



The Yukon Legislative Assembly

Number 14

2nd Session

25th Legislature

HANSARD

Wednesday, November 24, 1982 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

DEPUTY SPEAKER — Andy Philipsen, 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 Phillipsen	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

Whitehorse, Yukon
Wednesday, November 24, 1982

Mr. Speaker: I will now call the House to order.
 We will proceed with prayers.

Prayers

Hon. Mr. Ashley: It is with sincere regret that I rise today to inform the House of the passing of Mr. V.C. Mellor yesterday afternoon in Dawson City.

Mr. Mellor came to the Yukon in 1920 with the Royal North West Mounted Police and also served in the Canadian Armed Forces during the war. He sat on the Territorial Council representing Dawson from 1952 to 1958, and he also sat on the Dawson City Council and was Mayor of Dawson. He is affectionately known throughout the Yukon as "Jimmy" and Jimmy will be sadly missed by all.

Mr. Penikett: I wish to join, on behalf of this side of the House, in the expression of condolences. Jimmy Mellor will be remembered for a great many things. I remember him telling me, with great hilarity, about his police work. In fact, he came from a police background. It was the family's background in England. He had a very long political career. The last major campaign he was involved in was the 1970 territorial election where he and I were both candidates in the Dawson riding. Neither of us won, but we both got to know each other much better from the experience. Since he was a very good friend of my parents, I know he will be very much missed by all his family and friends.

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

TABLING OF RETURNS AND DOCUMENTS

Hon. Mr. Tracey: I have for tabling a legislative return to questions regarding the cabins at Granite, Bear Lake and others.

Hon. Mrs. Firth: I have for tabling three legislative returns respecting some questions asked during the educational portion of the budget.

Mr. Speaker: Are there any reports of committees?

Petitions?

Reading or receiving of petitions?

Introduction of bills?

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

Notices of motion?

Are there any statements by ministers?

This then brings us to the question period.

QUESTION PERIOD

Question re: Yukon companies

Mr. Byblow: I have a written question for the Minister of Consumer and Corporate Affairs, which has no preamble.

a) How many companies were registered in Yukon as of January 1st, 1982 and, of the total, how many companies were: 1) Yukon based; 2) subsidiaries of out-of-territory companies;

b) How many Yukon companies have gone bankrupt since January 1st, 1982;

c) How many Yukon-based companies: 1) have been placed in receivership since January 1st, 1982; and 2) are currently in receivership; and

d) How many subsidiaries of out-of-territory companies have cancelled their Yukon registration since January 1st, 1982?

Question re: Child welfare

Mr. Kimmerly: I too, will read a written question on the subject of child welfare complaints:

1) what is the number of complaints of possible child abuse excluding neglect in each of the years 1980, 1981 and 1982;

2) in the three years, how many were for child battering or physical abuse of any kind;

3) what is the community breakdown of the complaints;

4) in each year, how many of the complaints were from the RCMP and the number from the children involved;

5) in each year, what is the number found to be: a) true; b) false; c) unable to say;

6) in each year, the number of complaints resulting in: a) criminal charges; b) child apprehension; c) non-ward agreements; d) counselling;

7) are racial statistics kept, and if so, what is the breakdown?

Question re: Government staffing

Mr. Porter: In continuing with the trend established by my colleagues preceding, I too have a written question. It is addressed to the honourable Minister of Renewable Resources. The question regards the staffing within the Department of Renewable Resources. Would the minister please inform this House as to:

a) what positions within the department were unfilled during the 1982 fall hunting season, whether for reasons of position vacancies or absences by regular employees — listed by division, region, district and job title?;

b) for what period of time was each of these positions unfilled?;

c) as of November 19, 1982, what vacancies existed in the department listed by division, region, district and job title?;

d) for what period of time has each of these vacancies existed?;

e) by what means, and where, has each of these positions been advertised, and at what cost?;

f) how many applications have been received for each of these positions?;

g) how many interviews have been conducted for each of these vacancies — when, where and at what cost for each?

Question re: Heritage resources

Mrs. Joe: I also have a written question for the Minister of Tourism, Heritage and Cultural Resources. Regarding the protection of Yukon's heritage resources, could the minister please inform this House: what steps her government has taken to prepare legislation; what her government is doing presently to protect these resources; what is the target date for implementation of legislation; is her government consulting with the federal government regarding the preparation of legislation; is the government consulting CYI regarding the preparation of legislation; is her government enforcing the legislative protection provided by the *Cemeteries and Burial Sites Act*?

Question re: Occupational health surveys

Mr. McDonald: I, too, have a written question addressed to the Minister of Consumer and Corporate Affairs. Last year the member for Whitehorse West requested, and receive, occupational health surveys for the fiscal year 1980-81. I would ask the minister to table the following: 15 occupational health surveys for the fiscal year 1981-82; the four inspection reports issued for the fiscal year 1981-82; the names of the two employers with whom safety meeting were held and corresponding dates for the fiscal year 1981-82; and the place, time and audience for each of the nine speaking engagements listed for the fiscal year 1981-82.

Question re: School student lists

Mr. Penikett: I have a written question for the government leader. By whom and by whose authority and when, since December 31, 1978:

a) have lists of school students been delivered to: (1) the Progressive Conservative Party, its MPs, MLAs or officials; (2) the New Democratic Party, its MPs, MLAs or officials; (3) the Liberal Party, its MPs, Senators or officials; (4) other public bodies, private interests for commercial purposes;

b) have other government lists, private documents, confidential records or papers been delivered to: (1) the Conservative Party, its MPs, MLAs or officials; (2) the New Democratic Party, its MPs, MLAs or officials; (3) the Liberal Party, its MPs, Senators or officials; (4) other public bodies or private interests for commercial purposes;

c) has any other information been provided to anyone in contravention of Section 53 of the *Schools Ordinance*?

Question re: Yukon Housing Corporation

Mr. Byblow: I have another written question, this time for the minister responsible for the Yukon Housing Corporation:

- would the minister provide the number of Yukon Housing units specified as to type of unit, age of unit, whether or not occupied in each of the following communities for the years 1978 to 1982 — Ross River, Faro and Carmacks;
- what was the amount spent by the corporation on maintenance of the Yukon Housing Corporation units in each of those communities for each of those years;
- did the corporation rent any units from private enterprise in any of those communities during any period from 1978 to 1982, inclusive, and, if so, how many in each community?

Question re: Welfare fraud

Mr. Kimmerly: This is a written question about welfare fraud policy. What are:

- the number of cases of welfare fraud discovered in each of 1980, 1981 and 1982;
- the number of complaints received in each of the years;
- of the complaints how, in general, were they investigated;
- the number of criminal charges in each year which were laid;
- the number of convictions in each of the three years;
- in each year the total amount of money identified as fraudulently obtained;
- in each year, the recovery of money, if any;
- in deciding whether or not to prosecute, what factors were considered in each of the discovered cases in the three years — categories of factors is sufficient?

Question re: Trapline and fur harvest records

Mr. Porter: My second written question is addressed, once again, to the hon. Minister of Renewable Resources and is regarding Yukon trapline and fur harvest records. Would the minister please inform the House as to the following:

- what have the fur harvests been on each of the traplines in Yukon, listed by trapline number, species by species, for each of the last five years;
- who were the holders of each Yukon trapping concessions, listed by trapline number, for each of the last five years;
- who were the holders of Yukon trapping concessions, listed alphabetically by surname for each of the last five years;
- who have been holders of trapping licences on each Yukon trapline, listed by trapline number, for each of the last five years;
- who have been holders of trapping licences on each Yukon trapline, listed alphabetically by surname, for each of the last five years;
- who have been holders of assistant trapping licences on each Yukon trapline, listed by trapline number, for each of the last five years; and
- who have been holders of assistant licences on each Yukon trapline, listed alphabetically by surname, for each of the last five years?

Question re: Acting Deputy Minister for Department of Justice

Mrs. Joe: I have a written question for the government leader, a question regarding the recruitment of an acting deputy minister for the Department of Justice. Could the minister please inform this House:

- why is his government looking as far away as New Zealand for a person to fill this position;
- in the event that a candidate is recruited from such a distance, will his contract with the department stipulate an extended period of service with this government;
- what steps have been taken to recruit an acting deputy minister from within this and the federal governments;
- what sums have been allocated for recruitment expenses for this position;
- what has been the cost of advertising for this position;
- how many applications have been received for this position;

- how many interviews have been conducted for this position, where, and at what cost to this government for each?

Question re: Highways

Hon. Mr. McDonald: I have a written question for the Minister of Highways. During the debate on budgetary estimates for 1982-83, the minister was unable to provide information which is of significant importance. Will the minister tell the House: the name of the contractor responsible for operating the VHF trunk system and the amount of the contract; names of participants on the board responsible for allocating the Northern Exploration Facilities grants; when applying for the NEF grants, is it always a first-come first-served method of acceptance and, if not, what criteria does the board use to establish special cases; when will he table internal department studies, if any, respecting various road surfaces and associated costs over the long term; when the guidance sign at Crestview indicating the direction to Dawson and point north will be established; where the road camps are listed, under the budget line item, Field Supervision and Facilities, are located and the cost breakdown of each camp; and, when he will investigate the 200 percent price increase, charge by private contractors to remove snow and private driveways around Whitehorse.

Question re: Income tax

Mr. Penikett: I have a question for the government leader. During the debate of Bill No. 79, *An Ordinance to Amend the Income Tax Act*, in 1981 or 1982, the government leader indicated full public disclosure similar to that provided for in the parallel federal law would be considered.

- is it the intention of the government in this session to amend the ordinance to provide for public disclosure of contributions to territorial political parties;
- given that the federal act on which Bill No. 79 was founded, on the twin principles of public financing and public disclosure, what is the government's reason for failing to date to respect the second of these principles;
- has the government resolved the conflict between the taxpayer subsidized political contributions and secret political contributions;
- has the government reconciled the subsidized, but secret, political contributions with its stated policy of open government?

Question re: School busing

Mr. Byblow: I have one question in written form to the Minister of Education concerning changes to the school busing policy for students living within 3.2 km of the school they attend.

- how many students are now being bused to Whitehorse schools;
- how many students were being bused to Whitehorse schools at this time last year;
- how many school buses are operating in Whitehorse currently;
- how many school buses were operating in Whitehorse schools at this time last year;
- how many empty spaces are there on Whitehorse area school buses;
- how many students living within 3.2 km of school are currently being bused; and
- at this time: (1) are there any spaces on Whitehorse area school buses that may be used by students living within 3.2 km of school; (2) if so, which buses have spaces; (3) how might the service be arranged?

Question re: Mental health

Mr. Kimmerly: A written question about mental health and the costs of service.

- the number of Yukon persons maintained in mental institutions in each of 1980, 1981 and 1982;
- the cost per person per day in each of the three years;
- the travel costs per person;
- what number are status Indians;
- the number of applications under the Yukon *Mental Health*

Act in each of the three years;

6) of the applications, the number resulting in institutionalization;

7) the total cost of institutionalization in the three years;

8) for all Yukon persons maintained in outside institutions, what are their ages and breakdown by sex in terms of categories;

9) of these persons, are any of them classified as mentally retarded;

10) what was the length of stay, by categories, of all persons currently maintained?

Question re: Canada-Yukon Tourism Agreement

Mr. Porter: My third question is addressed to the honourable Minister of Tourism. Would the minister provide the House with an update as of October 30, 1982 of all projects funded under the \$6,000,000 Canada-Yukon Tourism Agreement indicating the following:

- a) amounts spent from the agreement for each project;
- b) current completion status of each project;
- c) number of jobs created per project;
- d) allocation of funds per community;
- e) a list of individuals who have received grants?

In addition, would the minister provide an update as of October 30, 1982 for each of the following ARDA sub-agreements covering the following:

- a) the number of projects funded to date;
- b) project breakdown by community;
- c) current completion status of each project;
- d) number of jobs created;
- e) membership of the ARDA board;
- f) list of individuals who have received grants.

Question re: Northern preference

Mr. Philipsen: I would like to direct a question to the hon. Mr. Lang. Could he please tell me if he has had any direction as to whether the Northwest Territories plans to continue with their northern preference and what has he done about it?

Hon. Mr. Lang: I am seriously considering giving a written reply, but I think I can handle this one verbally. What has happened since the member from Porter Creek West asked me the question a week ago is that I have contacted the minister responsible with the NWT government. They have indicated to me that they are prepared to consider extending their northern preference to Yukon companies. I am awaiting a reply. I hope to have it sometime this week and I will report back to the House once I have received a firm commitment one way or another. I appreciate the member bringing it to my attention.

Question re: Yukon Recreation Advisory Committee

Mrs. Joe: I have a written question for the Minister of Education and Recreation. In regard to the Yukon Recreation Advisory Committee, could the minister please inform this House:

- a) does the minister intend to seriously consider the YRAC restructuring recommendations by the green paper on recreation;
- b) does the minister intend to restrict appointments to YRAC to people she wants to sit on the committee;
- c) will the minister advise the House in advance of any proposed restructuring of the Yukon Recreation Advisory Committee;
- d) will the minister consult with existing YRAC members before any restructuring of the committee?

Question re: Labour standards

Mr. McDonald: I too have a written question to the Minister of Consumer and Corporate Affairs. Two questions of a similar nature have been put forward regarding the labour standards exclusion for Columbia Gas Development of Canada Limited:

- a) will the minister tell the House what reasons were provided by the employer to the minister to justify an order-in-council exclusion from the standard work week stipulated in the *Labour Standards Ordinance*;
- b) how, and to what extent, were the workers consulted prior to the

issuance of the order-in-council regarding the averaging of hours over a 26-day period;

c) what responsibilities under the provisions of the *Labour Standards Ordinance* are the exclusive jurisdiction of the Labour Standards Advisory Board?

(H)

Question re: Rules, Elections and Privileges Committee

Mr. Penikett: I have a written question for the Chairman of the Rules, Elections and Privileges Committee and I would like to ask:

a) when does the Chairman intend to convene a meeting of the committee;

b) at the next meeting of the committee, will the rules of question period be part of the agenda;

c) if the question period rules are to be discussed will the following specific points be dealt with...

Mr. Speaker: Order, please.

Hon. Mr. Lang: Could I ask the member opposite to please slow down in respect to speaking on the written question since we do have people who are in charge of *Hansard* attempting to write down exactly what is being said.

Mr. Speaker: As these are written questions which could easily be filed with the Clerk, it is not necessary to have these read in the House at all, unless there are some other reasons why the hon. members feel that they would like them read.

Mr. Penikett: As well, the member opposite would know that, since they are written questions, *Hansard* would have no trouble following them. To continue:

c) if the question period rules will be discussed, will the following specific points be dealt with: 1) the length of preamble allowed per question; 2) the length of reply; 3) the five-question limit on written questions?

ORDERS OF THE DAY

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Motion No. 9

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

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

Mr. Philipsen: I am.

Mr. Speaker: It has been moved by the hon. member for Whitehorse Porter Creek West, seconded by the hon. member for Kluane, that the Legislative Assembly of Yukon support the resolution passed unanimously by the Legislative Assembly of British Columbia on Tuesday, September 21, 1982, respecting an amendment to Section 7 of the *Canadian Charter of Rights and Freedoms* so that it would read as follows: "7. Everyone has the right to life, liberty, security of the person and enjoyment of property, and the right not to be deprived thereof except in accordance with the principles of fundamental justice.", and urge the legislative assemblies of all other jurisdictions and the Senate and the House of Commons of Canada to adopt similar resolutions.

Mr. Philipsen: I am pleased to proceed with this resolution. I believe it is of paramount importance that this assembly express its support for the inclusion of property rights in the Canadian Constitution.

Section 7 of the present *Canadian Charter of Rights and Freedoms* is seriously deficient in not including within its provisions the right to the enjoyment of property.

I firmly believe that this fundamental right has been a cornerstone and should continue to be a corner-stone of our democratic society. Throughout history, democracy has been based upon, and has flourished, because of our four basic rights: the right to life; the right to liberty; the right to the security of person; and the right to property.

Today, in Canada, our constitution only guarantees three of our basic rights — life, liberty and security of the person — but it still lacks the fourth, a guarantee of a right to property. That right is dear to the heart of every Yukoner and every true Canadian.

On Tuesday, September 21st, the Legislative Assembly of British

Columbia unanimously passed a resolution, introduced by the hon. Gardie Gardham, Minister of the Environment and Intergovernmental Relations, respecting an amendment to section 7 of the charter to correct this gross deficiency. In his introduction of this resolution, he, in the most eloquent fashion, described the long and historic relation between the ownership and enjoyment of property and the fundamental characteristics of a free and democratic society. He stressed that the rights to property by all people is an undeniable right, as are the rights to life, liberty and security, and argued convincingly that to neglect or abandon any one of those impaired and threatened the freedom of the individual.

The idea of individual property is as old as history itself. We have often heard that a man's home is his castle. This belief goes back to the time of Christ and was of major influence in the development of English law. William Pitt put it most explicitly in a statement to the House of Commons in 1760, when he said: "The poorest man may, in his cottage, bid defiance to all the forces of the Crown. May it be frail, its roof may shake, the wind may blow through, the storms may enter and the rain may enter, but the King of England may not enter, all his forces dare not cross the threshold".

I can go on at some length quoting notable figures in history speaking out in favour of this right. These figures include: President Madison, of the United States; Pope Leo XIII; and our own Prime Minister, John Diefenbaker, with his *Bill of Rights* enshrining the words "The right of the individual to life, liberty, security of the person and enjoyment of property".

The point I am making is that this right has been constitutionally reaffirmed throughout history in the courts and in the common and statute law of the United Kingdom, from whom we inherit our laws. The right to own property is found in the constitution of some two dozen nations throughout the world. It is found in the United Nation's *Declaration of Human Rights* of December 10th, 1948. It is found in the *Canadian Bill of Rights*, adopted by Canada in 1960. It was found in a constitutional amendment, which was introduced as *Bill C-60* by the federal government in 1978.

It was proposed to be included in the new *Canadian Constitution*, but something went wrong. The members opposite should be aware of what went wrong, for it was their national leader who went wrong: it was Ed Broadbent who tried to relieve Canadians of this basic fundamental right.

The amendment that has been proposed by the Legislative Assembly of British Columbia is identical to the one proposed by the National Progressive Conservative Party to the special Joint Committee of the Senate and the House of Commons on the Constitution of Canada. Initially, the Liberal members of the committee supported this amendment. In fact, the Solicitor-General, Robert Kaplan, had told the committee that the government would accept the conservative amendment guaranteeing Canadians the right to property. That was on Friday. By Monday, the Liberals had changed their minds. Why? How could there be any question about the inclusion of such a fundamental right in our constitution? It was because the National Leader of the New Democratic Party, Ed Broadbent, said he would withdraw NDP support from the unilateral action of the Trudeau government if it contained the amendment that would guarantee property rights to the people of the country.

It is the same old tired story. Prime Minister Trudeau, with the aid of Mr. Broadbent, have joined an alliance to attack the very fabric of the Canadian society. This is the reason why this motion is necessary today, to correct an injustice on Canadians.

I call upon the members opposite to repudiate their national leader, to rise in support of this motion for the good of Yukoners and for the good of all Canadians. They should not find this difficult. In the short time I have been in this House, I have observed that NDP colleagues have led us to believe that they have the best interest of Yukon and Canada at heart, and I am pleased to tell the House that this is exactly what the NDP members of the B.C. Legislature did on this very resolution. I call upon the members opposite to do the same.

In closing, I would like to advise all members that the Yukon does not yet have the constitutional ability to initiate an amendment to the constitution, as has been done in British Columbia. We can,

however, and indeed I consider it our responsibility as a legislature, support by a resolution the motion recently passed unanimously by the Legislative Assembly of British Columbia.

Mr. Penikett: How very interesting it is that this resolution comes before the House today, since it played such a large part in the Conservative campaign to defeat me in my riding in the last election. That campaign was fascinating in a number of ways, but it was most remarkable for the amount of downright lies and distortions disseminated about my party and myself.

Once again, we have had the assertion made in this House that somehow there is an alliance between the New Democratic Party and the Liberals.

Throughout the last election campaign there were numerous assertions on that score. For once and for all, let me introduce the facts into the record. If you look at the record of Parliament since 1980, the Conservative party has voted with the Liberals on virtually every economic proposal to come before Parliament. In fact, 69 times since the 1980 election the Conservatives have propped up Liberal economic measures, including the right to take away collective bargaining from public servants. On every major economic measure the Liberals and the Tories were in bed together. The real truth on this subject was told by the former leader of the Conservative party, Mr. Robert Stanfield, in his farewell address to the leadership convention of the Conservative party in Ottawa in 1975, when he told that convention, "there is no difference in Conservative and Liberal philosophy, it is the NDP which has a different philosophy because it is a different kind of party."

In the last election there were radio ads, some of them carried on the news, no less, on the private radio station — something the CRTC will be hearing about — which attempted to suggest that the NDP would take peoples' houses, and cars, and their land. It was implied somehow that I was a Marxist subversive. Originally, I was enraged to find out — and I say this to the members who are so precious about things that they say other people throw at them, but cannot take it when it is thrown back — that in two issues of the Vancouver Sun, two days in a row, the Conservative leader was quoted as calling us communists.

I do not know if the Conservative leader was accurately quoted, but such an accusation was a lie. It was a cowardly lie. I say this: if any person had the guts to say such a thing to my face I know how I would have replied and let me say, the conversation would have been very short. I would not have wasted very many words. Part of this sleazy assault on the truth was the campaign of half-truths and misinformation on the question of property rights and the constitution. This propaganda, I submit, was the product of desperate men, and desperate people, as you know, will say almost anything.

I do not mind — in fact, I welcome — a real debate about real philosophical differences between reactionaries and progressives.

I would welcome a debate about my record and theirs — and its significant that my record was not an issue in my riding this last time — but I have no respect for those who would tamper with the record and distort the record of their opponents in this way.

Mr. Speaker: Order please, are we discussing Motion Number 9, respecting the motion passed by the British Columbian Legislature?

Mr. Penikett: Mr. Speaker, I am trying to.

Mr. Speaker: Perhaps we could keep the debate on all sides of the House closer to the item at hand.

Mr. Penikett: For the record, let me tell those who pretend ignorance on the question of property rights that the New Democratic Party is part of a world-wide movement of social democracy, and this movement, in many places of the world, is the only opposition to communism. For the record, let me remind the House that every NDP MLA in this House is a person of property. Three of our six members are operators of small businesses. Three of us are landlords. However, all six of us are here to represent the public interest rather than our own private interests. We are here to represent people, not property.

However, our belief in property is so great that we want everybody to have some. We in the NDP, alone — I have heard that member opposite interrupt me before and get that wrong information on the record, and I would like to challenge him on it if he

makes that mistake again — of all the political parties, believe that a home of one's own should be a right, not a privilege, in our society. So, how did this become an election issue? Why do we have this motion before the House? Well, I think the tone of the member's speech made it quite clear. The clause that the Tory MPs originally wanted added to the *Canadian Charter of Rights and Freedoms* reads, "Everyone has the right to life, liberty, security of person, enjoyment of property and the right not to be deprived thereof except in accordance with the principles of natural justice."

The member for Porter Creek West had not even done his homework. The fact of the matter is that the resolution of the B.C. Legislature was not the same as the one before the committee in Parliament. There is one very key word difference, and that is the difference between the word "fundamental" and "natural" as an adjective of "justice". It sounds inoffensive. But is it? As has been mentioned, the NDP caucus in British Columbia supported the clause, with one key word changed.

¹⁴ However, the federal NDP caucus opposed it, as did the provinces. Why did the provinces, including Tory provinces, not support the clause? Why did Newfoundland, Nova Scotia and Prince Edward Island go on record as having opposed this amendment? Why did Premier Lougheed not support it? Well, it is very simple. Canada's old constitution, the *British North America Act*, gave property rights to the provinces and the Tory MPs amendment could have taken that power away and given it to Ottawa. We actually had the possibility that a Tory motion could have damaged provincial rights, and even prevented Yukon Tories from getting what they have always wanted: control of Yukon land.

Foreign ownership of land could not have been regulated, as provinces like Prince Edward Island wanted to, and Yukon could never have stopped the sale of land to Americans, as the Tories did after the Pilot Mountain land sale. The reason is that "everyone" in the clause means "everyone", be they Japanese, Chinese, Russian or American. If this clause had passed, the federal government could have control of Yukon land forever.

There are few constitutions in the world with a property rights clause, very few of them. The best known is that of the United States. However, the property rights clauses in the American Constitution have caused many unforeseen and unwanted results. They have been used in the courts to prevent the government regulating railway freight rates — even by monopolies — and they have been used to prohibit laws allowing farmers to postpone mortgage payments, as the delay would have deprived the banks of their property rights — and one should remember that banks everywhere confiscate more homes than any government. Their property rights always seem to take precedence over the so-called homeowner.

Similar effects could have occurred in Canada had the clause been added in the way it was originally proposed by the Tories. Airlines, phone companies and other utilities could have challenged the regulation of their rates. Doctors could have claimed the right to extra bill. Developers could have opposed all regulations on water use, timber rights and royalties. Let us not forget that the new constitution was endorsed by nine provinces and the federal government. There was little disagreement among their respective experts on the issue of property rights. Nonetheless, some innocent people have been persuaded that this lack of property rights clause in the charter will deprive them of property rights that had previously existed.

¹⁵ However, nothing — I repeat, nothing — in the *Canada Act* affects in any way, now or in future, the present laws protecting the enjoyment of property. Furthermore, if members will take the trouble to read it, Section 26 of the *Charter of Rights* explicitly guarantees that existing rights and freedoms, including property rights, will continue to be in effect.

So that there is no misunderstanding on this point, let me quote an editorial page article called "Property Rights Are Not in Peril", from the May 7th, 1982 edition of the *Financial Post*, perhaps the most conservative and the most establishment, voice in the national media. I quote: "To anyone not afflicted with paranoia, it should be obvious that ten Canadian governments, federal and provincial, representing four different political parties, would not engage in a

conspiracy to abolish the right of private property. Indeed, one must be disturbed at a climate of opinion in which such a belief would be seriously entertained. In fact, the federal and provincial governments were acting in the best interests of most Canadians when they refused to tie their hands with a property rights clause. American experience, with explicit constitutional guarantees for property rights, suggest strong and legitimate reasons for not wishing to include such guarantees in the *Canadian Constitution*."

Every jurisdiction in Canada has expropriation legislation on their books in the event it is needed for a public work, such as a road, school or a hospital. The proposed clause might have made these laws obsolete. Private interests would have gained supremacy over the public's, a violation of a basic Canadian ideal.

So, why are we having this debate? Apart from the petty purpose of attempting to create phony election issues, what is behind it? I sincerely believe that it may be a by-product of the relationship that has developed in the Joe Clark years between the Conservative Party of Canada and the Republican Party of America.

Mr. Clark's back-room boys have been guided in their election strategies by the slickers of a new right from south of the border, that is well known. Unfortunately, the Tories seem to have borrowed some distinctly Republican ideas along with that party's electoral bag of tricks.

¹⁶ I believe this property rights clause is a republican notion. It is not a Canadian one. In fact, I submit that it is a betrayal of the best British Tory tradition of this country—it is interesting to hear the member across the aisle quote William Pitt. I suspect I am the only member in this House who has read extensively of Mr. Pitt's works, and I am sure I can find several quotes that would provide him with more information than he presently has on this subject—the republican constitutional theory holds that the state derives its rights from the individual citizen.

The Canadian Tory tradition is very different. It holds that parliaments won their powers from the monarch, who derived them from God. In the American republic, the individual is sovereign. In British North America, the Crown is sovereign. We are a constitutional monarchy. We refer to the federal Crown and occasionally to the territorial Crown. With good reason, we speak of Crown land and it was a very old tradition that we apply to the Crown for our land. Canadians are not Republicans. It was Canadian Tories, not American Republicans who created the first Crown corporations in this country and who began that unique public enterprise tradition in Canada.

Republicanism is foreign to Canada. It is an alien idea, and so, I suspect, is the philosophy behind this resolution. However, for all that, we do not intend to be suckered on the subject. We have no intention of being a party to a silly political game. Social democrats do not see property rights as an absolute. Rather, we see human civilization as a process by which human rights are gaining importance relative to property rights. We praise the end of slavery, a system in which people were only property. We celebrate the emancipation of women, who were, until very recently in our history, the property of their husbands or their fathers. We thank God that children no longer have to work in the mines as the wage slaves of the mine owners. As a party and a movement, we have striven for workers' rights. We supported their right to vote in days when only men of property could vote.

¹⁷ Today, we support the right to refuse unsafe work because we believe workers' human rights are morally greater than their employer's rights to exploit their labour. We were the first party to support the enfranchisement of orientals in this country. We were the first to support aboriginal rights. We believe that consumers have rights, that communities have rights and that people have rights over property. We believe that people come first.

Proposed amendment

Therefore, I move, seconded by the member for Whitehorse South Centre that motion No. 9 be amended by deleting all words after the word "that", and substituting the following therefor: "it is the opinion of this assembly that Section 7 of the *Canadian Charter of Rights and Freedoms* should be amended to read as follows: 7.(1) Everyone has the right to life, liberty, security of the person and

enjoyment of property and the right not to be deprived thereof except in accordance with the principles of fundamental justice; (2) Human rights shall have priority over property rights."

Mr. Speaker, I may have a word on the amendment.

Mr. Speaker: Yes, could I have a copy of the amendment, please.

It has been moved by the hon. leader of the official opposition, seconded by the hon. member for Whitehorse South Centre, that Motion 9 be amended by deleting all words after the word "that" and substituting the following therefor: "it is the opinion of this assembly that Section 7 of the *Canadian Charter of Rights and Freedoms* should be amended to read as follows: 7.(1) Everyone has the right to life, liberty, security of the person and enjoyment of property and the right not to be deprived thereof except in accordance with the principles of fundamental justice; (2) Human rights shall have priority over property rights."

Mr. Penikett: I shall be very brief on the subject of the amendment. The amendment proposes to do very little other than remove the reference to B.C., because it would be impossible to add an amendment and be consistent with the wording originally. The most important part of the proposed amendment is an affirmation, which I believe should be unanimously endorsed by this House, that human rights, as a general principle in the constitution, shall have priority over property rights. I hope, in this day and age, in the latter part of the twentieth century, that that is an issue which is not even something which has to be debated in this country.

Hon. Mr. Lang: I listened with a great deal of interest to the member opposite, who not only serves in the capacity of the leader of the official opposition, but also leads another life as president of his national party. He stands up and he pontificates and he blames everybody else for the responsibilities and the various decisions that have been made in the legislatures across this country and in Parliament.

He believes in the right of everybody, he said, and he said it with such conviction as if he was the only one: (a) that thought of it; (b) that had considered it; and (c) believed it. I am here to tell him — and I want to relate a little bit of the past as far as the economic woes of this country are concerned — he represents, in the capacity as the president of that national party, the fact that the national energy program was implemented with as little opposition as it was confronted with, because they not only supported it, they wanted it to go further.

They wanted to bring Alberta not only to its knees...

Mr. Speaker: Perhaps the hon. member could bring his comments a little closer to the amendment at hand.

Hon. Mr. Lang: Shall we talk about communists? I do not think this has much to do with the amendment or the main motion, other than the fact that the member opposite has told us that he was not one, and I have never accused him of being one.

Now, in respect to the amendment that we have before us, to the motion, he knows full well that it is frivolous, because if one takes a look at the basic three rights that the member for Porter Creek West told the member opposite is in the Canadian-made constitution, it is very clear that we have the rights of life, liberty, security of person, but not of property, at the present time.

He knows also, and I guess it depends on which constitutional expert he is going to consult with... — and the member opposite always wants to listen to the one he thinks will share his partisan views, unlike myself, and I have to agree with the member opposite, I am a reasonable man, and I am sure no member here would argue that, least of all the leader of the official opposition and I thank him for his comments. It is obvious to me that they do not want to make the decision whether or not the right to own property should be in the constitution.

Will you take a look at the member opposite. I recognize that he does have a problem, a very significant problem, in the fact that he leads not only a regional political party, but he is *el presidente* of the national party. That was evident on COPE. It took him three years to make up his mind where his priorities were, whether it was with the people of Toronto, or the people of Yukon, and yet he stands up and says "I believe in the people of the Yukon and I am

prepared to protect their rights". Well, he must have packed a lunch for three years, or else he could not make up his mind, one way or the other.

I say to you today that the members opposite, I believe, have an obligation to make their position known. They full well know that flowing from the constitution, and the various laws that are passed in the legislatures across the country, will be determined in due process, but it seems to me that the member opposite has indicated it already in his opening remarks, "social democrats, it is a world movement!" Yes, it is, and it is the equalization of poverty, too, across the land. There is no question of that. He only has to look at the track record.

Mr. Speaker: Order, please.

Mr. Penikett: The member should be extremely cautious on the point he is now making so that he does not mislead the House. The fact of the matter is, every single country, with the exception of Japan, that has passed Canada in terms of national standard of living, has had a Social Democratic government in the last few years. If he does not know that, I just told him.

Mr. Speaker: Order please, such rising on points of order which are not points of order are an abuse, and a continued abuse, and I have remarked many times in this House of the rules that the members have set down for themselves. If the members wish this type of conduct to be conducted, perhaps they would wish to change the rules to permit it. It leaves the Chair in a very bad position, having to rule these things out of order. The hon. member knows that he does not have a point of order and perhaps if people have differences in debate they can express those in debate, for that is of course what the purposes of this assembly are for.

Perhaps the hon. member may now continue without interruption.

Hon. Mr. Lang: Thank you very much, Mr. Speaker. I would say to the member opposite that I did not mean to get to him, and I say this sincerely. I do not want to cause the member any medical problems.

In respect to the amendment, and the matter that we have before us, there is no doubt in my mind as to what the main motion has asked for: the right to own property. The members opposite are bringing their amendment forward so that they do not have to make that basic decision: whether there should be private ownership in this country or not. I am saying to you, I think they should and, therefore, I cannot support the amendment.

Hon. Mr. Pearson: I want to rise and speak to the amendment, but first I have to correct the record respecting statements made by the leader of the opposition.

Through inference, through a quote in a Vancouver newspaper, I believe he said — the propriety of which I question in this House — he claims that I called him a communist. The leader of the opposition knew then and he knows now that I never ever did, or he would have bopped me in the nose, and I would have expected him to. He knew it then and he knows it now, and he raised the issue simply, I think, as a red herring, just like this amendment of the hon. member's.

The member for Porter Creek West said, in his speech, that we cannot amend the *Canadian Bill of Rights* or the *Constitution*. We do not have that authority, we are not a province, but what we can do, as a legislature, is support, if we think they are supportable, proposed amendments made by other legislatures in Canada. That is what we are doing. We are doing what we can in respect to this.

The amendment would, in effect, not only dilute, but take away completely, our support of the amendment proposed by British Columbia, and the amendment does it in such a way that it does not add or take away anything to the substantive motion. I really expected, after listening to all the horrible things about putting property rights in the *Constitution* that the leader of the opposition had to say, that he would never be suggesting an amendment that would, in fact, put property rights into the *Constitution*, but that is what he has gone and done.

I would point out to you that his amendment includes property rights. Then it goes on to say, "human rights shall have priority over property rights". I suggest to you that that is the way our motion is written, that the human rights, the right to life, liberty and security — all human rights — have priority in the motion over

property rights. I submit to you that the amendment is frivolous and should not be supported.

Mr. Speaker: Are you prepared for the question?

Are you agreed?

Some Members: Division.

Mr. Speaker: Division has been called. Mr. Clerk, as all members seem to be present, could you kindly poll the House.

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: The results are six yay, nine nay.

Amendment defeated

Mr. Speaker: Is there any further debate on Motion No. 9?

Mr. Kimmerly: It is my intention at the beginning to attempt to put the motion into focus, or into perspective, from a partisan political point of view and also, which is a little more difficult, from a legal point of view, to the best of my ability, at any rate.

Speaking about the politics at the beginning, I wish to relay a little incident, which is a true incident, which is about property, and almost exclusively about property. In my riding in the last election campaign, I had a conversation with a person who ran a small boarding house. It was a partisan political conversation about the issues in the election campaign. I explained my position and I left. I went back a week later, because of other information I received, and I was told by the person who owns property, who owns a small boarding house, that they were told that if the NDP got in power they would lose their boarding house.

²¹ That is what they told me, that is a true story. They also told me other things. That story is illustrative of the politics of this kind of motion and this kind of issue.

Regardless of what is said, and I choose the word very carefully, in the debate, regardless of the party positions in our policy books, there will probably be statements made outside of this House about property which, in fact, are lies. There will probably be gross misrepresentations of the positions of political parties on this inflammatory question.

I have read, very carefully, the debate in the committee in the federal House of Commons, and I have read very carefully the debate in B.C. on September 21, in the legislature there. It is an unfortunate debate. It is perhaps a good indication of the level of partisanship, political campaigning and political misinformation, that is going on in this country and, indeed, in other countries, which serves to give politicians a very bad reputation in general, in the country and, indeed, in the Yukon. I am sure that all of us who have recently gone through the election campaign became aware of the disdain that many Yukoners feel for most politicians and, some Yukoners feel, for all politicians of all parties. It is because of these kinds of dishonest debates.

Going on to the legalities, or the legal perspectives, I wish to say that I have a copy of the *Canadian Charter of Rights and Freedoms* in my hand here. It is an interesting legal document, it is a very complex one. First of all, it is divided into sections and they are called: Guarantee of Rights and Freedoms, Fundamental Freedoms, Democratic Rights — and it goes on.

²² If the party opposite had truly done their homework, and if they had truly believed in a legal sense what they are trying to say in a political sense, they would have asked for a new heading, called "Property Rights", and the guarantee of rights and freedoms in the property area should be described there. That would be the best way

to do it and the strongest way to enshrine property rights in the *Charter of Rights and Freedoms*.

The motion does not do that. The motion is a political motion conceived in B.C. in the moments before an election campaign, designed to embarrass our party. The speech by the member for Porter Creek West made clear reference to our party and tried to say what our position is.

Well, I stand here to explain what our position is in a legal sense. We are, in fact, defenders of property rights. In our party policy, the first plank of the policy about property rights is to support home ownership — its continuance — and to support the practical, legal and economic opportunities to enable the maximum number of people in Yukon to own property and to have a home to live in in peace. Our party policy is in black and white and it is absolutely clear, and I ask, rhetorically, "Is there a Conservative policy which is that clear?"

The next issue I wish to raise is the issue of expropriation. If the member for Porter Creek West had read the debate in the B.C. Legislature, he would have known that expropriation in the *Expropriation Act* is, of course, extremely relevant to this issue. ²³ In this House, in the Yukon, for eight years now, the ministers responsible have been working on a new *Fair Practices Ordinance* to guarantee these kinds of things. Yesterday, in the House, I asked the minister about the *Expropriation Act*, which is more widely worded and more generally worded, and gives more power to the state to take away individual property than is the B.C. act. I asked the minister if he was looking at it. Well, he was not, and he is not. It is in *Hansard*. I also asked if the government was looking into the question of property rights in order to bring before us a Yukon law guaranteeing property rights, which we would support, and he did not know anything about that. I challenge him to tell us exactly where that is and what priority it has been given in the past months. I know the answer.

The point is, in the legal sense, this government is not doing anything that is practical and sensible to further the rights of individual homeowners and, generally, property holders, in the Yukon. Instead, they are bringing in an intensely partisan political motion designed to bring more heat than light. The most important point that I can make in this area is that there was a good reason why Mr. Lougheed and, indeed, Mr. Bennett and the other Conservative premiers, wanted the *Charter of Rights and Freedoms* to be the way it is and did not support the inclusion of property rights at the time. The reason is very simple: it is well enshrined in our constitution — and always has been, in the *British North America Act*, before the new constitution — that the power to legislate in the area of property and civil rights is a provincial power, and the provincial legislatures did not want to give that power to Ottawa or to enshrine it in a federal document, thus restricting their powers to deal with it.

²⁴ That was the stand of the Tory premiers, and, for those of us that believe in provincial rights, or regional rights in the country, that is a very sensible position to take. We support the principle that property rights ought to be provincial or territorial, and the best place to represent the territorial rights of Yukoners is in this House.

The debate, so far, of the four speakers who have previously spoken, has been a political debate, and an intensely partisan one. I am not saying that I am any different. I am obviously giving a partisan speech and I am proud of that. The way though, I believe, to further the issue, in a real sense of adequately protecting property rights, and adequately protecting the owners of property, and all the other rights, is to continue the debate in a more informative and issue-oriented way and to speak about the real facts and the real implications of motions such as these, and not the political rhetoric that has gone on so far.

The rights of property owners in Canada, in the past, have not been adequately protected, and I wish to raise a few examples. During the war, almost all of the Japanese citizens of Canada on the west coast lost their property. That was a dismal show of the protection of civil rights, and it was our party, federally, who defended those people. It was only recently that Canadians of Indian ancestry were given the right to own property — very recently in our history. It was our party who supported that right.

The property rights of women have only recently begun to be recognized and the job is not finished. There are very real property issues that we ought to be dealing with in a spirit of improving property rights and securing them, protecting them, and it is those issues that we ought to be talking about instead of calling each other names.

Hon. Mr. Tracey: I was not going to stand up until the member who just finished speaking gave us his big political speech and then told us we should lay off. I find that a little hard to take. He rattles on for a few minutes on his political beliefs, and then he has the — I do not know what you really want to call it — to tell me, or anyone else here that I should stick to principles and not talk about politics.

I also believe that this is a political issue as well as a personal issue with the people of this country. He says that it is a provincial jurisdiction and I agree that it is a provincial jurisdiction. I do not see one thing in this motion to take that provincial jurisdiction away from the provinces. All it does is enshrine in our constitution, making it impossible to change except with the consent of seven provinces, that we do have property rights in this country. I am in full agreement of property rights. I fail to understand why the members would even bring forth such an argument as that.

He raises an issue such as a take-over of apartment blocks, threatened if some NDP member was elected. I do not believe that this party, or any other Conservative party in Canada, goes out taking over an apartment block. But I do know that the party from across the floor, in one province in particular, had taken over, until it was defeated in the last election — and rightfully so — a great part of the business in that province. It had taken over the mineral business, the farming business, and it was moving into every function of business that was in that province. That was the party across the floor. It was not a party, as on this side of the House, that believes in the political philosophy that we believe in.

He believes he has support for legal and practical economic opportunities. I suggest to you that he has no more right to say that he believes in that than any other member in this House. I think we all believe in support of legal and practical opportunities for business in this country and for people in this country.

I think we all support, for example, small business in this country, but I am not so sure that the members across the floor, in their political philosophy, do actually support small business in this country, or any kind of business in this country. It always seems that every time they think someone needs a little more money or a little more help that we are going to take it from business.

Well, I suggest to you that what has happened in this country is that we have gone so far to the left, so far along the socialist line in this country, that small businesses are going broke by the thousands, right today, for exactly that reason. They are taxed to the limit. They have no means to manoeuvre within the financial constrictions placed on them by governments, of which these members across the floor, or their bedfellows in Ottawa, are very, very good at bringing down. Every time there is a new budget in Ottawa, business in this territory loses more, and people lose more.

I think I have to stand up and get my little political swipe in, as well, and I feel quite free in doing so. I do not like to be told by the member across the floor that he has the only right to stand up and give a political speech and then caution us to stick to the principles.

Mr. McDonald: I wanted to jump in because I realize that the member for Whitehorse Porter Creek West could close debate.

The member for Tatchun suggests that we should talk politics. Well, I suggest that we should talk politics, if that is his approach. I think there is one question that we should ask here, one which I do not think has been reasonably answered, and that is what the reasons are for B.C. to betray the rest of the provinces and pass the motion, which is substantially on the order paper today. The question has to be put: why did Bill Bennett, Chairman of the Provincial Ministers, changed his position from the constitutional debate, when no other premier in the country has changed his position?

I would suggest that the reason Intergovernmental Relations Minister, Gardie Gardham, moved the resolution was to probe the waters for a campaign issue, of course, and perhaps to head off the

zealots from the Western Canada Concept Party, who are running through the boondocks trying to terrorize the ill-informed with their charge that the failure of the *Constitution* to mention property rights means that the forces of darkness can swoop down and grab their homes and cabbage patches.

Now, I have read that particular debate in the B.C. Legislature, and I thought that Dennis Cox, from the NDP, did a brilliant job of trying to turn the tables on the government. He said that it was cynical and hypocritical for a government that has done nothing to correct the western world's most antiquated and arbitrary expropriation legislation to pretend that it is interested in protecting property.

I think we should get down to really solid political debate. I am sorry that most of us have spoken already, because I think that we should talk about what is an interventionist of government in this country, and I think that we should take the record of the Ontario government as being part of that interventionism.

The member for Tatchun also suggested that small business in this country is going broke by the thousands.

There are nine provincial governments in this country which are Tory governments. As the leader of the opposition has already said, most of the major Liberal economic thrusts, since 1980, have been supported by the federal Conservatives, so let us not talk about who is running small business into the ground in this country.

I just have a few brief comments on this motion to promote the inclusion of property rights under the *Canadian Charter of Rights and Freedoms*. Specifically, I would like to isolate the effect such a provision would have on farmers in the territory. Now before I begin, I would like to say that for most people in this world it has been a long, hard struggle to acquire rights and freedoms that many of us take for granted today. It has, in fact, been a long, difficult and painful battle for workers to be considered as human beings, human entities in their own right, and not to be considered as the property of others. I am acutely sensitive about this struggle. I respect every man and woman who jeopardized what meagre security they had to promote the ascendancy of human rights, and I would very much like to count myself as a contemporary proponent of human rights.

Anything which may jeopardize progress already achieved, I will stand against. Anything which will turn back the clock on the progress achieved toward a greater sense of dignity for all people, I will oppose. That is a statement of my principles.

What will this mean for the farming community in Yukon? Until now, I think everyone realizes the time and effort that has been put into the struggle to get the governments to recognize the basic desire for many people to farm. We see a little light at the end of the tunnel and, at least, we have been promised a little light at the end of the tunnel by the Yukon government. Maybe we may even have a sound agricultural policy, and quite possibly the federal government will turn over land for agricultural pursuits. As I see it, a clause giving supremacy to property rights will create so many problems for the farming community in Yukon that I have a hard time fathoming the reasons for its promotion.

What has happened in the United States, which has a property rights clause in its constitution? So far, it prohibits laws to allow farmers to postpone mortgage payments, as the delay would deprive the banks of their property rights. The banks own the land. The farmers who lost their land were not considered. It has prevented the regulation of freight rates because the companies who have a monopoly on the transportation corridors complained that it would infringe on their property rights.

Now, why was it rejected by the Canadian provincial governments? It was rejected because a property rights provision would make it difficult, if not impossible, to legislate "local purchase only" options. Yukon farmers expect to get first priority in acquiring newly-released federal lands. They have been a driving force in the promotion of agricultural pursuits, but would be told to stand in line with everyone else when the land is released.

Why else? When extraterritorials come into the territory to purchase land in the future, twenty years from now perhaps, there will be a lot of pressure on land prices so that the sons and daughters today will be priced out of the market, and any commitment we might have for the continuation of the family farm

will be crushed.

The provincial governments did not support this property rights inclusion in the *Charter of Rights* for good reason. The NDP and the CCF, originally a farmers' party, recognized the ultimate effects this would have on the farming community. Our ultimate aspiration may well be to exercise self-government, with all the rights accorded a province in this country. We cannot hamstring provincial legislatures from conducting their responsibilities. We should not be so paranoid about the loss of rights, as we have no right to be paranoid about the loss of rights.

I would like to read into the record Section 26 of the *Canadian Charter of Rights*. It reads as follows, "The guarantee in this charter of certain rights and freedoms shall not be construed as denying the existence of any other rights or freedoms that exist in Canada."

The problem with the motion, as it stands, is that life, liberty and security of person — human rights — is on an even footing with the enjoyment of property, and despite what the government leader says, it does not demonstrate the primacy of one over the other. And so, we should think very carefully about promoting this motion, and, without the amendment, I am afraid that I cannot support it.

Hon. Mr. Ashley: In my less than five months as a minister responsible for the *Expropriation Act*, from what the opposition has been saying here, the only thing I did in that act was to look to make sure that it ensured fair hearing to those who were affected, and it does this. So, I will not dwell any longer on the gibberish quoted from the opposite side, and speak only on the motion.

I rise in full support of this resolution. The enjoyment of property is a very important right for Yukoners and all Canadians. I completely agree with my colleague for Porter Creek West that property rights have not been put in the constitution and need to be there. They need to be in the constitution because our constitution now has a more structured form.

Prior to April 17th of last year, when Her Majesty Queen Elizabeth II proclaimed the *Constitution Act*, Canada relied upon custom and convention and common law in the British parliamentary system to protect the rights of our citizens. This is now changed. We are now in the process of listing our rights, and, unfortunately, property rights are not on our list. This serious omission, as the member for Porter Creek has stated, can be laid at the doorstep of the federal New Democratic Party, of which the leader of the opposition is national president. Thus, the leader of the opposition has an obligation to speak out on this issue, to go against his leader and the national party on this most important principle.

Many Canadians are worried about this omission of property rights. They have always felt that it is an unquestionable right. Now, because of the federal NDP, they no longer feel secure. This resolution would take care of that. The debate over bringing the constitution back home to Canada was a long and fractious one. In many respects, it did not do this country any good. It was divisive when the purpose was to unite. It pitted Canadian against Canadian, and I do not wish to add to that debate.

Suffice to say that it is time to let bygones be bygones and set partisanship aside. In moving this resolution in the British Columbia Legislature, the hon. Mr. Gardham quoted from Joseph H. Choat, a renowned United States ambassador, who said: "The preservation of the rights to private property was the very keystone of the arch upon which all civilized governments rest." It is high time the Government of Canada became civilized. I support this motion.

Mr. Falle: I rise in full support of the motion, too. I listened with great interest to the people on the other side of the House when they were talking about this motion. I have been in Yukon for quite a few years now and I have watched successive government pass, south of us, and here. In my opinion, I have always looked to the business world, to the mining community, and to people who put their money where they think it is safest.

There are three things, in my opinion, that can happen to bring this Yukon back onto its feet real quick. Probably, Anvil Mine could go to work. We could have a settlement of Indian land

claims. Or, we could have an NDP government in British Columbia. Any one of the three would be just as equal. I think that when something happens and we see where people who put their money where their mouths are and go to work, I think that can show you a little bit of what this whole motion is about.

I have to say that I rise in full support and that I will be voting for the motion.

Mr. Speaker: The hon. member for Whitehorse Porter Creek West now speaking will close the debate.

Mr. Philipsen: It is with great interest to me to hear from the hon. leader of the opposition that a motion dealing with a basic right is, again, an election ploy. I say, after sitting through question period during the past few days, that we, on this side, do not really know what games are.

I would also like to reiterate that the motion is in support of the resolution passed unanimously by the Legislative Assembly of British Columbia. One of the members has called this a dishonest debate, and then he tells me that it would be easy. I just have to be a lawyer to find what I am looking for in the *Constitution*. I disagree; I believe that it should be up front.

I am happy to have the member assure us that he is the first to uphold property rights. If the federal party felt the same way, the right would already be in the *Charter of Rights*, and we would not be in the position where motions of this sort would be necessary.

The member for Mayo speaks of state ownership as being the only form of equalization. He kept referring to the United States of America as being a poor place because they have this right in their *Constitution*.

I would like to point out to that member that at the present time they have considerably lower interest rates and enjoy a higher standard of living than we do at the present time. I would wonder why.

Mr. Speaker: Are you prepared for the question?

Some Members: Division.

Mr. Speaker: Division has been called. Mr. Clerk, as all members are present, would you kindly poll the House.

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. Philipsen: 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 nine yay, six nay.

Motion agreed to

Motion No. 8

Mr. Clerk: Item No. 2 standing in the name of Mr. Kimmerly.

Mr. Speaker: Is the hon. member prepared to deal with Item No. 2 at this time?

Mr. Kimmerly: Yes, Mr. Speaker.

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 Liquor Licensing Board, when considering liquor licensing in a community, should adopt a policy of consulting with elected representatives of local governments including band councils and with representatives of other interested local organizations.

Mr. Kimmerly: I would mention for the record, and refer especially to the new members, that the motion is not a new motion. A substantially similar motion was debated on April 14, 1982 in the last legislature. That last motion was more extensive. This one is much more narrowly worded. The previous debate is on page 196 of *Hansard*, if anyone wishes to look at it. I am going to

refer to it in part.

I think it is extremely important that I spend a few moments explaining what this motion is not about in order to better explain what it is about, and the reason why I do that is that in the last debate, the debate was not in any way instructive or informative, it was simply a statement of the attitudes of the various speakers who responded to the motion. I want to actually quote some of the things that were said in April of 1982 about the specific nature of this motion.

First of all, the member for Campbell in the last House stated that what the motion was about was this, "Shut down every business in the territory that sells a little liquor". This motion is not about shutting down any business whatsoever. The second speaker in the previous debate was the member for Tatchun, and is the present member. He spoke about interdiction and the interdict list, and he said about the motion, and about my motives, "The member not only wants to bring back something along the same lines, he wants to make it worse." This motion is not about interdiction, it has nothing to do with interdiction. The next member who spoke was the member for Whitehorse North Centre and he said, "I firmly believe that drinking is not a social problem." An interesting statement. The member is no longer with us and it is statements like that that explain, in part, why.

Then the member for Porter Creek East got into the debate and he was talking about prohibition. Indeed, I expect he will ask again about prohibition. I have already said, in the last year a total of six times, that I am not a prohibitionist and I do not support prohibition, and he will probably speak about it again because he does not listen. This is what he did say on page 198, and he was talking about the alcohol problem in the Yukon, "People get money from government and do not have to work for it. These are the areas that you have to look at because how can they afford this liquor?"

³² Now, the member for Porter Creek East thinks the problem is the problem about welfare and the federal government passing out money. This motion is not about welfare and it is not about the social welfare policies of the federal government or, indeed, the Yukon government.

What this motion is about is consultation, and it is not about control. It is only about consultation. The wording of the motion is that the Liquor Licensing Board, when considering liquor licences in a community, should adopt a policy, and the policy is "consulting with elected representatives of local governments including band councils and with representatives of other interested local organizations". It does not give any power over liquor licences to municipalities or other municipal governments. It simply directs the liquor board to follow a policy, and the policy is to speak to the local people and to consult with, and consider, what the local people want.

This motion was misinterpreted before, after it was carefully explained. I will be listening very carefully to the debate and I will probably have occasion to correct misinterpretations on exactly this issue. I wish to make it absolutely clear that the motion is not about local control. The motion is about local consultation. It does not require the liquor board to follow the wishes or dictates of local people. It requires them only to listen and consider.

In arguing for the motion I say that Yukon communities are very different. The community of Old Crow is very different from the community of Faro. I believe everybody in Yukon really agrees with that statement. The cultural differences, the transportation differences, the economies are vastly different.

³³ The liquor licences in a community ought to be adapted to local needs. What the motive of the motion, or the idea behind it, is this: that the policy of treating all Yukon communities exactly the same, with regard to licences, ought to be changed, and the policy ought to be that the liquor licensing in a community ought to reflect the local wishes wherever possible.

The motion is extremely narrowly worded in order to support a consultation policy, not a control policy. Alcoholism and alcohol abuse is a social problem. It is Yukon's number one health problem. It affects all of the other social agencies and social programs of this government, the federal government, the Council

for Yukon Indians and many voluntary associations. Alcohol abuse is an extremely serious problem in Yukon and alcohol abuse and the local conditions of sale of alcohol are intimately connected.

This motion is not going to solve the problem of alcohol abuse in the territory. I predict that, even after saying that, and I said it in April, there will be members on the other side using the phrase "solve the problem" and that this "is not going to solve the problem", "it will only create bootlegging", and things like that.

The motion, I realize, even if accepted, will not solve the problem of alcohol abuse or alcoholism in the territory. What it will do is that it will change the direction of the government's policy in the alcohol area. It is a very, very minor step. However, if this motion is accepted, the underlying philosophy or motive implies that liquor licensing and the supply of liquor affects local situations in local communities and it affects the social problem of alcohol abuse in the territory.

³⁴ I say that that proposition is so simple and so obvious it ought to be agreed with by everyone in this House. The alcohol counselling programs and alcohol treatment programs, many of which are excellent programs, are not by themselves going to solve the problem. They have been around for a long, long time and they are not solving the problem. The problem is not going to be solved by any one measure or any one direction. However, I say that the policy that the government ought to follow is that the supply of liquor is related, and affects, in a very drastic way, the overall social problem of alcoholism. The problem is different in different communities and the people who know the local conditions best ought to be consulted.

The member from Tatchun says to me, "Why do you not tell them what you want, ban booze". I say again, this is not about banning booze, this is not about prohibition. This is about regulating licences in order to consider the local wishes in order to responsibly supply the booze.

Mr. Brewster: The first thing I would like to do is show the hon. member across the road, who says we do not do our homework, that we do do our homework. It is going to prove quite interesting. You made a statement from Mr. Fleming. I will complete that statement, and it changes around a little bit.

I would like to speak on this motion. In fact, I was at first a little confused about what was going on there. Confusion I might add, since I have come into the House, is nothing new to me.

As I understand them, the liquor board terms of reference at present are that we may have a hearing in a community. Any person or group cannot only be heard but be represented by legal counsel if they do desire. The hon. member across the floor knows this very well as he has been a legal counsel some of these hearings. However, after looking at a similar motion by the hon. member in *Hansard* on April 14th, 1982, it is very plain to me that he is attempting to come in the back door by changing a few of the words here and there.

³⁵ I should inform the hon. member across the floor that the new members on this side of the House are learning very fast. If the board was to deal with social questions and other subject matters concerning each community, I would be the first to agree that each community has separate problems. This board, by doing this, would be issuing different rules and regulations in each community. We would end up with a hodgepodge of laws and complete confusion for people travelling around the Yukon.

The board should not be setting standards for each community on an individual basis. Nor should it be swayed by one group against another. It must be able to give a reasonable and fair judgement for all persons concerned. In fact, it is not the responsibility of the board to be setting standards at all. This is the job of elected representatives in this House.

In closing, I would like to quote from *Hansard*, April 14th, 1982, a statement made by Mr. Bob Fleming, a well respected businessman and community organizer who said, "The member is trying to get the Yukon Liquor Board, somehow, in a position where they can possibly, through a motion from three or four people who are in a municipality or an LID, pass a resolution that is not necessarily passed by all the people in that community, to shut down every business in the territory that sells a little liquor". Now, you notice,

I learned a little bit about politics here. You take three or four words of that and use them, it makes quite a difference to what the main point is.

Hon. Mr. Tracey: I would like to speak on it a little as well. I spoke on it last time, and I have pretty well the same thing to say this time. I believe the member, as the member from Kluane said, is trying to bring back the same motion but only a little less wordy. But it means exactly the same thing.

I will quote you from this same debate on April 14th, 1982, the member across the floor said at that time that what the motion calls for "is that the duly elected representatives in the municipalities may direct their minds to what they want in their community, and may pass a resolution that the liquor board must consider what the people want". And I suggest to you that that is the position that the member is trying to get us back into now. He wants to put us in the position where we must consider a resolution of the municipality, or we must consider a resolution of the band council. As the member for Kluane said, that is what we are here for. That liquor board makes recommendations to us, and we make the decisions.

On this motion, if there was not some underlying reason for wanting it there, there is absolutely no reason for having it there, because whatever it says in there is being done at the present time. If a person applies for a liquor licence today, and there is an objection, the liquor board has to hear all the objections. If the Indian band wants to object, or if the municipality wants to object, or the LID board wants to object, they can do so, and the liquor board can listen to them.

³⁶ There is no reason, except for some underlying reason, why he would want it there. He also suggests, to me at least, that we are a territory full of alcoholics here. He wants to shut down our liquor licences, or review every liquor licence in the territory, especially new ones, and all for some people that supposedly have some social problem. Well, maybe they do have some social problem, but maybe they also have a personal problem, and maybe the way to get around it is to attack the personal problem, not to try to attack all the rest of the people who do not have an alcohol problem, just to protect the few that do.

He raised the issue as well that I brought up the item of an interdict list. In my own humble opinion, if someone has an alcohol problem and he is absolutely sure that there is some way to look after that alcohol problem, then I suggest that maybe it is right and proper that we should have an interdict list, if that person should be restricted from drinking, and then he can come to the liquor operators and say, you shall not serve that man or woman alcohol. If that is what he wants, let us talk about it. But, no, that is not what he wants us to do. He wants the majority of the people in the territory to suffer for those few.

I do not have any problem with trying to protect those few. In fact, I feel sorry for them and I would like to protect them, but I do not believe that imposing a restraint on the majority is going to be a protection for the minority. It never has been, and it never will be.

I brought out the issue last time of selective prohibition. That is exactly what the member is looking for. He would like prohibition in this community because the band council voted for it, or he would like it in that community because the LID voted for it. I cannot understand how he thinks that that would work. I pointed out to him last time we had this debate that in Pelly Crossing, where there is no liquor, because the Indian band in their good judgement closed their liquor outlet down — and I had no problem with that — but that did not stop the alcohol problem in Pelly Crossing, nor has it stopped it to this day. There are still people running up and down the highway, drunk or impaired. There have been deaths caused by it. You are not going to stop the alcohol problems by closing the liquor outlets unless you have prohibition in the territory, and that will not stop it, it will only make it worse.

I cannot understand why the member keeps hammering away, and hammering away in trying to get selective prohibition in. It will not work and he knows very well that it will not work.

Hon. Mr. Lang: I think most things have already been said. I just want to reiterate, since it is my direct responsibility, that, first of all, the liquor board does have public hearings and if one files an objection he will be heard. It is publicly advertised if a licence is to

be renewed, or a new licence is to be granted. Therefore, the information is there for anyone who wishes, and is interested, to appearing before the board as far as the renewal of licences are concerned.

³⁷ I just want to make the further point that there are certain things that have been done, in respect to abuses by people of the various licensing establishments. For example, we do not allow credit on off-sales unless it is authorized by the board under certain conditions, and perhaps this will alleviate the situation somewhat from the small segment of the population who are abusing the rights that they do have.

I have to totally concur with the member for Tatchun. I do not understand the member consistently raising this issue. I have visions of him and his leader running through the T & M or the Kopper King on a Friday night with an axe, telling people that they are going to have to shut down the establishment. I find the thought, first of all, very startling and, on top of that, as opposed to how progressive the leader of the official opposition seems to think he is, I would describe it as regressive.

Before leaving on that note, I want to assure the member opposite that the Liquor Corporation, as a corporation, is there to hear objections and they will hear them if somebody raises the objections with a certain amount of foundation.

Mr. Penikett: I can assure the member opposite that I will never run through any bar in town with an axe, but sometimes, when I am in here, I feel the need for a shovel.

Mr. Kimmerly: It is interesting that, in the course of the debate, I was called a prohibitionist again. The member for Porter Creek East said another absolutely stupid thing in now accusing me of wanting to run through the Kopper King with an axe. That typifies the debate, almost, and it is a sad, sad thing.

It is interesting, though, that the member for Tatchun has changed his position somewhat. In the last debate, he accused me of wanting an interdict list. Now he says that he wants an interdict list. He said it, it is in *Hansard*. That is what he wants.

It is interesting to listen to these positions and these attitudes and I am sure the social scientists or the archaeologists reading it in years to come will raise a chuckle when they do read it, if they ever do.

³⁸ The member for Kluane is taking exactly the same position as the old member for Campbell. He thinks I want to close down the liquor stores, close down the business. Well, I will not say it again. The position is absolutely clear. I want to regulate things like hours of sale. I want to regulate the supply of liquor in accordance with the degree and the symptoms of social problem in the community. However, what I want is not as important in my view as what the people in the communities want. That is, I suppose, the fundamental difference between my view and the view of the members opposite.

This motion and my position, firstly, is that the local people in a community ought to be consulted and that the liquor board ought to be best informed about local conditions by the people who live in those communities. The suggestions by members opposite ought to be taken, in my view, as expressions of their personal positions and their attitude to alcohol sales. It is appropriate that the member for Porter Creek East talks about running through a bar with an axe because it is in that kind of language that I think of him.

The motion is obviously going to be defeated, but this issue is not going to go away. It is going to be around for a long, long time. It is only when we seriously grapple this issue that a change in direction of the Yukon alcohol abuse problem is going to occur.

Motion defeated

GOVERNMENT BILLS AND ORDERS

Bill No. 8: Second Reading

Mr. Clerk: Second reading, Bill No. 8 standing in the name of the hon. Mr. Lang.

³⁹ **Hon. Mr. Lang:** I move, seconded by the hon. member for Whitehorse Porter Creek West, that Bill No. 8, *An Act to Amend the Liquor Act* be now read a second time.

Mr. Speaker: It has been moved by the hon. Minister of

Municipal and Community Affairs, seconded by the hon. member for Whitehorse Porter Creek West, that Bill No. 8 be now read a second time.

Hon. Mr. Lang: The amendments to the *Liquor Act* are being introduced for three basic reasons. Number one, to allow municipalities, which are presently responsible for the decision as to whether or not public drinking will be prohibited within the confines of the boundaries, more leeway in defining restricted areas according to needs pertinent to their individual communities. The amendments to section 103 of the present act also reaffirms and is conjunctive with the added responsibility of the municipal level, and definitions within the new act, and it is proposed that related sections of this bill come into force together with that act. I should point out that it is also the result of a request from the City of Whitehorse, in particular.

Further to that, it is our intention for consideration to the legislature to amend existing legislation, which precludes the sale of draft beer in cocktail lounges. The government realizes that recent requests from members of the public, in relation to the downturn of the economy, are reluctant to pay the higher prices, and would prefer to have the ability to purchase draft beer if they so desire. The hotel industry has requested this change and we are bringing it forward for consideration.

We are also amending the legislation to assess licensees by allowing them to use their licensed lounge premises for specific purposes outside of their licensed hours. The major reasons for this is to allow, for example, a tour company who are staying at an establishment, whether it be Kluane lake or south of Whitehorse, where they get into a community early for breakfast and there is not enough room to give everybody breakfast yet, at the same time, they have enough room to feed those people within the confines of the licensed area, to use those licensed facilities. Presently, that is against the law and we feel that this option should be available to those people if they have those numbers coming through at any given time.

In addition, there are several items for the purpose of housekeeping, clarification, or in the case of sections pertinent to the Auditor-General, ensuring that our legislation is in direct keeping with current audit guidelines. I think it is safe to say, a broader ranging, more definite audit policy has evolved on par with the Auditor-General. Therefore, I think the bill is fairly straightforward. It is before you today because of a number of requests and it seems to me that they are both common sense and logical.

Mr. Kimmerly: It gives me great pleasure to speak to this bill, for two reasons. One, it is an excellent bill and I support it — I even remember a private member's bill in the last legislature on the same topic. In addition, this is an example of local consultation. In fact, it is even stronger than that, it is an example of local control, because it is up to the municipalities whether they want public drinking or not. I agree with that. We agree with that. It is a good policy. I only wish that the government would adopt the same policy with regard to liquor licensing and, perhaps, a few other liquor laws, which is really the same issue. It is the same general issue.

I remember a private member's bill, which the other side voted against, and I am very, very pleased to see this change in position, this more progressive attitude and the wishes of the municipal council in Whitehorse being accepted and acted on, albeit a year late, but acted on.

It is an excellent bill, in fact. I have no comment on any of the sections and no adverse comment whatsoever. It is not the most important section of the *Liquor Act* to amend. It is not the most important. Nevertheless, it is a good bill and we look forward to its very speedy passage.

Motion agreed to

Mr. Speaker: May I have your further pleasure.

Mr. Penikett: I move, seconded by the member for Faro, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Mr. Speaker: It has been moved by the hon. leader of the opposition, seconded by the hon. member for Faro, that Mr.

Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Motion agreed to

Mr. Speaker leaves Chair

COMMITTEE OF THE WHOLE

Mr. Chairman: I call committee to order. We will take a break.

Recess

Mr. Chairman: I will call the Committee of the Whole to order. We will continue with the Department of Finance, on page 193. Is there any general debate?

Mr. Byblow: I have a couple of questions and rather than prefacing them with any kind of a dissertation to display any possible lack of ignorance of the subject, I understand, from a business point of view, the difference between cash flow and working capital. I am wondering if the government leader could differentiate those two terms with respect to government finances.

Hon. Mr. Pearson: Yes, as was pointed out last night by Mr. Finland when we last met on this, we are required to keep two accounts: one being capital and one operation and maintenance. We have to end up, or we should end up with a balance — a working capital, with respect to operation and maintenance at the end of each year and a working capital in respect to capital at the end of each year. Now, from a working capital point of view, it is much more critical that we have a working capital balance in respect to operation and maintenance because that is the critical area. The capital working capital is normally a number that gets re-voted the next year. In other words, it is work that is carried on next year.

Cash flow is the same as in business. The cash flow is a case of being able to use money for any purpose when it is necessary to use it and then getting it back for any purposes and putting it back into the cash flow. So, this government operates exactly the same as a normal business in respect to cash flow. There is cash coming in and going out notwithstanding the fact that it might be capital or operation and maintenance. The actual cash flow then is calculated and worked out and dealt with exactly the same as in a normal business. It does not matter whether it is capital or working capital.

Mr. Byblow: Would it be fair to say that cash flow is actual dollars in the kitty, and working capital is more of a theoretical figure based on budgeting?

Hon. Mr. Pearson: That is absolutely correct. Cash flow determines exactly how much cash this government might have at any given point.

Mr. Byblow: In order that I could more fully appreciate the magnitude of the situation we are facing, does the government leader have any figures at his disposal now, or could he give some approximation of what took place in each of the quarters of this past year with respect to cash flow, which would be the dollars and cents available to government for purposes of paying the bills and accruing revenue?

Hon. Mr. Pearson: I do not have any figures here; we could get them. What has happened during the course of this current year is, at one point, our cash flow was down very, very low and then at other times, it goes up quite high.

Again, it depends a lot on when we might get our transfer payments from Ottawa, and also when we might pay our big bills to Ottawa. We do try and control the cash flow by getting our transfer payments from Ottawa under various schemes, whatever they might be; it might be the operation and maintenance money; it might be capital money, but we try to get that money coming into the territory when we need it.

Notwithstanding that, we do run into times when we will have very large bank balances or a very, very big cash flow and then, all of a sudden, of course, it comes time to pay off a couple of major contractors in respect to summer's work being finished or completed, and that depletes it very, very quickly.

Mr. Byblow: I can appreciate the extent of high fluctuations,

even in the course of one month, given the obligations of government to do pay-outs and given the timing of certain revenues accruing.

I want to try to pin this down a little bit further. My understanding from information presented in previous discussions was that the cash position of government, at the outset of the year, was in the order of ten to 12 million dollars. The government leader has indicated that, at the close of this year, given that all projections will fall into place, we will be in a position of about two million dollars cash flow, or thereabouts.

Can I assume from that that our cash flow position has dropped by ten million dollars through the course of the year?

Hon. Mr. Pearson: What is going to happen is that our working capital is going to drop by that magnitude.

I am sure, in the month of August, our cash flow was less than two million dollars, so the difference — if you are looking for drops — between what we had on, say, the first of April and what we had at the end of August was quite dramatically different.

Mr. Byblow: Could the government leader give an undertaking to provide some figures through the course of the year or would that be too difficult?

Hon. Mr. Pearson: I do not know if it is too difficult, but I honestly do not know what it would accomplish. I do not think that I am prepared to table in this House cash flow positions of this government because the government is a business. I am prepared to make sure that the member can see those numbers, providing that he treats them as they should be treated, as a business number.

Mr. Byblow: I can certainly appreciate that offer and will pursue with the government leader afterwards to see those figures. I am very curious how this cash flow and working capital operates in government through the course of the year.

We were talking yesterday about an amount of money being withheld from the federal government, and there was actually a figure mentioned of something in the order of \$19,000,000 being withheld over certain periods of time, relating to land and so on. At this point, if this government had to fulfill its obligations regarding payments that are due to the federal government, what are we talking about? How much do we owe the feds today if that came to pass?

Hon. Mr. Pearson: I am afraid the hon. member missed a little bit about what was said. This budget, and our predictions for March 31st, are predicated on the assumption that we will pay all of our bills, that the federal government will pay to us everything that they owe us and that we will pay to them everything that we currently owe them. We have long-term debts, but they are not calculated for those payments, and they will not, nor can they, be called. They are in fact long-term debts. The Government of Canada has said to us that if we find it necessary they are prepared, in this year, rather than calling debts that we have, to consider the standing-over of some of those debts, should we find that necessary. At this point we do not think it will be necessary.

Mr. Byblow: I am encouraged to hear that. I have one more question relating to the cash flow position. Again, from a business point of view, I know how cash flows develop, how they are started, and how they continue. How did this government have at its disposal, in an operating cash position, \$12,000,000 at the outset of this year?

Hon. Mr. Pearson: A lot of that was working capital. We had, at the beginning of the year, \$5,506,000, just in O&M working capital. On top of that we had our capital working capital.

On Treasury

Mr. Penikett: I want to ask some general questions under treasury. Not all of them fit perfectly and neatly under treasury, but they arise a little bit from the information contained on page 195. There is no need to refer to page 195, but in the organization of the department and the relationship between the organizations and programs, we talk about the financial operations branch. I just wanted to ask some questions that will allow me to enter into the discussion. Previously, the government leader will recall an old problem, and I know that he would have been made aware of it

from numerous friends and colleagues, and that was the processing of accounts payable, particularly to small business and suppliers.

I understand that there was basically an administrative problem in dealing with that which I think I heard has been largely rectified. I wanted him to respond to that suggestion, and also to respond, in light of the information that we have had, about the cashflow situation, from which discussion I would understand that there are times when we would probably have to prioritize accounts payable. I am curious about if we have had to prioritize accounts payable, and if not, how we have been able to remedy the problem. When I say I suggest that we prioritize accounts payable, because I have already heard a suggestion that some money that we owe the federal government that might be an account payable in the business sense, we have postponed, or we have some period of grace on, which suggests that we have, perhaps, given a lower priority of payment to some federal accounts as opposed to local merchants. Before I pursue this, perhaps I could ask the government leader to respond to that general question?

Hon. Mr. Pearson: Of course, it always has been a problem, in respect to accounts payable. We have not found it necessary to prioritize accounts payable. At that point in time, I would consider that we would not be in a position to pay our bills if we had to prioritize accounts payable, saving and except for the federal government.

We are talking in the magnitude of such large amounts of money. We might owe the federal government ten million dollars, but, at that same point in time, they owe us eight million dollars, or maybe they owe us twelve million dollars. So, the difference, really, is not all that great.

The department has been reorganized and, to a large extent, the reorganization has been predicated on, and has been centralized around, the accounts payable section being able to ensure that accounts are paid as expeditiously as possible. We are still finding that, so many times, because of the necessary confirmation, because we are a big government in respect to size — we have departments all over the territory, goods and services are shipped all over the territory — that we do have a problem sometimes getting confirmation, for instance, of receipt of goods. That can and sometimes does hold up an invoice being paid.

In a majority of the delays in accounts payable, we have been able to trace back to an error, either in the invoice by the supplier or in an error being made in the department in respect to receipt and confirmation. Occasionally, the error is created in the Department of Finance, but not very often. The normal delays in the paying of accounts happens in the flow of the paper from the department receiving the goods or services to the Department of Finance.

We normally encourage our suppliers to let us know if they are having problems. We have been trying to get onto a 30-day turnaround and have been fairly successful, in most cases, in doing that.

Mr. Penikett: The government leader anticipated my next question: to get most of the accounts on a 30-day turnaround. Is that the age of most of our accounts now, 30 days? Do we have, what, one percent on 60 days, five percent on 60 days, 10 percent, 20 percent? Could he give me just an approximation of what percentage of accounts might be longer than 30 days?

Hon. Mr. Pearson: I recall seeing an accounts payable report about two or three months ago, and the large majority, very large majority, were in fact on 30 days, and I believe that there were only one or two accounts that were on 90 days, and there were specific reasons for those one or two invoices being on 90 days.

Mr. Penikett: I wonder if I could just proceed from that to a general problem that we also had in the department before in respect to certain kinds of pay-roll. The government leader will remember that on previous occasions I have inquired about summer casuals, overtime — cheques that were quite a long period, in fact, several months, late. And I understood the problem at that time was a mechanical one, whereby those cheques had to be hand written and there was not a computer system to handle such claims. I might point out that the government, even though it was exempt, was technically in violation of the *Labour Standards Ordinance* on some of those things, the old one, and I would just ask the government

leader, is that problem has now been rectified.

Hon. Mr. Pearson: It has been rectified to a large degree, but we are still having some breaking in pains in respect to computer work. We have found in the last three weeks that we have had to exempt our pay-roll people from the nine-day fortnight because we were getting to the point where we were having to have them work so much overtime, just to keep up, that it was cheaper for us to exempt them from the nine-day fortnight. And the pay-roll section is now back working a ten-day fortnight.

It was one of those sections, one of the few, that we did not perceive the necessity for to keep on just in order to provide the necessary work that they had to do. Mind you, one of the problems was, of course, that it is a fairly small branch and there are not very many employees in it, and we felt that we should not be hiring any more employees at this time.

Mr. Penikett: I just hope that they are warm on the Fridays that they are in here. Let me move on to another general question. The government leader may want to defer these next two questions to the specific line item, and if he does, I will respect that wish. But let me ask them in a general way first, because they connect to a number of items.

Reference was made to the department handling the banking and investment of the government. I would be curious to know if the government leader could give us some indication of the present source of this professional advice in respect to the investments, and I also want to ask a general question about banking. I would assume that this government would be a fairly valuable client of any bank, and I want to know when that choice of bank was last made. I would also like to know how often it is reviewed and whether there is any consideration of, perhaps, sharing of the banking services among the banks a little more. I ask the question because I once heard, and I have no way of knowing whether this is true or not, that a former commissioner of this territory who was very close to the government leader was inclined to use a little moral suasion with the banks in respect to services in rural communities in exchange — I will not say *quid pro quo*, as that is the member for Porter Creek East's latin expression — or consideration of the government's business. I ask the question because, in current circumstances, it strikes me that the government's business is so great now that it is probably the largest single potential customer of any bank locally. A decision to bank with one bank or another locally could affect the size of that branch's staff, the size of their building and a number of other questions. At the same time, I would be concerned that we do not make a decision on such an important question for all time. Could the government leader deal with both of those questions in a general way.

Hon. Mr. Pearson: I would be happy to deal with them. I will deal with the banking first. The last time that we, as a government, asked the banks to give us proposals was in 1980 and, at that time, after considering the proposals — frankly, one of the major considerations of the proposals is the degree to which a banking firm is prepared to provide services to the other communities, outside of Watson Lake and Dawson City, where there has been banking service traditionally for years, in the territory — the Bank of Commerce were once again chosen to do our banking and, as I say, that decision was taken on the basis that they undertook to provide banking services to outlying communities. Specifically, to Carmacks, Haines Junction and Teslin. They provide them from Whitehorse.

It is a fact, and always has been. Probably, I might have inherited that scheme of things from the commissioner that the leader of the opposition was referring to.

In respect to investment, things were going so well here last year we were talking seriously about having to hire someone to come to work here at three o'clock in the morning so that we could take advantage of the Toronto stock market. These days, we do not have that kind of cash anymore. A year ago we had an awful lot of cash and our short-term investments — when I say that we deal with the Bank of Commerce that is in respect of deposits, but in respect to investments we deal locally with all of the banks in Whitehorse — and a suggestion was being made to us that we should be looking further afield, in fact, but at that point in time we did have a fair

amount of money and were making a fair amount of money for the territory on investments.

I do not think that those days are gone forever. I certainly hope that they are not because I am sure that the people in the Department of Finance were having a lot of fun with it at the time and it is also a good source of revenue for all of the taxpayers and the territory.

Hopefully, we will be able to get back to it.

Mr. Penikett: I understand the practice in solicitation of bank contracts as outlined by the government leader. In fact, to my memory, it seems to be identical to the practice that was observed on city council when I was chairman of the finance committee there.

I am curious, though, on one point: the government leader indicated that they shopped around for term deposit rates, or, at least, short-term note rates where they could get the money out. Is the term deposit rate part of the general banking contract when they are negotiating with a major supplier? Is that not an issue, then, when they are looking at that service agreement?

Hon. Mr. Pearson: No, we wanted the right; we demanded the right to be able to shop around. We had money on deposit with the Canadian Imperial Bank of Commerce, but I can recall many months when we had far more money invested in short-term deposits with other banking institutions in Whitehorse.

Mr. Penikett: My last general question before we get into specifics had to do with references to the program of risk management run by the department.

The government leader has previously talked about this in different years. I do not know whether anything has changed about the program; it does strike me there are some new members of the House who may not have heard it explained before.

I would be curious as to the way in which this program of risk management relates to the insurance item in the general budget. If he wants to wait until we get to that item, or if he wants to deal with it now, I am at his pleasure.

Hon. Mr. Pearson: It does not matter, I can answer it now. We had a consultant come into the territory in 1980 who made some recommendations to us in respect to insurance and what we should have at risk and what we should not, and so on, and we acted upon that consultant's advice, at that time.

Today, we have hired a consultant, once again, to do a similar type of study for us. This time the consultant firm is represented from Montreal. It was interesting that we had to go that far in order to find a consultant who we felt was completely independent of all of the various insurance firms, particularly in western Canada. So, he has arrived in Whitehorse and we have asked him to do a study of our insurance requirements and to make recommendations to us. We will be, I am sure, following his advice at that time.

Mr. Byblow: Just back to the subject of investment: what latitude does the government have to use their cash position for investment? Are they committed by any law to not go beyond short-term deposits? Do they have any other latitude?

Hon. Mr. Pearson: I would imagine that there is some latitude. We could not play the stock market for instance. We can make short-term deposits with registered banks. In the main, our latitude is governed by our cash flow. If we did not think we needed the cash for 90 days, we would get it into a short-term deposit and make some money for the taxpayers that way. This government has always restricted its depositing function to the banks.

Mr. Byblow: I suppose I was asking that question in light of historically having had something in the order of \$8 to \$12,000,000 at disposal at any one time for the period of over a year. That is a substantial amount of money if we are looking at investment.

On another subject related to government policy in respect of travel, I ask it at this point because it relates to the accounts payable. Has there been any shift in policy by government regarding departmental staff travelling in terms of the method of payment for services? I am talking about Health and Human Resources visiting communities, going out on travel warrants and then the business involved would have to forward a billing to the government based on appeal and so on. This also could be happening with respect to Yukon Housing, Municipal Affairs, the

type of personnel who travel around the territory a lot. Has there been a change where these personnel are no longer paying for their services but billings are taking place? Is the government actually taking what advantage it can of a period of time for use of money?

Hon. Mr. Pearson: No, certainly not by any policy directive that has been issued by this government. There has been no change in our policy at all. I am aware of the problems that have been encountered on occasion by the travel agency from Faro. I hope now that they have been cleared up. I think that a majority of those problems have arisen over time because that agency is not here. It is a problem of communication more than anything else. Maybe we can overcome it.

⁵⁰ **Mr. Byblow:** I was not just referring to that incident, but I know from personal experience that there has been a tendency in the last three or four months of government personnel travelling on purchase orders as opposed to paying accounts, and I just bring that up as an observation, as something I have noticed from personal experience. That was why I was questioning the matter.

Mr. Penikett: I am referring very specifically now to page 196. Two program directives are listed, the one marvellously and comprehensively general, the second one to provide assistance to all departments and agencies in financial matters. I want to ask two questions about that arising from my own education in Public Accounts. At one point, if the government leader will recall, there was a problem expressed by officials of the Department of Finance in respect to the presence, experience, training and ability of finance officers in other departments. There was, I think, in the government, some difficulty in obtaining variance reports on time, for example, and in a way that they could be properly integrated and used by finance. Could I ask the government leader as a very general question, is that problem substantially solved to the satisfaction of the department?

Hon. Mr. Pearson: Yes, I believe that it is. We have a good liaison going now. I think part of the problem at that time was that we were in a position where we were having trouble getting staff in finance as well. The Department of Finance was at a very low ebb with respect to staff. That problem has been resolved, and I think that has been reflected throughout all of the other departments now in that the finance officers in the departments actually have somebody whom they can go and talk to, that there is liaison with. I think the question is a very substantive one, and I am very pleased to be able to say, in my perception anyway, that that problem has been resolved.

Mr. Penikett: The second part of the same question: at the time this problem was first discussed, there was a recommendation that the government accepted to the effect that when finance officers were being hired for various departments, that the financial department would be represented on the boards that were interviewing applicants, as is the practice in many other departments. I would like to ask the government leader if he could confirm that that is the practice both in his capacity as Minister of Finance and as Public Service Commissioner.

Hon. Mr. Pearson: I would not want to say that it has happened every time, but I do know that it has been happening. As I said, the liaison between the departments and the Department of Finance, in the past year, has increased by hundreds of percent.

Mr. Chairman: If there is no further general debate under treasury, we will go on to the program administration, \$132,000. Shall it clear?

Administration in the amount of \$132,000 agreed to

Mr. Chairman: Accounting, \$436,000.

Mr. Penikett: This follows up a little bit from the previous question. At one time, as the government leader will know, there was a remarkable turnover in chartered accounts in this government, and perhaps not surprisingly if you consider their opportunities and prospects in the private sector. I know it was a problem that was not unique to this territory. In fact, I heard a story that the Province of Alberta had gone and hired 40 newly graduated CAs in one fell swoop.

⁵¹ Two years later, none of those 40 were still in government service. That is how difficult it was to recruit and keep them.

I am also, at the same time, aware that there have been, in various levels of accounting — RIS, and so forth — a lot of courses going on in Whitehorse in the last couple of years. In fact, I know quite a few people who have taken the courses. Could I ask the government leader what the situation is now, in terms of being able to recruit professional help for the Department of Finance in the accounting area and to what extent local people who are graduates of these courses are being able to find employment with the department?

Hon. Mr. Pearson: I do not know to what extent local people have been able to find employment, but I do know that a lot of the people in the finance department are involved in those courses now. Also, as far as I am aware, at the present time, we only have one vacant position. The position has been advertised and there has been a competition held and there were a number of applications for the job. The situation, of course, is dramatically different than it was as little as a year ago in respect to the availability of these people. I am sure that you are going to find that there is not going to be anywhere near the turnover that there was in the past, at least not in the foreseeable future.

Mr. Penikett: Could I ask the government leader if he happens to know, off the top of his head, how many chartered accountants he may have in the employ of the Department of Finance at this moment?

Hon. Mr. Pearson: I am advised that we have none; no chartered accountants.

Mr. Penikett: I guess that situation has not improved, but perhaps we do not need them anymore. Conceivably, Mr. Fingland, as a political scientist, has a prejudice against them, but I will not ask the government leader to comment on that.

I asked the government leader about the accounting courses and he indicated that a lot of the employees of the department were taking the courses, which does not surprise me. I would be curious, since, as I said, I do know a lot of people in town who are taking those courses now, whether the Department of Finance, with the considerable amount of accounting work that is done in this government, is in any way co-operating with any of these courses?

Let me put the question this way: I would be curious as to whether this is a training ground at all, and I ask this of the government leader, both in his capacity as finance minister and public service minister, whether there is any on-the-job training or whether we have any kinds of articling students in our employ? Are we making any of our facilities available to any accounting and training programs that are going on, both at the vocational school and in the private sector?

Hon. Mr. Pearson: I sincerely wish the hon. member had asked me that question yesterday, when I had my briefing notes for the public service commission, because I am confident that that information was included in those notes. They were quite extensive and, as I mentioned to the member for Faro, they were detailed down to the number in each of the courses that we had people participating in. I will get that information.

⁵² **Mr. Byblow:** With respect to accounting, as in the corporations like the Liquor Corporation and the Yukon Housing Corporation, are their entire financial affairs channeled through this department — that is, their accounts payable, accounts receivable, and pay-roll, as well?

Hon. Mr. Pearson: No.

Mr. Byblow: So then, revenue that may accrue through those corporations does not go through the Consolidated Revenue Fund, or is there going to be an explanation?

Hon. Mr. Pearson: No, it becomes revenue of the Consolidated Revenue Fund.

Accounting in the amount of \$436,000 agreed to

On Revenue and Taxation

Mr. Penikett: We obviously do not have any responsibility for enforcing the *Income Tax Act* and the territorial monies that we get from that. However, I know that we have had people on staff who were tobacco tax inspectors, and so forth. We have some people in municipal affairs who are assessors, in terms of property tax revenues. The property tax revenue for this government is fairly significant and I would be curious as to what extent, if any, there is

a capacity for inspection and enforcement of that collection in the Department of Finance. I am not talking about the property tax within municipalities; I am talking about the property taxes without. The reason for my question is as follows: earlier in this session we heard an explanation from the Minister of Municipal Affairs about the difficulties of assessing, for example, certain kinds of property, such as improvements on certain kinds of mineral claims. I understand that problem well.

We have also heard from that source about problems collecting that kind of activity, some seasonal employment, seasonal industry, problems collecting medicare premiums, and we may have had problems collecting other kinds of taxes. I do not know. I understand the difficulty with isolated seasonal employment, but I also understand that the federal income tax department spends a lot of money and energy chasing people who they think have run afoul of the law. Do we have any kind of inspection or enforcement capacity in this branch?

Hon. Mr. Pearson: We certainly do inspections in that we have to know what our accounts receivable are, and a tax bill becomes an account receivable and is treated as such by the Department of Finance. They attempt to collect that particular account. When it comes to taxation, the Department of Finance is, in fact, a collection agency for the Government of Yukon.

But when it comes to medicare premiums, the Department of Health and Human Resources acts as the collection agency. So there is a difference. The Department of Municipal and Community Affairs do not act as the taxation collection department, but rather the Department of Finance does. We have hired lawyers to act as collectors for us in the past but that primarily, from the instance that I can recall, was a small business loans fund. It was actually federal money that we were collecting in respect to small business loans that had been made by this government on behalf of the federal government. We attempt to collect our bills and we have to write off our bad debts. Bad debts, in fact, become a line item in the budget. Usually they show up in the final supplementary of the year.

Mr. Penikett: I want to ask the government leader if he might undertake to look at that a little bit. I ask the question in a fairly serious way. We have assessors in Municipal Affairs. I know that at one time we had a problem hiring assessors, but I think we probably have a full staff now and I think they have an undisputed professional ability. As a matter of fairness, let me state that I think everyone should pay the taxes that they owe, otherwise the burden falls on those people who are responsible enough to pay and they have to suffer an extra accordingly.

Unlike the medicare example that the government leader gave, the assessment of municipal property taxes is really taken as a given by Finance. There is an appeal process, but once the assessment is there it is taken as a given. Since Finance does not really have a field officer in the sense that the federal income tax department does and if it does not have some sort of inspection service — and I am not suggesting that this might be appropriate now — it ends up doing a much more expensive thing when it comes to the point of prosecuting or taking legal action for collection of certain kinds of debts. Given the transient nature of many of the kinds of property owners here, we may be in a very expensive business or we may be too late to do effective collection of some of these accounts. I do not know how big the problem is now, but I suspect, the economic climate being the way it is, we could have certain people simply walk away from their properties as I know some individual homeowners have been doing. I do not want to increase the burden or anxiety or unhappiness for those people, but clearly, if the people of the territory as a whole have a right to certain revenue and it has not been recovered, I wonder if we are, at this moment, employing the most effective means to collect some of that revenue to which we are entitled.

Hon. Mr. Pearson: It has not been a major problem in the past. In fact, it has not been a problem. Our write-off of bad debts has been remarkably low for the amount of money that we set out to collect each year.

It has been good. I share the concern of the leader of the opposition that we may well be running into a different set of

circumstances this year. I accept, with thanks, his advice that we take a close look at this. I will undertake to have that done.

Mr. Chairman: Under the program, revenue and taxation, \$275,000. Shall it clear?

Revenue and taxation in the amount of \$275,000 agreed to

Mr. Chairman: Budget and financial management, \$424,000.

On Budget and Financial Management

Mr. Penikett: Just a very general question: I notice in the organization chart on page 195, the budget bureau — it has not always been called that, perhaps I am not sure about that, but there has been specialist function for budget development in the territory. We clearly now have a much improved form for the estimates and I have complimented the government on that in the past, but I wonder if the government leader could indicate if there has been any other re-organization in that function.

Hon. Mr. Pearson: Yes, on page 195, the program analysis — in fact, what was budget programming before was an amalgamation of those two. We have re-organized the department to put a specific program analysis section and a budget bureau section into place. The two work very closely together, but at one point in the process, or at any given point in the process, they go their own separate ways. But the program analysis is the key section that has been added with the re-organization.

Mr. Penikett: I also noticed a companion function of fiscal relations, which presumably has a fairly important activity in terms of the preparation of the budgets to the extent that we are dependent upon the federal government.

Yesterday, I repeated an observation that I made before; I want to emphasize that, but I do not say it critically. Mr. Fingland talked about the communications between the officials of his department and the federal officials with respect to an item like EPF. I would be curious as to what extent fiscal relations, as it is indicated there, examines such documents as the federal budgets when they are handed down, or is that something that is normally an activity for intergovernmental affairs?

Hon. Mr. Pearson: No, it is an activity for this branch, for fiscal relations. They are the people who would do it. There has not only been re-organization and changes in personnel here, but in Ottawa as well. I think that they have all been for the better and I think that we are going to find that, as time goes on, our contacts with the fiscal side of the federal government are going to be increasing continually.

Budget and Financial Management in the amount of \$424,000 agreed to

Mr. Byblow: Before we clear this item right out, there are two insignificant questions that I want to ask.

There appears to be an eight percent increase in personnel allocation and the number of person years has remained the same. Is this inclusive of a nine-day fortnight payroll?

Hon. Mr. Pearson: The payroll branch of the Department of Finance works ten days a week; the rest of the department is on a nine-day fortnight. This money, primarily, is as a result of the salary increases that were given prior to the nine-day fortnight starting.

Mr. Byblow: Just one question that I am not too clear about: is the government leader saying that the entire department is still on ten days or just the payroll branch?

Hon. Mr. Pearson: Just the payroll branch is on the ten days; the rest of the department is on the nine-day fortnight.

Mr. Byblow: Just an observation, perhaps, more than a question: I would be curious how the department managed with the same personnel to have accomplished the workload that was expected of them in this last recent while. I think the government leader will probably agree that, in fact, the workload was significantly increased in light of the economic analyses that had to be done, preparations of reports and fiscal analysis.

Hon. Mr. Pearson: There is little doubt about it that what the nine-day fortnight has done, especially in a service department like

this, is put a requirement upon the people who are working nine days out of every ten to increase their productivity by ten percent because there are still the same number of accounts payable to be processed. What used to be done in ten days — if we are going to keep our turnaround figures realistic — now has to be done in nine days. So, it is a factor. Productivity in a department like this has to be increased with the nine-day fortnight.

Mr. Byblow: My last incidental question: on the summary of information on page 197, I would be curious why the government anticipates 4,000 more accounts payable cheques to be issued?

Hon. Mr. Pearson: I would respectfully suggest that this estimate is based on five months experience in the year. It should be very close to accurate. When these numbers were plugged in we had five months of actual under our belt.

Treasury in the amount of \$1,267,000 agreed to

On Insurance

Mr. McDonald: I guess insurance is generally non-controversial. There are, however, a few items which do elicit some puzzlement. In general discussion, I would like to direct the government leader's attention to page 199, under supplementary information, regarding details of the insurance coverage. Under statistics and then under policy, whereas the majority of these items are generally up, which is understandable, under airstrip liability, down the list, the actual premiums for the three years indicated seemed to fluctuate greatly. Could the government leader provide an explanation for that?

Hon. Mr. Pearson: I do not have the specific answer. I could make a guess that what happened was that, over the course of these two years, we have taken over the Arctic B and C airport programs, and that may well have been the reason that the insurance for airstrip liability has changed. I will get that answer for the member.

Mr. McDonald: I thank the government leader for that offer. Under education equipment, I was just wondering why we are still covered, apparently, for actual cash value of educational equipment, yet the premium seems to be zero. I was wondering why it would have dropped \$887.

Hon. Mr. Pearson: Once again, I will get those numbers, but I also want to point out to members that there will be changes, obviously, as a result of the study that is now being done. I am confident that there will be recommendations to change a number of these policies.

On General

Mr. McDonald: In attempting to understand these three line items, I have been trying to do a comparison between the general policies, which are indicated on page 199, and the three line items: general, workers' compensation and supplementary pensions. The estimates for 1982-83 indicate that we are looking at \$262,000. The statistics for 1982-83 actual premiums for the non-personnel insurance add up to \$281,000 and some dollars. I wonder if the government leader could just indicate the location of the policies which are covered under statistics on page 199. Under which line item would they be covered in general expenditures?

Hon. Mr. Pearson: Under workers' compensation, I am not sure if the hon. member realizes what happens. This government does not pay workers' compensation premiums the same as any other employer in the territory. The government, like all governments in Canada, except the Northwest Territories, is exempt from paying workers' compensation premiums to the Workers' Compensation Board. That is done for a specific reason. It is perceived to be a subsidy for workers' compensation to employers if the government is paying premiums. What the government does do is pay a ten percent surcharge for administration purposes to the Workers' Compensation Board each year and then, in addition, is required — and the money is provided in this line — to pay whatever workers' compensation awards are made in previous years and this year in respect to its own employees. So, although we do not pay premiums, we pay an administration charge. We come under the *Workers' Compensation Act* and are subject to decisions

of the board, the same as any other employer. Instead of the workers' compensation fund making those payments, this government then has to vote that money. It is covered under this line item. You have a variance in transfer payments, person payments, and this type of thing, because everything is all lumped together.

Mr. McDonald: I do understand, now, the workers' compensation line item. However, under the general line item I was wondering if that \$262,000 corresponds in any way to the comprehensive policies that we have listed under statistics? Is it one and the same? I was wondering, because there is \$262,000 listed in general and yet there is \$281,596 listed under the general policies, the non-personnel policies. That is about a \$20,000 difference.

Hon. Mr. Pearson: There it is, by golly. If the hon. member looks at what is called the liquor stock floater, note number two, \$20,000, that is one that we do not have to pay.

Mr. McDonald: It does not make it explicit, from my reading of the notes, and so it was an honest mistake. Point taken.

General in the amount of \$262,000 agreed to

On Workers' Compensation

Mr. McDonald: You have given me a very thorough answer regarding this line item. I was just wondering why the government anticipated a decrease of \$98,000 in this particular expenditure?

Hon. Mr. Pearson: Again, it depends upon the number of accidents during the course of the year and, in some cases, accidents in previous years. It may well be that some of this has gone down the one line from compensation to pensions, again, because of decisions or awards made by the board.

Workers' Compensation in the amount of \$190,000 agreed to

On Supplementary Pensions

Mr. McDonald: I wonder if the government leader could explain the nature of these pensions, as I am a new member, and to whom these are paid, and perhaps why there is an anticipated decrease of about \$35,000?

Hon. Mr. Pearson: I had better get some detail for the hon. member. Some of them are workers' compensation pensions. I do not believe, though, that all of them are. I will get the detail on specifically what those pensions are and provide them to the member?

Mr. McDonald: While the government leader is looking for that information, perhaps he could inquire as to whether or not the 15 percent anticipated drop might represent a 15 percent drop in pension benefits, or whatever?

Mr. Penikett: No, I am confident that that is not what it represents at all. I would respectfully suggest that it is highly likely that it represents that many less people getting these pensions.

Mr. Byblow: Before we clear the vote, I just want a clarification on one area. The government leader may have answered the question and perhaps I was not listening.

Schools, as a rule, are not insured. That, I believe, is a policy of government because, in some analysis, it has been proven that the cost of replacing a school is cheaper than to carry the insurance on all of the facilities.

Hon. Mr. Pearson: No, if the Old Crow school had not been insured, I would suggest to you that we would have been in a lot of financial trouble this year. Schools are insured under the comprehensive policy.

Mr. Penikett: Well, that was going to be my next question, because you have an item here that is called education equipment, actual cash value, and a premium there, and then you have education fire insurance, \$600,000. The government leader has just indicated that the schools are covered under comprehensive general liability. Might we know what the other two items, education equipment and education fire insurance, are? I notice that student travel is a separate item. I understand that, but I was talking about the last two items in the statistics column on page 199.

Hon. Mr. Pearson: I said that I would get some information in respect to education equipment and for the actual cash value. Certainly, for the education fire insurance I will do the same thing.

Mr. McDonald: A very very short question. Before we table this item, I wonder if the government leader could explain to me

where the transfer payments are from, and what specific line item do they cover?

Hon. Mr. Pearson: They would come, I would think, from liquor, interest on investments. Yes, I believe they are shown there, on page 203.

Mr. Byblow: One last question. When the government leader is preparing this information relating to schools, could he procure the values to which schools are covered by insurance? Is that a replacement value? Is that the cost of construction? What insurance coverage do they have?

Hon. Mr. Pearson: At the present time, it is replacement value. I know this, because that is what the Old Crow school was. *Supplementary Pensions in the amount of \$195,000 agreed to*

Insurance in the amount of \$647,000 agreed to

Mr. Chairman: We will move on to grants on page 200 and 201 when we return from recess at 7:30 p.m.

Recess

Mr. Chairman: I will call Committee of the Whole to order. We will go to page 200. Is there any general debate on grants?

On Grants

Mr. Penikett: I want to find out, if I could, something about the government's commitment to the homeowner grants. There are two reasons that I ask this question. The first is that last year when we were in relatively healthy financial circumstances, the homeowner grants were late being paid. For that reason I remember wondering aloud about their future. This year, when times were tough, I believe they were paid amazingly promptly, like we had money coming out of our ears.

It seems to me that if the government runs into tough times, it is possible that the grant programs could be a victim of restraint at some point, so I would be interested to know how high a priority the homeowner grant system is. The second question I ask is more on the basis of a fiscal equation. If you look, last year at least, at the territorial municipal transfers and calculate the per capita grants from the territory to the municipality and the homeowner grants, which is money that this government hands out to the municipality and its taxpayers in this city, and then calculate the amount of money that the territory takes with the other hand from the municipality and the same taxpayers by virtue of the school tax, you find that the territory comes out with a net gain of practically nothing.

⁰² In view of the considerable expense in administering all these programs and, in view of the fact that the net gain of this tax is so small and the net gain to the property tax holder is so small by having both the homeowner grant and the school tax, I wonder if the government leader has given any consideration to the future of these programs on the grounds of good fiscal common sense and sound financial management?

Hon. Mr. Pearson: I can see homeowner grants and school taxes going on for the foreseeable future. I do not think that there is any doubt about it, this government is committed to homeowner grants. We have set up our financial situation in this territory on the basis of homeowner grants and we certainly have no intention, given present circumstances, to change that. It may be that our financial circumstances will dictate some change; however, I cannot speculate today on what may be the taxation regime in the territory next year. Certainly homeowner grants are considered to be part of that taxation regime, as the leader of the opposition has said.

⁰³ We have a municipal financing act that provides for the financing of municipalities and provides for transfer payments. We intend to meet our commitments under that legislation, as well. I do not think either we, or the municipalities, are looking at any serious changes in the method of financing. We passed that legislation a couple of years ago and I believe that, on the whole, the municipalities like the way that we are doing that. I certainly have not heard any startling complaints from any of them.

I want to assure the leader of the opposition that it was not a case

of cash flow that created the slowness in paying the homeowner grants the year before last, nor an abundance of cash that created the quickness in payment this year; it was simply the making good of an undertaking that we had made the year before in the House. We said that we were going to change our method of paying and that we were going to make it more efficient so that people would not have to wait so long for those grants, and we were able to do it.

Mr. Penikett: I thank the government leader for his answer.

Obviously, this is not the time or place for us to get into a debate about municipal philosophy and local property taxes, and I do not intend to do that. He did indicate, however, in his closing remarks, that the municipalities were generally happy with the way things were. That may be the case, but I am sure he would not want me to let this opportunity pass without calling attention to the numerous resolutions passed by municipalities, including the Association of Yukon Communities, on the subject of their wish to see the school taxes abolished. However, that is another debate.

I wonder if I could ask the government leader two general questions about this item? The energy equalization grant is up; the homeowner grant is calculated with a slight increase; we have previously heard references to a decline in population in the territory and I would have expected that might have had an impact upon the grants program. I wonder if the government leader could comment on the projections that are here?

⁰⁴ **Hon. Mr. Pearson:** In respect to the homeowner grants, of course, they are already paid out. There is virtually no estimate at this point in time. That should be a fairly firm figure. In respect to the energy equalization grants, these estimates are agreed upon numbers. This is federal money. This is, in fact, 100 percent recoverable and we anticipate that this is the amount of money that we will be paying out to territorial energy users on behalf of the Government of Canada.

On Energy Equalization Grants

Energy Equalization Grants in the amount of \$663,000 agreed to

On Homeowner Grants

Homeowner Grants in the amount of \$761,000 agreed to

Grants in the amount of \$1,424,000 agreed to

Mr. Penikett: I notice that the average homeowner grant went up. Is that largely attributable to the increase of \$50 that was introduced, when it was introduced?

Hon. Mr. Pearson: We had more homes and, of course, the increase in the grants themselves.

Mr. Byblow: I have a couple of questions not specifically on grants but on the revenue and recovery figures cited on page 202.

⁰⁵ Can the government leader describe exactly what the \$3,000 under interest on investments is and confirm that it is the short term deposits? Also, how do we accrue public utilities tax transfers?

Hon. Mr. Pearson: That is \$3,000,000 and that is interest on investments — on short term deposits, and so on. As the hon. member will see, it is down dramatically from last year. Would you please ask the other question again?

Mr. Byblow: How do we accrue public utilities tax transfers of \$85,000,000?

Hon. Mr. Pearson: The Government of Canada transfers to the Government of Yukon and it accrues to revenue. I believe it is 85 percent of the tax that they collect from private utility companies that produce, sell, generate, transmit and sell electrical energy in the Yukon Territory. They do that for the provinces as well, and that is the amount of money that we anticipate to accrue this year. I believe the number is 85 percent of the total tax paid by Yukon Electrical.

Mr. Penikett: I notice on the same page 202, in reference to revenues and recoveries, that the 1982-83 estimates, as compared to the 1981-82 actual, are down considerably, except for the property tax items, notably the school tax, territorial and municipal, which are up 12 and 13 percent respectively. I just want to observe, for the record, that I would be very pleased to see how those figures are next year, in view of the debate we had this spring about how much

the rate really was.

Hon. Mr. Pearson: Next year it will in fact be much more significant than this year, in view of that debate this spring. Our experience this year is that people are paying their taxes. It will be a much more revealing figure next year.

Department of Finance in the amount of \$3,338,000 agreed to

On Department of Tourism, Heritage and Cultural Resources

Hon. Mrs. Firth: The Department of Tourism, Heritage and Cultural Resources is a new department that came into existence at the end of June of this year. The budgetary level for this department is basically the same as was presented in the spring estimates for each of the separate branches. This is qualified in that the nine-day fortnight reduced the budget and outside and inside travel budgets were also reduced. Of the total \$200,000 reduction from the spring estimates, \$155,000 is accounted for by the nine-day fortnight.

Personally, I am quite pleased that certain areas of the budget did not need to be altered to meet the budget target. For example, the grants to community libraries remains, as I announced recently, and our co-operative marketing council plans, as decided by the joint industry government committee, remained intact. Also, this government's contribution to the Canada-Yukon Tourism Agreement was untouched.

It should also be mentioned at this time that several advantages are very apparent with this new department. Heritage Resources — that is, sites, artifacts, museums — while they have an intrinsic value, also are very important in the tourism industry. A recent Canadian travel survey shows that 29 percent of Canadian tourism spending is attributable to tourists whose main activity is visiting historical and cultural sites. Put another way, the combined total of boating, hunting, snow skiing and sports watching is only 27.4 percent of the total tourist expenditure. Thus, this very logical connection has tremendous planning and implementation strategy benefits for our tourism industry.

A great deal of advanced planning is needed if this government's objective of working closely with, and responding to, the private sector is to be realized. In this regard, a very successful tourism conference was held on October 4th, 1982, whereby the industry put forward their views to the government on the direction for tourism in the eighties. Much valuable information was put forward.

Tourism is our industry now. The market is getting very competitive in that the recession is having an effect on tourist spending. For example, our preliminary indicators for the numbers of tourists, as measured by the number of border crossings and registrations at our information centres, has remained at our 1982 level. However, the tourist is not spending the dollar as in the past.

Further improvements are needed in the tourism infrastructure to hold our tourists longer. Improved marketing techniques are always being sought to target our dollars better. It is this government's hope that the 1983 season, and into the future, will see our numbers return to the record years and also that the tourists will be in a position to spend more dollars.

Mr. Byblow: I would like to express to the minister some appreciation for the information provided, though I had hoped it would have been a little more comprehensive. Maybe by way of general debate we can extract some more detail.

I want to say on the subject of departmental reorganization that I have to agree that heritage and cultural resources has been more suitably located. It seems that that branch has floated around in this building, and other buildings, for quite a number of years now and I certainly hope that the branch has finally found its nesting ground. I suppose it will be logical from that to comment on expectancy for some extension, some growth, of that branch; certainly some growth would be welcomed. I think my colleague will have more to say on that specific topic as that is her critic area.

In more general terms, I direct this to my other comment of procuring information. I want to talk about tourism a bit, and I accept that cultural and heritage resources blend much better with tourism than they did in their previous allocations with library

services, by themselves and away from tourism. I think that I agree with the minister that, either as a government service or attraction for tourism, certainly the sites, the artifacts and the museums are areas where tourists tend to visit in the course of their travels.

The minister spoke about the tourism conference that was held earlier this fall. I want to say that I would have expected by now to have seen more from that conference. I say that by comparing it, to some degree, with the economic conference we held earlier in the summer. Following that conference, we had a summary of presentations. We had recommendations in an organized fashion and it was a neat package to review the activities. I attended the tourism conference and I thought it was a very productive session. There was some excellent response from industry and some tremendous ideas were put forth. I would have liked to see, and perhaps we still will, some summary of the day's activities.

Perhaps there will be some circulation, at least to those who had made presentations at that conference. It seems to me that the conference highlighted a number of things that, certainly from this side, we will be questioning the government about. One of the highlights, as I recollect, that came out in a number of presentations dealt with the whole concept of long-term planning and strategy. That was one area that was emphasized in quite a number of presentations and there was also what appeared to be a lot of debate surrounding marketing versus development. That has, as well, been one area that has been debated in this House rather extensively in the past as well.

There seems to be some controversy over whether or not we are over marketing and not having enough of a product to sell to the tourists when they get here. I say that very cautiously because I do not want to under rate the value of marketing. I would like to hear from the minister about the cooperation with industry that she talks about, and which, in fact, has taken place in her branch over the past year or two — a cooperation that has taken the form of an actual special grouping of people of her department, and industry, in a joint marketing program. I would like to hear more about that in a planning sense. I want to hear what their long-term plans really are. Where are they intending their markets to be? Where are they going to be pursuing their advertising? What is the intention as to the percentage of money spent from the branch towards this? Who really does make the decisions? I would like to hear a little bit more about the co-operative marketing strategy of this group.

At the same time, I would like to hear a little more about the development side. I want to hear what position this government is really taking in this area. As I recollect, that was one of the highlights of the conference. It seems that we are always faced with the tourist arriving here and not being able to be held here. That is, he is attracted to Yukon, through the marketing program of some agency or, perhaps, it may have emanated from this government through the joint marketing board, and we find that, upon arrival, there is not enough to hold him here.

The minister mentioned that people have been proven to be spending less. I am wondering if they are really spending less or are they spending less time? That would be interesting to know. What position are we advancing in the long term, and I am talking about planning again, for the development of the planning; of the financial support in development; of the co-operation that this government, to date, has initiated with industry.

What type of attractions, in the long term, are we going to promote? Certainly, with the economic conditions facing us, it would seem most important to retain as much government expenditure at home as we can. In particular, this would prove to the advantage of recycling the available dollars we do have; it has the added advantage of providing employment and, certainly, through the creation of facilities and attractions, we set up a chain of economy that can only be valuable to us.

So, I would like to ask the minister what plans are there to upgrade, to reconstruct, to expand on existing facilities? What thrusts are we going to take? What areas are we going to pursue? I recall a well-researched document done by the previous government, approximately 1978, or thereabouts, that dealt with a theme development for Yukon, in other words, where certain areas would be designated to develop a mining theme, certain areas would be

designated to develop an historical theme, certain areas designated to develop other themes that lent themselves to the geography of the area or the historicity of the area. What happened to that particular \$50,000 report? It is something where we did have a plan and I am wondering if we are pursuing something down that line?

Perhaps, in her response, the minister might want to touch on the whole campground issue, and the re-organization of the department. Would it not have been wise to include that, because that is a key facility in tourism? Is the minister satisfied that campgrounds, in another department, are adequately lending to her department's long-term plans?

I suppose I would leave it there. Essentially, what I leave with the minister is a request for some response in the area of planning, of development versus marketing. I will pick up some specific points after her reply.

Hon. Mrs. Firth: In order not to give too lengthy an answer I have made some notes and I will try to touch briefly on most of the things that the member for Faro commented on.

First of all, the tourism conference that we held in October was very successfully, as the member indicated, and the reason we do not have a complete summary published yet is that we did not feel the urgency was there with this conference as it was with the economic conference. I believe the economic conference needed input immediately and they needed to have the information compiled immediately. We are taking a more strategic approach to it. We have been in consultation with the department officials and the industry representatives, after we assembled all the information, and I do want to indicate that we have already incorporated some of the ideas from the conference into the new Canada/Yukon Tourism Agreement, so we are acting on some of the recommendations that did come from the conference.

A comment that was made that we listed as number one was that most of the presentations did indicate to us that the marketing efforts of tourism should be increased in tight economic times. The YVA, the KVA and the Whitehorse Chamber of Commerce all indicated that. A couple of other areas that were suggested to be looked into were the convention meeting capability and the tourism department in conjunction with the Yukon Visitors Association. We have already initiated some investigation in this area. Yukon's heritage should be marked with special emphasis on the Indian heritage; CYI, Dawson Indian Band and others. I have already met with Harry Allen, the president of CYI. We discussed involving the native people in Yukon in our tourism industry and we will be in touch with them to develop some plan to get the native people more involved and highlight their uniqueness in tourism in Yukon.

The Yukon Tourism Ambassador Program, whereby each Yukoner on business or other excursion, promotes Yukon, we have already initiated some work in this area. I believe we have a group of people who were leaving the Yukon and we gave them some special information that they could use while they were away. They are going to be out of Canada for some time.

The unique relationship with industry in the marketing area was made very obvious. They wanted this to continue and this has been a commitment on behalf of myself, as minister of the department, to continue this relationship. Promoting local events and extending the tourist season were already part of the marketing strategy that is the philosophy of the tourism department right now. Increased marketing in the tight economic times has prompted us to second a person to the Yukon Visitors Association to give them some assistance.

11 The marketing strategy is basically that we would like to increase the financial contribution to Yukon, through tourism, by increasing the level of the highway travel, increasing the volumes of mass-mode travel, developing winter packages and exploring developing the outdoor wilderness, about which there seems to be a considerable interest.

It was indicated to us that tourists were spending less money here but not, necessarily, less time. After much discussion with the private industry and people reviewing the points that were brought up from the conference, they felt that the tourists were staying as long in Yukon but that they were just not buying or making the big purchases that they had in the past.

As far as what the department is doing, particularly me, as the

minister, in any area that I can, we are reinforcing our relationship with other ministers. I attended an inter-provincial-territorial-federal tourism conference in Nova Scotia in August where I did meet four or five of the other ministers of tourism across Canada. I have just recently met the minister from Alberta. I have been keeping in touch with him as well as keeping in touch with the federal minister of tourism. It distressed me a bit at the tourism conference in Nova Scotia, where we had federal representation, to hear that the federal government, in the area of tourism, was predicting some deficit over the next few years of some \$5,000,000 or \$5,000,000,000, I am not sure of the figure. I was a bit outraged at that. I do not know how they could predict a deficit for tourism in Canada.

It was also mentioned that the American tourists had decreased all over Canada, except Yukon. In Yukon we are still receiving record numbers of American visitors.

Regarding campgrounds, I am, of course, in constant discussion with the Minister of Renewable Resources. We have a lot of conflict and problems and we hope to be able to get a grip on that and improve that area.

In tourism planning and development, we have several projects that have been brought to our attention. On the old territorial administration building in Dawson, I have been in consultation with the department and with the federal government to see if we can get some funding, under the new Canada-Yukon Tourism Agreement, to see if we can save that building. I think that we are probably going to be able to get some considerable funding for it. The Kluane tourism plan is being developed. A draft has been prepared and it is presently being reviewed.

The visitor exit surveys continued. The results, I guess, are still coming in. The report will be published in April or May of 1983. That will be the annual industry highlights report.

12 I have some statistics regarding visitors: the number of people entering Yukon from Alaska by land is up slightly, 1.2 percent from 1981's record highs for the period May through July; the number of visitors seeking tourism information at Yukon's five visitor reception centres is also up slightly, 2.2 percent for the season.

I know that the member for Faro criticized me for giving people a false impression that the tourism population was as high; however, this is not tourist population only, these are visitor reception centres and information centres. How many Yukoners are travelling back and forth to these centres we do not know yet. Hopefully, in the next while, we should be able to get a grip on that. We are using the computers now and trying to sort the information out and can maybe get some more precise figures.

Though figures are not in for other indicators yet, we expect that overall tourism will be similar to, or just slight below, last year's record high; however, I indicated before that the visitor spending is not as much.

We have visitor reception centres, I believe, in five communities now. They are not totally completed, as Watson Lake is still under construction. They are part of the tourism planning and development and have proven to be very successful.

Other than that, we just rely on the public for input. When it comes time for the grants to be given out, we usually learn a little bit more about what the private industry in Yukon is prepared to do to promote tourism in the territory.

The member made a comment about concentrating too much on marketing to get the people here and having enough to keep them here and keep them interest. Well, that may be so, but I certainly do not want to discourage the people from coming to Yukon, so I would like to concentrate the monies in the marketing area. I think, with industry and with some enthusiasm on the part of the tourism department, we can encourage private industry in the territory to maybe work a little harder and we will work a little harder and, hopefully, we will be able to maybe double the monies that exchange hands through tourism in the territory in the next four years.

Mr. Byblow: I just want to say, for the record, that I find the minister's response and candid information much more forthcoming

than I previously have been accustomed to with the previous minister, and that it is a pleasure.

I want to make one observation and then get into specifics. In reference to the marketing versus development, I want to make it quite clear that I believe these must be in a proper balance, as opposed to an over-emphasis of one over the other.

Especially in the marketing sense, and I am responding from what I hear from the industry, you can do yourself more damage by marketing a product that does not turn out to be there — in terms of public relations, in terms of work of mouth and general advertising that is carried through the tourism circles. That is my reference there. I have no way of really knowing or evaluating whether we are over-marketing. What I can say, probably quite bluntly, is I do not think that we are developing enough and I think probably that the minister would agree. It boils down to the dollar: we do not always have the dollars that we want. Certainly in the development aspect, I am sure that the minister will pick up on some of the ideas from the conference. I recall even the suggestion of a tourism development fund, which would become a revolving loan pot that, in fact, could help private industry, or government itself, to upgrade a boat, develop an attraction or renovate a facility, much as the minister indicated about some of the projects that her department is involved in now.

The minister made reference to the negotiations surrounding a Canada-Yukon Tourism Agreement. I am quite familiar with the one that we just wrapped up, or are in the process of wrapping up, by having extended it a year to use up the funds, or projects that carried an extra year to completion. What is the minister talking about in terms of a Canada-Yukon Tourism Agreement? Is this a new one? Are we talking specific dollars? Are we talking certain parameters? Is it an extension of the old one? I want to know a little more about it.

Hon. Mrs. Firth: The CYT agreement is part of the new development agreement with the federal government. It is actually a subagreement of the new development agreement. It will be along the same lines as the past Canada-Yukon Tourism Agreement. I think the federal government is, perhaps, a little more interested in getting more involved in what they call direct delivery. They may be wanting to have a little more input as to which projects are actually funded. Other than that, it is the same agreement.

Mr. Byblow: If I can put together some previous discussion with the government leader, I would assume that this is part of the economic package that we are talking about, of which tourism is a subagreement of that package. If I am wrong, then I am sure that the government leader will correct me.

Can the minister say whether or not the cooperative marketing group — and I say that for not knowing a better term — operates with a long-term marketing plan? I say that with a mind to areas they seek out for the tourists to place their advertising, to emphasize, because there is a market there that they can bring over here. Are the plans in place of the cooperative marketing group?

Hon. Mrs. Firth: It is called the Yukon Co-operative Tourism Marketing Committee. It is a committee of the Yukon Visitors Association, appointed by their board, and has the director and chief marketing officer of the tourism marketing branch as *ex officio* members.

They had a long-term, five-year marketing strategy that was developed by this committee, which we felt we had to re-evaluate due to the economic times and due to the fact that there had not been a lot of consultation with other provinces to see what their marketing strategies were. We are getting that information now. I believe we received marketing plans and strategies from two or three of the other provinces.

We wanted this information just to see how we fit in or if we are behind. If we are ahead, hopefully, we will be able to take a step from that. I am not indicating that they were not well organized or that they had not planned well before, but we did not have a lot of evidence that there had been a lot of work done in this area and we would like to improve that.

Mr. Byblow: I think it is probably fair to say, to the department's credit, that the co-operative marketing group is, in fact, something of a model in the country, in terms of a joint effort between government and private industry. Certainly, this ought to be capitalized on. The previous minister would like to take the

credit, I am sure.

On the subject of marketing strategy, the minister indicated that one of the things they were trying to do in their new initiatives and thrusts of the department, stemming from the conference ideas, was an increasing of volume in terms of tourist traffic, trying to tap the wilderness aspect of Yukon and trying to tap into a better marketing of the winter period of Yukon. Perhaps I am getting too detailed, but can the minister indicate where the marketing is done to develop those areas? Where is the co-operative marketing group going to try to attract the tourists to come to Yukon to increase those specific areas? Are we going to Germany? Are we going to Australia? Are we going to the southern states? Are we going to eastern Canada? I am curious about the marketing strategy to develop these initiatives.

Hon. Mrs. Firth: There are various marketing trade shows that we attend.

Bi-annually, we have Canadian government Office of Tourism conferences that the marketing people attend, Canada West meetings held in Vancouver, Edmonton, Yellowknife; overseas market development in such locations as Tokyo, Berlin, Holland, Australia and the United Kingdom; and travel shows can be held in any of those places. Rendezvous Canada was held in Calgary and I understand Edmonton this year has a bid in for that, and we would get a lot of exposure from that conference. The Alaska marketing council meetings, which are held in Seattle, Juneau and Anchorage are attended. It is very expensive for us to travel all over the world to attend these meetings. We do when we can and if we cannot, we try to send some representation in the form of advertising pamphlets or brochures. We are hoping to have a new travel film made so that we can use that. That would come out of the capital budget. We try to get as much exposure as we can that way.

Mr. Byblow: One more question on that marketing aspect: does the minister know to what extent the federal tourism office is used in the effort to broaden the phase of contact in marketing? I have reason to believe that there is a poor relationship there. I am wondering if that is going to be developed or going to be used more, as well, in this broadening of a contact base. Is there a good connection with the rest of the provinces and other jurisdictions outside the country?

Hon. Mrs. Firth: On the comment about the relationship with the federal government offices, are you talking about local government offices or Ottawa? I do not know. In the past, the relationship may not have been good, but I have been making every effort I can to see that that relationship is good and that we are in constant touch. Certainly, when I met the minister of tourism, federally, Charles Lapointe, at the time, he was expedient in reassuring us that we would in fact have a new tourism agreement and it could be due to our constant keeping in touch with him. He came to Whitehorse to present a medallion. We certainly encouraged him to do that.

We are keeping in touch with the provinces on a provincial level and I think from the inter-provincial territorial federal tourism conference, I got the feeling that the federal government did not concentrate a lot of their money towards tourism, and certainly not towards American tourists, which used to be one of our biggest areas for tourism visiting, and certainly indicates that that could be why it has dropped off. As far as the European advertising marketing, how much the federal government does, I am not sure, but I have some information coming back to me regarding these matters from the Canadian Government Office of Tourism.

Mrs. Joe: I have a couple of comments that I would like to make on heritage and culture. Mr. Byblow and I share this department as critic areas. I am not really that well informed as to a lot of things that are happening within the department, and I am hoping that in the next little while, or even as we go through this budget, I will learn a little more. I understand that there is now, or will be, a discussion paper prepared and that we will be dealing with trying to implement or prepare legislation to protect our heritage and cultural resources. I am looking forward to that kind of thing being done. I think that it has been neglected for a long time and it is certainly time that this government has taken it upon itself to try to start preparing legislation that will protect a lot of our resources in this area.

I am glad to hear that that is being done. I asked a number of questions today in question period and I am looking forward to having those answered because I am concerned about the lack of legislation to protect these things that we do have in the Yukon that we are losing so quickly.

In regard to the archaeological site that was identified in Riverdale, I am hoping that the minister's department will make every effort to try to protect that before it is ruined, or before the people who are aware of it and know it is there, have a chance to start working on it.

On legislation that we hope will come into effect in the next little while, I am sure you will be consulting with the groups like CYI and other interested people in the territory. One of the things that I would like to mention right now is the burial sites, specifically the one in Champagne, and the one in Whitehorse. I know that the Indian women, and I was involved with that group, did a lot of work years ago to make sure that those graveyards were protected. They were being exploited: the government was advertising them as tourist attractions, and certainly they were, but they were being used in the wrong way. We found out, as the years went by, that the tourists were still going there and we eventually were able to make our own signs and pay for them ourselves and put them up, probably not even in the proper way that they were supposed to be done; however, they are there.

Each year, we are still getting tourists into those graveyards. Whenever I see them, I stop ask them why they are there, if they cannot read. As a matter of fact, one time I was there and there was a group of French people who pretended that they could not understand what I was saying and talked to me in French. I am sure that they knew what I was saying. I do not know how they are getting there. I have never seen any more brochures or anything that advertised them as tourist attractions and I understand that they are not being advertised anymore. I do want your department to be aware that those things are still taking place and, in many cases, I can certainly take some kind of action because I usually stop and talk with them. I find out where they are from and ask them how they know about these places and they very often say that they read about it or, in some cases, somebody else has told them about it. Those things are still happening and, hopefully, they will stop doing that altogether because they are very sacred to the people of Yukon.

My colleague, Mr. Kimmerly, attended the conference on heritage and culture in Haines Junction and he will certainly have a few comments that he would like to make himself.

Hon. Mrs. Firth: Just as information for the member for Whitehorse North Centre, a policy paper has been developed regarding heritage legislation and I am looking at that right now. I have not had much time to read through it; however, I hope I do not hold it up much longer than it already has been held up.

I know the legislation is to provide for the proper protection, care and development of all of Yukon's heritage resources and that the existing territorial and federal legislation that we do have is really, in most cases, quite inadequate to meet our needs. The legislation gives us no authority as to which buildings should be saved and which should not, and gives us no authority to designate heritage sites or whether people can remove artifacts, or the government can remove artifacts; we are working on that and I would just like to reassure the member that I will do my best to get it forward as soon as possible.

The Riverdale archaeological sites, as the member for Whitehorse North Centre brought to my attention, has been investigated and the problem of the recreation vehicle disturbance of this site was brought to the attention of the heritage branch by an archaeologist from the Council for Yukon Indians. This was just before the snow fell and I guess the area is covered by snow now and considered to be quite safe. In the spring, the heritage branch will take the lead in discussing with CYI and the City of Whitehorse the best means of protecting the site from any further damage.

We also have received from Whitehorse Copper the heritage site that we had previously discussed in question period. I just want to reassure the members that the government is taking some control over that.

Regarding the burial sites of the native people, I am aware that this had been a problem in the past; I was not aware that it was continuing to be a problem; I had not had that indicated to me. However, I am sure that, since we are working towards developing a good relationship with CYI, particularly in tourism, so that we can market the tourism qualities that the Indian people in Yukon have to offer, I hope that we can maybe come up with some solution for that particular problem.

Harry Allen and his other representatives, when we were discussing tourism in Yukon, mentioned that they had had some talks with the American native people and were considering maybe marketing themselves with the American Indians. I discouraged that. I wanted to preserve the uniqueness of the Yukon Indian in Yukon. Harry Allen said he would think about that and I am encouraging that still. I do not think that we should have our Indians lopped with the American Indian; I would prefer to keep them as a unique Yukon Indian.

Mr. Chairman: I would suggest that we have a short break now and then continue.

Recess

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

Mr. Kimmerly: I have a line of questioning about a combination of tourism and culture and heritage. My colleague talked about the marketing of the product and I would like to talk about the product. It is interesting to see the development in Dawson City and the vast amounts of money that the federal government is putting into a single building, essentially making museums out of single buildings. I do not want to be overly critical of that because it is not a bad project, but the priorities that I would like to see taken are to spread the money around with more projects and more buildings being considered.

Speaking about buildings, it is my view that it is a better approach to renovate and restore old buildings which are still used and to, in fact, run stores and businesses out of buildings with a cultural content in their architecture and a Yukon content in their architecture. Some of the stores on Main Street are already doing this and doing it extremely well. In my view, the tourism potential of other communities, aside from Dawson — although Dawson, as well — is greatly enhanced by these kinds of restorations and these kinds of projects.

I would like to follow a line of questioning, in a very general way, about that topic, and the first question is about jurisdiction. Obviously, there is a federal jurisdiction in Dawson City with Parks Canada. In Whitehorse, the S.S. *Klondike* is a federal park and a federal jurisdiction.

Obviously there is a territorial jurisdiction, because of the manpower in the department and the existing agreements and the marketing potential or marketing practice of the department, and obviously there is a municipal jurisdiction about zoning and redevelopment of older houses and older buildings in the city. I would like to ask the minister if she is planning any initiatives, or if she sees any particular problems to solve in the jurisdiction area. I would like to ask about the agreement with the City of Whitehorse about the beautification program on Main Street and the possible expansion of that, and also about the re-development of the Yukon river bank in Whitehorse, which is obviously a city issue as well as a territorial one. I would like to ask about the initiatives in the jurisdiction area at the beginning. Perhaps I will ask a question generally and follow up with a few specific outlines.

Hon. Mrs. Firth: Regarding the restoration of buildings that are being used, and as the member indicates that he thinks it is a better idea to restore the buildings that are in fact being used, we are fulfilling some commitments in this area; perhaps not as many as the member would like; however, we are trying our best. The Guild Hall has had some money for renovations, the Old Log Church and Diamond Tooth Gertie's in Dawson City — the Centennial Hall, as some people know it — and also we are hoping to get funding for the old administration building in Dawson, which is certainly a building we would not like to see lost. Our big problem has been money, in the past, and we are certainly totally

dependent on the federal government for financial assistance. I think if Yukon had to rely on its own funding for tourism we would not be able to afford it. For instance, if we get a tourism agreement and derive three or four million dollars from the federal government this year, it is three or four million dollars that we just would not have as a small government.

We are investigating the tourism potential in other communities and this is part of the marketing and development and planning strategy. Carcross, for instance, I believe got some funding to do a face-lift on the general store and the hotel.

It would have been a small grant. Nevertheless, we are identifying the tourism potential in that particular area.

As far as federal, territorial, and municipal relations and jurisdiction, the Yukon Visitors Association does have a representative sitting on the board of directors from the city. We are in constant consultation with the federal government regarding tourism. I think we are going to have to concentrate our efforts in working jointly. The funding, of course, comes down the ladder: the federal government gives YTG funding and we, in turn, give the City of Whitehorse funding, and I feel that process will continue.

Mr. Kimmerly: I would like to ask, again, fairly generally, about the downtown core in Whitehorse and the downtown residences, many of which are old; there is a value to maintaining many of those buildings.

Obviously, the Municipal Planning Board is interested in the question and zoning. It is a crucial question. Is the government contemplating — and I realize funds are a problem — an incentive program, I will call it, to restore some of the sites in Whitehorse to facilitate and encourage municipal zoning in this area?

Hon. Mrs. Firth: I believe I am clear now as to exactly what the member wants. I know Dawson City has some stipulation that houses and buildings within a certain area of the core of the community have to be done in the traditional decor. There were incentives, the Dawson City Facades Program, where people were given grants to create these false fronts or paint their houses the way they had been.

I think we do have an incentive program in Whitehorse itself. We have been funding the city. We gave them \$100,000 last year for their downtown beautification program, et cetera. The only two that come to mind immediately are the Capital and the Ben Elle hotels; both have painted their building with a Klondike picture theme. I believe, on the exterior of the buildings, and I am sure that they received funding for that. How extensive the incentive program is in the City of Whitehorse itself, I am not sure just yet. However, the relationship is there and, if that is worth expanding, we will certainly be looking at that and we will be looking at continued funding for the city.

Mr. Kimmerly: We, on this side, agree with those initiatives and will support legislation or incentive plans to support the restoration of the old buildings in the Yukon and I say, from my perspective, in downtown Whitehorse, as it is largely my riding. There could easily be, it strikes me, federal funding available in the area. The federal government is interested in these kinds of questions with other financial programs, aside from Parks Canada, which is most active in Dawson City, of course.

The major argument, I believe, is that tourists come to the Yukon for various general reasons. One of them is wilderness and one of them is the image of the frontier or gold rush. Another is the long cultural background of the aboriginal peoples.

The gold rush era, especially, developed a number of existing buildings in the downtown core of Whitehorse, which are still there but very well hidden. The criticism that has frequently been made about Whitehorse is that there is not much to see in Whitehorse. I do not agree with that: it is simply not true. There is lots here. The product is here but it is not well displayed. It is my belief that an incentive program to encourage existing businesses and stores to renovate old buildings, or to build with a Yukon architectural theme, assists the tourism industry and the culture of the place and the feeling of regional pride that Yukoners have, and it is an extremely worthwhile project.

After saying that, I am going to ask a series of questions about the collection of Yukon artifacts. I am aware of the existing law not

allowing artifacts out of the territory without permission. Is there a plan, or a general initiative, to gradually, over a long period of time, collect Yukon artifacts which are now out of Yukon? I ask the question for two reasons: the largest possible source is probably the federal government. The museums in Ottawa have lots of Yukon artifacts in them. The Northwest Territories is making an inventory of their artifacts and collecting them for their very large and very expensive museum. Also, because if the private owners of artifacts knew of a Yukon collection, if it was well publicized, I am sure a number of them would, probably, as a bequest in their will, leave artifacts to the territory or a museum or a collection of sorts. I ask that general question about an initiative in this area.

Hon. Mrs. Firth: I certainly appreciate the member's earlier comments about his ideas of why the tourists do come to Yukon and his mention of regional pride. As for his last question regarding artifacts and what we are doing in this area, I think that it is probably honest to say that it is a general initiative that we are pursuing in this area. We, of course, have seven museums all through the territory and they are full to capacity. Certainly, if we are looking at these artifacts, we also have to look at a facility to house them. I think that that is probably more in our long-term goals; however, I am not sure how long. I would not like to leave it much longer than it has been left. I can appreciate that we are losing some of these very valuable artifacts.

Maybe I could just reassure the member that I do take his comments seriously and appreciate them and maybe we could have some little discussion about it.

Mr. Kimmerly: I would like to ask a similar sort of question about a preservation of especially old townsites on the Yukon River: Fort Selkirk and Forty Mile are two prime examples. There are a number of old road-houses that are extremely valuable in the tourism sense as well as in the cultural sense.

I am in total agreement with the previously stated policy of preservation of these sites and the eventual development or renovation of them. I do wish to point out that the vandalism at Forty Mile and even Fort Selkirk is fairly extensive, according to reports I have had. I have only seen them two years ago, myself, but I would raise the question: is there going to be a policy of a summer caretaking or preservation; things like a temporary rolled asphalt roof in order to keep the buildings intact? Even though it is not a proper, it is a temporary measure. I realize that funds are very tight, but is there an initiative in that area?

Hon. Mrs. Firth: We have had quite an extensive restoration program at Fort Selkirk; I am sure the member is aware of it if he has been there. I believe that project is just about finished now.

As for a summer caretaker, I really have not considered that. I think it is something we are going to have to start looking at once we do restore more of these historic sites on the river, and even in road travel. I would just like to caution the member that this, again, is very expensive and it is probably more in our long-term plans than our immediate plans.

Mr. Kimmerly: I would ask another question about the Yukon River, specifically in respect to Whitehorse. The municipal politicians frequently talk about a riverbank re-development: is the territorial government going to be involved in that? Are there any plans about the restoration or beautification of the riverbank?

Hon. Mrs. Firth: We do have a caretaker at Fort Selkirk, Danny Robert. As far as the river bank beautification that the municipal government is considering, I am not really familiar with it. I am sure that if this matter was going to be pursued by the City that we probably would have some involvement in it, either in funding or in some consultative manner. It would be a joint effort I am sure.

Mr. Kimmerly: I will come back to that in a moment. There is a report in the press about a municipal initiative to expand the Whitehorse Beautification Agreement on Main Street in Whitehorse a block north and a block south and a block down to Fifth Avenue. Is that currently an item of negotiation or is there any expectation of achieving that?

Hon. Mrs. Firth: I do not know whether it is a negotiation; we are certainly discussing it and I hope to be able to identify some funding in the capital budget for the City for this kind of thing, as

they had last year, of \$800,000.

Mr. Kimmerly: Going back to the river bank, the land owned by White Pass, of course, is crucial to that, as most of the valuable land is owned by the White Pass Corporation. There is other land along the river bank and I make the comment that it is obviously an expensive and a complicated initiative to restore the river bank area. It is an area that I am particularly interested in, and I would like to assure the minister that initiatives in this areas will generally be supported by members on this side of the House.

Is there, in the marketing of the tourism product, a co-ordination with BC concerning Atlin? I raise that question as it strikes me that the Town of Atlin and the Town of Carcross are extremely rich resources in gold rush artifacts, especially buildings.

²⁵ If tourists were encouraged to spend more time at Atlin and Carcross, the financial beneficiaries are going to be the people in Whitehorse, because that it is probably where people will stay. Is there a co-ordination, or promotion, of those areas?

Hon. Mrs. Firth: We have definitely been looking at Carcross and ways to keep the tourists longer. For example, in respect to the buses coming from Skagway, we are looking at getting pamphlets made up about the history of Carcross and some of the stories of Carcross to distribute and encourage the people to stop in Carcross.

Presently, the facilities there are not able to facilitate large numbers; however, we have had some reassurances from the people in Carcross that they are prepared to look at this. As far as Atlin is concerned, I believe that there have been some discussions with Atlin and some attempts at some co-operative effort; however, they were not received that well by Atlin.

Mr. Kimmerly: I am going to follow a line of questioning about the performing arts. The Follies, as a commercial venture and as a tourist attraction, is extremely successful, of course. The Guild Hall and Guild Productions in the theatre season is a success story that I believe Yukoners can be well proud of. The quality and quantity of theatre in a town of this population is an extremely successful achievement and I would wish to encourage it in every possible way. The Yukon Educational Theatre has also been involved in interesting initiatives and I am particularly interested in their dramatic production of Yukon characters and the developers and pioneers of the region. Is this kind of culture a priority in the department, both in the sense of tourism and in the sense of culture for the permanent residents? What initiatives may we expect in the coming year or, indeed, years, to promote this kind of thing? I am specifically interested in Whitehorse plays touring the rural communities with possibly even Canada Council assistance.

²⁶ **Hon. Mrs. Firth:** We have not really indicated whether this is a priority or not. Certainly, in the areas in tourism that have cultural recreation benefits to Yukoners, as well as to tourists, we are taking some initiative to look and see where we can assist these people.

I think probably all we have been doing, and what we are going to continue to do, is give assistance in the funding, where feasible, where we can. There is a bit of overlap with the cultural aspect of recreation, in that they can receive grants through the recreation department.

It is interesting that the member for Whitehorse South Centre mentioned how successful the Guild Hall is; I certainly agree with him on that and would like to indicate to him that the only funding we have given the Guild Hall, in fact, has been for restoration. It has been for building work and certainly indicates to me that, when you have enthusiastic private individuals who are prepared to work very hard, they can be successful and can give a good product to Yukon. I would like to encourage more of that involvement by the private sector and, hopefully, we can encourage that through some funding incentives, and some assistance, and leave the creativity to the private sector.

Mr. Kimmerly: I was interested to see the minister's picture on a program at the Guild Hall in the last little while; the previous minister also followed that practice. I believe there is, actually, funding for events, as well as for buildings.

About the building: is there any chance of the last \$35,000, or any part of it, for the Guild Hall, being provided out of Yukon funds?

Hon. Mrs. Firth: The member opposite can be assured that I

have been lobbied constantly by Mr. Chris Dray, regarding his last \$36,000 to complete the Guild Hall.

I have certainly tried every federal funding assistance program that we have and, unfortunately, this project just happens to be one that is falling through the cracks. He does not have unemployment insurance exhaustees; he does, in fact, have people collecting unemployment insurance who do not need to be topped up. So, I am still continuing to see if there is any way that we can get some federal assistance because, frankly, we do not have the territorial money to give to him.

²⁷ **Mr. Byblow:** Given the lateness of the hour, I shall not be very long. Perhaps I could just give notice of a couple more concerns that we can pick up on tomorrow.

Earlier in discussion on general debate, I explored aspects of marketing and my colleague has introduced the development side of things. I just want to explore a few concepts in that area. Firstly, in a more general sense, the minister indicated that she is in the process of developing a Canada-Yukon tourism agreement and I recollect, from the past agreement, that the primary initiative of it was to develop a destination point concept. In other words, primary communities of Whitehorse, Dawson, Carcross and, to some extent, Watson Lake, were cited as areas to receive funding.

I think what I want to discuss with the minister, and I want to say again how encouraging it is to discuss tourism issues with a responsive minister, that in the whole area of tourism development we have perhaps fallen short in a total, in a comprehensive, in a general, overall territorial strategy, and I want to explore that with the minister.

We talked about upgrading facilities; we talked about reconstructing facilities and restoring them. I want to talk about the development of facilities. We talked earlier, in the marketing aspects, about a co-operative marketing group between government and industry. I am wondering if such a concept could not be introduced in the development of tourism, as we already have set up a model in the country in the marketing end; essentially, what I am saying is we need a broader, comprehensive territorial development strategy. I would discuss that with the minister, especially in light of the tourism agreement that she is developing.

By way of notice, I also want to talk about the assistance to the Carcross Hotel. I have had concern brought to my attention. I also want to talk about something that came up fairly strongly at the tourism conference, and that is wild game restaurants and, perhaps, then we can move into the votes.

By way of taking the minister off the hook for a response tonight, I would move, Mr. Chairman, that you report progress on Bill No. 3.

Motion agreed to

²⁸ **Hon. Mr. Tracey:** I move that Mr. Speaker do now resume the Chair.

Motion agreed to

Mr. Speaker resumes the Chair

Mr. Speaker: I will now call the House to order. May we have a report from the Chairman of Committees?

Mr. Philipsen: 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 of the Chairman of Committees. Are you agreed?

Some Members: Agreed

Mr. Speaker: May I have your further pleasure?

Hon. Mrs. Firth: I move, seconded by the hon. member for Old Crow, that the House do now adjourn.

Mr. Speaker: It has been moved by the hon. Minister of Education, seconded by the hon. member for Old Crow, 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 9:29 p.m.

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The following Legislative Returns were tabled on November 24, 1982:

82-2-4

Government-owned fishing and hunting cabins at Grant, Claire and Sterling Lakes (Tracey)
(Written Question No. 2)

82-2-5

Outside travel of Yukon teams (Firth)
(Oral, Hansard - Page 115, Nov. 10, 1982)

82-2-6

Number of Teachers in Yukon school system (Firth)
(Oral, Hansard - Page 108, Nov. 10, 1982)

82-2-7

Operating costs of Elsa School (Firth)
(Oral, Hansard - Page 108, Nov. 10, 1982)

