



The Yukon Legislative Assembly

Number 1

3rd Session

25th Legislature

HANSARD

Tuesday, March 22, 1983 — 3:00 p.m.

(Includes Prorogation of the Second Session of the 25th Legislature)

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

DEPUTY SPEAKER — Andy Phillipsen, 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, and 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 and Tourism/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

Tuesday, March 22, 1983 — 1:30 p.m.

Mr. Speaker: I will now call the House to order.

At this time we will proceed with Prayers.

Prayers

Mr. Clerk: It is the will and the pleasure of the Commissioner, in his capacity of Lieutenant-Governor, that this House be now prorogued, and this House is accordingly prorogued.

The House prorogued at 1:31 p.m.

01 Tuesday, March 22, 1983
Whitehorse, Yukon — 3:00 p.m.

Mr. Speaker: I have received communications from Mr. Commissioner, in his capacity as Lieutenant-Governor, stating that he would open the Session at 3:00 p.m., today, Tuesday, the 22nd day of March, 1983. We are now prepared to receive the Speech from the Throne.

Commissioner Bell enters the Chambers, accompanied by his aides-de-camp.

Mr. Commissioner: Please be seated.

Mr. Speaker and members of the Legislative Assembly, I welcome you in our Sovereign's name to the Third Session of the Twenty-fifth Legislative Assembly. Although Yukoners are continuing to experience economic tough times, we have made it through the winter and can look forward to spring and summer with rejuvenated hope.

In the last quarter of last year, the Yukon economy continued to weaken as it followed trends exhibited in the two previous quarters. Most economic indicators showed declines while inflation increased over the period.

Population figures indicated that the number of people in Yukon had declined by 8.8 percent between December, 1981 and December last year. For Whitehorse, the figure was nine percent. During the same period the number of unemployment insurance claimants rose by 63.3 percent in Yukon as a whole, and by 49 percent in Whitehorse.

Retail trade is down significantly and the number of bankruptcies has increased dramatically. However, my government believes that the economy is beginning to bottom out and that there should be a stabilization of the situation over the course of 1983/84. While the economy remains in a serious condition today, the turnaround is close at hand if the people of Yukon continue to display the fighting spirit that has held us together over these past few months. Moreover, we need the continued support of the people of Canada in our efforts to recover from this almost critical blow to our economy.

The economy of Yukon is by no means a hopeless cause as government continues to try to play on the inherent strengths of the economy and to make significant moves in a number of areas to solve our problems. We are working in the areas of tourism Beaufort Sea, the Shakwak Project and others in order to stimulate the economy. We are negotiating an extensive Economic Development Agreement with the federal government in order to strengthen and diversify the economy, and we are continuing to provide the short term assistance required through new and continued job creation programs and financial agreements.

The financial legislation, to which I will briefly refer, will further detail my government's priorities.

In addition to the 1983/84 operating budget, we will be introducing a supplementary appropriation bill for 1982-83, an interim supply bill for the first month of 1983-84 and a bill to authorize the government to enter into an agreement with the Government of Canada for the 1983-84 financial agreement.

An amendment to the *Public Sector Compensation Restraint Act* will be introduced to eliminate any uncertainties there may be about the relationship between the legislation and government policy.

During this Session, the emphasis of this government's legislation, policies and programs will continue to be:

- the economy and economic development;
- a land claims settlement which is fair to all Yukoners;
- job creation, education and training;
- land and resources; and
- social development.

The financial difficulties plaguing Yukon in 1982/83 have been largely surmounted as a result of a succession of restraint measures and the assistance of the federal government. I must say that the restraint measures could not have been successful without the high degree of responsibility shown by the public service in accepting

our difficult but innovative wage program. I am confident that they will continue to understand our problems and continue to approach the situation in a realistic and pragmatic manner. Nevertheless, my government will devote significant efforts to expansion of employment opportunities and improvement in the delivery of its programs.

Our first step in this program is to rescind the "nine-day fortnight", effective March 31, at which time government departments will return to their normal work week.

In recent weeks, the Government of Yukon has reviewed all of its programs and some of its policies to identify ways of achieving greater efficiency and effectiveness in the delivery of services. As a consequence of this initial review, numerous programs have been selected for detailed analysis to determine if they should be transferred to the private sector, consolidated, suspended, deferred, expanded or otherwise altered.

At the opening of the last Session of this Legislature I stated that, at that time, my government's primary objective was to keep people living and working in Yukon. That objective has not changed.

During the last Session, we implemented a number of agreements with the federal government respecting employment for Yukoners and established a number of our own employment programs. Since that time, a number of programs have been initiated and I am pleased to advise you today of their structure and accomplishments to date.

Most of the individual job creation programs are grouped under the umbrella title "Employment Development Programs", and are co-ordinated by the Department of Education and Advanced Education and Manpower, with assistance from various departments.

The Community Recovery Program is designed to provide jobs of community benefit for skilled unemployed workers currently receiving unemployment insurance. Recipients enjoy an enhanced unemployment insurance weekly benefit of two hundred and forty dollars which is supplemented with an additional sixty dollars per week by the Government of Yukon. Additionally, the program may provide overhead money to project sponsors of sixty dollars per work-week and pay workers' compensation costs. A total of \$300,000 has been allotted to the program by my government. To date, 157,037 has been spent, and 1,669 work-weeks created by the 22 projects undertaken. These projects will generate \$400,560 dollars in benefits.

The New Employment Expansion and Development Program is directed to those people who have exhausted their unemployment benefits.

An advisory committee, consisting of private sector and community representatives, has been established to advise on policy development and program funding distribution for this program. Membership will include territorial and municipal departments and agencies, non-profit organizations, unions and the business community. The Yukon Opportunities Program was established in response to the increasing numbers of employable recipients receiving social assistance. The program was established to act as a resource to workers and clients in respect to job placement, referral and job training opportunities. A number of recipients have been placed in full and part time positions and as the program continues to expand in scope, it will assist more employable recipients in achieving greater self-reliance.

The Incremental job creation program is aimed at unemployed people in general. A number of projects have been undertaken including highway slashing, upgrading of Yukon Housing Corporation units, and funding for the Elsa Recreation Association, at least \$491,665 dollars has been spent, and 79 people employed for a total of 638 work weeks.

02 The Employment Retention for Small Business Program has been implemented to prevent, as far as possible, the lay off of those currently employed in small businesses. It has enabled the retention of 63 jobs in 36 businesses for a total of 634 work weeks. The program has been funded at a cost of \$76,269.

In summary, a total of \$724,971 has been spent in the particular area of government on job creation, and 2,961 work weeks provided to unemployed workers. In the area of advanced capital

works (projected to March 31 of this year) 133 jobs and 1,315 man weeks of employment have been created. This is a significant contribution to Yukon's economy. Furthermore, where possible my government will undertake a commitment to evaluate all programs, and negotiate with the federal government, an extension of any programs designed to end this fiscal year. We will also continue those programs originated by our departments and funded with Yukon dollars. It is anticipated that jobs will be made available in the private and public works sector this summer, which should provide a reprieve from the ravages of unemployment.

Moreover, we intend to implement two employment programs for students to commence at the end of April.

The Special Employment Assistance Program will employ secondary and post secondary students in the private and public sectors as well as with local bands and non-profit organizations. The program will provide employment for eight weeks and will require approximately \$250,000. Last summer, employment for 167 persons was realized from this initiative.

A second program, the Summer Student Career Development Program, will provide career related work for ten post secondary students. Approximately \$55,000 has been set aside to initiate this program. Further details of these student employment programs will be provided by the Minister of Education.

Turning to training, the Residential Retrofit Demonstration Program was recently initiated under the federal/territorial Conservation and Renewable Energy Demonstration Agreement.

A number of objectives will be met through this program including: assistance to individuals and business enterprises to develop and demonstrate new conservation and renewable energy technologies; auditing and upgrading of up to 100 senior citizen residences throughout the territory and the training of Yukoners in the theory and practice of energy conservation techniques. Yukon estimates that up to 38 person-years of direct permanent employment will be generated through the program. The federal government contributed \$625,000 and the Yukon government added \$115,025 to the program.

Additional initiatives have been taken by my government and will continue to be developed in the interest of improving the adult education and training opportunities available to Yukoners. These include major policy changes that will better ensure that our training programs are more responsive to the demands of the market place.

The Canada Training Agreement, signed in November, has resulted in the establishment of a labour market needs committee consisting of federal and territorial representatives. The committee will review all training programs to ensure efficient and effective coordination, thereby improving the delivery of this service. You will be advised of the committee's progress at a later date.

We remain convinced that Cyprus Anvil is a viable mine in the long term, and we spent countless hours endeavouring to find ways and means to reopen the mine. My government was the first to commit itself to funding for the mine and we are still committed to providing help. The form and substance of that help will become very clear to all Yukoners once DIAND finally presents the proposals to Cabinet, and the political misinformation and rhetoric is laid to rest. Yukon has always, and will always, work to protect and enhance the well-being of its people.

It is not anticipated that the closure of the White Pass and Yukon Railway should greatly affect tourism this summer. However, the White Pass Corporation has been the backbone of the Yukon transportation system for over 80 years and the indefinite suspension of the rail and marine components of its operations has been a serious blow to the economy of the territory.

In recognition of the seriousness of this situation, we have asked the Canadian Transport Commission to convene an enquiry under Section 81 of the *National Transportation Act* to inquire into all aspects of Yukon's transportation systems.

It is expected that this enquiry will be initiated without delay and that we will be asked to participate in drawing up its terms of reference.

With the current virtual collapse of the mining sector, tourism has become Yukon's foremost industry and my government has greatly

expanded its promotion. In conjunction with the State of Alaska, tourism advertising has been increased in all media including television and such high circulation magazines as *Time*, *Macleans* and *Readers Digest*. The Cooperative Tourism Marketing Council, composed largely of representatives of the private sector working in cooperation with government officials, is extending its participation in promoting the travel business in Yukon. The Operator's Assistance Program provides funds to community tour operators in their promotion of Yukon and is a good example of this cooperation.

The Kluane Region Tourism Plan, and that of the City of Dawson, will soon be finalized, and two similar plans in the Carcross and Watson Lake areas are currently being developed. Several major construction projects have been undertaken under the Canada-Yukon Tourist Agreement. These include new visitor reception centres in Dawson City, Watson Lake and Carcross, which provide full tourist information services and major interpretive programs.

Under the same agreement the Klondike Visitors' Association received \$300,000 for the renovation and rehabilitation of the Centennial Hall in Dawson — better known as Diamond Tooth Gertie's — this will help maintain and expand one of Dawson's main attractions. These construction projects, totalling close to \$2,200,000, have provided much needed employment during the past season and particularly during the winter months.

Under the Employment Development Program, the departments of tourism and renewable resources, working in conjunction with other government departments, have implemented several winter projects which helped to stimulate employment. These include \$255,000 for the restoration of the foundation under the old territorial administration building in Dawson City; \$49,300 for the refurbishing and maintenance of the exterior of the S.S. Tutshi; and \$168,500 for cutting and stockpiling logs at various Yukon River sites. The new Highway Signs Regulations, which were established in cooperation with the Yukon Visitors' Association, are now in effect. They permit businesses outside of communities to advertise their services along highways without detracting from the aesthetics of the natural scene.

This government is particularly pleased to note that the Canadian government Office of Tourism, which is responsible for promoting tourism in Canada, will be holding a meeting of trade commissioners this year in Dawson City.

With respect to resource-based industries, a number of initiatives has been taken. In close cooperation with the Chambers of Commerce, the government is preparing an audio-visual presentation on Yukon and compiling a directory of businesses. The purpose of these activities is to promote the vast talent and expertise which is available in the territory; to expand business opportunities; and to be ready for increased activity in the Beaufort Sea. An agreement has been reached with NCP, whereby our Department of Municipal and Community Affairs will be allowed the free utilization of waste heat from NCP diesel generators. As a result of representations made by my government, the Northwest Territories Minister of Economic Development recently announced that the NWT Northern Preference Policy has been revised to accommodate the inclusion of Yukon contractors.

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In the wake of substantial delays the Government of Yukon and the Government of Canada have now entered into the first of a series of contribution agreements which will enable Yukon to participate in the Northern Oil and Gas Action program.

Other studies will involve the publication of a community information handbook; the development of a skills and employment interest inventory; and the mapping of land use in Yukon communities.

Current research will form the base for an expanded set of studies to be conducted from 1983-1984 to 1986-1987. Discussions with the Federal Government regarding funding levels for future projects are currently taking place.

My Government has followed up on its August 1982 position paper presented to the Beaufort Environmental Assessment Review Panel; has completed a preliminary review of the Beaufort

Environmental Impact Statement; and has identified several issues related to Yukon's involvement in the Beaufort.

In a continuing effort to ensure that the economy of Yukon will derive the maximum possible benefits from future Beaufort developments, officials of my Government have conducted a series of meetings with each of the major operators on matters related to employment, training and business issues. Attempts have, and are, being made to identify training options in order to list employment opportunities. Good progress has been made with both Gulf and Esso in their commitments to hire Yukoners.

Yukon has informed the Northern Pipeline Agency that it has endorsed Foothills' proposed routing of the Alaska Highway Gas Pipeline through the Ibex Pass and will prepare a detailed management plan for the area. Once the agency has approved the right of way, the current land freeze on an eight kilometer wide corridor can be lifted and will apply only to a two hundred and forty metre wide strip along the right of way.

The Government of Yukon is in continuous consultation with the Government of Alaska with regard to further U.S. funding for the Shakwak project. We have been informed that the sum of five hundred thousand dollars has already been committed for the continuation of this project and that there is a good chance that up to twelve million dollars (U.S.) will be allocated for the next stage. This decision is expected sometime in August this year.

We are currently developing a broad policy on mineral development in Yukon. This policy will present our goals and objectives for mineral development, identify resource issues and propose means for resolving those issues.

With respect to placer mining, last May my Government proposed the establishment of a Task Force to look into all aspects of the industry. The Federal Government rejected the Yukon Government's offer, but in recognition of the need for public debate, has since established its own Commission.

The Government of Yukon recognizes the importance of the placer mining industry to Yukon and its importance has become even more evident during these economic hard-times. In recognition of this, we will be coming forward with a specific policy dealing with the placer mining industry.

Our officials have been involved, during the past year, in two Task Forces established by the Federal-Provincial-Territorial Mines Ministers.

The Task Force on mining communities was established to determine methods for assisting communities to adjust to temporary or permanent mine closures. The Task Force made a wide range of recommendations in their report. One major recommendation, that Section Thirty-eight of the Unemployment Act be adjusted to allow mining companies to do pre-production work, such as stripping, may assist in producing a favourable decision on the re-opening of the Cyprus Anvil Mine.

The other group, the Task Force on Mining Taxation, has been examining ways of assisting junior mining companies and other small operators in becoming more active in mineral exploration. The present taxation system provides substantially greater benefits to large corporations than to small operators, even though the majority of discoveries stem from the activities of the small companies. It is hoped that the Task Force report will be ready for release some time this April and some of the recommendations will be contained in the Federal Budget in May.

Respecting utilities, the Electrical Public Utilities Board, on March 15, 1983, convened a Public Hearing to reconsider the question of an appropriate electricity rate design for Yukon. Through this process, the Board will decide whether rate equalization within the various rate classifications is appropriate; whether there should be cross subsidization from one classification of customer to another; and what rate structure is desirable in the interests of energy conservation and economic development. The Board intends to produce a report, delineating general principles to be phased in gradually when applied in future rate decisions. The Board's report is expected in May.

To complement this investigation, the Government of Yukon is preparing a comprehensive energy policy which we hope to present to the public for open discussion in the next few months. The policy

will deal with all aspects of energy use including hydro electric generation, alternative energy sources, energy conservation, and security of energy supply.

In the realm of social development, Government is engaged in, and has completed, a number of initiatives which will be of benefit to Yukoners.

During this session, we will be introducing an *An Act to Amend the Territorial Court Act*, which will include references to a judicial council; the position of judges with respect to the public service judicial administration and other matters.

An interdepartmental committee, chaired by a member of the Women's Bureau, has been established to review all legislation, policies and regulations to ensure that they comply with the *Canadian Charter of Rights and Freedoms*. Discrimination on the basis of sex will be considered in the review and any obvious conflicts that are identified will be corrected through amendments to legislation, through orders-in-council or policy changes.

My government will introduce a comprehensive *Children's Act*, which brings together, in one piece of legislation, almost all the laws affecting children. It will be based on the most recent research in the behavioural sciences and legislation recently passed elsewhere in Canada.

Since last session, we have taken a number of initiatives to facilitate Yukon's community development, including the construction of sewage lagoons in Watson Lake and Haines Junction, both extensive capital projects. Recreation centres in Watson Lake and Beaver Creek and swimming pools in Haines Junction and Pelly Crossing will be completed. The upgrading of community and cottage lot roads and the introduction of community BST programs are also anticipated. The construction of the Porter Creek alternate access road will resume and be completed this summer.

With respect to community lands, government is continuing to approve the disposition and release of agricultural land and anticipates that in the near future, Canada will release lands identified for agricultural purposes.

Regarding municipal legislation, we are considering and discussing with the Council for Yukon Indians, the Association of Yukon Communities and other interest groups, amendments to the as yet to be proclaimed *Municipal Act*. We are also examining possible amendments to the *Municipal Finance Act*, although legislation will not be advanced this session.

A fair and final settlement of the Yukon Indian Land Claim continues to be foremost among my government's main objectives. As is probably well known to all Yukoners the Government of Yukon's participation at negotiations is currently at an impasse, pending the resolution of a number of issues which will enable our negotiator to return to the table and make possible a final settlement, under a one-government system.

The land claim issue is extremely complex and embraces a great deal more than the deeding of land and the payment of money to our aboriginal peoples. Because the issue is so complex, officials of the land claims secretariat have assembled a full information package on the history and progress of these negotiations which is available to the public.

Last week the Yukon Government leader and the Minister of Justice attended, as full participants, the First Ministers' Conference on Aboriginal Rights in Ottawa. Their status as full participants at that conference is another important milestone in Yukon's constitutional development towards fully responsible government.

One of our major concerns has been how the constitutional debate could affect a land claims settlement. We are completely in favour of protecting the rights that a settlement will provide Yukon Indian People. Our main contributions to the Constitutional Conference on Aboriginal Rights were aimed at preventing moves which could inadvertently add obstacles to the achievement of that final settlement we all seek.

In conclusion, my government continues to work for and with the people of Yukon during these difficult times in order to steadily surmount the obstacles in our path. The people of Yukon, native and non-native alike, are the backbone, the heart and the soul of this great Territory and by working together, I am convinced that

we can overcome the problems. Yukon is a land of unparalleled wealth constrained only by the limits of our imagination. My government is resolved to do its utmost to ensure that our people are protected in this short-term crisis and are in a position to derive the long-term benefits of future growth and development that will surely come.

May divine providence attend your deliberations.
I thank you in our Sovereign's name.
God Bless Canada.

Mr. Commissioner leaves the Chamber, accompanied by his aides de camp.

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

Prayers

Mr. Speaker: At this time I would like to introduce to the House, from the F.H. Collins High School and Porter Creek Junior Secondary School in Whitehorse and the St. Elias Community School in Haines Junction, the pages who will be assisting the House during this session.

They are: Katherine Hardy, Guy Halstead, Gila Bellon, Heidi Koschreck, George Marchewa, Rick Onciul, Deveron Hurlburt, Sandra Johnston and Joanne Prestone. It is indeed a pleasure for me, at this time, to welcome to the floor of the Assembly our new pages and I would invite them to attend at this time.

Applause

NOTICES OF MOTION

Hon. Mr. Lang: I move, seconded by the member for Hootalinqua that a bill entitled *An Act to Perpetuate a Certain Ancient Right* be now introduced and read a first time.

Mr. Speaker: It has been moved by the hon. Minister of Municipal and Community Affairs, seconded by the hon. member for Hootalinqua, that a bill entitled *An Act to Perpetuate a Certain Ancient Right* be now introduced and read a first time.

Motion agreed to

Mr. Speaker: At this time I beg to inform the Assembly that, in order to prevent mistakes, I have obtained a copy of the Speech from the Throne, which I will now table.

Hon. Mr. Lang: I move, seconded by the member for Kluane, that the Speech from the Throne be considered on a day following.

Mr. Speaker: It has been moved by the hon. Minister of Municipal and Community Affairs, seconded by the hon. member for Kluane that the Speech from the Throne be considered on a day following.

Motion agreed to

Mr. Speaker: May I have your further pleasure?

Hon. Mr. Lang: I move, seconded by the member for Old Crow that the House do now adjourn.

Mr. Speaker: It has been moved by the hon. Minister of Municipal and Community Affairs, seconded by the hon. member for Old Crow that the House do now adjourn.

Motion agreed to

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

The House adjourned at 3:40 p.m.

The following Sessional Paper was tabled Tuesday, March 22, 1983:

83-3-1
Speech from the Throne (Taylor)