, in this country, there is a very old and very deep, and I believe quite rotten, system of patronage that pervades our national life. I heard references to Saskatchewan. I would be happy to speak about Saskatchewan, because I can tell you something about the appointments to boards that happen there that may have some useful bearing here.

I want to say that I think that patronage as a system has reached a point in this country where it is in fact a great discredit to us all — I say, to the dispensers, the beneficiaries and the objective observers. I think the system of patronage that has developed is quite demeaning. I am not going to mention any names, but I can think of, in recent years, a number of highly unworthy appointments, nationally, which were made on the basis of Liberal party patronage. It concerns me that such work as the dispensation of CMHC work to lawyers around the country, nationally, is done on the basis of party patronage.

22 I am absolutely sure that it is still done, and it especially concerns me in small communities like ours where the amount of work to be done may not be large, but it provides a little extra income for some lawyer who may have done nothing more to deserve it than canvas a poll at election time. I think it is unfortunate, but it is true, that much of the criticism directed at the Canadian Senate nowadays is as a result of that body having gone from being a chamber which was designed to represent regional interests in this country to a chamber which represents exclusively partisan interests, and in which most of the members of that body are responsible only to a group of dead prime ministers. I think it has severely crippled the ability of that body to be representative of the regions, ethnic communities, citizens' groups or different parts and groups in our public. I think it has, in a way, brought that body into such disrepute that there is now a serious debate in this country about its future.

I think that patronage, in a limited way, is inevitable in political life, but I think there are real and practical limits on it, and I want to address those. I would be extremely concerned if patronage were to develop to the point in Yukon where it really started to affect people's career potential as public servants. I take it as a point of, I would say, bi-partisan pride as a Yukoner that this is one of the few jurisdictions in the country where, by law, public employees are free to belong to political parties and engage in partisan political activity on their own time, so long as it does not affect their employment. They are free, by law. That is the case only, I might point out, until recently, in Saskatchewan as well as here. It has been an issue of great concern to the opposition parties, as a rule, in Ottawa. There has been a citation recently by an international human rights body about the appropriateness of the continuation of such laws. I do not want to dwell on that, but one of the members opposite made reference to Saskatchewan. There was, as we all know, a blood-bath after the recent election in Saskatchewan. A number of highly qualified, very competent people, were let go by the government. Some of them I know did not dispute the right of the government to dismiss them because they recognized they were political order-in-council appointments. However, some of the people, unfortunately, had

been tagged as members of my party, when in fact they were not. They were loyal, faithful, competent public servants who had been in the employ of that government since the Ross Thatcher days, or the Liberal government days.

²⁶ I am concerned about the development of patronage today as it affects the numerous boards and committees of this government, which are within the gift of the various ministers to appoint. There is a fairly large book, which I gather is about to be renewed and released soon, containing a list of those appointments. The copy I have is somewhat out of date. I agree with those who say that, in the main, these public bodies have done much useful work in the territory. These bodies provide a very useful arena for a minister to go to get some kind of public reaction to proposals, or for these bodies to provide advice or expertise to the government.

I am not entirely happy, on several counts, about the way these boards are structured. I understand their history, and I understand that many of them were created to give the Commissioner an arms-length relationship with some, perhaps, tough, but minor, decisions that had to be made in a number of critical areas, such as the Liquor Control Board. However, that is a constitutional issue, the relationship of the various boards and committees and different kinds of boards and committees to the cabinet. I do not want to address that issue today, but it is one that I have raised before in the House and I have some hope that we may yet see a real review of that issue in this House.

Some of these boards and committees have, as part of their operations, honorariums, fees or expenses attached, and I think, for the most part, these are not particularly generous, and the people who serve on them are worth rewarding. As I have said, at their best, they have the potential to provide valuable community input and advice to the government. I say that with one important qualification. They can only do that if they are representative of the community.

If they are not representative of all segments of the community, and if they do not represent the broad range and variety of opinion that is found in our community, I think they cannot, in many cases, perform the task that they were assigned. As we all note, and we have discussed it somewhat the last few days, I think, YRAC, for all the criticism that may have been made of it in the last couple of years, at its best, performs a valuable function, at least in part because it is made up of, in a sense, the nominees of the member's of this House, wherever they come from in the territory, and whatever their political philosophies happen to be.

I submit, because I see signs of a system of patronage emerging in Yukon, that it is time to discuss this clearly and sensibly before it is entrenched in our political culture.

²⁷ I believe the results, as we go down this old road, will be unrepresentative boards, undemocratic boards, exclusive boards and, in many ways, they will be impractical for the purposes for which they were designed.

I do not think there is a political scientist in this country who would dispute the following fact, and that is, as a rule, in Canadian society, certain groups in the community are better represented by different political parties. Political parties, to some extent, assign themselves the task of articulating the concerns of different people in the community.

I would submit, and I agree that the Conservative party, throughout its long history in Canada, has done a far better job of articulating the concerns of big business than my party. I will admit that. The Conservative party has always done a far better job of speaking for the banks and the oil companies than we could ever do. I think there are certain parts of this country where the Conservative party may have done a better job of speaking for farmers than my party. I think there are other parts of the country where that is not true.

I frankly and honestly believe that my party does a better job, wherever it exists in this country, of articulating the concerns of the working people and the concerns of consumers and lower income people. I think that that is a political fact that ought to be recognized, not as a cause for great concern or dispute. We all have responsibilities here, as members, to represent our constituencies, but I speak on the basis of some knowledge of political science in this country.

I want to make the following point. If you look at the list of people who are appointed to the various boards and committees right now, I do not know whether it is important but I cannot find an identifiable Liberal on the list. Now, like it or not, that is still an organization which enjoys some small support in this community. There were, this spring, commitments by a former minister of this government to increase the proportion of women on boards. By my estimation, there are about seven times as many men as there are women on those boards.

²⁸ By the evidence that I can see here, Indian people in the territory are vastly under represented in relation to their numbers in the whole community. To state the obvious, there is a preponderance of Conservatives. It is impossible for me, with the information that I have, to do an exact statistical analysis, as much as I would like to, but I want to make this caution to the government: If we ever get to the point, with our boards and committees, where their members are simply part of a fairly closed, fairly narrow, fairly exclusive group — in essence, the elite of the Conservative party — they will not be able to do the job they were designed to do. I am saying, if we ever reach that point, and I have heard some expression of opinion opposite that seems to indicate that that is the desired goal of some people.

We are a very small community. We have many talented, able, experienced, generous citizens who are willing to give of their time and their knowledge to assist this community, and the government of this community, by service on various boards and committees.

If we ever get to the point where we say, no, I am sorry, you are not a supporter of the government party, you are not eligible, you do not qualify, you do not fit, we will be making, I submit, a very, very stupid mistake. I say that because I think, as a small community, we have an obligation to make the best use of all the talent and all the ability that we have at our disposal, and that includes many people who do not find themselves in the ranks of the Conservative party.

I submit that such a result, if we were to see it, would be stupid and self-destructive. Allusions have been made to what is done elsewhere. I happen to know that there are many boards and bodies in Ontario, for example, which has been governed by the Conservatives for something in excess of 40 years I would guess now, where there was a conscious effort to solicit nominations and representations to representative public bodies for not only opposition parties, but groups that may be deemed by the government party to be opposition groups in the community. I know, in the British Parliamentary tradition, which we are supposed to observe, there is a tradition there that with many public bodies that you attempt to get representative groups. I do not say that that has not been done here in the past, but I am concerned about the future.

I think we all probably have something to learn about the rather unique way in which, for example, the government, or the Crown chooses the Archbishop of Canterbury, the head of the Anglican Church. As I understand it, the Church brings two nominees to the Prime Minister. The Prime Minister then advances one of the names to the Crown for the official post.

²⁹ I am not suggesting that we need in any formal procedures to deal with the problem that I am suggesting, but I am suggesting that we could all serve our community better if the government party, when seeking to renew the membership, or appoint new members, to a board or committee of certain kinds, whether they are boards or committees composed of people who have an expertise in any area, that there might be some formal or informal consultation with this side of the House and with other groups in the community.

I do not think that the most arrogant member opposite would submit that all knowledge, all wisdom, all information and all intelligence about this community is found on that side of the House.

The member from Porter Creek East is not so sure on that question, but perhaps he is the least qualified member opposite to pass a judgement on that question.

I say this in all seriousness. We are in the process of building a new community. There is a new political culture emerging here. As has been said before, some people claim that party politics is new here. Well, I do not think it is that new, but it is official now.

I think it would be a wise and valuable step for us to consider this proposal, and as a whole House, support this proposal. And I am sure that the government opposite would find members from this side of the House very co-operative, very supportive and very free with its advice, if it were consulted, as to nominees or possible members for the numerous boards and committees that this government has under its power.

Hon. Mr. Lang: I just want to assure the previous speaker that I do not intend to cause him any medical problems in my forthcoming dissertation. I am just trying to be non-combative, non-partisan and totally impartial on the resolution that we have before us.

I should point out, first of all, that on this side of the House we cannot support the resolution, principally because of the way that it is written. We seriously considered bringing in an amendment but felt that, in discussing the issue at hand, that the votes and proceedings would be sufficient, as opposed to going through the exercise of an amendment to the resolution before us.

The resolution before us states, "It is the opinion of this House that the government, in making appointments to boards and committees, should adopt a goal of having the membership of such boards and committees adequately representing all segments of Yukon society". If it had said "continue its goal" of having membership, then we would have supported the resolution. I should point out that if one takes a look at the appointments over even just the past year, there is a number of people whose political persuasion I do not know, to be quite frank.

The question of women has been raised by the member from Whitehorse South Centre. I should point out that this side of the House, and our party, was the first political party in the territory to have a leader, who happened to be a woman, who was voted in because of her capabilities.

Secondly, I should point out that during this last election, that the Conservatives had four candidates who happened to be women, and the NDP had two. I recall it very vividly, and I find it sometimes hypocritical when the opposition stands up and talk about women representation, or whatever, when the NDP had the prospects of electing a woman as president of their local party here, and I understand that the leader of the official opposition stood up and spoke against the woman. Now, for whatever reasons, whether it was due to incompetency, or whether it had to do with the fact of her sex, I do not know. I recognize that the member opposite would like to close debate. Perhaps he could explain it more fully to this side of the House and, in turn, the public.

These are facts, and I think they should be put on the public record so that the member opposite, especially the leader of the official opposition, can go home and read them and mull over them and look where he is going wrong. I think it is important, and I agree it is important, that we have memberships to our boards and committees that is representative throughout the communities of the territory. I want to assure the members opposite that the background, the capabilities, regional representation, everything is taken into account prior to appointments to boards or committees of the government. The member opposite alludes to the fact that perhaps some are Conservatives. I admit, some of them are Conservatives. It is very difficult to find someone who is not a Conservative in the territory. If one reviews the history of the territory that the leader of the opposition is so good at looking back and quoting upon, we also consider the longevity of people in the territory, and that is probably why some members opposite would not be appointed to a board of this government, at any rate.

I think a couple of other points, in my opinion, that have to be made is that the leader of the official opposition party has referred to the Conservatives as an elite party, and I extend an open invitation, in fact he can buy a membership card — or, not a membership, I would not put it that bluntly — and they are open to anyone, the general public, members of the party, to go this weekend to listen to Mr. Crombie speak. He can rub shoulders with every class of worker in the territory because that is what the Conservative Party represents. I am sure the member opposite will take the offer I have made in good faith. Hopefully he will come forward with his \$30.

I think the major point, as far as appointments to boards is concerned, along with regional and ethnic backgrounds, I think the most important aspect that we have to look at is the competency and the ability to carry out the function they have been asked to do. In fairness to the leader of the opposition, he has not stated categorically that this is not being done, looking at all these requirements for appointments to boards. I want to assure the member opposite we will continue in our goal, as we have in the past, in appointing members to boards, and ensuring that they are representative throughout the total community. I think with the comments I have made the leader of the official opposition will sleep soundly this evening and not have any problem, in view of the fact that I am more than prepared to give him my assurances and assurances of everyone on this side of the House.

Hon. Mr. Tracey: I think I have to stand up and say a few words about this as well. I am a little concerned about the member across the floor stating that his party is the only representative of the working people and of the consumers in this country and our party is the representative of the banks and large organizations.

Our Party represents the banks and large corporations and it also represents consumers. I think that all you have to do is look at the elected members across Canada to find out who represents whom in this country. There are 32 members of the NDP in Ottawa and quite a few more than that of Conservatives. In nine out of ten provinces we have Conservative governments that are representative of the people. I am certain that the greater part of the populace is consumers and working people. So, I think that we have a lot of support from the working people, conversely to what the members across the floor say.

He also says that he reviews the Handbook of Boards and Committees and says he cannot find a Liberal on there. Well, I am sure that that member does not know everyone in this territory who is a Liberal, nor does he know who all the Conservatives are. I am sure, on this side of the House, that we do not know, either. We appoint people to these boards on merit. If we feel that a person can do the job, he will be appointed.

Incidentally, I would like to say that, for example, on the Legal Aid Committee, we just appointed a very well-known Yukon Liberal.

I would also like to comment on his charge that we do not appoint Indians to boards and committees. We do appoint Indians to boards and committees. In fact, one of the member's own colleagues was on a board of this government previous to her running in the election. I would also like to say that we have given ample opportunity to a lot of Indian people to be appointed to our board. In fact, we have written numerous letters to the Council for Yukon Indians asking for representation on boards and it has been refused until recently, when I received a letter from the CYI nominating some members for the Wildlife Advisory Committee.

Mrs. Joe: I have some brief comments that I would like to make in regards to this motion. I will not go into a long, drawn-out scenario regarding who does what in what party, but I am supporting this motion simply because I have observed over the last few years that there has been a lot of one-sided boards that have been in existence, and I have had lots of conversations with people in my riding and other ridings, as well, in regards to some decisions that were made by those boards. The people whom I represent, especially, have asked me a number of times, "Why do they not have somebody on that board that understands what we are doing?" That is one of the reasons that I would support this motion.

Regarding the type of thing we have been talking about all week, the Yukon Recreation Advisory Committee, the reason I spoke so strongly on it and kept getting called out of order is because, to me, it was a very important thing. Not only that, but it was very important to members who are on the Yukon Recreation Advisory Committee and are representing people from the communities. We have, in black and white in *Hansard*, the minister saying she wanted people whom she could trust. We have, in black and white, from minutes of Yukon Recreation Advisory Committee meetings, where she says that party politics is here to stay and that recreation should be lined up like all other government thrusts.

She expressed the need to pick people who she wants. That, to

me, is the same kind of thing that we were talking about, where you pick people who you want, not who other people want, and who are going to abide by your ideas and the way you want things done. I maintain that we all represent different kinds of people in the Yukon. We represent probably, in a lot of cases, different kinds of people. With regard to \$30.00 to go to a convention, our convention would find that very high.

I think that our ideas and philosophies are a lot different than the people on the other side, and I think that, if we are going to have boards with equal representation — for instance, I can think of the very one that I was so unhappy about not too long ago where there were two men appointed to the JP Council. There was a woman there before, but when the opportunity came to appoint another person, they appointed another man. I think we have to look very carefully at these things and we have to be very serious in the types of things that we are looking for when those people are appointed to the boards. I do not think that it is a laughing matter. I think it is something that we should take very seriously. I think that if we were able to do that, then those boards with representation from all walks of life, would be a heck of a lot more effective, and that the people in the Yukon would benefit from it.

Mr. Brewster: I have been listening to this with quite a bit of interest. The opposition is continually charging us with manipulating appointments. Perhaps the leader of the opposition could explain to me how a young lady, in the latest election, was removed the day before the nominations and a man was parachuted in to look after her position?

Motion defeated

Motion No. 7

Mr. Clerk: Item number two, standing in the name of Mr. Kimmerly.

Mr. Speaker: Is the hon. member prepared to deal with item two?

Mr. Kimmerly: Yes.

Mr. Speaker: It has been moved by the hon. member for Whitehorse South Centre, seconded by the hon. member for Whitehorse North Centre, that it is the opinion of this House that the government should introduce legislation which would have the purpose of making it illegal to drink alcoholic beverages while driving vehicles on Yukon highways.

Mr. Kimmerly: I would like to make a few points in asking all members to support the motion.

Firstly, it is obvious that in this very session we have already dealt with the question of licence suspensions after an impaired driving conviction. This is on the same general issue about impaired driving, but is a very important issue about a different matter and I say to all members that this matter is every bit as important and, perhaps, even more important, and especially more important to younger people, than the previous bill about licensing.

The motion is narrowly worded, I submit, and it is narrowly worded for a very good reason. It calls for legislation which would make it illegal to drink alcohol while driving. The laws in all of the other jurisdictions of Canada — I repeat all of the other jurisdictions of Canada — are slightly more general, and in some cases very much more general, and they make it illegal to have open liquor in a car. In some cases, even if the car is not moving, and in all cases, I believe, it is illegal for passengers in the car to drink, as well as the driver of the car.

My personal opinion is that the law which ought to be adopted ought to be wider, and this motion that I have purposely drawn, a very narrow motion, and I take great pains to explain to everyone that it is calling for a modest change in the law in order to simply make it illegal to drink alcohol while driving.

I say there are very few members of the public who would disagree with that particular law. The government leader has stated in a previous debate about impaired driving that it is desirable, in the government leader's opinion, that we not be the first of the jurisdiction in Canada to change the law, that we are a small jurisdiction and that we follow the example of the other provinces. He referred especially to the more populated provinces with more cars. I say to the government leader that it is time that Yukon

followed the example of all the other provinces with more cars and a greater experience in this area.

The problem that the existing law occasions is very great, and it is especially great for two groups of people. They are the young people who are experimenting with alcohol, or who are beginning to drink, teenagers and young adults, and the second group are the serious alcoholics or the chronic drinkers.

Firstly, dealing with young people, it is the law, it is allowed, that citizens can drive and drink. What frequently occurs, and it is certainly common knowledge, is, especially a group of young people who are of legal age, sometimes — sometimes not, of course — get a case of beer or a bottle of liquor or a bottle of wine and drive to wherever and they drink. It is legal for them to do that. That is allowed under the law. They reach a point of intoxication where their reflexes and their ability to drive is, in fact, impaired and they have no experience and no good way to judge when they should stop.

When young people are learning to deal with alcohol, they generally go through experiments, some of them often unpleasant, some of them causing damage. That need not occur in automobiles. It is illegal to drive while drunk and it is usually evidenced by a breathalyzer reading. The level of drunkenness or impairment is a matter of judgement and it is well known that people are impaired before the point where they reach the .08 breath level.

In the state of California, it is now the law that it is illegal to drive after .05, and in several European countries that is approximately the allowable limit. At .07 or .06, with some alcohol impairment, a driver is still a danger to the public, and the prospect of people driving automobiles, partially impaired but not at the legal limit, I say, is an unacceptable danger and is worthy of our very close attention.

The other group of people are the more experienced drinkers, often called social drinkers, who, in the course of their lives, begin to very gradually drink more and more. After a drink or two, everybody, I submit, loses some ability to assess their level of impairment. It is easier to say, after two drinks, "I will have one more", than it is after no drinks or after only one.

The progressive drinkers, who are gradually drinking more and more, are essentially put at an unfair risk. It is perfectly legal to drink and drive and to drink while driving, and their ability to make an assessment of their degree of impairment is, in fact, impaired. These people are occasionally caught and, occasionally, are over the limit, and the legal consequences are extremely serious and, more importantly, the danger to the public is extremely serious.

This motion is fairly narrowly worded in order that the matter can be further studied, that the policy input, if any, can be obtained and the appropriate bill brought before the legislature. It is purposely done that way. I would say, especially to the member for Porter Creek East, who commented about the regulation of every aspect of life, this is, indeed, a regulation of one aspect of life, but there is a difference between regulating non-dangerous things and very dangerous activity. I submit that anybody who is drinking while driving is engaging in a dangerous activity and the danger is not only to himself or his passengers, it is to all users of the highways.

The danger is so great and the need for the protection of public is so great that the regulation of drivers who drink is, in my opinion, clearly justified. It is a danger which causes more harm than other crimes, perhaps, in the world today. I submit that this is a fairly modest motion, but deserving of greater study and a bill changing the law, perhaps in the next session of this legislature.

Mr. Philipson: I must rise and speak against this motion proposed by the member for a number of reasons, one of which is that I do not think we have taken into consideration that the vehicle is not only a car, and I am appalled to think that a person could not have a beer on a hot day while he is operating his boat. This says drinking in a vehicle.

This surely is an overkill. We all know that the members opposite would like to have government control and interference in all facets of our society. This proposal reflects this philosophy. It is just another control and interference over the rights and privileges of all individuals. It is not a solution to a problem that we are concerned about, although I wonder if the member opposite has a greater

concern about his feelings of guilt because of some of the actions in his previous occupation.

What we really want to see is a control over the actions of an individual who abuses his rights and privileges. We do not want to control and penalize everybody.

Just to be sure that I do not get misconstrued, I want to clarify that I cannot and do not condone impaired driving. In fact, I feel very strongly about this. A short while ago, I supported legislation that provides for stiffer penalties for individuals who abuse those rights and privileges. Society must be protected, but we should not always be charging a windmill. I do not believe that all those who have behaved responsibly should be penalized for the few who act in a conscious and unwanted fashion.

While I am on my feet, I would like to commend the hon. member from Whitehorse South after hearing the hon. leader of the opposition on his teetotalness, but I would suggest to him that this is like any other "ism". A person should be able to find it on his own, and should not be regulated into it by government.

Mrs. Joe: I find it very disheartening to hear comments, that were made by the person from across the room, that sort of distorts the impression that I had of this House.

I am supporting this motion simply because I think that it goes hand-in-hand with the impaired driving penalties. What I see happening here is that every time something of this nature that, for instance, is a preventative type measure and, in this case, it would be to prevent impaired drivers, and it does not cost the government any money, it is always voted against. I find it very hard to believe that they are talking about restricting people and their rights when, in fact, the penalties for impaired driving while they were not as lengthy as ours were, were much more restrictive in that they did not allow restricted licences for people to drive while working.

I have to speak very strongly in favour of this motion because I think it is a very important one. If the government can implement some preventative type of program that does not cost them a cent, I really do not know why they are voting against it.

Hon. Mr. Lang: I would like to make a couple of comments on this motion and I want to make it very clear that I cannot support it for a number of reasons.

First of all, I think that the motion is overkill in respect to the situation that presently exists. I think that we have taken responsible action in this House in respect to the suspension of licences being mandatory if one is caught impaired driving. Subsequently, I think it is going to prove very much a deterrent in respect to those who would abuse the privileges and rights of other people driving the highways.

The present law is very clear. If you are .08 or over, you are impaired and, subsequently, will be dealt with accordingly. What we are dealing with here is the rights of an individual, who is a law-abiding citizen, who may be driving out to the lake, going fishing or whatever the case may be, and says, "gee, it would be nice to have a cold beer while we are on our way to our destination". They are not there to abuse the privilege. If they get over .08 they are going to be dealt with accordingly. I do not understand the difference between having a beer at the Carcross cut-off prior to going to Marsh Lake as opposed to having it in the vehicle on the way out.

³⁸ Further, it is my understanding that 70 or 85 percent of impaired charges, or cases that are dealt with, are found within the municipalities, or in that neighbourhood. It would seem to me the present law the way it exists in most communities is that one cannot drink within the community while driving their vehicle in the present legislation. I should further point out that, from where I sit, I find it very difficult to understand why we should be bringing forward this type of resolution for the purposes of legislation, in view of our past action regarding the *Motor Vehicles' Ordinance* and the penalties as far as your licence is concerned. It would seem to me that what we are doing is bring in further legislation on the behest of the member of Whitehorse South Centre to try to get to those people who are abusing, what he thinks, the privilege they presently have. What he did not indicate in his dissertation was the fact that those people, even if you were to pass the law, would probably be breaking it in any case, if that is what they intended to

do. What we would be doing, if you accept that principle, is legislating against the White Pass truck driver, the housewife, or whatever, who just wanted one cold beer on her way out to the lake, and you would make that illegal.

I recognize that the member is relatively new to Yukon. This law was in effect at one time. There was a very major problem as far as littering was concerned because people knew it was against the law to have even an open bottle of liquor, whether or not you were drinking it. Therefore, what took place was they were thrown out on either side of the highway. I think it is important to note that the present law, and the fact that you can have a cold beer at the present time, what the member is indicating to me is maybe what he would like to be looking at is one should not eat, drink or do anything as far as driving is concerned. It would be a requirement to have two hands on the wheel at all times, following the logic that has been put forth.

It would seem to me also, when you legislate in this area which he has not delved in, you would have to, in the writing of the law, put it in such a manner that you would in all likelihood, if stopped and found to have an empty beer bottle in your car or an empty bottle of hard liquor which your children may well have put in, that you could quite conceivably be charged.

³⁹ The member opposite does not say what the motion says, but when you get into trying to write legislation of this kind, he can rest assured that these things would have to be, in all due respect, written into the legislation, as well.

I just want to close by saying I cannot support the motion because I do not believe that it will negate what he believes to be a problem. I think we have already taken that step. Secondly, I have to ask myself, in this *cause celebre* that the member and his party have taken, for the purposes of changing the liquor laws to the point that they are equivalent to those of the Northwest Territories or Alberta, I have to question why. It seems to me that if we can rectify the impaired driving, on which we all agree there is a problem — there was agreement in this House that certain actions should be taken and those actions were taken — that this is a case of overkill.

It would seem to me that the party across the way is basically leaning more and more towards prohibition. We will bring in all the laws and we will two-bit the present piece of legislation to the point that Mr. Kimmerly will decide, on behalf of the people in Porter Creek, on what given day he or she can drink. Well, I do not agree with that. I think, overall, throughout the territory, those people who are responsible are conducting themselves accordingly as far as the drinking laws are concerned.

It would seem to me that with this type of approach and in the next resolution, on which I will be speaking, as well, that the party opposite has a responsibility to come forward and say, "Look, we are for prohibition or against it". Let us get through the nickel and diming in respect to the present legislation. It seems to me that right now the member for Whitehorse South Centre carries enough weight in his party that he is going to do everything that he possibly can to shut down establishments and ensure that as far as drinking is concerned, other than for, perhaps, the places which he deems fit, will be outlawed. I cannot accept this as a member of the Conservative party or as the elected member of Porter Creek East.

Mr. Speaker: I should caution members at this point in time that it is contrary to the rules to anticipate debate on another question which is standing on the order paper. Is there any further debate?

Mr. Kimmerly: I remember the member for Porter Creek East, in the last legislature, mouthing exactly the same words as he just did, saying, "Tell us if you stand for prohibition or if you do not". It was about a local consultation motion in April, I believe.

I say, again, that my party does not stand for prohibition, I am not a prohibitionist, I do not stand for prohibition and, in fact, I am not a teetotalter and do not intend to be one in the future.

⁴⁰ I cannot be any clearer than that. The statement is absolutely simple and blunt. We are not prohibitionists.

I would like to correct a few factual errors made by the member for Porter Creek East. He incorrectly stated the impaired driving law. The fact is not that if you are .08 it is illegal and if you are under it is legal. For all members, and all persons reading the

debate, that impression ought to be corrected. The law is anyone over .08 is impaired, and people under .08 may or may not be impaired. If they are drunk or substantially impaired, and the legal test is if their driving behaviour is substantially different or impaired from their normal driving activity, they are, in fact, committing an illegal act, even though they are under .08. That is the law.

The member also spoke about empty beer bottles in cars and littering and those sorts of things. The motion does not call for making it illegal to have open liquor in automobiles. It refers only to the driver of automobiles actually drinking. The RCMP have positions on the way the law ought to be worded and they are interesting and compelling arguments, but the motion is very narrowly worded, purposely so.

The difference between drinking in a vehicle and drinking before getting into a vehicle is that there is a delayed effect, scientifically demonstrated, to the drinking of alcohol. The actual impairment, and also the feeling of impairment, is delayed approximately 20 minutes or so after actually drinking.

"The problem with drinking and driving is that it is more difficult to identify the way you are going to feel twenty minutes in the future after your drink. If you are sitting down at a continuous activity and a relatively immobile activity, there is an increased danger there.

In summary, concerning the general argument on the other side about the restriction of freedom and the intention to get at the people abusing the privilege, I say to the members on the other side, they are missing the whole point. This is not a motion designed to be a criminal law, or to get at abusers. It is designed for public safety. It is designed to get at the innocent users of the highway, the White Pass truck drivers or the people going out to the cottage, who have a right to use the road in safety. And as long as there are people on the roads drinking, that is impossible.

Motion defeated

Motion No. 8

Mr. Clerk: Item number 3, standing in the name of Mr. Kimmerly.

Mr. Speaker: Is the hon. member prepared to deal with item 3?

Mr. Kimmerly: Next sitting day, Mr. Speaker.

Mr. Speaker: So ordered as stood over.

Motion No. 3

Mr. Clerk: Item number 4, standing in the name of Mr. Philipsen.

Mr. Speaker: Is the hon. member prepared to deal with item 4?

Mr. Philipsen: I am, Mr. Speaker.

Mr. Speaker: It has been moved by the hon. member from Whitehorse Porter Creek West, seconded by the hon. member for Hootalinqua, that the Government of Yukon support in principle the development of a deep-water port along the northern coastline of Yukon, providing such development as is socially and environmentally sound, and that the Government of Yukon request the federal government to declare its position with respect to this development as soon as possible.

Mr. Philipsen: I am pleased to proceed with this resolution at this time. Although oil and gas exploration in the Beaufort Sea region has been underway for sixteen years, and over \$1 billion has been spent on exploration, the vast potential of this area is only now being realized.

"Over 110 wells have been drilled in onshore areas of the region and 25 have been drilled in offshore areas. The Beaufort's oil preserve potential has been placed by the federal Department of Energy, Mines and Resources at 9.4 billion barrels at 50 percent competence level. Industry estimates reserves could be as high as 32 billion barrels of oil and 60 trillion cubic feet of gas. Let me put these estimates in their proper context. By the year 2000, the Beaufort could be producing 1,250,000 barrels of oil a day. Currently, Canada imports five billion barrels of oil a day and it is expected to reach 1 billion barrels of oil a day by 1990. The Beaufort oil companies believe the region will mean \$102 billion spent in Canada by the year 2000, and the creation of up to 24,000

jobs. These figures convey the magnitude of the potential and the importance of the Beaufort Sea find to all of Canada.

The leader of the opposition has stated in the assembly, in *Hansard*, April 7, 1981, pages 158 and 159 that "Yukoners can expect to get nothing out of this development". That is wrong. In 1981, 389 northern residents were employed, for the cash benefit of \$7,500,000. Further, in 1981, \$19,300,000 was injected into northern business. It is true that the lion's share of jobs and business opportunities are now going to our sister territory. However, in 1981, Dome Petroleum spent \$1,800,000 in Yukon. The opportunity for Yukoners to benefit from this development is there. Yukoners, Yukon business and the Government of Yukon must take maximum advantage of these opportunities, and in fact they are starting to do so.

In 1983-84, Gulf Canada Resources will purchase 9,000 tons of barite from Yukon Barite at Ross River. This will result in \$3,500,000 being injected into the Yukon's economy and will create a substantial number of jobs for Yukoners.

On November 1, 2 and 3, two weeks ago, in Whitehorse, the Chamber of Commerce organized a trip to Norman Wells, Inuvik and Tuktoyaktuk, in order to investigate business opportunities that will result from oil and gas development at Norman Wells and the Beaufort Sea. One of the ways Yukon stands to benefit from this resource development, and the reason for the resolution, is through the development of a deep-water port along our northern coastline. Two sites have been suggested by industry as potential ports: King Point, by Dome, in 1980, and more recently, Stokes Point, by Gulf. Gulf has conducted a study of a number of possible sites, including King Point, and has selected Stokes Point as the marine base location that best meets its needs. Currently it is seeking permission to establish a base at this location to provide facilities in support of its planned drilling operation in the Beaufort Sea.

"Gulf's Stokes Point harbour proposal involves three phases. Phase one would see a minimum base to serve the immediate needs of the Beaufort Sea drilling systems. Phase two would see an expanded system allowing improved and enlarged systems during the winter. Phase three would see a full-scale system capable of handling 50,000-ton deep-water vessels.

Phase one would cost \$65,000,000 and the total cost of the project would be \$189,000,000. That is \$189,000,000 spent within Yukon. Significant business opportunities will be created with this development. Similarly, employment prospects will also be substantial. Accommodation is being provided for up to 100 people, most of them Yukoners.

Perhaps the most significant benefit is that the development would make Yukon an active partner in the Beaufort development. It would provide us with an opportunity to establish a strong Yukon presence on our northern coastline. In view of the resolution of COPE, passed by this assembly on November 10, I need not remind members of this House that others are keenly aware of our northern coastline.

It must be remembered that this is Yukon's only coastline. The development of a major harbour here, together with a land access corridor connecting it to the Dempster Highway, could have a profound impact on the development of other land-based mineral, oil and gas resources in Yukon.

These are some of the things that Yukon stands to gain from the development of a deep-water harbour on our northern coastline. What do we stand to lose?

First, let me explain why Stokes Point is the preferred location, because it does assist in answering these questions. Stokes Point is the only deep-water port within the Herschel basin, along the entire Beaufort coast, protected from massive ice incursions. Further, as the government leader pointed out in answer to questions from the member for Campbell last Thursday regarding Stokes Point, this area has already been impacted by dewline stations and has available facilities including a serviceable airstrip. In addition, the site has an available supply of granular resources, the largest developable land potential and maximum flexibility and potential are both short-term and long-term growth. These are the reasons why Stokes Point has been selected. I would now like to draw the attention of all members to the actual wording of the resolution.

The resolution has been worded very carefully. It calls upon the Government of Yukon to "support, in principle", — and I wish to emphasize these words — "the development of a deep-water port along the northern coastline of Yukon, providing such development is socially and environmentally sound". I wish to emphasize these words as well.

I am calling upon the members of this House to support, in principle, the development of a harbour at Stokes Point. All the facts and figures are not in yet on the impact that such a development would have on the Porcupine caribou herd and the sensitive environment of the region. Until such time as these facts are in, we must reserve our final declaration of support.

"I was most encouraged, however, by the recent Beaufort Environmental Impact Statement. It states that roads, rather than shore bases and quarries, would produce the most extensive loss of habitat. The latter would have little effect. The study goes on to say the blasting and construction could be carried out at times and under conditions that would minimize disturbance to the caribou.

The Beaufort Environmental Impact Statement is concerned about the construction of roads in this sensitive area, not because of the construction so much, but because of the increased access road it will provide to the hunters. Essentially, the statement concludes, the greatest threat to the caribou is man, the hunter and the trapper. I would contend that the greatest threat is the COPE agreement-in-principle, and the rights it grants the Inuit hunter. It is our firm belief that there should be no hunting in the calving grounds of the Porcupine caribou herd.

I have gone on about the protection of the Porcupine caribou herd at some length, because it is one of both Yukon and Canada's most unique and natural resources, and I know it is of grave concern to my colleague for Old Crow, who I am sure will be speaking about this. Every member on this side of the House knows of the importance of the Porcupine caribou herd to the people of Old Crow.

Further, wildlife is the one resource under the control and management of the Yukon government. The protection of wildlife is our responsibility and we must not be found wanting in that regard. Implicit in the words "socially and environmentally sound" is also the firm belief that any development must be acceptable to Yukoners. The initiatives the Government of Yukon has taken with respect to land use planning, both the Northern Yukon Resource Management Model and Land: a Yukon Resource, are designed to ensure exactly that.

Once again, I know that my colleague for Old Crow will be insisting that the people of Old Crow be kept fully informed of any plans and that they will be consulted and fully involved in any plans or development which may take place in northern Yukon. The members on this side of the House are fully supportive of that and I now call on all members of this House to support this matter.

Thank you.

Mr. McDonald: I have, as all members can see, just a few brief notes that I would like to relate on this particular issue.

I thank the member for Porter Creek West for introducing this motion today as it allows us an opportunity to investigate an issue which has important and wide-reaching ramifications for Yukon residents and the northern environment. I think this motion takes a fairly significant bite into something which may be the most important issue for Yukoners in one to two year's time.

It has to be said, however, that the research materials and conclusive evidence to support development in the north just does not exist, or certainly has not been made available to this side of the House, nor to the public at large. The motion, as it stands, represents a rather "seat of the pants, knee jerk" promotion of development, in our view, and does not address some of the other important qualifiers, such as the economic soundness of projected development. Nor are the issues of aboriginal land claims and the settlement of a Porcupine caribou herd agreement specifically addressed.

"If we do not have the requisite information to be able to comfortably support the development, and have not identified all the important qualifiers which may be placed on development, we really cannot support the motion as it stands. I would like to propose an amendment which would clarify our thinking on this

issue and which should, I believe, maintain our credibility as a legislature.

The amendment is moved by myself and seconded by the member from Campbell, that Motion No. 3 be amended by deleting all the words after the words, "Government of Yukon", and by adding the following, "reserve all judgement on the development of a deep-water port and related activities along the northern coastline of Yukon until: one, adequate social, environmental and economic studies are complete; two, an agreement between the various governments and user groups concerning the protection and management of the Porcupine caribou herd have been reached, and; three, aboriginal land claims covering the northern coastline and north slope are settled; and, further, that the Government of Yukon request the federal government to declare its position with respect to such development as soon as possible".

We must take a heads-up approach to any development and promote it only when it is socially, environmentally and economically sound, and only when it will not conflict...

Mr. Speaker: Order please. I will first have to put the amendment before the members can debate it. It has been moved by the hon. member for Mayo, seconded by the hon. member for Campbell, that Motion No. 3 be amended by deleting all word after the words "Government of Yukon", and by adding the following, "reserve all judgement regarding the development of a deep-water port and related activities along the northern coastline of Yukon until: one, adequate social, environmental and economic studies are complete; two, an agreement between the various governments and user groups concerning the protection and management of the Porcupine caribou herd has been reached, and; three, aboriginal land claims covering the northern coastline and north slope are settled; and, further, that the Government of Yukon request the federal government to declare its position with respect to such development as soon as possible".

Mr. McDonald: We must take a heads-up approach to any development and promote it only when it is socially, environmentally and economically sound, as I said, and only when it will not conflict with an aboriginal land claims agreement. I will not speak at great length to the environmental qualifiers, as my colleagues have expressed an interest in speaking at some length on this issue, and wish not to be pre-empted.

I would like to speak initially to one aspect of the amendment, which is probably more important than one would think at first reading, and that is that we must demonstrate the ability to anticipate possible consequences of individual development projects and insist that, for example, peripheral development be scrutinized with the same rigour that we apply to the original project.

"Development, in this case, a deep-water port, may require peripheral development in order for it to be considered a viable and economic venture in the long term. Connecting roads and airstrips may be necessary in order for the deep-water port to justify its position in the overall development. This peripheral development must also be environmentally, socially and economically sound. Pinpointing restrictions for only one aspect of the overall development must seem ludicrous. I submit that, if we had been contemplating anything more than a small, self-contained deep-water port, we need only to look at the Government of Yukon report on Beaufort development which anticipates transportation networks and perhaps townsite developments.

Gulf itself, in identifying the particular site on Yukon's north coast, sited the long-term potential for an all-weather road to the Dempster. I think enough has been said about this. We know that a deep-water port would quite possibly be organically linked to the rest of the existing Beaufort operations and to the transportation network to the south. We are not just talking deep-water port here. This brings us back to the substance of the motion and the necessity that the development be economically sound. Not only should it be a good economic decision for the industry, but it must also be a good economic decision for northern residents. No one in the current economic climate is prancing about promoting expansion that may or may not be economically sound.

We all make sure we know what we are doing first. We must first ask ourselves the basic motherhood questions: notwithstanding

current industry commitment to Beaufort development, is the oil economically recoverable? A basic question, but we owe it to ourselves to ask and receive significant reassurance from the industry. What we do know is that oil is not being found in large pools, it is only being found in small, scattered pools. Surely, this would affect the viability of the whole Beaufort operation and, consequently, the viability of a deep-water port.

Just to get a little off topic, in an attempt to draw an analogy, I often try to imagine what the mining fraternity would think of us if we put a motion on the books advocating site development in the bush merely because there was mineral exploration in the area. What if we were to propose that a mill should be constructed in the Bonnet Plume merely on the strength of scattered ore samples, without the stipulation that the anticipated mining operation would be economically viable? We might just develop the wrong kind of reputation as a legislature.

Another basic question that we must ask is whether the industry really does need the use of other sites other than that of Tuk and McKinley Bay? In the government leader's words, we should not advocate a proliferation of sites on the north coast, so with major administrative and support services already located very close to Tarsuit, why is it necessary to construct more sites in an environmentally sensitive area? If it is because engineering studies failed to anticipate significant dredging costs in the two existing sites, then we owe it to ourselves to be more rigorous in our examination of current industry requests. There are lessons to be learned here. "Now I guess the question is whether or not a deep-water port and related development is economically sound for Yukoners. Already, a comprehensive set of options and possible costs have been outlined in the Government of Yukon report on the Beaufort, a working group composed of members of various government departments has been set up to analyze in general terms what the people of Yukon should expect from such a proposal as, for example, a deep-water port. The authors of the report make it abundantly clear why every project should be economically sound from a Yukon point of view. Generally, we should ensure that there are economic opportunities for local residents, with regard to employment, job training, small business ventures, etc. We should however anticipate, perhaps, increased highway maintenance of the Dempster, increased air traffic and perhaps more road development and quarrying.

Issues which have to be addressed for each project include resource revenue sharing, worker residency and job availability, use of Beaufort energy in Yukon, business community options, etc., increased demand on government services which include municipal affairs — and remember we do not want any more company towns — education — and remember again we do not want any more company towns — public health, highways, workers' compensation and wildlife, and also, to a certain extent, company registration and building standard codes. Briefly, what would it cost Yukon, what will Yukon receive?

The project has to be economically sound, and we should have conclusive evidence that the development is worthwhile. I believe that the concerns mentioned, as well as those which will be mentioned by my colleagues, should make members aware of the magnitude of the problem and the lack of first-rate material supporting development. We must review the situation further to ensure that our concerns are satisfied. We must refuse to cave in under pressure to second guessing worthwhile studies in progress. I know that there is a request in the works from the Government of Yukon to the federal Treasury Board to fund a socio-economic environmental study of the Beaufort. Studies are not meant to justify predetermined conclusions, but are rather meant to provide material upon which to make sound judgements. I will defer to other members of the House for comment, and I know that some of my colleagues have a desire to elaborate at some more length on the critical aspects of this motion.

Speaker's Ruling

Mr. Speaker: Any further debate on the amendment? Order please. It is very difficult for the Chair, having discerned that no one wishes to speak, to prepare, as I have been doing in the last

some weeks, to put the question, and then all of a sudden have members rise to speak. I notice that if members wish to speak at any time, I would again advise members to make their wish known by immediately rising, and if five members are rising, it is quite in order. It allows the Chair to perceive that someone in the House is wishing to speak to a question. I know it is in the interest of all members of the House to make sure that all questions are properly vetted, and each member has his right to speak to any question. It would save a great deal of embarrassment to the Chair if the hon. members would assist us in this regard. In this case, I will permit further debate but in the future if members do not indicate that they wish to speak, it will be my duty and responsibility in this Chair, and perhaps of the Deputy Speaker in the same position, as well, to continue to put the question.

Mr. Porter: I would like to rise on this occasion and speak in support of this amendment. Without the addition of our proposed amendment, the motion before this House would be a tragic mistake.

Our amendment guarantees the protection of the aboriginal rights of the people of Old Crow. It respects the negotiation process of those aboriginal rights, of which this government is a part. For the government to vote down our amendment would, in effect, be saying that they place little value on the negotiations of which they are a member.

The land settlement will address all of the complex questions regarding the development of Yukon's north coast: environmental questions, land use settlements, land use regulations, land use structures to be implemented, land use designations, land use policies, proposed national parks and wildlife sanctuaries, proposed wilderness areas, development zones, proposed energy corridors. As well, such important constitutional questions as resource revenue sharing arrangements, of which the people of Old Crow will be beneficiaries and the offshore boundaries of Yukon, will be addressed at those talks. It would also affect the provisions of Bill C-48, the infamous piece of legislation that the Prince of Darkness, also known as Mr. Lalonde, had passed in the legislature in Ottawa; a piece of legislation which I have, I think, in the past referred to as the "War Measures Act of Northern Resources".

A land claims settlement would address all of these important and unanswered questions. To deny passage of our amendment, the government would be denying a fair and just settlement of those claims. This government is on record as saying they do, indeed, support a just and fair settlement of aboriginal rights in Yukon.

To vote down our amendment, the government and the member for Old Crow, would be, in effect, denying the people of Old Crow to their rights to a fair and just settlement. I ask the government, I ask the member for Old Crow: are you prepared to make this decision? Can you do it in good conscience?

Our amendment also calls for the protection of the Porcupine caribou herd, the bread and butter of the people of Old Crow. We heard in this House the other day the member for Old Crow telling us of the criminally high prices that the people have to pay for food, gas, clothing and equipment. If we were to allow this motion to pass as is, we could be doing the Porcupine caribou herd to extinction. It has been proven time and time again that, when pitted against mass development, the animals, more often than not, are the losers. Who is to say that it will be any different for the Porcupine caribou herd?

Unlike the people in Whitehorse, Old Crow residents do not have a supermarket to go to when they want some meat. They do not have, like the people of Whitehorse, tens of stores to shop through. The caribou is their only major source of food; it is the life-blood of the people of Old Crow.

"If we allow development to take place, and the consequences are that it causes the downfall of that herd, we would be, in effect, destroying the community of Old Crow. The people of Old Crow have been harvesting those caribou for thousands of years and are we prepared, this day in this Legislative Assembly, to deny them the rights to continue to do so in the future?"

Are we prepared to create a situation where the people of Old Crow will, out of necessity, have to rely on imported meat alternatives? Meats that will be flown in at prices that the people

cannot afford to pay. Are we prepared to force the people of Old Crow into a life of dependence on government? I do not know about the government members, but I, personally, am not prepared to allow such a travesty to occur.

For these compelling reasons, I urge all members to support our amendment. Also, the motion that is before you, I believe that all members should review the motion very critically prior to voting on it, to ask themselves these important questions. It should also be noted, for the record on this debate, that the development of the north Yukon has been examined in the past and opinions and decisions have been rendered. I would like to read into the record the decision of the National Energy Board in its decision of 1977 regarding the Mackenzie Valley Pipeline.

"The National Energy Board recognizes that any project of the type and the size of those proposed by the Canadian Arctic Gas Consortium and Foothills will affect the environment. Some effects may be acceptable. Those which are not may be broadly divided into two categories for the purposes of making environmental assessments. In the first category would be those impacts which could not be avoided, which could not be accepted, for which mitigative measures are unknown or uncertain of development.

In the second category would be those impacts which, though unacceptable or undesirable in the early stage of a project, could be avoided by reasonable changes in routes, plans and designs or mitigated by known or clearly developable measures.

Based on the evidence put before it, the board has concluded that the Canadian Arctic Gas prime route, both the northern Yukon coastal and cross-Delta sections, would be environmentally unacceptable having impacts of a type falling into the first category defined in the preceding paragraph. The main concerns underlying the environmental unacceptability of the northern section of the prime route are centered around the Porcupine caribou herd and the Yukon coastal area and the beluga whales, snow geese and swans in Shallow Bay. These concerns are discussed elsewhere, but in summary, the board is not convinced that mitigative measures could adequately ensure protection of this wildlife. The possibility of elimination or significant diminution of the numbers of these mammals and birds is too great a risk to accept if it can be avoided."

Both the National Energy Board and the Berger Inquiry rejected the Mackenzie Valley Pipeline for various reasons, including the need for providing absolute protection for the northern Yukon and the Porcupine caribou herd. We have just learned today that Gulf Canada has withdrawn, at the present time, their proposal for Stokes Point.

There are many unanswerable questions concerning the logistics, the questions concerning social costs, and many questions on the economics of the proposals that have yet to be answered. We should make every attempt to answer those questions. In closing, I would like to urge the government members, particularly the member for Old Crow, to support our amendment. We would like to say to the member for Old Crow that a vote for our amendment is a vote for the rights of the people of Old Crow.

Mr. Falle: I have been sitting here, on this side of the House, listening to the people from the other side expressing their fears about the people of Old Crow. Here we have a typical example of outsiders telling us what is best. We have a member from Old Crow. Listen to her. We respect her judgement. I hope that the other side can at least do the same.

Mr. Speaker: It seems I called upon the hon. member for Whitehorse South Centre to speak and he did not wish to speak. Is it the intention of the member to speak at this time?

Mr. Kimmerly: Yes, I apologize for the earlier incident. I am moved to speak in the debate at this point to express a position and to express my opinion about what a proper analysis of the debate and the motion and the amendment should be. It is appropriate that I speak to the amendment at this time because it raises especially the questions I wish to raise in my analysis.

There are several points of view — one could even call them attitudes — existing in the Yukon about development, Old Crow, the north slope and the shoreline. There are people in the territory who expressed the point of view very seriously, and with a great

deal of conviction, that the north slope and the north shoreline ought to be environmentally protected. In essence, it ought to be a wilderness park or a wilderness preserve, and that no development ought to occur. There are people who believe that and there are a very significant number in the territory.

There are also people in the territory who, like the member for Porter Creek West who moved the motion, believe that industrial development ought to occur, that on the subject of social and environmental studies, that the thrust of government and industry and of civilization ought to be a developmental one and the north coast and the north slope ought to be used, developed and exploited.

There are many people in Yukon who seriously believe that and who have exhibited that attitude to development time and time again. Both of those positions, I believe, are attitudes at different ends of the same spectrum. The bottom line of a group of people in the territory is that the wildlife ought to be maintained and the environment ought to be maintained as it is naturally. The bottom line of other people is that development ought to occur and that progress of an industrial sort is obviously desirable and beneficial to the territory.

In this political forum, those two attitudes ought to be debated and ought to meet, and we ought to resolve them in a democratic way. My position, and that of my party, in a general sense, is this: that the approach we ought to take is one of planning and assessment and that we should not develop at any cost, we should develop only after we know what we are doing, what we are going to affect, and we make an evaluation that the proposed change is, in fact, beneficial to a majority of the population in a democratic kind of decision.

This original motion is an example of the developmental, or of the development at any cost, attitude. The amendment to the motion is not an expression of the other side, that no development ought to occur. The amendment is advocating the position that we do not know the environmental impacts, or the economic impacts. We do not know the viability of the Stokes Point project. The caribou agreement has not been reached as of now. Land claims have not been settled. All of those things are clearly impacted.

Our position is that it is too early to pass a motion either in support or against Stokes Point. In fact, in large measure, I agree with many of the comments made by the government leader in question period, although I do not agree with all of them. And he clearly said that there needs to be more study. That was only a few days ago.

The amendment to the motion does not say that Stokes Point should not be developed. It does not say no to development on the north coast or the north slope. What it says is that the approach we ought to take is that our judgement on the project ought to be contingent on the studies and the agreements concerning land claims and caribou.

It is our position that it reduces the credibility of the judgement of the House, as the member from Mayo said, if we advocate almost an attitudinal response as opposed to a reasoned, planned position. The amendment speaks to a modern, scientific assessment and is contingent on an agreement on the land claim of the aboriginal peoples, especially the people from Old Crow.

I urge all members to accept the amendment.

Hon. Mr. Lang: I have to rise in somewhat of a surprise in respect to the position that has been put forward by the members opposite. What they are saying is that no decision is better than any decision as far as I can make out. I think there are a couple of points that have to be said and I am prepared to say them like I normally am. I have never heard such bureaucratic drivel in my life. When I have a look and listen to the elected members on that side of the floor standing up, day after day — and rightfully so they should — asking, in our part as a government, and also what the Government of Canada can do in respect to the unemployment situation throughout the territory and at the same time have the audacity to stand up and say that we will wait for 15 years to figure out what should be done.

It brings to mind an occasion when I happened to be in Ottawa a number of years ago. The NDP, through Mr. Broadbent, stood up

and said he supported the ten-year moratorium on the Mackenzie Valley Pipeline and not five minutes later in the House of Commons, he asked the prime minister what he was going to do about unemployment.

Mr. Penikett: Point of order, Mr. Speaker.

Mr. Speaker: Order please. The hon. leader of the opposition.

Mr. Penikett: It is really a question of privilege and I want the member, once again, when he quotes me and my party, to quote me accurately.

Mr. Speaker: Order please. If you have a question of privilege would the hon. member kindly address the Chair.

Mr. Penikett: Yes, I have, Mr. Speaker. When the hon. member is citing Ottawa references, I wish he would also cite the one where his party leader supported the Berger Report and changed his mind two days later.

Mr. Speaker: Order please. The hon. member has not raised a question of privilege as I am sure he knows, and he has also not raised a point of order. I would ask that members refrain from this sort of activity in the thrust and parry of debate unless it is absolutely necessary as that would be considered an abuse of the rules of this House.

Hon. Mr. Lang: I should point out, going along that line of the first principle I was speaking of, was the question of employment or unemployment as far as Canadians are concerned. All the proponent has asked for is to take a serious look at Stokes Point with the principle of seeing whether or not it is environmentally and economically feasible. They have not got that approval to date and do you know why? Because of government. All they are asking for is the right to go on and do the necessary surveys, technically, environmentally, to see whether or not it is feasible. But the question is why? Why, because we have people like Mr. Porter standing up and saying, "No development". We have the COPE Agreement so therefore we do not know who owns the land tenure and we all know the members opposite have problems convincing themselves which side of the fence they are on on specific points as far as the COPE Agreement is concerned. Questions of the NDP president have been raised by the elected member from northern British Columbia who stood up and asked: "Why are they going ahead; why would they even consider this type of Cabinet approval to go ahead to look at the feasibility of this area".

What I am driving at is that we, as Canadians, must — not only in a Yukon sense but in a Canadian context — look at some investment in our country. But we are going to sit here — and this is so typical of the party opposite — and do three or four assessments and studies; we will require agreements — and who is to know whether or not we will ever get an agreement with Alaska, for starters as far as the Porcupine caribou herd is concerned, or whether there will be a settlement of aboriginal land claims on the north coast, the COPE agreement, which is presently an agreement-in-principle.

I take a look at that and I say to myself, "Look, we could bring in all sorts of 'ifs' and what is the investor going to do, whether he be Canadian or American or whatever the case may be? He is going to go elsewhere". Yet, then the leader of the official opposition will stand up here and say, "What about the unemployment problem in Yukon?" But we have not taken a position on anything yet, because we are going to plan; we are going to study; we are going to have a look at everything in every context so that we can control private industry, the people, the businesses and direct them in such a manner that the leader of the official opposition sees fit.

Well, I think that from my perspective we had better start taking another philosophical, ideological look at just exactly what is happening to our country and, in our case, particularly Yukon. If you take a look at the motion that is before you, which says very clearly "provided that such development is socially and environmentally sound". In other words, it has to go through the necessary environmental process by the federal statutes and we concur with that; but what we are trying to say to developers is, "Look, Yukon is a good place". We are saying, "Come in, do the feasibility studies; see whether it is possible".

What the opposition party is going to do is stand up and say "No, we do not want to make a judgment", but, if you read the

amendment that is before you, the Government of Canada is supposed to make a decision. As far as this amendment is concerned, I am saying that this is one of the best cases of passing the buck that I have ever seen in my life.

Then I find the members opposite standing up and talking about the Porcupine caribou herd, which, just up until the other day were prepared to accept the COPE agreement-in-principle which allowed the commercial sale of Yukon caribou in the Northwest Territories if they accepted that agreement. It just seems to me to be a question of what kind of day it is and who has got to the members opposite last to see what kind of position they are going to take on an issue.

There is no question in my mind, when I take a look at the efforts that the Department of Renewable Resources have made respecting the management of the Porcupine caribou herd and the implementation of the no discharge of firearms for five miles on either side of the Dempster Highway, that steps can be taken to mitigate what could be, possibly, detrimental environmental problems to the Porcupine caribou herd.

I think we could learn from our Alaskan friends. When you take a look at Prudhoe Bay, and the fact that the caribou herd, from the information I have even since the pipeline, has expanded in numbers as opposed to what they were previously. So if there is proper management done, it can be done.

So, from my perspective, what the members of the opposition are saying is that we will not take a pro-development step because then we will, within our party, keep the Greenpeace in line. But we will also put our amendment forward in such a manner that it looks like maybe we are for development. Well, I want to say from this side of the House that we are pro-development, and that, at the same time, we recognize the balance as far as the environment is concerned. We believe they can go hand in hand; therefore, we cannot support the amendment.

Hon. Mr. Tracey: I feel I must stand on this amendment as well. I see this as another attempt by the opposition to sit on the fence. They are afraid to come out on either side, as they were on the COPE claim. They sit in the House here and they agree with the government on the one hand and then they go to the public and speak the other way. They want to reserve judgment on everything and then turn the judgment over to the federal government, as the Minister of Municipal and Community Affairs says.

They say that we should spend umpteen thousands of dollars to do all of these studies first, and yet they will not come out as pro-development. Where is the money going to come from? I do not know where they figure this big pot of money is. I hear the member for Mayo saying that maybe we should consider no development on the north coast at all, that we should export all our jobs to the Northwest Territories, to Tuk, instead. I can hardly believe it. And then they stand up in this House and say that they want more money spent, especially in the social areas. I would like to know where all of this money is going to come from. Sooner or later we have to have some development to get some money in the territory.

But what bothers me about this amendment is that they do not want us to make a value judgment and say that yes, we are pro-development, but they want the federal government to come out and say what their position is. I find it hard to believe that the members from the opposite side would say we want to hide in the bush, but we want the feds to say what they are going to do.

The member for Campbell talks about the people of Old Crow. We have a member from Old Crow on this side of the House. I am sure that she is well aware of what goes on in Old Crow and she is also well aware of what the position of our party is. And I am sure that she can speak for the members of Old Crow much better than the member for Campbell can.

He raises the issue of the National Energy Board and the pipeline. We are not talking about a pipeline, we are talking about a port on the north slope of the Yukon Territory, a port where they can store their gas or whatever, and then ship it out through one method or another, most likely by ship — perhaps by pipeline. As the Minister of Municipal and Community Affairs said, on Prudhoe Bay where we have pipelines — and the pipeline was ten feet in the area — there were caribou running around all over the place, and that the herd is actually increasing. I am fairly confident that wise

management of the caribou herd can still take place and so can development at the same time.

I would like to make one point that everybody seems to overlook, and that is that man is also part of the environment. Let us not forget about that. We are part of that environment. We have to survive as well. If economic development is what it takes for us to survive, I am certainly sure that it is going to happen, regardless of whether you or I or anyone else in this country today disagrees with it. It is going to happen. Public pressure will make it happen because people want things and people are going to get them one way or another. What we are trying to do is get them the most economical, most socially and most environmentally sound way that we can. I certainly cannot support the amendment and I am totally in favour of the original motion.

Mr. Penikett: It is, perhaps sometimes fortunate that I have the member for Porter Creek East in the House to cue me on these occasions because much of the time I am prepared to defer to the wisdom of my colleagues behind and beside me. Unfortunately, since the member for Porter Creek has introduced a few of his attitudes into the record, I suppose I should respond.

The member talks about decision-making and he talks about the need to make responsible decisions, but here he is, prepared to prejudge an issue. The original motion from the other side talks about social and environmental aspects, but it does not deal with the economic question at all. It does not deal with outstanding claims. It does not deal with the federal interest. It does not deal with planning responsibilities. I suspect that you could provide overwhelming evidence of social disruption to the member opposite on such a development, and you could provide him with a thoroughly convincing case in respect of environmental concerns, but his mind is made up already. He wants to go for it.

If you are going to make decisions that way, you might as well flip a coin. The debate is really an argument of whether it landed heads or tails, or somehow fell down a crack somewhere. He really does not want to, when he raises the questions that he raises, deal with tough, serious and difficult issues. Anybody who suggests that these are easy questions is deluding himself. He wants to ignore them.

I am fascinated to hear his reference to the position on the Berger Inquiry by my leader. That is a ten-year period which will soon be up, by the way, I might mention.

⁵⁷ I can still remember that night, when the leader of the federal Progressive Conservatives got up and said it was a wonderful report. He agreed with it, it made sense to him, sounded good, right on. Two days later, after the oil lobby had got to him, he changed his mind. Well, nobody over there is going to talk to me about their federal leaders.

The Minister of Economic Development talks about the job situation. Well, part of the problem we have right now is that we have had no economic planning, no foresight. He talks about jobs. Look at the job situation we have right now. He has been the Minister of Economic Development for how many years now and we have the worst unemployment probably in the history of this territory. That is his record. Let him stand on it.

He does not care about the people who are here to make a living. He wants to say hello and lay down the welcome mat for the people who are here to make a killing, while he is saying good-bye to the people who came here to make a living. That is what the people are doing. A lot of them are gone and it will take a lot to get them back.

I love hearing — it is like reading comic strips — these cartoons about pro-development and anti-development. If you ever want to kill the mind, dull any capacity in the public for thinking seriously about the issues, you use that kind of slang, because it does not mean anything. A lot of people talk about pro-development, and all they are interested in is making bucks for a few big companies. That is not development, from my point of view. That is not the kind of development I want to see here. I am concerned about the public interest. I am interested in seeing the people of Yukon interested in the development of each community. I am not interested in seeing the pattern of development where a bunch of people come up here and just take the money and run.

The member for Tatchun talks about sitting on the fence. I guess nobody could ever accuse the Minister of Health and Human Resources of sitting on the fence. Is it not appropriate, when we are talking about the coast, that he wants us to behave like lemmings and take a mad, suicidal rush into the sea before we even know where we are going or how to get there?

The people of Old Crow have, on a number of occasions, not only by way of their member in this House — as they have through other elected officials, as well — expressed a number of serious concerns about development in this area and this motion was moved in recognition of those.

In conclusion, I want to say that my position is the same as that stated by the government leader today in this House, when he said, "No responsible person can stand here and say they are for or against such a development without knowing the facts". I agree with the government leader's position — right on, a true statement — I agree with it. If that is what the motion said — and that is not what the motion said because it makes no reference whatsoever to the economic dimension — I would support it.

⁵⁸ **Hon. Mr. Pearson:** I frankly had no intention of speaking to the amendment. I did want to speak to the motion and will probably still do so, but I feel that I have to straighten out a couple of things.

There has been no prejudgment. The motion does not imply any prejudgment at all. It is a clear motion that is required by industry if they are going to know whether or not they should pursue their interest in Stokes Point. Having said that, I want to say to the member for Campbell that I do not know where he gets his information. His one statement was wrong. I am sure that it was not deliberate, but he was wrong. Gulf has not withdrawn their interest in Stokes Point. In fact, Gulf officials will be in Ottawa on Monday morning to pursue this matter directly with the Minister of Indian Affairs and Northern Development. That is a fact. It is not so that they have withdrawn their interest; not in any way, shape or form.

We have not done any coin flipping. I am positive that I have said, three or four times already in this session, that we were on the north coast this summer. We were there specifically to look at it. Maybe the member for Campbell does not think that we have any expertise on this side, but we do live here. Some of us have lived here for a long time — some of us, probably, even longer than him. It is a very, very serious matter. It is not done impulsively. It is serious to us. It is serious to all of the people in this territory. It is serious to industry and it is a decision that has to be made by this House. The industry demands, properly so, the intentions of this government in respect to going into something like that. What they have asked for is the right to go up there and conduct what we, and the Government of Canada, consider to be the necessary studies to determine the very questions that have been asked by the member for Mayo.

Somebody has to answer those questions and, frankly, as a taxpayer, I would much rather have industry answering the questions than have the taxpayers of Canada answer the questions because, number one, I feel strongly that they will be answered much more efficiently and an awful lot cheaper.

I think I have to advise the leader of the opposition that the Minister of Municipal and Community Affairs is not, nor has he been, the Minister of Economic Development for some considerable length of time in this government.

⁵⁹ **Mr. Speaker:** Question has been called. Are you agreed with the amendment?

Some Members: Agree.

Some Members: Disagree.

Mr. Speaker: I would state that the amendment has failed and the amendment is not carried.

Some Members: Division

Mr. Speaker: Division has been called. Mr. Clerk, as most members appear to be in the House, would you poll the House, please?

Hon. Mr. Pearson: Disagree.

Hon. Mr. Lang: Disagree.

Hon. Mrs. Firth: Disagree.

Hon. Mr. Ashley: Disagree.

Hon. Mr. Tracey: Disagree.

Mr. Falle: Disagree.

Ms Nukon: Disagree.

Mr. Phillipsen: Disagree.

Mr. Brewster: Disagree.

Mr. Penikett: Agree.

Mr. Byblow: Agree.

Mr. Kimmerly: Agree.

Mr. Porter: Agree.

Mrs. Joe: Agree.

Mr. McDonald: Agree.

Mr. Clerk: Mr. Speaker, the results are six yea, nine nay.

Mr. Speaker: I must declare that the amendment has been defeated. Is there any further debate on the main motion?

Amendment defeated

Mr. Kimmerly: On the main motion, I would like to refer to my earlier line of argument on the amendment, but to raise a different aspect of the same kind of argument. Previous speakers have talked about the timeliness of this motion and I wish to state my position very clearly on that. I believe it is untimely and I believe it for the reasons that follow.

The most important reason is what I read a short while ago in the government publication, *Yukon Info*. I have a copy of it and I am going to read into the record a passage from *Yukon Info*. It describes the workings and the positions of the government Department of Intergovernmental Relations. It says, "the Government of Yukon's positive approach to Beaufort development and its proposals to manage and protect the resources in northern Yukon have been well-received by both industry and the federal government. Moreover its position has led to Yukon's involvement in a variety of government industry planning activities related to the Beaufort. At present, for example, Intergovernmental Relations is co-ordinating the Government of Yukon's response to Dome, Gulf and Esso's environmental impact statement and is working on matters related to Gulf's proposed marine base at Stokes Point on Yukon's north coast. The future branch activities involving a number of government departments will include examination of the use of Beaufort energy in the Yukon, shipment of goods to the Beaufort through Yukon corridors, the further involvement of Yukon workers and businesses in Beaufort related projects." It is clear that the government has already taken a position, and it in fact has made it public through its own publications, and the position is a positive approach to the development of the northern part of Yukon.

∞ This motion is meaningless. We have already taken a position, by the government without the authority of the House, and it is my proposition that the motion is untimely and is, in fact, a political act, as opposed to any attempt to further a reasoned, factual and philosophical debate on the question. The question is pre-ordained. The government benches are asked and the member from Old Crow is asked to rubber stamp what the department is already doing.

Because of that, and because the facts are not all known, as even the government leader admits, I propose an amendment to the motion. The amendment is that Motion No. 3 be amended by deleting all words after the word "that", and adding the following, "the question of a deep water port along the northern coastline of Yukon be referred to a committee of this House, which committee shall be empowered to call expert witnesses and to invite public input and which shall have its membership constituted by further motion of this House".

Mr. Speaker: An amendment has been moved by the member for Whitehorse South Centre, seconded by the hon. member for Faro, that Motion No. 3 be amended by deleting all words after the word "that", and adding the following, "the question of a deep water port along the northern coastline of Yukon be referred to a committee of this House, which committee shall be empowered to call expert witnesses and to invite public input and which will have its membership constituted by further motion of this House".

∞ Amendment defeated

Ms Nukon: I wish to speak to Motion No. 3. The people of Old Crow are very concerned about any development in northern Yukon. I believe that sooner or later there will have to be some

development, but I want to make sure that the people, the animals and the land are protected from any negative impact. If development must take place, it must be done with a great deal of care. The people of Old Crow will be affected the most by any development in northern Yukon. We have a lot of game, but if we are not involved with the plans and not consulted about any change, we cannot protect ourselves from any negative impact.

Another reason is because of COPE. Before the COPE Agreement, any company or inquiry that was interested in northern Yukon would come to Old Crow to talk to the people. Since COPE was formed, the people of the Northwest Territories have been consulted more than the people of Old Crow on development in northern Yukon. I am glad to hear that Gulf is planning to come and talk to the people of Old Crow about their plans. I hope that other companies will see what Gulf is doing and come to Old Crow with their plans.

I believe that it is important for the people of Old Crow to know what is going to happen in northern Yukon and to have some say on how things are done.

Mr. Porter: I believe, in passing the motion before us, we should all be aware of the consequences of such actions. To agree to development on the north coast, we should be aware that we are agreeing to develop in the calving grounds of the Porcupine caribou herd. Those calving grounds are the most important area of the caribou's habitat. It is on these grounds that the future of the caribou is determined. Every spring, responding to nature's will, the caribou arrive on the north coast to have their young.

It is truly one of the great marvels of our time. Year after year, century after century, the caribou have performed this ancient and life-building ritual. Stokes Point and King Point are both located in these calving grounds. The construction of a marine support base in either Stokes Point or King Point means the following: Mount Sedgewick will be dynamited to provide gravel for roads and for the construction of airports capable of handling Boeing 767s. The gravel will be used to build a 40 kilometre long-haul road to the coast, a road that will dissect the calving grounds of the Porcupine caribou herd.

In the case of King Point, the gravel will be used to help build a 220 kilometre road to Fort McPherson. A good deal of that road would be in Yukon. The entire length of that road will be in prime habitat areas of the Porcupine caribou herd.

∞ We must ask ourselves what is at stake in northern Yukon. In northern Yukon we have one of the richest and most unique areas for wildlife, land, history and people in all of North America. The Porcupine caribou herd has become a symbol of northern Yukon and by no means is it the only major wildlife resource; bears are also prominent in the area. Black bears are found mainly along the rivers of Crow Flats, whereas you find grizzlies throughout the entire region. Polar bears, a rare and endangered animal, use the coastal plain during winter and move offshore in the summer. There have been dens found around Herschel Island, which are used in the spring. Moose are mainly in the Crow Flats area, but roam up to the Arctic coast. Dall sheep are found mainly in the British Mountains and around Mount Good Enough areas, which is near the western edge of the Delta. Arctic fox are another major group with denning areas along the coast, which are used from March to August. Of course, muskrats are numerous, mainly in Crow Flats, and they provide a major resource to the economy to the people of Old Crow.

The coastal waters of northern Yukon support over 2,000,000 migratory birds between spring and autumn. The main fall staging area for Canada's population of snow geese is on the North Slope, with numbers of 200,000 to 500,000 birds estimated. Other birds, such as scarpas, old squaws and eiders use the North Slope for moulting and fall staging. The British and Richardson Mountains are used by golden eagles, hawks, snow owls, gyrfalcons, and peregrine falcons as nesting sites. The Old Crow Flats are known to be one of the most important water fowl areas in all of North America; it is also a critical breeding area for canvas back ducks.

Offshore, bowhead and white whales, beluga, follow leads in the spring and fall off the Yukon coast. The belugas concentrate in the summer as far west as Shingle Point in Yukon. Ring seals, which

are locally harvested and are a staple diet to the polar bears, and Arctic foxes haul out along the Yukon coast between Herschel and King Point. Bearded seals are also found around Herschel in summer.

Over 25 types of fish use the streams and lakes of northern Yukon. Arctic char and Arctic greyling are the most numerous, spawning in the areas from the Firth River in the west to the Cache Creek area near the Northwest Territories/Yukon border; this includes the Babbage and Blow Rivers. Lake trout, whitefish and inconnu are also very, very common.

This is not a complete list, by any means, but it gives us an idea of the rich and abundant species of wildlife located in northern Yukon.

Northern Yukon is a part of Canada that was not yet been covered by ice during the ice age, and it has not yet been covered by ice. This has allowed evidence to be found confirming that man was in the area in excess of 30,000 years ago. This has made it one of the most important areas in North America for the study of man and his relationship with the plants and animals that shared his world. Major archeological sites have been found along the Firth River, Herschel Island and along the Yukon coast to King Point.

I was in Old Crow when the people testified before the Berger Inquiry. I was also in the communities of Aklavik, Fort McPherson, Arctic Red, Inuvik, Paulatuk, Tuktoyaktuk and North Star Harbour. I was also a witness to the Lysyk Inquiry here in Yukon.

During the Berger hearings, I sat, and was a witness to, some of the most extensive examinations of an issue that had ever been brought before this country by a public inquiry. It was during these hearings that I first heard from the people of their communities as they spoke of their land, a love for it and their respect and knowledge. It was a gentle passion with which these people spoke. I, too, have had the unforgettable experience of living in the area of the north coast. In the summer of 1975, I worked off a drill rig in the Beaufort and for the last two summers, I have spent considerable time around the area of Kendall Island. I have seen the caribou and the snow geese in the area and also, most importantly, I have seen the people as they have lived in their environment for thousands of years, and continue to do now. As a result of these experiences, I understand the importance of the north slope to the people and to the environment of the north coast.

So, to answer the question of risk, I submit that we have a great deal to risk in our thoughts of developing the north coast, a risk that cannot be taken lightly. The north coast of Yukon supports the most fragile eco-system on this planet. We have a paramount responsibility to protect the north coast, not only for ourselves or other peoples of the world, but to the future generations yet unborn. I sincerely hope that we can live up to the monumental task that lies before us. If we plan recklessly and with a motive of greed, we may commit ourselves to making mistakes of devastating consequences, mistakes, that I suggest, our future children may never forgive us for.

I would like to close my speech with a quote from an unknown author, "We do not inherit the earth from our grandparents, we borrow it from our children."

Hon. Mr. Pearson: I am rising in support of the motion, needless to say. I want to make one point in reply to what the member for Campbell has said. He is warning us that should we allow this development of a deep-sea harbour at Stokes Point, we are going to decimate the Porcupine caribou herd. He can read the votes and proceedings tomorrow. He said that, unequivocally. I realize that he has spent time on the north coast, but I do not know whether he has ever been to Stokes Point. I do not know whether he has ever seen it, because if he had, he would realize there was a dew line site built there some 30 years ago. In a speech previously he said that the Old Crow Indians have been hunting the Porcupine caribou herd for the last 300 years. I am here to tell you that with my limited knowledge of construction, if the construction of the dew line site 30 or 35 years ago, and the methods that they had to do it with then, and the environmental concerns that were exhibited by everyone in those days did not decimate that Porcupine caribou herd, the construction of a deep harbour site at Stokes Point will not decimate that Porcupine caribou herd.

I, too, have been to Prudhoe Bay. I consider myself one of the

very fortunate people who have been to Prudhoe Bay, and it is something to see how the wildlife — not only caribou, but all wildlife — live in their habitat around Prudhoe Bay. To all intents and purposes, it is as though it is not there. We place a large measure of importance on the development of the Beaufort Sea. I believe that it is the next area of this territory that is going to be developed.

I want to make just one final comment. That area is going to be developed, whether we want it to be or not. I want to exercise my responsibility to the taxpayers of this territory, to all of the people of the territory, and I want to make sure that we, as a government, have some control of that development, and that our input is going to be heard and is going to be felt so that we can express the concerns of all the people of the territory when that development does take place.

Hon. Mr. Tracey: I give my full support to this motion. For the benefit of the new members of the House, I would like to say a little about the Northern Yukon Resource Management Model, prepared by my department in 1980 for the COPE claim negotiations, because it has considerable bearing on this resolution.

Although the model was prepared two years ago, and prior to the industry seriously considering the harbour site on the northern coast, the government of Yukon had the foresight and vision to see that the harbor site could well be required to facilitate the exploration and development of oil and gas in the Beaufort Sea. Our model was developed to accommodate many interests and meet many concerns. It would provide for the protection of critical wildlife populations and habitat, and also the native people who currently use the area to hunt and trap under the laws of general application. Further, it would provide opportunities for native people who traditionally use, and currently use, the area to participate in the management regime. It would provide access to the Beaufort Sea and the reservation of important potential harbour sites along the Yukon coast required for developmental purposes, including oil and gas exploration in the Beaufort Sea.

The model would ensure the protection of sites of historic significance and, finally, would provide for the public consultation process respecting development activities in northern Yukon.

We would do all of these things by dividing the northern Yukon into three zones. Zone A, the western portion, we are recommending become a national park, pursuant to the *National Parks Act*. Zone B, Herschel Island, we are recommending be designated as a territorial historic park under the *Yukon Parks Act*, and Zone C, the eastern portion, would become a resource management zone pursuant to Section 3.1 of the *Territorial Lands Act*. Zone C would include a land access corridor to the Beaufort Sea and reservation of potential harbour sites along the coast.

With respect to Zone A, the northwest corner of the Yukon, west of the Firth River, that area was first proposed for protective status in the late 1960s as part of an international wildlife range.

In 1974, the Government of Yukon applied to reserve a large portion of this zone in order to establish a future territorial park. This application has never been acted upon.

In the early 1970s, under the auspices of the international biological program of UNESCO, the recommendation was made that the zone be set aside as an ecological reserve, for preservation and conservation. In 1978, following several years of inventory, Parks Canada proposed national parks status with boundaries closely approximating those described in the territorial park and ecological reserve application, but including more of the coastline. Subsequent proposals, however, established a proposed boundary located approximately along the Babbage River.

The eastern boundary of the proposed national park is very important. If the Babbage River were used as the park boundary, both Stokes Point and Mount Sedgwick, important for its granular deposits, would be in the park. I have instructed my department to look closely at the area and gather information that would be useful when the boundary finally has to be established.

One of the prime purposes of the national park would be to protect as much as possible the critical calving grounds of the Porcupine caribou herd. We would be recommending that hunting and trapping not be permitted in the park, and would work closely

with Parks Canada to jointly manage the herd.

Zone B is of special significance to Yukoners because it encompasses Herschel Island. It was the first part of the Yukon to be discovered by white man. Sir John Franklin, on his second over-land expedition of 1825-1828, named it after Sir John Frederick William Herschel, astronomer and chemist. Whaling vessels in pursuit of 100 ton bowhead whales reached the island in 1889. Every winter from then onward to 1905 and 1906, whalers anchored in Pauline Cove, a natural harbour.

The major territorial historic features involve the earliest activities of whaling, fur trade, the anglican church and the RCMP in Yukon. In addition, it has what is believed to be the oldest non-native building in Yukon located on the island.

The Government of Yukon applied in 1974 to reserve the island for the purposes of a territorial historic park. This application, too, was never acted upon. We are recommending that this now be done. Herschel Island would then become a territorial historic park.

The third zone, Zone C, includes the central and northeastern portion of Yukon's north slope. Although it is similar in many respects to the western portion, it does not have the same requirements in terms of protecting and conserving wildlife habitat, geological and archaeological features. This area contains a variety of resources, land uses and potential developments, which would require an integrated resource use management approach. Therefore, we are recommending a special resource management zone for this area, to enable the implementation of a resource management regime which embraces conservation and development needs in the interests of all users.

At the present time, we are recommending that this regime be established under the *Territorial Lands Act*, however, since that time, the Government of Yukon has developed, and will be presenting, a land use bill to this assembly this session. Our land use policy is co-operative when involving this government, the federal government and the Council for Yukon Indians. Once the federal government has had an opportunity to review this bill, I am sure that they will ultimately see the merits of placing the central and northeastern portion of northern Yukon under a land use planning bill.

Mr. Speaker: Question has been called. Are you agreed with the motion?

Some Members: Division.

Mr. Speaker: Division has been called. Mr. Clerk, would you poll the House, please.

Hon. Mr. Pearson: Agree.

Hon. Mr. Lang: Agree.

Hon. Mrs. Firth: Agree.

Hon. Mr. Ashley: Agree.

Hon. Mr. Tracey: Agree.

Mr. Falle: Agree.

Ms Nukon: Agree.

Mr. Phillipsen: Agree.

Mr. Brewster: Agree.

Mr. Penikett: Disagree.

Mr. Byblow: Disagree.

Mr. Kimmerly: Disagree.

Mr. Porter: Disagree.

Mrs. Joe: Disagree.

Mr. McDonald: Disagree.

Mr. Clerk: The results are 9 yea, 6 nay.

Motion agreed to.

Mr. Speaker: May I have your further pleasure?

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

Mr. Speaker: It has been moved by the hon. Minister of Municipal and Community Affairs, seconded by the hon. leader of the opposition, that Mr. Speaker do now leave the Chair and the House resolve into Committee of the Whole.

Motion agreed to

COMMITTEE OF THE WHOLE

Mr. Chairman: I will call Committee of the Whole to order. We will stop now for supper until 7:30.

Recess

Mr. Chairman: I will now call Committee of the Whole to order. We will continue with Municipal and Community Affairs, under Assessment Services.

Assessment Services — continued

Hon. Mr. Lang: My understanding is that we pretty well talked this out. If the member for Mayo wants additional information in respect to certain specific questions of assessment for individuals, and how they were assessed, I would be more than happy to arrange that he speak to the proper authorities and, if necessary, I would make myself available. I am sure the member is appreciative of the offer I am making.

Mr. McDonald: In the dubious interests of promoting the McDonald family's recent, though regrettable, commercial heritage, I will give the minister a break today.

Assessment Services in the amount of \$311,000 agreed to

On Municipal Services

Hon. Mr. Lang: This is the item within the budget which really reflects the major expenditures on the O & M side of the budget that we have before us. I should point out that the administration personnel cost is \$262,000. It is for a director of municipal services, two local government advisors, a community planner, a land development project officer and a draftsman. Other expenditures are miscellaneous. Travel is the major expenditure, \$21,000. There is also \$29,000 for professional and special services, which is the training course for municipal officials.

⁰² Also, there is the cost for the municipal employees benefits organization and some money for mapping. I should point out that the change from the spring submission till now is \$29,400, because of the nine day fortnight, and also there has been a reduction in travel in trying to curtail expenditures.

Mr. Porter: I was wondering if I heard the minister correctly that the training portion of expenditure in the program came from the special programs area and if so could he also elaborate on what further services are provided for under the special programs.

Hon. Mr. Lang: It comes under administration, \$324,000, which is the item the chairman first asked us to consider.

On Program Administration

Program Administration in the amount of \$324,000 agreed to

On Municipal Finance Program

Hon. Mr. Lang: Grants in lieu of taxes is \$727,000.00. Cemetery Grants to Whitehorse, Dawson and Faro is \$4,000.00.

⁰³ The Whitehorse Transit subsidy, which we cost-share with the City of Whitehorse 60-40, is \$228,000; water delivery for Dawson is \$5,000; the water and sewer subsidy for Dawson City is \$246,000; the operating unconditional grants, which are the dwelling units plus operating grants, is \$1,863,000; municipal services is \$154,000; tax disbursements, \$300,000; and the Association of Yukon Communities, \$56,000: for a total of \$3,583,000.

Municipal Finance Program, in the amount of \$3,583,000, agreed to

On Unorganized Communities

Hon. Mr. Lang: This represents costs of providing basic services to unorganized communities. These services include: road grading, snow removal, some electrical lighting, heating fuel for fire halls, et cetera.

Unorganized Communities in the amount of \$300,000 agreed to

On Special Programs

Hon. Mr. Lang: The breakdown of the \$136,000 goes as

follows: mosquito control program, \$59,800; community television, \$51,900; garbage dump maintenance, \$20,000; and sewage education, \$4,500.

Mr. Porter: Under the television program that is provided to the communities, is that the same system that is also supposedly sponsored under the highways department?

Hon. Mr. Lang: No, this cost that we have here is for the operation and maintenance of the various television antennas and equipment in the communities, such as Ross River, Haines Junction, and the list goes on, outside of Whitehorse, Mayo and Dawson. The highways budget will contain what the costs of their particular program was, as opposed to municipal affairs.

Mr. Porter: Am I to understand that the dish that is located in the communities is something that is paid for by highways? I would like to focus on Swift River, for instance. That particular television outlet, the receiving dish, does not work because of the change in satellite that operates on a four gigahertz signal and they have changed to 12. The only thing that they were able to receive at one time was channel 11, which was the French channel. As a consequence of the change, and equipment breakdown, there is no television service there. I was to understand that that particular dish, and everything that was connected with it, was a highway responsibility. So there are certain communities that are under highways and certain communities that are under municipal?

Hon. Mr. Lang: Swift River is a highway camp, for all intents and purposes, similar to Klondike or Eagle Plains. I recognize that there are some problems in changing over to the new satellite and, just going on memory now, it is my understanding that we are getting the necessary equipment to be able to receive the satellite and we will also be seeing how many stations we will actually receive in those various camps.

Special Programs, in the amount of \$136,000, agreed to

Municipal Services in the amount of \$4,343,000 agreed to

On Municipal Engineering

Hon. Mr. Lang: This has been transferred from highways to municipal affairs and I think this is the area where this responsibility should be.

Personnel costs are \$120,000, for a director of municipal engineering, utilities systems advisor and draftsman, and also personnel costs for two civil engineers and three engineering technicians, charged to capital projects.

The other costs, \$9,000, are: travel, \$2,400; telephone costs, \$4,100; rental of pool car, \$2,100; which roughly rounds it out, with the exception of \$400 which is there to disburse in those other areas.

Mr. McDonald: I had given the minister notice of one question regarding the Keno water works and I am wondering whether he could report progress on that particular project. I understand it is a municipal engineering project and it is not, as yet, in operation.

Hon. Mr. Lang: I would appreciate it if the member would clarify exactly what he is asking about the Keno well. Perhaps I could bring back a reply, because he gave me indication of notice of the question but I do not have any information in respect to just exactly what we are doing there.

Mr. McDonald: By way of notice, I would just like to know what the plans are to promote the operation of that well. I understand that it is not presently pumping water and I am aware that there were special problems with that well. What is the department doing?

Hon. Mr. Lang: I will bring it in over the course of the next week or so.

Mr. Porter: What is the latest situation on the question of wells with respect to Teslin? The old system has broken down and they were relying on pumped water from the lake this summer, and at one point, were talking about building a pumphouse on band land, and had received the okay from the band to go ahead and construct the necessary facilities. At one point, I think, there was a directive issued, centrally, to not build on Indian land because of feared compensation that would have to be dealt with later on. Has there been any change?

Hon. Mr. Lang: I will have to check that out. I think that the member is accurate in his assessment that we were not prepared to go in and put a major well or major taxpayers' investment on what could be deemed someone else's land unless we had clear knowledge that there would be no request at a later date for "compensation". That would apply whether it be band land or privately held land.

I did not realize that the band council had passed a resolution to that effect. I will check that out as well and get back to the member with respect to the exact status. For the member's information, the plan is to drill another well, pump the water into the present reservoir that is there, and utilize the existing service. There is a feeling that we can supply the whole community for an approximate capital expenditure of \$35,000 to \$45,000, as opposed to what was proposed initially, which was in the area of a \$350,000 installation. I think the member would agree with me that if we can do the same job with that amount of money in deference to the people of Teslin and provide the same type of service, it is to their benefit as well as to the taxpayers' as a whole.

Municipal Engineering in the amount of \$130,000 agreed to

On Revenue and Recoveries

Revenue and Recoveries in the amount of a recovery of \$218,000 agreed to

Department of Municipal and Community Affairs in the amount of \$6,223,000 agreed to

On Department of Economic Development and Intergovernmental Relations

Hon. Mr. Pearson: This is a newly-organized and then, reorganized department. As such, I have fairly extensive preliminary remarks to make. I hope that they will help to answer most of the questions that members may have.

The department was reorganized in June as part of our conscious effort to place significantly greater emphasis on the growth and development of our economy. The department is responsible for the co-ordination, development and implementation of short, medium and long term economic development strategies, plans and programs for Yukon including its various regions and economic sectors.

The new department combines the talents of a broad range of individuals who I believe have already developed a strong team effort directed to solving our present difficulties and setting the stage for future development. At the present time the department consists of six branches, namely Economic Research and Planning, Special Programs, Intergovernmental Relations, Land Claims, Administration and the Ottawa Office. Over the next months, the department will be reorganizing to enable it to better achieve its objectives.

As I indicated in the budget speech in the legislature, Yukon's economy is in a serious financial situation; however, we have been working to solve this situation and have made representation to Ottawa for financial assistance.

The Department of Economic Development and Intergovernmental Relations, which was created to bring a more concentrated and coordinated approach to economic development in Yukon, rose to the challenge of our financial situation and has taken a lead role in finding solutions to our problems. Officials of the department have forged a strong, interdepartmental team to work on finding new economic solutions. These officials chaired the task force on job losses and worked closely with various departments to create a four-volume report on Yukon's economy, which was presented to the Cabinet Committee on Western Affairs in Edmonton on September 10th. These officials have continued to work in close cooperation with various government departments in order to bring projects to the point where they could be implemented.

A blanket section 38 agreement will shortly be signed with Canada Employment and Immigration Commission to more quickly affect new job creation proposals. The \$1,000,000 economic program should also be quickly injected into the economy in support of job creation and retention. In the area of non-renewable

resources, the department has been working towards solving the problems that are faced by Yukon's largest industry. Officials have been working diligently with Cyprus Anvil Mining Corporation and Ottawa with the objective of getting the mine to open as quickly as possible and we have attended a variety of meetings on this subject. These officials also attempted to forestall the closure of United Keno Hill Mine and the removal of the staff; however, despite of number of meetings, they were unable to convince company officials to keep their people in the community rather than paying them to leave. With silver prices over \$9.50 U.S. now, I am certain the company is now carefully reassessing its position.

While most parts of the mining industry are collapsing, Mr. Jim Dodge of Yukon Barite Limited, has just commenced operations on a barite property near Macmillan Pass. The operation is not a large one, but it has significant potential for growth. The Economic Research and Planning Branch has been working closely with Mr. Dodge to help him get his operation into production and to assist in maximizing job opportunities for Yukon residents. We are hopeful that this project is the beginning of a much larger future in the Beaufort for Mr. Dodge and other Yukon businesses.

Further, in the area of non-renewable resources, the department has been undertaking research to prepare a non-renewable resource policy. This policy will be developed in co-operation and consultation with the mining industry to ensure that it is in the best interests of all parties. As well, the Macmillan Pass Task Force continues to meet on a regular basis throughout the year, facilitating an information exchange and cost-sharing a variety of socio-economic and environmental studies in excess of \$100,000.

One of the studies conducted was a preliminary assessment considering the merits of a permanent community versus a long-distance commuting operation for that area. As a result of these task force meetings, the North Canol Road remained open in the winter of 1981-82.

Despite the present downturn in the mining industry, the department will continue to work with the companies in the territory, particularly those in Macmillan Pass, in order to facilitate a quick recovery once the world economy turns around.

On a national basis, officials from the department's economic research and planning branch worked over the past six months on two task forces established by the Honourable Judy Erola, Minister of State for Mines. These task forces, entitled the Task Force on Mineral Taxation and the Task Force on Mining Communities, were created in January of 1982 as part of the national review of the mineral policy. The task forces were responsible for finding solutions for the special problems of communities solely dependent on mining and on formulating mechanisms to assist junior mining companies and individual prospectors.

The report by the Task Force on Mining Communities is completed and I filed a copy in the legislature today. I expect to release the task force report on taxation shortly. These reports, I believe, will be useful in helping to reduce the future instability of the mining industry and the economic base of areas such as Yukon.

In light of the downturn in the mining industry, increased emphasis and funding have been allocated to tourism and small business development programs. While the Minister of Tourism, Heritage and Cultural Resources will deal with tourism itself, I would like to indicate that funds are being made available for some limited business marketing in the territory through the Beaufort Sea Development studies. Discussions are on-going between the business community and government to make the best use of these funds.

In the area of data development and data dissemination, the Economic Research and Planning Branch has worked diligently to refine and expand the Yukon Economic Review. As of the fourth quarter of 1981, the Yukon Economic Review has undergone an extensive revision intended to improve the quality and readability of the publication. The changes were a result of instructive public input and the Government of Yukon praises those conscientious individuals who provided the input that resulted in a better publication for our over 1,700 subscribers.

In addition to the provision of statistical information, the branch handled more than 1,000 requests in 1981-82 for economic

information from businesses, consultants and researchers with respect to the Yukon's economy.

Furthermore, the data developed by the economic research and the economic model operated by the branch proved to be very valuable information in support of the four-part series on Yukon economy. The economic indicators and economic forecasting capability clearly enunciated the problem and laid the groundwork for support of the proposed strategy for recovery.

Recently, the Economic Research and Planning Branch has been able to secure funds to develop a full set of economic accounts in the territory to create an input/output table and to redesign and expand the Yukon Economic Model. These projects, when complete, will provide a far superior process for both short term and long term planning in Yukon.

The Special ARDA program administered by the department has just completed its final year under the Canada/Yukon Agreement through which it is funded. During 1982-83, this government will be contributing in excess of \$80,000 towards Special ARDA projects that have carried over from the last fiscal year. The branch recently negotiated a two-year extension to the program with the federal government. This extension will allow a greater focus on the development of the native business community to respond to new opportunities that will open up as a result of hydrocarbon development in the Beaufort Sea. Emphasis will also be placed on diversifying the economy through the development of local resources, such as the Yukon Parka Factory, which has already been established. Reactivation of the program has commenced with the signing of the agreement extension to March 1984.

In the energy area, which is of grave concern to all Yukoners, the department has devoted more resources to solving the serious energy problems that are facing Yukon. In the development of an energy policy, the department is examining in detail the energy requirements of Yukon and the means of meeting these requirements while reducing our dependence on increasingly costly oil imports. The funds have recently been secured to examine energy alternatives around the territory, given the current state of technology. The department is also undertaking the development of a community energy planning process that will be of utmost interest to all Yukon communities.

The Canada/Yukon Conservation Renewable Energy Demonstration Program is also being used as a tool to identify solutions to Yukon's energy problems. Projects totalling \$376,000 have been approved under this program, emphasizing building construction and retrofit techniques, thereby reducing our energy requirements and identification of renewable energy opportunities.

In particular, we are examining waste heat recovery from diesel generators and the use of wind for electrical generation. A demonstration project at Pelly Crossing in the new school may prove to be the beginning of a major wood chip energy supply industry in Yukon. The wood chip boiler at the school is designed to provide the primary space and water heat source. The installation of two smaller wood chip furnaces in buildings owned by the Selkirk Indian Band and the purchase of wood chipping equipment to supply wood chips to Pelly Crossing, provide for a complete demonstration of the wood chip potential in Yukon.

Another demonstration project that will be of interest to all Yukoners is a project that is currently underway with the Yukon Housing Corporation. The Corporation has contracted with the Yukon Rehabilitation Centre to produce 300 water heater blankets for insulation in their housing units. This initial bulk order will enable the Yukon Rehabilitation Centre to manufacture these blankets for sale to the general public.

The Guild Hall in Porter Creek is receiving a super-insulated rewrap and is having a high efficiency propane furnace installed to replace the existing oil fire furnaces. This technique, if widely adopted, has the potential to significantly reduce the heating requirements of many of Yukon's buildings.

Planning is presently underway for new demonstration projects that include an aggressive promotion of residential retrofits, a community-sized wind generator, energy-sufficient construction in a commercially sized building, and a district heating system.

Given the labour intensive nature of most energy conservation

measures, these projects will not only address Yukon's energy situation, but will also develop a job market for energy conservation contractors.

The Canada-Yukon Energy Conservation Incentive Program for commercial, industrial and institutional establishments has identified first year savings of \$456,000 in 58 audits at today's prices. The average first year savings is \$7,995 per audit performed. An assistant energy auditor has been hired to reduce the waiting time and to ensure that more of the eligible establishments are able to take advantage of the program. The waiting time for an audit has been reduced by half, from two months to one month.

The cost of implementing the recommended conservation measures is approximately \$1,600,000. Although this may appear, at first blush, to be costly, it represents an average pay-back period of just over three years. In these times, any investment with a 30 percent return is, indeed, lucrative. Not only is energy conservation a good investment, it also creates much needed employment in Yukon's current economic situation.

A slowdown in the construction industry has resulted in a temporary reduction in the use of inspection services. As a result, two staff members have been seconded from protection services to the special programs branch to be trained as energy auditors. Once trained, they will be analyzing territorial and municipal buildings over the winter to identify the conservation measures that we, as a government, should be undertaking to reduce our energy consumption.

This activity is part of my earlier commitment to reduce this government's energy usage by a further 10 percent over the coming year. Officials from this department are participating in the energy work group of the Yukon River Basin Study. This inter-governmental industry group is examining the energy requirements of the basin and alternate means of meeting the requirements to identify what the future impact may be on the basin's water resources.

11 The information being generated by this group will be invaluable in planning the territory's energy future.

As part of its public information and education program, the department participated in the sponsoring of Yukon's Energy Savers' Festival, known as YES Fest, in October. This major awareness event was, by all accounts, successful in assisting interested individuals in dealing with energy conservation. Planning has already begun to hold a second YES Fest next year. A public awareness campaign was also carried out in support of "Sun Day" in June to highlight the potential of energy conservation and renewable energy. These are just two of the ongoing information activities handled by the branch's energy experts, in addition to public requests for advice and information. I am convinced that, together with the public's cooperation, we will be able to alleviate the serious energy problem that now confronts us.

I am pleased to advise this House that land claims negotiations have progressed most satisfactorily over the past few months. To date, thirty-two agreements-in-principle have been signed, most recently including agreements-in-principle for land selection respecting six communities. As was indicated in the throne speech, negotiations are anticipated to be completed by the end of the year.

The department has continued to coordinate Yukon Government activities relative to Beaufort Sea development and has made significant progress in a number of areas. Recently, officials of the department co-ordinated the submission to the federal government of a series of Beaufort-related research proposals designed to allow us to increase our database on the development and its implications. The result has been that the federal cabinet has agreed to fund several of our socio economic and environmental studies. A total of \$210,000 will be forthcoming to cover expenditures in the remainder of 1982-83. We are confident that an even greater level of funding will be made available for such work over the next four years and are already preparing for our proposals.

Our officials also helped organize and coordinate the Yellowknife workshop on northern participation in oil and gas development and coordinated the preparation of a second Beaufort Sea position paper for presentation before the Beaufort Environmental Assessment Review Panel. These officials also maintained close links with all

Beaufort proponents and have been particularly active in regards to Gulf Canada's Stokes Point Harbour proposal.

In addition to co-ordinating the development of the four-volume report on the Yukon economy, our intergovernmental officials have undertaken a variety of important tasks. They were actively involved in the development and negotiation of the pipeline cost recovery agreement currently before the National Energy Board, the Canada/Yukon Training Agreement and a Federal/Territorial flood damage reduction agreement. The department is currently developing a comprehensive policy and legislative revisions governing emergency measures, and is negotiating a federal/territorial memorandum of understanding respecting emergency measures.

12 This department is also co-ordinating the development of policy on hazardous waste disposal and the transportation of dangerous goods. It is getting to be a large department covering a great spectrum of very important work in this government, and I hope that members are not taken aback by my rather lengthy presentation to them, but I really did want them to know exactly what this department is doing and I hope that it will facilitate their understanding of the department and our budget that is now before them.

Mr. Byblow: I recall that the previous Minister of Economic Development was notorious for his short addresses and I am glad to see that tradition is kept up.

However, sincerely, I would like to thank the government leader for his analysis, a rather comprehensive one at that, of the restructuring and reorganization and the activities of this new department. As we are now aware this is now the first direct ministerial responsibility that the government leader has had for economic development and, at the same time, to my knowledge, it is the first time that we have had a combination of economic development and intergovernmental relations, in that they are now under the one administration. I would certainly not suggest to the government leader that we view this rearrangement in a negative or critical sense, inasmuch as the near total economic development component of government is identified in planning, and if it is involved in planning the usefulness of that planning is only as good as it is collected, data wise, as it is disseminated and as it is applied into policy in the various departments.

It certainly was a safe prediction, and the government leader confirmed it, that the strategy for recovery documents, as they calculated the number of projects and jobs created, was in fact a product of this department. I would safely assume, also, that this department is no doubt flexing its ability to do what this government historically has had some difficulty in doing, and that being of longer term planning in the functions of government. I think we have made the point many times on this side that this government has had some ability to affect some economic development, whether in renewable resources — as the government leader has just announced the development of a co-ordinating policy and I would be very curious about that — whether government is involved in transportation, whether it is involved in tourism, whether it is involved in training, or planning in general or labour purposes and manpower — the government has some ability in fact to plan.

13 I think it would be fair to say, and I say this in a complimentary way, that we are certainly pleased to see the priority treatment given to planning and policy co-ordination, now combined under the direction of the government leader. While we may not believe that this branch was not fully utilized, for example, last spring, I think we can accept that the realignment of a couple of branches in order that this utilization is maximized is certainly a credit to improved functions of government.

Having just said those general things, I would like to hear a little more from the government leader on his assessment of this department's ability now to address the formulation of these strategies that he is talking about. This is, I note, and the government leader quoted, from the introduction of the section in the budget, one of the objectives of the department. Certainly, I ask the question fully cognizant of the wide and broad range of variables that effect economic development.

Putting the question in a different way, what crystal balling can

this branch really now provide? In two years, five years, ten years from now, what are some of the strategies that are being formulated and pursued in the various sectors and areas that the government leader referred to?

Very pertinent to any discussion of the capability in a long term planning function of this branch would be some discussion of the co-ordinating strategy of the government. In other words, how is the data base that is compiled translated into policy? Another way of putting it is: how continuous is the interdepartmental co-ordinating component of this branch that he refers to? Perhaps, as an example in explaining this a little more fully, the government leader could tell us something that we touched on the other day, and that is in reference to a new economic plan that is being formulated in conjunction with the federal government. He made reference to it today. I think the original discussion emanated out of some business loan money that would be converted into a broader use. In the broader use of that money, what is the planning component in the long term? What is the total strategy that this government is now using, through this branch, to make that funding most useful in a long term sense?

I have a number of other points pertaining to the general discussion, which tend to be rather specific in the sense that they isolate a particular activity of the branch or a particular plan of government. So, I probably will leave those specifics for a moment until I can hear from the government leader.

Mr. Penikett: I may as well get in now with some general comments and questions which the government leader may wish to defer until we get into detailed discussion.

Unlike government, my caucus did not re-organize its critics' assignments when the changes were made on the other side. As a result, we have a shared responsibility and, in respect to this department, it happens to be between my friend from Faro and me. He has talked about economic development and I want to say a little bit about the intergovernmental relations part of the ministry.

I want to say that the government leader did not sound apologetic about his long speech, but I appreciate the information contained therein and thank him for that. I, too, noted that the department has grown quite a bit. In fact, I was looking at the 1980 Annual Report of this government, when the intergovernmental affairs branch was quite young and the principle activities referred to in the report concerned its presence on the federal intergovernmental co-ordinating committee. I noticed that in the next year's annual report, the description of activities had increased from federal intergovernmental affairs co-ordinating committee to reference to the leaders' meetings between the top dogs from B.C., Alaska and Yukon, references to the protocol functions and references to the Ottawa office.

The most recent information about the department is contained in the last issue, the final issue of *Yukon Info*, and that gives a slightly different emphasis, again, to the activities of the intergovernmental affairs branch. It makes reference to land claims, royal tours, caribou, Beaufort Sea, oil, Ottawa, meetings. I will not read the thing out. I know the member for Porter Creek East has had a hard day at work reading briefs and, after eight hours of that, his lips are very tired, and I do not want to put him to any more work.

I wish, if the member for Riverdale South is going to heckle me, that she would do it audibly so that I could hear her.

When we are going through the activities of this branch I would ask the government leader if he could give us, not in great detail, a little more information about the Ottawa office. I can assume that whatever persons are involved are attending meetings. Anybody who went to Ottawa and did not attend meetings would be somewhat unusual. There is no end of meetings that you can go to in Ottawa. Since we did have a lengthy discussion about this institution when it was established, I would be interested in hearing from the government leader some statement from him in answer to the following general question: are we getting our money's worth; how has it proved useful to this government; can he give some examples of where it has paid for itself, particularly, to use one recent example, what kind of use has it been to us in advancing our case with the economic recovery package or was there any role played in arranging those meetings, negotiations and discussions? I

assume, for the most part, that the communications between this government and Ottawa consist of someone upstairs picking up the telephone or signing a letter. I would like to know a little bit more about what the Ottawa office is doing and to what extent the government feels that the people of Yukon have been getting their money's worth?

I would like to ask, to the extent that I have any hope of getting any answers, some questions about land claims negotiations. I remember we were all shocked, on this side of the House — stunned — when we heard how much money the land claims negotiator was getting every day, and expect the government leader to tell us that there has been at least a ten percent reduction by that officer, the same as MLAs, and some other lawyers in town. I am sure he will be telling us that when we get to that item.

Let me deal with a question that is a little more complicated with respect to the Ottawa office. I have understood, when we were talking about this matter, that the government did not have any more political consultants, or whatever, in its employ. On November 8, I asked the government leader a question about the Shakwak Road construction project arising out of the comments from the throne speech. I asked the government leader if the Yukon government was lobbying, directly or indirectly, the American Congress, which is funding and, if so, who is doing this lobbying and at whose expense? He replied that primarily our lobbying has been to the Minister of Public Works of the Government of Canada and that his department is in direct contact with officials in Washington and have to make this money available from the official level. On the local scene he has lobbied the American senators in Alaska to a large degree. Having received that reply, I was fascinated because I subsequently received a letter from a Member of Parliament in Ottawa who asked me if I knew anything about the following enquiry. I will not read it, but the essence of the letter that this member had received referred to a letter from the Deputy Minister of this department and it said that the government of Yukon has asked me, through David Humphries, to share with you this information.

I was curious about David Humphries. I know of a David Humphries who was employed by the Conservative Party and who was the publisher of a failed Tory newspaper in Ottawa, and a David Humphries wrote a somewhat sycophantic biography of Joe Clark, but do not know any David Humphries who is knowledgeable about Yukon or who has any special expertise in this area, or about government, for that matter. I was curious as to whether this David Humphries was some new employee of the Ottawa office and what he was doing. I figured out that could not be the case because there are only two person years still in the Ottawa office — at least, if we are talking about permanent employees, which include, I assume, Mr. Harry Murphy, still, and a secretary — although we will find out about that, I guess, in a minute.

The other things I wanted to ask about, while I am just giving notice of these general questions, have to do with the reference the government leader made to the pipeline cost-recovery question. If he will recall, I asked some questions in the House about this a week ago and the government leader, at that time, made reference to an issue that had gone before the National Energy Board. I would appreciate it if he would take this occasion to explain a little bit more about the issue, or what it is exactly that the National Energy Board has to rule on, what their decision is. I can understand, vaguely, how they get involved, but would like to know a little bit more about why they have to be involved. Since the government leader, I think, told me at the time that there was not any dispute about the amount, I am curious as to the nature of their interest.

I, too, have been criticized from the other side of this House for having an interest in facts and figures. I know it is considered an unusual and abnormal and somewhat unnatural curiosity on my part, but I have also taken note of the changed format of the Economic Research and Planning Unit information, and appreciate it. I do not want to say this is an excessively critical way, but I am still concerned about some of the numbers. I give, for example, a number that was quoted in, I think, the most recent report, that refers to the fact that there had been a 27 percent decline in employment in the mining industry, when simple arithmetic would

show one that it was probably closer to twice that amount; in fact, probably more than twice that amount.

When checked, I believe I discovered the reason. There was a notation later on in the report which I think referred to the 500 workers who had lost their jobs at Faro, but because of the status of their lay-offs, they were not included in the numbers of jobs lost. I understand the reason for that kind of notation and that kind of accuracy, but it did make the 27 percent statistic look a little inappropriate.

I want to conclude my general comments by just saying to the government leader that I think I am feeling quite positive about the linking of these two previously separate departments. I want to say, for my part, I think, especially in view of the circumstance, that it was probably a wise decision. I doubt very much if this will bring a song to his heart, but I feel bound to tell him that, had I the occasion to, I probably would have done the same thing.

Hon. Mr. Pearson: I want to thank both honourable members for their comments. I will try to answer some of the questions. I am sure there will be others as we go through the details and any that I fail to answer now I am confident that they will ask me again.

The member for Faro asked me whether I thought the department was capable of doing the work that we are outlining for it. I want to assure him that I really truly think that they are extraordinary people working in that department. We have, over the years, managed to rob other departments to get people to go to work in this department and we have developed a strong cadre of people. There are people who are very dedicated, highly skilled and I am confident are going to do a good job for this government.

You also asked about the credibility of our long range forecasting and planning and I am sure that everybody has to recognize, if they have any interest at all — interest expressed, as did the leader of the opposition — in the change in the statistical information that is being disseminated now, I think that is a plus. I believe our economic model is going the way of all economic models. The older they are the better they are, and they do in fact get better every year. It is a statistical fact that as these things are used and developed these economic models do get better, so I am quite satisfied that we are on the right track. I do not imagine that anyone of us, and especially the people who work in that department, will ever be totally satisfied with the way things are going. I do not imagine that they will ever be totally satisfied with their forecasts. It would always be nicer to get better forecasts. Hindsight, of course, is great. It is very easy to forecast with hindsight. It is a difficult situation, especially in our economy that this territory has. This past year has been a very good example of that. There are so many factors that affect us so quickly and so dramatically. I also want to assure the honourable member that the department is very much involved in the negotiation of the new economic development agreement of Canada.

¹⁴ They are using all of their forecasting abilities, of course, in those negotiations. That is the one thing that the member must not forget. These are negotiations that we are carrying on with the Government of Canada and we are going to try to get as good an agreement as we possibly can, given our present circumstances and what we foresee in the future. The department is very much involved in that area.

The leader of the opposition highlighted what he thinks is the apparent growth of intergovernmental affairs and, once we get to it in the breakdown, I am sure we will be able to go over that in detail. Although we have more people working there now, we are also doing more work. It is true that, since its inception in 1979 when we were first elected, this branch of government, that did not exist before, has grown, and it has grown considerably. It has been an orderly and a controlled growth in that we have taken on responsibilities in the branch on a slow basis and have assumed more and more responsibilities all of the time. I must say that I thought that the intergovernmental affairs branch did a remarkable job for this government, and for the people of the territory, during the visit of Princess Anne. The success of that visit, and the success of the Governor-General's visit this summer as well, can be attributed directly to the people in that branch who did all of the groundwork. They did a very, very good job. We are getting more

and more of these kinds of things all of the time, that we have to be involved in.

I am happy to hear that the leader of the opposition is still concerned about the Ottawa office. I sincerely hope that sometime when he is down there he will stop in and see Mr. Murphy, say hello to him and his secretary, who is also a real old-time Yukoner, a girl who graduated from F.H. Collins High School and lived in this territory for most of her childhood. All I can say is that I am thanking my lucky stars today that we have the Ottawa office in place. With what has happened with the cost of travel in the past year or so, without Mr. Murphy in Ottawa to attend just a myriad of meetings that we would have had to send someone to Ottawa for each time, believe me, we have more than paid for that office just in saved airplane fares already. I am sure CP Air is not happy about that but the fact of the matter is, there is no doubt about it, it has helped us tremendously. It has given us far more credibility as a government with all branches of the Government of Canada. Having that office there, having representation there of the ilk of Mr. Murphy in Ottawa, has stood this government in good stead. Not only this government, but all of the people of the territory. Mr. Murphy has been able to be of assistance to Yukoners when they have been in Ottawa and we always encourage anyone who is going down there to contact him. I am sure you will find him to be very very helpful and very accommodating in any way that he can be. ¹⁵ I want to assure the leader of the opposition that the three or four David Humphries that he was talking about are all one and the same. They are all the same person. Yup, he is the guy who got the book published.

We have, on a number of occasions, used David Humphries because we find him very useful. He has a consulting firm in Ottawa and he is used not only by this government but by a number of provincial governments in Canada to do specific jobs. I am sorry that the leader of the opposition had not been more specific when he was asking me the question because I was aware that Mr. Humphries was going to Washington on business — not on Yukon's business — at the same time that there was a meeting being held in Washington at which the Government of Canada was involved, and at which he knew the Shakwak Project was going to be discussed.

I asked him, at that time, to lobby the members of the Canadian government who were going to Washington for that meeting on our behalf, just to make sure that every member of that committee knew that we had this concern about Shakwak. That was the reason that that was done. I also know that we did not get a bill from him for that.

In respect to the National Energy Board and why they have to rule on our claim for pipeline-related costs in this government, in the Canada-US Agreement, there is a section that says that if the National Energy Board approves of the pre-pipeline construction costs, these costs will be built into the cost of the pipeline when it is built and will become a charge on the users of the pipeline. That means that we say that these costs that we incur, that we have submitted to the National Energy Board, we believe that they are costs that should be paid by the users of the pipeline. We have incurred these costs just for the pipeline and for no other reasons. If the pipeline was not built, we would have not have needed to incur these costs.

²⁰ The National Energy Board then rules whether or not these are legitimate costs. If the National Energy Board rules that these are legitimate costs then the Canadian proponent, Foothills, is required to pay those costs and they become a charge against the pipeline when it is built, and that charge is then paid by the end users of the pipeline, by the people who buy the gas. It actually goes into the cost of the gas once the pipeline is built, so the first step in the process is that we had to identify our costs. We had to have audited statements. We sent them to the National Energy Board. There is no problem with the actual amounts of money because we dealt on all of that with Foothills and in fact we resolved any questions. Our submission was virtually a joint submission to the National Energy Board by Foothills and this government on costs that we incurred for Foothills' benefit. The National Energy Board, the first time they were submitted, ruled that they were legitimate costs and they should be paid. For some unknown reason, and before Foothills got

around to paying these costs, another meeting of the National Energy Board was held and again we do not know why or how this happened, but there was a reversal of that ruling. We were asked to resubmit our costs once again to the National Energy Board. We have done that and to date we have not heard from the National Energy Board.

I want to caution the leader of the opposition for the next little while, — I realize that he is a avid reader of our economic data that we put out — we are operating under severe economic restraints in this government, and one of the restraints that we found here the other day was that just in the normal course of events we held up the publishing of that report for some two or three weeks. I ask him to look at statistics, numbers and figures in these reports and recognize that the time-lag is an uncontrollable factor at this point in time. I recognize that for every day that these reports are not published they have lost that much value. Statistical information does lose its value very quickly. We will endeavour to make sure that we get them published as quickly as we possibly can but we are suffering from economic restraint. We have had this problem with that kind of report over the past few months.

Mr. Penikett: If I could just pose one quick follow-up question on the subject of pre-consulting or pre-lobbying services: I think the letter that I got was in connection with the Shakwak Project and I think probably what puzzled the MP was the procedure by which someone from outside of Parliament would approach him or why it was not the MP for Yukon or Senator for Yukon.

I ask that question in that form because one of the most interesting discoveries made by those of us who went to visit the Alaska Legislature and Senate this spring was that they have a very different system there. I do not know what representation the state has in Washington. I assume that it has some and I assume that they have offices there. I understand that they operate under a different political system; however, we were all interested to learn that, following the adjournment of their session every spring, half a dozen members of the House and the Senate are chosen to go to Washington to lobby their respective political parties on behalf of issues that have come out of the legislature in that session. Of course, it results in no extra charge to the state except for the plane fares.

I was not proposing an exact parallel here — presumably we all have our own abilities to communicate within our own political parties. To what extent, as a practical matter, with full knowledge of their workload, are we able to use the services of both the MP and, where necessary and useful, the Senator of Yukon given, presumably, that he has some access to the government party, in making representations in respect to something like the Shakwak. I understand the meeting involved was a Canadian/American inter-parliamentary union meeting which is basically an MP's and Senator's association rather than one that public officials attend. Why, for example, in a case like that we might not have been able to make better use of our MP and Senator had they been involved or, perhaps, neighbouring MPs?

Hon. Mr. Pearson: Our MP had also done a considerable amount of lobbying in respect to that particular sojourn to Washington. I am sorry, I did not contact the Senator. I am confident, though, had I contacted the Senator he would have also been happy to do some lobbying for us, but we use Mr. Nielson very extensively, there is no doubt about it. This was an extraordinary circumstance in that Mr. Humphries was going to Washington at the same time and, in fact, knew most of the people who were on that trip.

Mr. Chairman: We will now recess for a short coffee break.

Recess

Mr. Chairman: I call Committee to order.

Hon. Mr. Pearson: I would like to introduce to Committee Mr. John Ferbey, the Deputy Minister of the Department of Economic Development and Inter-governmental Relations. I deduced from what the member for Faro had to say in his opening remarks that he might have some technical questions to ask. I do not profess to have any technical knowledge of the department at all, so I would,

providing that the questions are relayed through me, like to have Mr. Ferbey answer those questions that are possible to answer.

Mr. Byblow: Certainly, this side is appreciative of the government leader's offer to bring the deputy head in to shed light on certain matters pertaining to the department. In fact, my first question could probably be answered by the witness.

I have some difficulty understanding completely the process involved in the planning component of this branch. We hear government is called upon to make forecasts to calculate directional policy intentions. I am curious, just in a practical sense, how this takes place. We talk about data base; we talk about economic models; we talk about co-ordination of various sectors of an economy. I would like to hear more of the process that takes place for this to be accomplished.

Perhaps I could broaden the question to include something that I additionally would like some explanation on and it could, perhaps, be very well used as an example. The government leader indicated in his opening remarks that his department was working on a non-renewable resource policy. I then would ask how is that policy compiled? What is the process that takes place by which this government turns around and answers my questions in respect to policy in non-renewable resources? Further to that, I may want to ask the question: "what is this government's position with respect to the Kotaneelee gas field?" Where does that fit into the process in terms of long-range planning?

So, if the government leader understands what I am seeking, I could leave it at that.

Hon. Mr. Pearson: I sincerely hope that it will not take Mr. Ferbey as long to answer the question as it took the member to ask it. I would respectfully suggest that, should the hon. member wish, I am confident that Mr. Ferbey would have someone in the branch who really does understand the technical aspects go through the system with him at a mutually convenient time. However, I would like to give Mr. Ferbey a chance to try to generally answer the question put by the member for Faro.

Mr. Ferbey: We had noticed that Mr. Byblow had raised some of these questions with respect to the economic model on planning earlier this week, or perhaps it was late last week, in reading *Hansard*. Because of my not understanding the total thing, I have asked the individual in the department directly responsible for economic model projections to do an outline for us which, it had been our plan, to present to the government leader to present to Mr. Byblow. It is relatively complicated and it is in the process of being revised by a consultant from the University of Alaska to make it more northern-oriented. I would prefer if, with respect to the economic model, we could have people in the department deal with it.

Mr. Penikett: I wonder if, through you, Mr. Chariman, or through the government leader, we could ask Mr. Ferbey some general questions about the uses to which the model has been put and can be put, and the way it is being employed right now. Presumably, even if he is not aware of all the technicalities, at least he sees the product and, in some cases, puts questions to it. Could he give us some indication, on a daily basis, the kind of ways in which it is employed now?

Mr. Ferbey: Primarily, the accumulation of data which we obtain from all the sectors in the territory is put into the computer base and indications of what we feel from the information gathered from the various sectors may happen in the future. This is put into the machine as well and we get a printout, which gives us an indication of what we might expect over the next five or ten years, with respect to our human resource requirements in the various sectors, the relationship and the linkages — which I think is very important and one of the areas that we have not really been able to designate totally. I must say that the people who preceded me in the department have worked very very hard and have put together an excellent tool. All we are doing at the present is refining it.

Unfortunately, with the downturn in the mineral sector this year, it has been very difficult to get much meaningful information in that our data is of such a small magnitude that the model, which comes out of the University of Saskatchewan, will not quite deal with these numbers. This is one of the reasons that at the moment we are

having it amended to deal with the smaller numbers we have here.

Mr. Penikett: I made this comment earlier in the House that we had guessed that probably the downturn we experienced this year was so precipitous that some of the trends that you were attractive in the model had probably gone off the charts and therefore the information would not have been very useful. I would like to serve notice, if you are going to provide more information to the members of the House about the model, as to what the experience and use of the model has shown us about the linkages Mr. Ferbey referred to, and also another, equally important issue in terms of the Yukon economy, the question of leakages, which is a fundamental problem.

Mr. Ferbey indicated some potential to do manpower planning. He indicated anticipating personnel needs and so forth. Could I ask Mr. Ferbey in his capacity as it relates to intergovernmental affairs how the model works, how this information is being integrated into the manpower planning, which I understand is under another department of the government. Could I put that question through the chair to Mr. Ferbey?

Mr. Ferbey: The manpower information which we put into the computer and the models that come out are done in direct communication with the manpower people out of education, and we do not feel that the model or the product of the model can be dealt with without considering the human resource. There is a very close tie between the manpower and training people in the Department of Education and our economic research and planning people. I do not think that you can work one without considering the other.

Mr. Penikett: Could Mr. Ferbey give us an example, possibly using that manpower example, of a kind of request or demand that would be put to the model and show us how the question would come back and what information it might give. We assume the model is capable of attracting certain kinds of mineral prices. One would assume, world trends showing in fact a surplus of copper, a falling demand in lead, but zinc is probably going to be strong in the next decade. If that kind of trend has been shown in the computer, presumably you could ask a question about the kind of personnel demands in the mining sector which might have implications for another department in terms of their training plans. Could you indicate a practical question, how is the question put, how do you get the information out, and then how is it used? How do you move from the research question to the planning decision?

Mr. Ferbey: The best example that I can give, and it is not an example that has been done while I have been with economic development — it was done prior to my time, but I think it is probably the best example that the department has dealt with — the Tungsten prices and their projections were fed into the computer from information provided by Energy, Mines and Resources, and they provided a ten year forecast of Tungsten prices. It was the latter part of 1978 when this was done and there was the projected development of the Tungsten Mine in the Macmillan Pass. With the prices that were fed in and the plans of the mining company, we got a printout for the Department of Education on the basis of the productivity of the mine. We fed into it the kind of ore body that had been defined from the geological data, the kind of community there might be, what the requirements for manpower were going to be, broken down into the various skills that gave the training people an idea of where they could go with training over the period of time, taking into account those skills and those people who might already be available in the territory.

Mr. Penikett: I thank Mr. Ferbey for that answer. He indicated some capacity to be able to do that on a project by project basis. What is our capacity to develop that kind of planning data on a territorial basis or, at least, on a sector basis in the territory?

Mr. Ferbey: At the present time, it has only been attempted on a sectoral basis. We have done it with the mining sector and the potential by mineral, and it has not been terribly effective because of the magnitude of the program, as opposed to our lower numbers involved.

The amendments and refinements that are going to be done now, hopefully, will alleviate that problem.

Mr. Byblow: Firstly, I would like to comment that I appreciate

that some information is forthcoming relative to the economic model itself. I probably will defer a lot of questioning until I receive that.

I do have a question on the general topic relative to the information-gathering process. In a very layman approach, I think one could safely say that if you feed garbage in, you get garbage out in any computer situation. How can the department be assured of accuracy of information fed in? What are their sources? Could we have some indication of where this is accumulated from before the data base begins to be compiled?

Mr. Ferbey: I think that you have hit on one of the problems that we have with the model, in that the information that is put into the model is voluntarily provided. If any sector, any individual firm in a sector, is unwilling to provide that information, then we have a vacancy, a gap, in the model making it incomplete. We rely on voluntary information from the various companies, sectors, et cetera.

Mr. Byblow: Mr. Ferbey was referring earlier to some work done through the economic model in mining, and he made reference to using EMR sources, and so on. Beyond the territory, what sources are used?

Mr. Ferbey: Primarily, with respect to mining, we use Energy, Mines and Resources data which is used all across Canada. There is an understanding that it is the clearing house for mining sector information. Statistics Canada information is generally used for all the other input and it provides us with many — not, by any stretch of the imagination, all — of the linkages to, say, the southern provinces. There are some inadequacies because data gathering, north of the 55th parallel, by Statistics Canada is minimal.

For example, they do not do any labor market surveys north of the 55th parallel. Some of the data that we use in our model are based on unemployment insurance claims and that, in itself, is not satisfactory when one runs into exhautees who do not appear on any listing. So, we do have an inadequacy with respect to any information that we are able to gather.

Mr. Penikett: I raised the question of linkages and, not humorously, leakages, because that is a serious problem with an economic model of the territory. It is a serious problem with the economy. It is also a problem in the model because there are probably so many external forces which are very hard to quantify. Has the model, to date, been able to provide any hard information about the following kind of linkages. Let me give one suggestion: multiplier effects, for example. From time to time, various people in the community suggest that there is a multiplier effect of one, two or three, based on mining jobs; that retail jobs have so many multiplier effects; that government jobs in the community have different multiplier effects. I have read these numbers from time to time and guessed that they were probably speculative. It seems to me that that is potentially one of the very useful things that a good model can give us: some hard information about what the multipliers are, because I expect, in time, they change. As mining becomes more capital intensive, I expect the multipliers in employment might be reduced.

I do not expect Mr. Ferbey to give me numbers, but I am curious as to whether that kind of, if you like, analysis has been able to be concluded yet?

Mr. Ferbey: I stand to be corrected, but this is one of the areas where it may be defined as a leakage, because the multiplier figures are variables that are input into the program at the moment, based on experience elsewhere. The model has been unable to provide us with multiplier figures.

On Program Administration

Hon. Mr. Pearson: The administrative branch is responsible for the overall departmental management and the centralized departmental function of personnel administration, financial management and general administrative matters for the Department of Economic Development and Inter-government Relations.

At first blush, there appears to be an increase in funding for this branch from the previous year; however, this figure is inflated as a result of the re-organization. The current year's figure includes funding associated with the administration of tourism and economic

development and intergovernmental relations to the end of June and, thereafter, costs associated with only economic development and intergovernmental relations.

Mr. Byblow: Firstly, on the manpower component, am I interpreting correctly that three person years have come from intergovernmental and five from the previous administration of economic development and tourism?

Hon. Mr. Pearson: Yes, the salary funding is for the following positions: the deputy minister, the director of administrative services, an administrative trainee, an accounting clerk, clerk steno III, and a clerk typist II.

Mr. Byblow: Very specifically, today, when the government leader was answering a question, he indicated that the employment programs would be administered through this department. Is that correct or not?

Hon. Mr. Pearson: No, an awful lot of the co-ordination work has been done within this department. There are people from the department who are on the co-ordinating committee. We have a task force from a number of departments that is working on this, but Mr. Ferbey does not head up that task force. In fact, the deputy minister of education does. As a result, the co-ordinator, who comes from Consumer and Corporate Affairs, Mr. Dornian, has been seconded to Mr. Davie for the duration of this project. In the meantime, the Department of Economic Development and Intergovernmental Relations is involved in the negotiation of contracts and on the task force that is putting together the various projects that we hope to get work done on.

Mr. Byblow: Just to complete the circle in the employment programs: the preparation of the strategy for recovery was done by this department. The subsequent co-ordination, or intentions, of government to deliver the various programs was fundamentally prepared by this branch, but the administration of it now is in the hands of education?

Hon. Mr. Pearson: That is correct. Once again, the strategy for recovery was, if you will, the child of the department, in that a majority of the work was done by the department and the task force was headed up by the department. There were other people from other departments involved at that point as well.

Mr. Byblow: Earlier, in his opening remarks, the government leader indicated two task forces that this department was involved in. One task force had tabled a report today and another that I believe he made reference to, was mineral taxation. Where does this branch come in, administratively, man-year wise, in the task force that is delivering the second report?

Hon. Mr. Pearson: These task forces were created by the Minister of State responsible for mines, Mrs. Erola, of the federal government. They are her task forces. The reports are made to her. All of the provinces, and territories, are involved. A member of Mr. Ferbey's department is one of the working members of that task force. That is our involvement. It does not show as an item specifically anywhere in the budget. It is just another one of those meetings that we have to be going to all the time.

Mr. Byblow: I thank the government leader for his answer. The government leader indicated earlier that there was still going to be some reorganization within this department. In what context, or in what prediction, did he say this?

Hon. Mr. Pearson: Because Mr. Ferbey is still here, I think I would like him to expound a little bit on this and possibly he can enlighten all of us.

Mr. Chairman: I am sorry, I wrote Mr. Ferbey a note and he has missed the question.

Mr. Byblow: I made reference to the government leader having referred to the possibility of further reorganization in this department. I simply asked what that may entail. What did he mean?

Mr. Ferbey: When we were still intergovernmental relations, we had assumed responsibilities in areas of Beaufort and the pipeline that have major economic development aspects to this. Over the next little while, as we move in to see how the two of us amalgamate, what we would like to do is divest the intergovernmental people of the responsibilities that they have for economic development issues and put them into the economic development and planning unit. That will be some of the

reorganization.

Mr. Chairman: Considering the time, I will now excuse the witness. Mr. Pearson do you have a motion?

Hon. Mr. Pearson: I move that you report progress on Bill No. 3.
Motion agreed to.

Hon. Mr. Pearson: I move that the Speaker do now resume the Chair.

Motion agreed to.

Mr. Speaker resumes the Chair.

Mr. Speaker: I call the House to order.

May we have a report from the Chairman of Committees.

Mr. Phillipsen: The Committee of the Whole has considered Bill No. 3, *Second Appropriation Act 1982/83*, and directed me to report progress on same.

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

Some Members: Agreed.

Mr. Speaker: May I have your further pleasure.

Hon. Mr. Lang: I would move, seconded by the member for Campbell, that we now adjourn.

Mr. Chairman: It has been moved by the Honourable Minister of Municipal and Community Affairs, seconded by the honourable Member for Campbell, that we do now adjourn.

Motion agreed to

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

The House adjourned at 9:27 p.m.

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The following Sessional Papers were tabled November 17, 1982

82-2-3

Procedure regarding returned lots (Pearson)

82-2-4

Report of the Task Force on Mining Communities (Pearson)

82-2-5

Report on Regulations, March 8, 1982 - October 13, 1982 (Ashley)