



The Yukon Legislative Assembly

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3rd Session

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HANSARD

Monday, April 14, 1986 — 1:30 p.m.

Speaker: The Honourable Sam Johnston

Yukon Legislative Assembly

SPEAKER — Honourable Sam Johnston, MLA, Campbell

DEPUTY SPEAKER — Art Webster, MLA, Klondike

CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Tony Penikett	Whitehorse West	Government Leader. Minister responsible for: Executive Council Office; Finance; Economic Development; Mines and Small Business; Public Service Commission
Hon. Dave Porter	Watson Lake	Government House Leader. Minister responsible for: Tourism; Renewable Resources.
Hon. Roger Kimmerly	Whitehorse South Centre	Minister responsible for: Justice; Government Services.
Hon. Piers McDonald	Mayo	Minister responsible for: Education; Community and Transportation Services.
Hon. Margaret Joe	Whitehorse North Centre	Minister responsible for: Health and Human Resources; Women's Directorate.

GOVERNMENT PRIVATE MEMBERS

New Democratic Party

Sam Johnston	Campbell
Norma Kassl	Old Crow
Art Webster	Klondike

OPPOSITION MEMBERS

Progressive Conservative

Willard Phelps	Leader of the Official Opposition Hootalinqua
Bill Brewster	Kluane
Bea Firth	Whitehorse Riverdale South
Dan Lang	Whitehorse Porter Creek East
Alan Nordling	Whitehorse Porter Creek West
Doug Phillips	Whitehorse Riverdale North

Liberal

Roger Coles	Liberal Leader Tatchun
James McLachlan	Faro

LEGISLATIVE STAFF

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Clerk Assistant (Legislative)	Missy Follwell
Clerk Assistant (Administrative)	Jane Steele
Sergeant-at-Arms	G.I. Cameron
Hansard Administrator	Dave Robertson

01 Whitehorse, Yukon**Monday, April 14, 1986 — 1:30 p.m.**

Speaker: I will now call the House to order.
At this time we will begin with prayers.

*Prayers***DAILY ROUTINE**

Speaker: We will now proceed with the Order Paper.
Introduction of Visitors?
Are there any Returns or Documents for Tabling?
Are there any Reports of Committees?
Are there any Petitions?
Introduction of Bills?
Are there any Notices of Motion for the Production of Papers?
Are there any Notices of Motions?
Are there any Statements by Ministers?

MINISTERIAL STATEMENTS**Yukon Treasure Hunt 1986 — Expo Promotion**

Hon. Mr. Porter: I am pleased to announce to the House further details on the treasure hunt, which will be a major part of our marketing efforts in connection with Expo 86. Visitors to the Yukon Pavilion at Expo 86 will have a chance to enter a Yukon treasure hunt for a Yukon gold necklace that will be hidden somewhere in the territory. The necklace, worth about \$30,000 retail, was designed and made by Touchstone Goldsmiths on a tender basis for the Yukon Pavilion. It is composed of indigenous Yukon materials, including gold and silver, gold nuggets and jasper. Photographs, and possibly the necklace itself, will be on display at the Pavilion. A Yukon treasure hunt passport containing the rules and regulations of the hunt will be issued to visitors at the Pavilion's tourist information counter and validated with a Yukon Pavilion stamp.

The clues will be provided in the Yukon at Visitor Reception Centres to persons presenting their passports. The passports will be stamped at the centres. To encourage visitation throughout the territory, the contest will be designed so that contestants will likely have to visit five or six of the reception centres in order to gather enough information or clues to locate the prize.

It is expected that the hunt will be a major attraction for visitors, and will also help to promote the Yukon at Expo 86. Passports will be first issued on May 2, with the opening of Expo. The first set of clues will be available at the Yukon Visitor Reception Centres when they open on May 17. In the event the necklace is not found by the closing of Expo on October 13, the hunt will be held again next summer with new clues.

02 The treasure hunt is open only to non-residents of the Yukon. I believe that this event will generate effective publicity for the Yukon, and will contribute to our efforts to encourage visitors not only to come here, but to stay longer and see more. We have involved, and have the support of, members of the tourism industry in this promotion. I look forward to support from the Members opposite.

Mr. Lang: I welcome the idea of new initiatives coming in via the Department of Tourism and the various tourism organizations. I do want to express a number of reservations on the program that has been presented today.

First of all, I should point out the value of the prize is significant. I recognize you have to have a prize of some significance. I have to question whether or not \$30,000, which in many cases exceeds an individual's salary for a year's work, has to be that significant as far as the prize itself is concerned. I want to express some reservations on this side to the extent that the government has gone, as far as the value of the prize is concerned.

The other area I would like to express some reservations on is the fact that the treasure hunt is open only to non-residents of the Yukon. I point this out because the taxpayer is paying for it, yet

they are excluded from participating. There are people who are going to Expo at both the request of the Government of the Yukon Territory and through the extensive advertising campaign by Expo itself. How are we going to exclude people who live in the Yukon from getting a passport, when one of their first stops is going to be the Yukon Pavilion?

I question the wisdom of such caveats on the initiative brought forward. I trust that the prize is going to be well-hidden, so that once my uncle from southern California gets to the sixth reception centre ahead of everybody else, it does not all of a sudden appear in his hand. I would assume that residents would have as much difficulty as anyone else locating the prize, similar to what happens in Vancouver or any other treasure hunt that you read about.

With those reservations, I wish you God speed, but I think there are areas that I think should have been given more consideration.
03 Hon. Mr. Porter: In return, I would like to respond to the concerns raised by the Member opposite. You will notice in the release that the retail value is stated at \$30,000. That does not mean that the government paid \$30,000. I believe that the contract calls for a purchase price of \$13,000. That is the information that I have.

The reasons why it is restricted to non-resident Yukoners is that this is an effort aimed at increasing visits to the territory. What we are attempting to do with this marketing effort is to increase the number of visitors who will be coming to the Yukon via Expo. It is a marketing device solely intended for that purpose.

I would argue that in terms of limiting, and in terms of the goal of increased visitors, that it would be right that we look at making the eligibility open for only non-residents.

Once we get into the question of residents, should tourism employees be exempt? Should their wives or children? Once we start to look at the eligibility of the people in the Yukon, we can get into a real can of worms. So, we thought it would be best to eliminate all the people of the Yukon from eligibility on that basis.

A committee has been struck on this issue. It will be the clues committee. It will make the decision as to where they hide the prize and they will be responsible for drafting the clues. Because this is a treasure hunt, unfortunately it would be wrong to make public the names of those committee members because they would be susceptible to a lobby effort by tourists or friends of tourists. Those are the responses to the concerns raised by the Member.

Arctic Sovereignty

Hon. Mr. Kimmrly: Last Friday, the honourable John Crosbie, federal Minister of Justice tabled in the House of Commons, a bill entitled the *Canada Laws Offshore Application Act*.

This act extends provincial, territorial and federal laws to all offshore areas and is designed in the first instance to assert Canada's sovereignty.

04 The legislation is of significant interest to the Yukon for a number of reasons. We applaud the efforts made to strengthen Canada's claim to its offshore, particularly in the north. This action will carry a clear message to other nations that Canada is serious about protecting the sovereignty of its seas.

The act is of greater interest to the Yukon in that it also provides for the extension of Yukon laws to offshore areas. This represents a small yet important step in the evolution of the Yukon. While the type of territorial laws to be extended into the offshore will be the subject of a yet to be negotiated federal-territorial agreement, we are encouraged by this action.

The act does not attempt to clarify the current United States-Canada dispute over the offshore boundary between the Yukon and Alaska. It is our position that a strong position should be taken in asserting Canada's claim to this disputed area.

In summary, then, Mr. Speaker, this government applauds Canada's initiative in the strengthening of our sovereign claims to Canada's offshore. At the same time, however, we remain concerned that the issue of Yukon jurisdiction in our Arctic Sea has not been completely addressed.

We look forward to beginning a positive dialogue with the federal government on the issue of the application of Yukon laws in the Beaufort, and on the development of mechanisms for the application of these laws.

Thank you.

Mr. Phelps: We, too, are pleased to see some progress being made with regard to the issues at hand concerning the Arctic and the Beaufort Sea. As Members in this House know, back in July 1985 we debated an emergency motion, which this side put forward, because of legal actions taken by the Government of the Northwest Territories with regard to whether or not they had jurisdiction over the Beaufort Sea area directly north of Yukon's north coast. That unanimous resolution was forwarded to the Prime Minister by the Speaker of this House. The Speaker well knows, then, that a reply was received, which was tabled in this House. It was received from the Prime Minister in December of last year.

This latest action seems to be consistent with the contents of that letter to the hon. Speaker. We are pleased to see it going forward. As Members know, these issues have been viewed by, certainly, our Caucus as issues deserving a top priority, in terms of Yukon government action. To that end, much of my discussions with the joint committee of Parliament and the Senate, reviewing international affairs, are addressed to that committee. A special committee was directed to Canada's northern boundary: the need for a port, the defense of Canada's sovereignty, and issues of that nature.

We certainly support Canada's asserting its sovereignty in the Arctic. We are pleased to see that the side opposite is now applauding the efforts made by Canada, which included many military initiatives, as well as this bill. We still see the need for the development of a port on Yukon's north coastline.

I conclude by saying that we hope that all those issues of importance that deal directly with, and have a bearing on, Yukon's future will be resolved favourably and soon.

MOTION OF URGENT AND PRESSING NECESSITY

Motion under Standing Order No. 28

Hon. Mr. Penikett: I rise under the provisions of Standing Order No. 28 on a matter of urgent and pressing necessity, which requests the unanimous consent of the House to move the following motion:

THAT the House congratulate Mrs. Angela Sidney, a well-known, well-respected Tagish elder for receiving the Order of Canada, the country's most prestigious award, from Governor General Jeanne Sauve on April 9, 1986.

Speaker: Is there unanimous consent?

All Members: Agreed.

Speaker: It has been moved by the hon. Government Leader:

THAT the House congratulate Mrs. Angela Sidney, a well-known, well-respected Tagish elder for receiving the Order of Canada, the country's most prestigious award, from Governor General Jeanne Sauve on April 9, 1986.

Hon. Mr. Penikett: We join with the Government of Canada in honoring Mrs. Sidney for her life of dedication to preserving native culture. Angela Sidney's work has provided future generations of Yukoners, and all Canadians, with a legacy of native songs and stories. As well, Mrs. Sidney has provided essential material for the preservation of the Tagish language. We all know that a people without a language lose their cultural identity. The people of the Yukon are forever indebted to Mrs. Sidney for her valuable work.

The songs, stories and history of the Tagish and Tlingit peoples have been published in four of Mrs. Sidney's books: *My Stories are my Wealth*, *Place Names of the Tagish Region*, *Tagish Stories*, and *Haa Shagoon*. These works bring Yukon's aboriginal heritage to our classrooms and have inspired plays in schools and on radio.

Mr. Speaker, it was recently reported that many aboriginal languages are being lost across Canada. Angela Sidney is a symbol of the effort here, through our Native Languages Program, to keep Yukon languages and cultures alive in the modern world.

On behalf of all Yukoners, we are proud to support the efforts of Mrs. Sidney and others in these endeavours. I know I reflect the feelings of all Members of the House in recognizing the life work of Angela Sidney on this day.

Mr. Phelps: It gives me great pleasure to rise and speak in

support of this motion. I have conveyed my personal congratulations to Mrs. Sidney, who is known for a lot of the good works in the Yukon, on behalf of her people, not the least of which is the many years she has spent providing nursing kinds of services, as a midwife and a person who understood how to heal people in the area. She was a very devoted person to those in need, and those who had ill health in the Tagish, Carcross and Teslin areas.

Those of us who reside in the Carcross-Tagish area are especially pleased, because we have known her so long, and known her family. It is a very large family now, and includes her brother, Johnny Johns, her late brother, Peter Johns, and her sister, Adora Wedge, and all their children and grandchildren. We have a great deal of pleasure in supporting this motion.

Motion agreed to unanimously

Speaker: This then brings us to the Question Period. Are there any questions?

QUESTION PERIOD

Question re: Devolution

Mr. Phelps: Today's Ministerial Statement from the Minister of Justice certainly is a statement that is of interest to a great many Yukoners and seems to relate rather directly with the plans announced by the Government Leader himself to create an Office of Devolution in his Executive Council Office. Can the Government Leader advise this House whether issues such as Yukon sovereignty and the application of Yukon laws to the Beaufort Sea north of Yukon would be issues that would come under the purview of the new office of devolution?

Hon. Mr. Penikett: Yes, I believe they would, but I would hasten to say not exclusively so. As the Leader of the Official Opposition noted, the Minister of Justice made the Ministerial Statement in the House, but it was the federal Minister of Justice who communicated with him on this question. I would assume that, on legal matters like that, there would be quite a substantial and continuing involvement of departments like Justice. As the Member will know there will also be, from time to time, matters of interest to other departments such as Renewable Resources, for example, but I would see the Office of Devolution or the Executive Council Office having a coordinating role in this area.

Mr. Phelps: Given the importance of the work to be done by that office, can the Government Leader advise whether or not the new positions have been filled yet?

Hon. Mr. Penikett: No, they have not been filled. We have gone to the point of advertising the positions. However, as a courtesy to the House and the Members opposition, I was hoping, by this point, to have completed the discussion on the vote in the Main Estimates, so that I could have the views of the House before actually advertising the positions. On my instructions, we are waiting until we have completed that debate.

Mr. Phelps: Can the Government Leader advise this House whether any people have been engaged by contract to provide consulting services with regard to devolution of programs or jurisdiction from the Government of Canada to this government?

Hon. Mr. Penikett: I would have to take that question as notice because, as the Member knows, there are devolution talks going on on a number of fronts. The Minister of Health has indicated that there are discussions between her officials and National Health and Welfare. The Minister of Community and Transportation Services indicated that there are discussions going on between his officials and the federal Department of Transport about airports. There are dozens of such dialogues going on.

A Cabinet committee has been established for devolution. The actual officials proposed to be hired with the money proposed in the budget have not been hired, and so the important work of coordinating these efforts is now being done to the extent it can be done by the existing staff of the Executive Council Office. Whether we have actually retained, in the Executive Council Office, any individuals on short contracts for any purposes associated with this, I will take as notice, because I do not want to give any wrong information to the House.

08

Question re: Devolution

Mr. Phelps: With regard to the issues of devolution, can the Government Leader advise the House whether or not this government has put together a list of programs and jurisdictional issues in order of priority for transfer yet?

Hon. Mr. Penikett: We have a list, but Cabinet has not made a final determination as to the priority. I hope that decision will be made very shortly because I have undertaken to conclude with Mr. Crombie an agreement on a common timetable for the devolution of those items, and some negotiations with the federal government about whether our priorities mesh with theirs with respect to devolution. That, I think, will involve some negotiation.

Mr. Crombie has indicated to us that he clearly sees himself as gate keeper on devolution for the federal Cabinet. We have already experienced some difference of opinion between different arms of the federal government with respect to some devolution particulars.

Mr. Phelps: Can the Government Leader advise this House as to whether or not it has made any position known to the federal government with regard to changes the Government of Yukon would like to see in the *Yukon Act*?

Hon. Mr. Penikett: I recall that this House, perhaps on the occasion referred to earlier today by the Leader of the Official Opposition, discussed a proposed change to the *Yukon Act*. One of the things that I was told at the time, in Ottawa, was that we should be quite cautious about taking care not to ask in the life of any one parliament for any such act to be amended more than once.

Notwithstanding the urgency of the particular situation, which I think was an offshore situation, we have been governed by that. We want to see changes to the *Yukon Act* happen in terms of the substantial questions at the most appropriate moment, and I do not know if that moment is now.

Mr. Phelps: Given the urgency of providing such details to the federal government in a timely fashion before this parliament is changed because of an election within four years of the last election in September, 1984, can the government give any idea of when they would anticipate putting forward a package to the federal government with regard to an amendment they would like to see to the *Yukon Act*?

Hon. Mr. Penikett: I will take the question as notice. There are a large number of constitutional issues that are before us in one way or another. I think I would want to come back to the Member and provide him with a substantial answer on that question.

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Question re: Territorial Administration Building

Mr. McLachlan: In January of this year, Government Services engaged Monenco Consultants of Calgary for a \$62,000 study to identify problems within this building. One of the results of that study was that parts of our building did not meet the *National Building Code* requirements.

Why would our own Department of Protective Services, who are more than familiar with the *National Building Code*, not be able to pick up that part of the recommendation in the study, instead of having to pay \$62,000 to a Calgary firm to undertake that study?

Hon. Mr. Kimmerly: Implicit in that question are two or three questions, one about why the deficiencies have occurred at all and, secondly, why the study was necessary.

I will undertake to supply a well-briefed answer by tomorrow, certainly this week.

Mr. McLachlan: Perhaps the Minister may take the supplementaries under advisement, too, if he is unable to answer them directly.

Is the Minister then aware of any recommendations that may have been made by Protective Services vis-a-vis space allocations in this building that were not attended to by this government or by any other government?

Hon. Mr. Kimmerly: Specific to that question, the answer is no, I am not aware. I will find out if the department is.

Mr. McLachlan: Perhaps the Minister could then advise who the government does use to determine standards within this building. Do we use our own Department of Protective Services, or do we use the Building Inspectors for the City of Whitehorse, who

are apparently having some problems trying to decide what standards apply to government-owned buildings in this city?

Hon. Mr. Kimmerly: It is my understanding we use both within the competence of both of those offices of jurisdiction. I will supply a detailed answer at a later time.

Question re: Health Services devolution

Mrs. Firth: I understand the Minister of Health and Human Resources corresponded, in February, 1986, with the federal Minister of Health and Welfare, the hon. Jake Epp, asking his cooperation in taking no further steps toward the devolution of health care. Has the Minister decided yet whether or not she will be able to table that correspondence?

Hon. Mrs. Joe: No, I have not.

Mrs. Firth: I also understand that the government was to have a position regarding the relationship between the health care transfer and the land claims by mid-March. Could the Minister tell us what the position is, please?

Hon. Mrs. Joe: There is a process for all of these transfers that are going to take place. There was a bit of a conflict, if I might call it that, between two federal Ministers with regard to that issue. We were trying to get a position from them with regard to what their position was. I have not had any further correspondence with regard to that.

Mrs. Firth: We do not want to know what the conflict is between the federal Ministers. I would like to know what this government's position is. Could I have an answer tomorrow as to whether the Minister will table the correspondence, and could we please have an answer as to what their position is regarding the relationship between the health care transfer and land claims?

Hon. Mrs. Joe: I will have that information back in the House tomorrow.

Question re: Land-use planning agreement

Mr. Brewster: My question is for the Minister of Renewable Resources. Can the Minister provide this House with an update and status report on the negotiations for a Land-use Planning Agreement?

Hon. Mr. Porter: My immediate response is that negotiations are going very well and we are optimistic for an agreement shortly.

Mr. Brewster: Will the Minister be tabling the draft agreement in this Legislature?

Hon. Mr. Porter: I will take that question under advisement and review it prior to committing myself to an answer.

Mr. Brewster: Does the agreement differ substantially from the draft agreement reached between the federal and Yukon government and the Council for Yukon Indian negotiators in September 1983. If so, how?

Hon. Mr. Porter: As we know, there was no agreement reached between the Yukon government and federal government with respect to the land use planning. It was rejected on the basis of a covering letter that some people were interpreting as to infringe on someone's jurisdiction.

I know there has been an agreement-in-principle with respect to the proposed agreement-in-principle under the land claims agreement that dealt with land use planning. In terms of whether or not this agreement deviates from that, we have to understand that this agreement is not a land claims-related agreement inasmuch as it was negotiated between the federal and territorial government, and so it does not speak to the land claims agreement as such.

There may very well be some deviation from what we have seen under the proposed AIP. I would have to check the specifics of the two agreements to be able to discuss what differences may exist.

Response re: Wolf studies

Hon. Mr. Porter: I will take the opportunity to respond to an earlier question made to me from the Member opposite. Last week the Member asked about the wolf studies being done in the Yukon, how many were being done and who was doing the studies. My information is there is what is called the Donjek Wolf Study. It is being conducted by a graduate student from the Michigan Technological University. The student is studying the ecological relationship

between wolves and Dall sheep. The study of objectives include documenting the distribution density, predation rates and hunting strategies of wolves in the Kluane Wildlife Sanctuary. The project is being jointly funded by the Foundation for North American Wild Sheep, The Campfire Club of America, Michigan Technological University and the Department of Renewable Resources.

¹¹ One of the studies that have been conducted in the Yukon, completed in 1985-86, was the one in southwest Yukon that was primarily an inventory and wolf ecology study. The second one was in the Finlayson area that was an inventory and wolf reduction program. One is being conducted around the Nisling bison introduction area. It is the wolf-sheep study being done in the Kluane sanctuary.

I believe the Member asked me the cost of the production of the raven sculpture. It is \$2,500. I also have the information for the Member for Tatchun if he cares to ask me about it.

Question re: Alaska Marine Lines

Mr. Lang: Now that we have had the Dave Porter Response Show, I will go on to another question to the Minister of Community Services and Transportation Services. Has the government taken a position on the renewal of the licence for the Alaska Marine Lines alternative service, which is now being provided to Haines and is allowing freight to come into the Yukon?

Hon. Mr. McDonald: With respect to the recent application by Alaska Marine Lines to extend their operating period by a year and the objections made by White Pass to that extension, we have not as yet taken a position on the extension of the operating authority. We hope to do so within the next couple of days.

Mr. Lang: Has Alaska Marine Lines asked the government for its support?

Hon. Mr. McDonald: Alaska Marine Lines, specifically, has not asked me for our support. Curragh Resources has made representation to that effect.

Mr. Lang: I take it that Curragh Resources is supporting Alaska Marine Lines for the renewal of the federal licence required for the American barge line to operate. Is that correct?

Hon. Mr. McDonald: I believe Curragh Resources is interested in a competitive environment operating between Vancouver and Skagway. They are interested in promoting any environment that improves the competition factor.

Question re: Yukon Health Care Insurance Plan

Mr. McLachlan: During the Throne Speech Address of March 13, 1986, reference was made to expansion of the Yukon Health Care Insurance Plan to include a wider range of benefits. Could the Minister of Health and Human Resources tell us when she will be able to elaborate on the expanded list of medical appliances and drugs available under that plan?

Hon. Mrs. Joe: During budget debate.

Mr. McLachlan: Reference was also made to the treatment of chronic diseases. To the medical fraternity, the term chronic disease means one thing. To the person who has the disease that seems to hang on and hang on, it means another thing. He believes he has a chronic disease that he cannot shake. Who will define the scope and extent of the chronic diseases that will be expanded?

¹² **Hon. Mrs. Joe:** I think that we already have a list of those. They are itemized. We will be able to elaborate a little bit more during budget debate.

Mr. McLachlan: Can the Minister tell the House if any consideration is being given, at this time, to the expansion of the health care insurance plan to include private physiotherapy clinics and their coverage?

Hon. Mrs. Joe: That is a priority of ours. We have had many meetings with regard to whether or not that would be included in the health plan. We are in favour of such an expansion. We would probably have to find out sometime down the road if there was going to be money that could accommodate that.

Question re: International Relations Committee

Mrs. Firth: Could the Government Leader tell us why he did not make a public presentation to the Special Joint Committee on

Canada's international relations?

Hon. Mr. Penikett: There are several reasons. The most important one is that we did not receive notice of the Committee coming here. The Leader of the Official Opposition knew about it before we did because of his connections. The second reason was that I made it clear to the Chairman of the Committee, in private and public conversations, that as a government our principal target for representations on international matters is to the federal government.

In the informal discussion that we had with the Committee here in the Legislature, the Committee asked for us to follow-up with them, to make formal briefs on a number of the issues we raised. We will be doing that in writing. Those will be made public.

Our principal object in making representations on international matters is to the federal government, principally the Minister of External Affairs. The third reason is that the Committee made it clear to us, when we did contact them, that nowhere else in the country were they meeting legislators, or legislatures, and that their terms of reference and their mandate was to hear from citizens, not from parliamentarians. The reason that they were amenable to having a meeting here with the Legislature, was because there was not a long list of citizens who wished to make briefs before the Committee on their visit to Whitehorse.

Mrs. Firth: It has come to my attention that the government spent \$4,900 to a former Executive Assistant to the Minister of Health and Human Resources to do research and gather information for a report of issues for the Special Joint Committee on Canada's International Relations. Is the Government Leader prepared to table the report in its entirety?

Hon. Mr. Penikett: No. The report and the research is a Cabinet document, which will provide the basis for a brief from this government to the federal government. It will also provide some background for us in making representations on some particular questions to this Committee.

The particular issues have been and will be decided upon by Cabinet. Until Cabinet approves positions on these particular questions, they will not be made public.

¹³ **Mrs. Firth:** Is it going to be a policy and a practice of this government to contract out the preparation of Cabinet documents, to the tune of \$4,900 a time?

Hon. Mr. Penikett: As was the case in the former government, and will be the case in this one, there are many occasions when it is cheaper and faster for us to contract with people rather than taking on permanent staff to do certain work. Where we have people available locally, who do good quality research and who write well and write quickly, we will use them rather than simply adding a large number of positions to the public service to cover every kind of eventuality that may arise in terms of our research needs.

Question re: Trade advisory committees

Mr. Nordling: My question is to the Government Leader, with respect to trade advisory committees. I understand that the Yukon government was asked to provide nominees to sit on trade advisory sub-committees for Canada-U.S. trade negotiations. Have these nominations been made and, if so, when do the sub-committees sit?

Hon. Mr. Penikett: We were asked to nominate a number of individuals to the various sub-committees. We did so. We have not yet heard back from the federal government as to whether any of the suggestions we made were acceptable to them or not. It is our hope, should the federal government come back to us and accept some of our nominees, that the Yukoners involved will be able to be informed immediately and begin their contribution.

Mr. Nordling: When the Government Leader hears back, will he provide us with a list of the sub-committees and the names of the Yukoners appointed?

Hon. Mr. Penikett: Absolutely.

Mr. Nordling: Has the government developed a position with respect to the trade negotiations in order to assist these Yukoners on the sub-committees?

Hon. Mr. Penikett: The Member's question implies a situation that may not be the case. Just because we nominate certain private citizens to sit on such committees, I am not sure that those citizens

would at all feel obliged to represent the views of this government on those questions. In fact, knowing some of the individuals we have suggested because of their expertise in the field, I would almost be certain that that would not be the case.

However, we are developing a position in terms of the particulars on free trade. At some point I hope to have a discussion paper that we can make public on some of the issues. To be frank, the situation is that, because we do not know exactly what is going to be negotiated in many respects, and because we do not have sufficient information in order to accurately address the impacts on many of the sectors of the Yukon economy, it is difficult for us to take very, very hard positions on some of the elements of the negotiations.

We have supported the negotiations taking place. We have expressed optimism that it will have a positive impact on prices in the local economy. We have expressed some caution and concern about our position in Asian markets being affected by some North American trading block, if that was the eventuality, and there are a number of other concerns that we are beginning to try to research, understand and articulate.

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Question re: Trappers

Mr. Coles: If the Minister of Renewable Resources has the answers to the questions I asked the other day, I would like to hear them now, please.

Hon. Mr. Porter: The first question that was asked last week was the number of trapline concessions that were extended probationary periods. The number of probationary concessions that may be extended are unknown at this time. The exact figures will not be available until after the trapping season has closed on June 30.

The second question dealt with the extended probationary periods for any trapping concessions, and to enumerate a specific example. The reasons for extension of probationary periods are many and varied. Some of the reasons are: a probationary concession was issued part of the way through the trapping season, and the trapper was not given a full season in which to demonstrate his interest and prove to be an active trapper; a new trapper showing interest and potential may be given a second chance by extending the probationary period; a new trapper who harvested little fur due to spending time and effort on cutting trails, building cabins, et cetera, to be given another opportunity to bring in a harvest; a trapper who, through illness or incapacity, was unable to spend time on his line, but showed interest and ability, could be given an extra probationary period and time.

With respect to the specific question of the extension of probationary period for the trapline concession number 293, the trapper was issued a provisional licence to trap on registered trapline concession 293 for the 1985-86 season on November 14, 1985. The expiry date on this licence is June 30, 1986. The trapper's provisional trapping concession was issued on the same date, November 14, and expiry date is set at June 15, 1986. June 15 was set as an expiry date for the concession to allow the trapper to trap beaver in the spring under one provisional licence on trapline 293. On March 10, 1986, the trapper filled out a Trapper Declaration, number 2313, for his activities on RTC 293 for the 1985-86 season. The trapper recorded a harvest of three mink and one otter. The trapper was advised at the meeting on March 10, 1986 that he would likely be issued a second and final provisional authority, rather than a five year registration on registered trapline concession 293. The trapper was advised that it would be premature to issue a new trapping licence for the concession before the old one expired. The trapper was advised that he should return in July, 1986, and a new licence concession to trap would be issued to him to trap on 293. The trapper, I understand, was concerned about the 30-day renewal period, as there is some suggestion that we can anticipate some questions on this, that we are attempting to, for some reason or another, take his line away. That concern has been expressed by the trapper. That is not the case. We are simply giving the trapper another year to trap the line to see if he can improve his ability to trap the line and bring in more fur to make the line more productive.

Mr. Coles: The trapper in question has been trapping full-time for five years in the territory on different lines as an assistant trapper. The reason he gave me for the shortfall of furs is because there was not much fur on the line to start with, and he did not want to deplete the stocks any more than they were. This trapper would like to build a cabin out there this summer, he tells me, so he can get on with his line and do these improvements on it. How much longer is he going to have to wait before he can get the five-year permit?

Hon. Mr. Porter: Clearly the government has taken the position to look at giving an extended probationary period for the individual concerned. We have been more than fair, I would submit, in this instance. The line originally, as I reported to the House earlier, was suggested to be divided between the adjoining trappers. We resisted that suggestion and went ahead and said the line should be trapped as a separate line. We went to the trappers who were interested. This individual's name was at the head of the list. We granted the trapper a concession.

There were some problems, no question about it, but we are trying to accommodate the trapper; we are trying to be fair. We realized he did not catch very many lynx; he got started late into the season. Snows were difficult in the fall and early winter. We had one of our conservation officers assist the trapper by breaking trail out to the line. We had some discussions with the trappers involved in the adjoining lines to try to come up with some agreement regarding use of the area.

I think we have been more than fair, and we are going to try to do what we can to accommodate this individual, but we can only go so far.

Mr. Coles: The conservation officer who broke the trail went quite a way himself, because I have pictures in my office that show where the skidoo went over boulders two and three feet high and a place where the skidoo went over where there was no snow at all, which is another reason why the trapper could not trap fur on the line. I want to know why he is being chastised because of bad weather.

Hon. Mr. Porter: We are not chastising the individual for bad weather. That is an act of God, and we have nothing to do with that and no control over that. The Member for Porter Creek East takes credit for that, and we will allow him to do that.

It was a situation of the weather conditions facing the trapper being unfavourable in terms of when he made the decision to go into the area. We see that as a mitigating circumstance. We say that the production on the line was not great, but we are willing to extend another year to the trapper to allow him a full season of trapping. We have to make a determination as to whether or not that line is capable of being able to sustain heavy trapping over a season.

If, next year, it is proven that there are not many fur-bearing animals, we will have to take a look at it at that time and make a decision on whether or not we will allow trapping on a line that cannot sustain a harvest of that impact. I think the government is being upfront and fair. We will keep on making good decisions with respect to this issue.

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Question re: Legal aid costs

Mr. Phillips: The Justice Minister, in a letter to the Law Society and in statements to the press in late September of last year, says that he was looking at ways to reduce legal aid costs in the Yukon. Can the Minister tell the House if he now has a new policy in place with respect to reducing legal aid costs?

Hon. Mr. Kimmerly: I would not want to be accused of making a speech in Question Period. In order to completely answer that question, that is the only way I could do that. The question of costs is being negotiated currently among the Law Society, the Legal Services Society Board and officials in the Department of Justice. Various models and proposals are on the table for discussion.

Mr. Phillips: I would like to thank the Minister for not making a long speech. I was just asking if they have a policy in place. The Minister says that he now has meetings ongoing with the various law agencies in the territory. Can the Minister tell us when they

first started those meetings?

Hon. Mr. Kimmerly: The first meeting occurred in the first week of June in our first week in office. The meetings concerning senior officials in the Department of Justice and the Legal Services Society Board to discuss various proposed policies started approximately two or three weeks ago.

Mr. Phillips: On September 25 of last year, the Minister of Justice said, "It is the position of the government that substantial savings can be made, and it is not necessary or desirable to have substantial budgetary increases". Can the Minister tell me, in view of what he told us about the meetings that are ongoing — and it has almost been a year since the meetings have been ongoing — when he expects to implement his new policy with respect to reducing the legal aid costs in the territory?

Hon. Mr. Kimmerly: It is open to the government to simply impose a policy. The present legal aid tariffs are established by regulation by Order-In-Council of the Cabinet under the existing act. It is certainly the desire of the government to negotiate, among the individuals and groups most affected, a settlement or an agreement. I had hoped that would have occurred, at the latest, by August or September. It has not occurred as of yet. I am hoping it will occur in April; however, I have no guarantee that an agreement will be reached, but we are doing our best. The government stands by the position, stated in the letter, that increased costs are not appropriate, and that a reduction in costs is desirable.

¹⁷ **Speaker:** The time for Question Period has now elapsed. We will now proceed with Orders of the Day.

ORDERS OF THE DAY

Hon. Mr. Porter: I move that the Speaker do now leave the Chair and the House resolve into Committee of the Whole.

Speaker: It has been moved by the hon. Government House Leader that the Speaker do now leave the Chair and the House resolve into Committee of the Whole.

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chairman: The Committee will now come to order. We will now recess for 15 minutes.

Recess

¹⁸ **Chairman:** The Committee of the Whole will now come to order. Department of Education, Capital Expenditures.

Bill No. 17 — Fourth Appropriation Act, 1985-86 — continued

On Department of Education

On Yukon College Renovations

Hon. Mr. McDonald: The renovations that we are referring to here included some renovations that we thought could be completed last year. Because we voted the supplementaries in November, and because we had an unusually cold month, those renovations could not go ahead. We are talking about painting, paving and some work in ventilating the shops.

Mrs. Firth: Could the Minister tell me if they are planning on completing those renovations, or are they going to be seeking a revote of funds?

Hon. Mr. McDonald: We are going to review the vote of funds for shop ventilation. With respect to paving and painting, we anticipate using this particular building in the future for reasons that we have not determined. There are a number of uses for which this building could be put. Because the building will be used on an ongoing basis, and because you require this kind of maintenance and upgrading on a regular basis in order to protect your asset, we will request some funds for some of the renovations.

Mrs. Firth: Could the Minister tell us what they are anticipat-

ing that they would be using the building for?

Hon. Mr. McDonald: At this stage it is highly speculative. There was a suggestion at one time, before the Whitehorse Facility Study came forward, that because of the location of this particular building, it would only be suitable for high school instruction, that because the building was close to a thoroughfare, et cetera, probably the only controlled use of this facility would be for high school students.

If the Member has read the Whitehorse Facility Study draft, it does not lend itself easily to conform to those recommendations. There will have to be a review done on whether or not that is going to be made use of.

Another suggestion has been that government offices can be inserted into the facility itself. That has to be seriously looked at, especially if it does not require major renovations to make it into office space. Those are two ideas I know of that have been broached with me about the future of the facility. We will have to look at the government's overall space requirements before we can make a reasonably sound decision.

¹⁹ **Mrs. Firth:** Who is going to be providing the options to the government and when is he expecting to make a decision on the options of what they will be using the building for?

Hon. Mr. McDonald: The government has commissioned a space study, as the Member knows. I made sure that the consultants doing the report were aware that these people were vacating the college. The fact that there is an empty college on the river is known and will be a very important factor in terms of the long-term space needs of the government.

Mrs. Firth: I understand that the Whitehorse Facility Study was for Whitehorse schools. I had a very quick look at that. That was quite an expensive study. It took \$65,300 to complete it. Is the Minister saying that there is going to be another look at the educational facilities in the context of the whole space allocation study that the government is doing?

Hon. Mr. McDonald: We are going to have to compare and weigh our options in order to make the best decision regarding making use of space of this sort. Public school use of this facility is a consideration, even given its location. We will have to weigh that against any possible uses the government may determine necessary, in terms of the overall government space allocation plan.

There is also the option of selling the structure to the private sector, or to another government or to the City of Whitehorse, or whomever. Those will all have to be weighed in terms of best use of the existing space in the most cost-effective way. We will have to determine whether public schools can make use of it in accordance with our long-term student enrollment projection for the City of Whitehorse. If there does not seem to be a reasonable opening there, we will consider that facility for other government uses.

²⁰ **Mrs. Firth:** I was under the impression that there may be somewhat of a duplication when it comes to space allocation. The Minister is saying that the total Space Allocation Study that the government is doing is going to cover certain areas in education. Can he reassure the House that there is not going to be a duplication of the Space Allocation Study that the Department of Education just completed?

Hon. Mr. McDonald: Absolutely. I have tried to make it clear to the people doing the work on both the Whitehorse Facility Study and the overall Space Allocation Study that this facility, we project, will be vacant in the fall of 1988, and we will have to make a decision with respect to the best use of this facility.

There will be various weighting factors as to who can make best use of this. We will have to consider those factors and consider the best option once the Space Allocation Study for the government is complete. There is no rush on this to my knowledge. We are talking about a minimum of one-and-a-half year leeway. It could have been desirable to make use of the facility for public school purposes. We have to reconcile that with the Whitehorse Facility Study. It may not be any report's top priority to make use of this facility but it may make sense to have the government assume control for another purpose. We will compare, using both studies, best use and make sure that the transition from college use to another use is done

painlessly.

Mrs. Firth: Is the general study complete yet or is it still in process? What communication did the engineering services company that did this study have with the company that is doing the general Space Allocation Study?

Hon. Mr. McDonald: I will leave the issue of the general Space Allocation Study up to the Minister of Government Services when we get to his votes shortly.

I can tell the Member that we have considered the use of the college and we made it clear to the department that this fact obviously has to be considered in terms of the overall Space Allocation Study. The Yukon College has made requests for additional space. There have been departmental requests for more room in this building — I am sure requests that are not unknown to the Member — and in that general context we have ensured that our narrowed departmental projections are made known both to the engineering firm that performed the Whitehorse Facilities Study, and to the firm that is conducting the government-wide Space Allocation Study.

Mrs. Firth: That was my concern, regarding the communications between the two firms. With such expensive studies going on it would be unfortunate if they be working at cross-purposes and duplicating buildings they were studying and coming up with different recommendations that were not consistent.

When the Minister talks about the potential of the space being used for government offices, is he considering perhaps moving the administrative wing of the department out of the building to another building?

Hon. Mr. McDonald: Yes, that has been suggested as an alternative, if suitable space can be found in the short term, solution for some of this building's space problems. We have to understand that the old college will not be vacant until September 1988. There is a possibility that the Department of Education could easily move into the existing Yukon College facility.

The facility itself is much larger than is required by the administrative unit of the Department of Education, so I would doubt whether the department would have it to its exclusive use. That would have to be determined in relation to the needs of other departments.

Mrs. Firth: Just out of curiosity, could the Minister tell us how old the Yukon College building is?

Hon. Mr. McDonald: I really do not know. I get the impression that there have been umpteen add-ons to the building. Identifying its birthdate may be incredibly difficult, under the circumstances. As a matter of information, I will find out when the original birth took place and let the Member know.

Mrs. Firth: I would appreciate if the Minister could do that. I wanted to clarify some concerns about the renovations and equipment, and so on, at the College. I understand the Minister is saying that the renovations are more for maintenance only, just to keep the building sound. Will there be any decisions made regarding any major reconstruction or any major changes within the structure of the building, or is that going to be on hold until the fall of 1988, when the building is going to become vacant?

My concern is that there are a fair number of new programs being announced and, in order to deliver those programs, sometimes you have to make renovations that are rather costly, and then that building is going to become vacant anyway. How is the Minister dealing with that problem?

Hon. Mr. McDonald: That factor has weighed heavily on the decision-making to date. We do not anticipate any structural changes to the College whatsoever between now and the time the College activities are relocated to the new Mountainview Drive site.

These renovations are largely ongoing maintenance type of renovations. I believe the restructuring of the College ended either last year or the year before, that no new renovations were made, nor are they anticipated.

Mrs. Firth: The Minister of Government Services made some announcements about the construction of the new facility being delayed somewhat to maximize the local hire on the project. Can the Minister tell us what adjustments his department had to make because of that, and how that affected their plans for the

construction?

Hon. Mr. McDonald: The delay that was referred to was the construction of the community wing, the construction of the theatre facility, gymnasium and home for the archives, and the small art gallery, which was also incorporated into the design.

The sections that will be going ahead will be going ahead as per usual. It is simply that the new community wing would be deferred until 1988, and I would anticipate the construction time would probably be 18 months to two years to complete that particular wing. There have been no organizational changes of any major sort to what was anticipated to be the course programming at the College site itself. Apart from Libraries and Archives, much of the content of that new wing, which is to be deferred until 1988, are not functions of the College itself right now.

²³ The library's archives section would continue to be housed in the structure on this site until such time as its new home is ready.

Yukon College — Renovations in the amount of a reduction of \$133,000 agreed to

Mrs. Firth: I just want to raise the point about the Yukon College equipment for \$400,000. It is the same point that I raised when we discussed the miscellaneous school equipment for \$1,121,000. There is the same concern again that the department has it so fine-tuned that they know that they are going to spend absolutely every cent. I would just like to have the Minister make some comments on that.

Hon. Mr. McDonald: I suppose my explanation is the same as the previous one. I think that any reasonable person would suggest that accounting, given the myriad of small items, cannot be dead on. At the time the projections were made for period 9 to the end of the year, there was no way of detmning with any kind of accuracy how far off we would be. That is essentially the explanation. I do not think that they will be dead on \$400,000.

Mrs. Firth: Can the Minister tell us whether or not the equipment that is purchased is going to be interchangeable with the new college? We are not going to have to purchase equipment are we? Has the department started identifying equipment that is going to be able to be moved to the new college?

Hon. Mr. McDonald: There was a preliminary estimate worked out for desired new equipment when the design of the college was initiated one-and-a-half years ago. I do not know, with any degree of accuracy, what the original price tag was for the equipment, but I think the government was looking at something in the neighbourhood of \$4 million. I will check that figure.

The small items that are mentioned here certainly would be easily transferrable to the new college or to the public school system itself, depending on the item purchased. There is nothing in this equipment that would be outstanding in its size or complexity. That would come when we work up a capital budget for the new college.

On Whitehorse School Facility Study

Mrs. Firth: I have received a copy of the Facilities Study. I am assuming it is the same one as the Minister sent me. Can the Minister tell me what process he is going to go through now with the study and how he is going to implement it?

²⁴ **Hon. Mr. McDonald:** I believe the study itself would be useful from a number of perspectives. The study will help us determine, based on student enrollment projections and the cost of busing, et cetera, the method by which we program various classes around the city and our capital projections into the future. As the Member may know, having perused it briefly, there are some recommendations in the study with respect to French immersion and Catholic schools, et cetera, which would require careful consideration.

The study does have some side benefits that are interesting. One is allowing us to better understand the associated costs of various programs in the city. It makes it quite clear the cost associated with instituting a particular program in a particular school, like the attendant cost of busing, for example, which is an important factor.

It has made it clear with special long-term capital projections that the development in Whitehorse is now heavily weighted on the environs and is projected to be so into the future. If we want to keep ongoing O&M busing costs down, there may be a requirement in the next half decade or so to consider the construction of primary schools on the environs of Whitehorse.

The department is going to have to review the study itself to cull from the information what is useable in the near term, and that will help us in at least the first year of the five-year capital plan. Then, when we feel more comfortable with our intentions into the future, we will institute that into the longer-term capital plan.

Mrs. Firth: It is quite interesting that student enrollments are going down, yet the cost of education is escalating quite quickly. It seems we need more facilities, classrooms and buses. It is difficult to understand the relationship. What process is the Minister going to put this study through now that it is completed?

Hon. Mr. McDonald: We are going to review the projections into the future. There is obviously a difficulty, as the Member mentions, in terms of projecting student enrollment well into the future. So much of it depends on economic development initiatives. For example, with a transportation company hauling Faro ore, basing its operation in Whitehorse, what is the addition of 60 or 70 employees and their families going to mean to student enrollment projections? What is the reopening of Cyprus Anvil Mine generally going to mean? The best we can do is try to marry our development activities, such as the opening of new subdivisions, et cetera, to our facility needs projections into the future.

²⁵ That is as close as we can come to a much more accurate picture of where we should be going in the future. The situation, as it has developed over the years, has allowed for very high busing costs in the City of Whitehorse to exist, largely because of the location of the schools and the programming. There is a table in the study that shows FH Collins having 300 children bused to the site; Whitehorse Elementary has 231 children bused to the site. Those are significant numbers and, perhaps, because the busing budget ranges in the neighbourhood of \$800,000 per year, there may be some balancing we can do with respect to our capital projections and our O&M projections associated with the placement of schools in the future.

It would help us determine the situation with respect to the construction of a permanent facility at the Grey Mountain site. The Member may not particularly agree with the recommendation in the report with respect to what facility should be constructed at Grey Mountain, but it helps us focus the decision with respect to whether or not a permanent structure should be built in the near future or in the long-term future of that particular site. It will help to rationalize our capital budgeting process in the future. That is the general intent. It is not meant to provide justification for the construction, willy-nilly, of new schools in the City of Whitehorse and the environs. It is merely meant to help us provide direction with respect to what we can anticipate in the future, where best to spend money, given student enrollment projections.

Mrs. Firth: I would like to raise a concern with the Minister. Who is going to be consulted and who is going to be able to have access to the Facility Study? I have had some concerns raised by people who have been trying to get a copy of the study and have been unable to. I was wondering if the Minister is going to be consulting the school committees and the Education Council and the principals and teacher organizations and so on. Surely, this is a public report, and people will be able to get a copy of it and peruse it, as I have done.

Hon. Mr. McDonald: The Member is in a bit of a privileged position because this report, that the Member sees before her, is a draft report. There are some inaccuracies that we would like to identify to make the report that much more meaningful. It still may not mean that we will support all the recommendations, but it will help the final report itself, which I anticipate will be released in a couple of weeks. I have no problem whatsoever in making this kind of report public, despite the nature of some of the recommendations with respect to Catholic school education in the city. These are important issues that have to be mulled around by school committees and the Education Council, et cetera. They are very important considerations that people should be aware of, in terms of making use of the background information that the report provides.

For that reason, it is wise and reasonable to ensure that people in the City of Whitehorse and around the territory get a sense of what this report may be able to do for them.

²⁶ People around Whitehorse ought to be aware of many of the considerations that have to go into making decisions of the

magnitude that this report suggests could be made if there was money available for this kind of thing. Certainly, people should be made aware of that kind of thing. We will not simply leave it up to a given school committee to determine whether or not they will support a particular project in a certain area of the city.

I think people in the city have to keep in mind the global needs of the city in order to accept decisions that they partake in with respect to the final decision taken regarding facilities around and about the city.

Mrs. Firth: I am a proponent of the report being made public. I see no problem with it in its present form because people should have the opportunity to discuss it, to think about it and to mull it over. Granted there are going to be some groups that are concerned and will argue with other groups, but it is the government's responsibility as mediator to bring the groups all together and come forward with the most rational options and decisions.

I agree that it should not be left up to the school committees alone, and that there should be a lot of input solicited from parents and from teachers who are going to have to work under the new conditions that are going to be determined by the facilities report, whether it be classroom size or class size, or whatever. I think it is going to require a tremendous amount of work on behalf of the Minister going around and ensuring that everybody has access to the report and has an opportunity to have their say regarding how they interpret it and how they feel it should be implemented.

On behalf of the Opposition, we will be looking forward to encouraging the Minister and pushing to see that he does consult with as many people as possible. I know that he will receive that in the constructive way that it is meant.

I notice the contract is for \$65,300. What is the other few thousand dollars for? The total is \$67,000.

Hon. Mr. McDonald: Sixty-seven thousand dollars is the cost projection. I am not sure when the figures are worked up whether or not the final cost of producing the report was established at the time the projections were made. I would presume that the extra \$1,500 may have been associated with publishing the report.

Mrs. Firth: I would like the Minister to check because every \$1,500 or so that we spend of the taxpayers' money is important and does add up. At some later date, during the O&M budget, could the Minister clarify what the extra costs were for or if they only spent \$65,300 instead of \$67,000?

²⁷ **Hon. Mr. McDonald:** As we are talking motherhood here for just a second, certainly the \$1,500 is important to us as well and we will endeavour to determine what it is being spent for, if it is being spent at all. There may be some option funds there as well.

Whitehorse School Facilities Study in the amount of \$27,000 agreed to

On Watson Lake High-Heating Review

Mr. Lang: I have a question on this particular topic because there was some thought of alternative sources of heat for the purposes of those particular school facilities in that area. I am wondering what the results are, if there have been any?

Hon. Mr. McDonald: In terms of technical results I would have to come back to the Member with that information and provide it to him.

There is the long-term future of the school to be considered as well. There is consideration being given in the next while, though no deadline has been made as to when the decision has to be made, about replacing the Watson Lake High School with a more sound facility. That will be taken into account with the long-term projections for heating requirements for that school.

Mr. Lang: There is more than one school in Watson Lake. My thoughts were that maybe there was an alternate method of heating, even a newer facility. I know there was some talk a couple of years ago. I do not know how far it had gone, and was inquiring in that respect. Is there some thought of building a brand new facility in Watson Lake, and replacing the present facility?

Hon. Mr. McDonald: Yes, there is some thought of replacing the high school facility in Watson Lake. Given the age and decrepit character of the school, it has been suggested that a new school be constructed there. We are going through the planning process to determine whether a new school is necessary, and the cost

projections for a new school, should we make a decision as to whether or not to construct a new one in the future. Those decisions have not yet been made, but certainly some thought has gone into what would be required to make a sound decision in the circumstances. The Member's concerns with respect to alternate heating sources would be certainly incorporated into that plan.

Mr. Lang: Because it does raise the expectations of the people in the community, especially if they think there is the possibility of a new facility, when will a firm decision be taken, as opposed to the situation where no decision is taken and expectations are raised and all of a sudden perhaps the economic reality of the situation comes down and you cannot proceed? This is very damaging upon the government, but also to all Members of the House. When would a decision be made in that respect?

Hon. Mr. McDonald: I am very concerned about raising expectations needlessly. That is always an ongoing concern by any Minister of the government. We have proceeded with the situation in that light.

²⁸ The preliminary review of the school itself has been done. Things like long-term projections for the ongoing maintenance and upgrading of the school will be necessary to determine the value of replacing the school. The decision as to whether or not to go ahead may be made within the next year. That would come with a signal as to whether or not the government is putting in design plans for a new facility for consideration by the House.

I do not think there is any doubt in anybody's mind that the school is a very old one, and is not to the same standard that many other students enjoy in the territory. That is not to say that we can proceed with the construction of a facility, but we can put it on our priority list. If there is no demand for other facilities of equal costs, et cetera, if it is determined to be the highest priority in a given year, then we would proceed with it. We have discussed with the school committee what their expectations are over the next year and over the next decade with respect to school facilities. The concurrence that has been reached is that the Watson Lake High School should be considered for replacement in that time period. The hard decision as to whether or not we can go ahead in any given year has to be made by Management Board, by Cabinet and by this Legislature, when it comes around to determining the capital program for the next year and for subsequent years.

Mrs. Firth: I would submit that the Minister is going to have a lot of decisions to make regarding new structures. I have just been jotting down a short list and Faro, I know, has some difficulty with their school, and they are looking at some major capital costs. There is a question mark as to what is going to happen with Grey Mountain Primary, whether they are going to have an activity room or a permanent structure or whatever. The Minister has raised the question about schools in some of the outlying areas within the city because of the busing increases we are having. I know your riding, Mr. Chairman, is looking at a new school in Dawson City. Watson Lake, now I find out, is looking at a new school. We have the Yukon College project, which is a tremendous amount of capital money.

Can the Minister tell us when he is expecting to come to some kinds of conclusions about all of the capital structures that he is going to be looking at? How is he going to be prioritizing the decisions?

Hon. Mr. McDonald: Over the next year and over the next decade, I have no doubt that hard decisions will have to be made with respect to who comes first.

There will be such things as the quality of the facilities to be replaced, or the desirability of new facilities that are to be constructed. These things all have to be taken into account, and they are a part of the capital budgeting process that takes place from year to year.

With regard to the decisions with respect to major capital items over the immediate coming year, I would ask the Members, apart from what has been demonstrated in the Capital Mains for 1986-87, would they want to defer the discussion to supplementaries for the Capital Mains in general terms?

²⁹ The Member is quite right that the Whitehorse Facilities Study does recommend a primary school to be built. I cannot remember

what they plan to do with Grey Mountain but I think it was to build a school on site. Robert Service School is in trouble. I just mentioned the situation with Watson Lake. Carcross School is up for consideration as well.

Obviously, the construction of the new Yukon College on Mountainview Drive is a tremendously large expenditure. One of the reasons we decided to postpone the project over a longer construction schedule was not only because of the fact that we wanted the local labour to make maximum use of the opportunity for work, but also because there were other commitments of an ongoing nature that have to be met as well.

These things are all to be considered. As we come forward with various projects, I am looking forward to a full discussion and I will provide the information that I have to Members to help them make decisions.

Mr. Lang: Do I take it then that the you are going to provide time on the O&M mains to discuss this? I hear the Minister say that perhaps we wait until the O&M mains. I do not have a problem with that but I do think it deserves a little more attention.

Hon. Mr. McDonald: I was not considering it for the O&M Mains. I was considering it for the Capital Supplementaries, which could very easily come forward in this session. The items that we are talking about are not considered here at all. It is impossible for me to make a decision right now, or even to debate meaningfully, whether or not a primary school is going to be built near the Golden Horn subdivision. I cannot do that because there has not been the necessary work done in the department to make all the necessary considerations for that kind of decision. That would depend very much depend on when we are ready to make a sound decision based on as much information as we can collate at any given time.

Mrs. Firth: I do not want the Minister to misunderstand us. We were not asking that he get into lengthy debate about all the specific areas that I had raised. We were simply pointing out that there are a lot of outstanding issues and that probably the Minister, as well as us as legislators, are going to have to make some firm decisions.

We were just wondering when the Minister is anticipating having some more information to help him and his department arrive at some conclusions as to who comes first. There are some practical things that could be thought of. You could think of some common sense things but it is going to be up to this government to express to us what their priorities are and who actually does come first. We were simply raising it in that context and we look forward to further debate on the issue.

Watson Lake High — Heating Review in the amount of \$1,000 agreed to

Mr. Lang: On Community Learning Centre Equipment, I understand there is some work being done in Old Crow and that there are plans for Burwash as well. Could the Minister give us an idea of the projection for the future on these areas?

³⁰ **Hon. Mr. McDonald:** The activity to date is that a community learning centre has been established in Old Crow for use by the residents of that community. In the O&M portion of this vote, I did make mention of where the funding was coming from within the internal transfers.

In Haines Junction, these are O&M expenditures. We are not talking about capital expenditures here, because I am not talking about building a facility, but renting space. The intention, as I could make clear during the O&M Estimates, is to provide a community learning centre in Haines Junction that could have a satellite capability to provide service to Burwash and Destruction Bay. That is the intention as it stands right now. That would cover off the major communities in the territory to complete the cycle.

Mrs. Firth: I noticed that the Department of Education is renting a fair amount of space for the community learning centres from the Indian bands in some areas, and so on. Is it becoming a problem trying to find somewhere to house the community learning centres? Is the government having to look at more space for that?

Hon. Mr. McDonald: The community learning centres generally take up more space than simply the office space that they might rent in a given community. They generally undertake a large measure of programming in the school itself. In a place like Watson Lake, they operate out of the high school and use high school

facilities. In Dawson they have a small room in the liquor store building, out of which they operate. They provide some academic programs, but the technical programs can take place in a government garage, or in the school.

In general terms, the debate has revolved around the issue of how much use one would make of the public school. The concern expressed by some educators is that the majority of clientele in a community learning centre may have had a reasonably bad experience with the school. They feel that people who have failed, and who probably make the greatest use of the training opportunities provided by the community learning centre, may have bad feelings about the school facility itself. There is a feeling that there should be a community learning centre, and the school should be as separate as possible in order to encourage people who may have bad feelings about a school to still come to the training centre.

I am convinced that the argument to separate is probably a good one. The serious limiting factor on that particular proposal is the cost. The school is there and, if it was not used, it would more than likely be vacant. The facilities are there; the equipment is there. In small communities, there is not much opportunity to do other than to use a school.

³¹ Building a separate facility for training purposes and, at the same time, leaving public school training space vacant does not make a lot of sense. So, for the time being at least, the initiative will be to make use of school facilities where necessary and to rent space where we can from local organizations, et cetera, or to use existing government space if such exists in a given community to provide the function of a community learning center.

Mrs. Firth: The Minister raises some very interesting points. I agree with his feeling that the community learning center is best dealt with out of the school. However, I am concerned that the spaces being made available for the community learning center are somewhat small and, really, part of the success of the whole Community Learning Center Program is the fact that there is a small area in which people can socialize. If, in Old Crow, it is to the benefit of the residents of the area to rent the space from the band office, where people would be going for some social contact, and also take advantage of the community learning center, that seems to be quite practical and make a lot of sense as far as I am concerned.

Has the Minister looked at all of the community learning centers and their locations and identified if they are best suiting the needs of the community, and the makeup of the population in the community and particularly the people who are utilizing the services that are provided?

Hon. Mr. McDonald: I do not think it would be accurate to say that I have looked in depth at all of the locations of the community learning centers around the territory to determine whether or not the space chosen is the best and the most cost-effective space available. Certainly for those communities in which I have had some involvement in having the learning center instituted, my hand has been in the decision.

With respect to other community learning centers, such as Mayo, with which I am very familiar, there are a number of factors that went into making the decision to provide some classroom space in the band hall.

Quite often, in communities such as Mayo or Old Crow, the renting of space is a very significant issue in the community. There is a desire to have revenue coming from government to support another facility, such as a band facility or a community center facility. Quite often this kind of revenue can be very important for them. It is by no means the determining factor. The determining factors are the viability of the learning center itself and whether or not people will make use of it, feel comfortable in it, and if it is sufficient to meet the size needs, et cetera. There is, in all communities, a desire, depending on the program that is being put forward, if it is something that is not being conducted out of a mobile unit, if it is a technical program, to find the best facility in the community to house that program. If it is auto mechanics and there is a highways garage, then that is a good alternative, in order to make use of the equipment and the space. In many rural communities you have to determine what is available in a given community and make use of the space you have, rather than

construct new digs.

³² **Mrs. Firth:** We cannot just skirt by Grey Mountain Primary Activity Room quickly. I recognize there is no difference in the vote, however, I do have a very strong emotional attachment to this line item.

Can the Minister just tell us what the status of the activity room is? I am asking on behalf of the school committee and various parents who have called, because they know we are discussing the Supplementary Estimates, and they would like to know what the future is of the Grey Mountain Primary activity room.

Hon. Mr. McDonald: As the Member will recall, last fall when this item was up for discussion, the school committee made representation to me that the proposed facility was over-designed. If the only use of the facility was going to be for playroom or activity purposes, then there were some aspects of it that were over-designed. I made a commitment to them that the kind of facility they wished, within reasonable limits, would be the kind of facility that we would build.

A preliminary estimate was put into the budget for this coming capital year to allow the government to be able to build a facility of the sort they wished. That funding is still there. The proposal is that we would attempt to build the activity room in such a way that it would not prejudice the future of the school, if we were to build in five years, or next year, a permanent facility on that site.

As with any education-related capital expenditure, the window of construction is limited. The desire will be to complete the facility, if possible, prior to the new school year in September. In general terms, that is where the project stands. I would hope to be cutting the ribbon with the Member in early September.

Mrs. Firth: Can the Minister just tell us when the tender is going to go out?

Hon. Mr. McDonald: Specifically, I do not know. I will make sure the Member gets that information right away.

On G.A. Jeckell Industrial Arts Facility

Mrs. Firth: Could the Minister give us a breakdown, please.

Hon. Mr. McDonald: The industrial arts facility is complete. It just came in under budget, believe it or not, to the tune of \$76,000. That is where it stands.

³³ **Mrs. Firth:** There is a mobile unit at G.A. Jeckell School. Could the Minister tell me what that is for?

Hon. Mr. McDonald: My understanding of that is very fuzzy so I will have to get back to the Member.

Mr. Lang: Is there something wrong with the structure of the gymnasium or is there an examination being done?

Hon. Mr. McDonald: There is a desire to expand the gym. That is the next line item in the budget. It is felt that for the ages of the children using the facility that it is not of sufficient size compared to the standards around the territory. There was some question as to whether or not the extension would in any way jeopardize the tennis courts behind the building. We have determined that, should we go ahead in the very near future with the gym expansion, it will not affect the tennis courts.

Mrs. Firth: Does this complete the Industrial Arts facility now? Is it totally finished including equipment?

Hon. Mr. McDonald: It completes the industrial arts facility, although the equipment associated is probably not incorporated into this line item but would be incorporated into the miscellaneous school equipment line item.

Mrs. Firth: They will be getting their equipment? There was some concern that the facility would be finished but that all of the equipment that they had ordered would not be available. I gather that is incorrect?

Hon. Mr. McDonald: I am not sure whether or not they will get all of the equipment. I do not have an equipment checklist. I will have to look into it. Whether or not they get it in a timely way is something that is a continuing concern to all of the schools in the territory. If the Member wants an account of what was requested and what can be provided, I will try to get it for her.

G.A. Jeckell Industrial Arts Facility in the amount of a reduction of \$76,000 agreed to

On G.A. Jeckell Gym

Mrs. Firth: Is the gym going to be made bigger?

Hon. Mr. McDonald: The funds for the design were voted very late. It was one of those projects that could not be completed in the time that was demanded by political leaders. There is still a desire to expand the gym. When we vote on line items and when we talk about the capital supplementaries, I am sure the answer will be given in technicolour when we do the line items.

G.A. Jeckell Gym in the amount of a reduction of \$67,000 agreed to

34 On Carcross School Upgrading

Mrs. Firth: Could the Minister tell us what that is for?

Hon. Mr. McDonald: The Carcross school had requested some improvements to the facility. The improvements included the design of a new industrial arts room, a home economics room and, I believe, a primary classroom. Early this year, I discovered that the consensus was not to simply stop at that level of expenditure for a given year, but, in fact, that there was a desire by the school committee to expand the gym and to essentially redesign major portions of the school at a much greater expense.

The funds here are associated with design work, and the design work is not complete. Again, this is one of those items where there is a desire to do something for the Carcross school, but the capital supplementaries will essentially tell the tale as to whether or not, given our financial limitations, we can go ahead and to what extent we can go ahead in this coming year.

Mrs. Firth: Do I understand the Minister correctly, then, that the design work was proceeded with, so they must have hired an architect or an engineer to do some design work. They will only have done \$5,000 worth of design. Are we going to be asked to revoke this, and is the design work going to proceed?

Hon. Mr. McDonald: Much of the design work for an addition for the existing school was done in-house. I would presume that, at a very minimum, the design work will be completed in the coming year. I do not have my Capital Mains in front of me. There is, I believe, in the Capital Mains, a proposal for better than \$700,000 for the home economics, industrial arts and primary classroom. This was meant to be a preliminary design, and I believe much of that has been done.

It was not to the satisfaction of the school committee, or at least it was not when I visited the Carcross school and spoke with the school committee. Their expectations were much greater than that. They were looking at a new gymnasium, essentially, and other work to be done: revamping of the change rooms, et cetera. Whether or not we can accommodate any additional work at the school will have to be determined when the capital supplementaries are introduced.

I would think that the amount of work that is projected for the coming year in the Capital Mains is significant in itself. Probably, if the truth be told, it is the only amount of capital work that could be accommodated within the short window of construction we have during summer months.

Carcross School Upgrading in the amount of a reduction of \$22,000 agreed to

35 On Robert Service School Renovations/Upgrading

Hon. Mr. McDonald: Much of the school upgrading that was projected in 1984 has been completed. There are some unfortunate side-effects associated with that upgrading in that the new addition just built seems to be having some structural problems. The feeling is that this, too, is a school in need of some major work — hopefully major work that would be cognizant of the ground conditions in the area. Otherwise this school is going to be the subject of discussion in this Legislature for many years to come, no matter how much money we spend.

The \$95,000 reduction is simply that much of the work has not been completed, because there is a desire to redirect those funds for planning a new facility, or renovations to the existing facility. The Member will know that, because the sprinkler systems are not operative, there is the necessity to pay for 24-hour supervision of the school for insurance purposes. The school itself is sinking. The boilers are not sinking, but the boiler room is. There is obviously a safety concern associated with that, and we are going to have to address that problem in the very near future if we want to address what could be a serious safety problem.

Essentially, \$628,000 has been spent on the renovations. That is the new industrial arts wing, et cetera. Ninety-five thousand dollars, which could have completed the renovations, is being turned back. More than likely it will be put into some planning for a new facility.

Mrs. Firth: Could the Minister tell us why they had all the structural problems? Is his department aware of that? Are they doing an analysis to see why they had all the problems?

Hon. Mr. McDonald: There is some understanding as to why the problems have existed. Ground conditions, the permafrost and gravels underneath Dawson are not upholding the school properly. The Department of Education is acutely aware of it. I know the Department of Municipal Engineering has some understanding of soil conditions in Dawson, and I would direct that all available information within the government will be put towards trying to resolve the problem. There are buildings in Dawson of similar weight that are holding up because they were presumably put in properly.

³⁶ Unfortunately, the methodology for placing pilings, et cetera, has not been consistent, and the results are not consistent. Some parts of the school are sinking, other parts are standing firm. The new facility that was constructed last season is one of those that is not standing firm. It is cracking, buckling and sinking. That is a problem. We are going to have to resolve that. We are going to have to ensure that an understanding is there and that the problem is resolvable and resolved prior to the expenditure of any more funds.

Mrs. Firth: If it is so, as the Minister says, that it was not put in properly, who is assuming the responsibility for that cost-wise? Is it the government, or is it the construction contractor?

Hon. Mr. McDonald: I am not specifically familiar with that particular question. I will look into it. The government would bear some responsibility, I would presume, though I have not been told that the contractor had refused to comply with tender specifications at the site. That would be worth communicating to me, if that were the case. I can only presume the contractor did comply with those tender specs.

The design work and the construction started some considerable time ago, but if the Member wants more of a breakdown, I can have that made available.

Mrs. Firth: I raise this issue because, in the Public Accounts Committee, we identified, some time ago, a problem with the whole process of signing authorities and departmental officials being allowed to give the go-ahead to have a project proceed. I know the Dawson sewer and water project and the Faro school project raised many concerns in this Legislature about how decisions had been made. A process was supposed to have been put in place that was to take care of that, so that the liability or the responsibility could be pinpointed, so that the government was not left holding all the responsibility and having to pay all the costs.

I get the feeling that that process is not in place or, if it is, it is not being followed exactly, 100 percent, and that this may be an indication of a shortfall or a shortcoming within the process. I would like to know if the Minister is familiar with what I am talking about, and has he consulted with the Government Leader about the whole process of approving and signing authorities and decision-making? Is he going to be able to provide some information to us about exactly who is going to be responsible for the costs?

Hon. Mr. McDonald: The fact is that I am very much aware of the lines of communication within the project management system that the Member refers to. The Department of Education is not responsible itself for supervising construction projects. That would be the purview of the Department of Government Services. I do know that the Department of Community and Transportation Services has adopted a project management system that is similar with the one adopted by Government Services.

³⁷ If the Member would like to pose that question to the Minister of Government Services, when we get around to his vote, perhaps that broader overview could be explained then.

Mrs. Firth: The only problem is that the Minister, because it is his school, is going to have to answer the question. There is supposed to be a project management system in place that is supposed to stop this kind of thing from happening. If it was not put

in properly, I think the Minister has to know whether or not the construction company is going to assume responsibility or if the government is. It is a fair amount of money we are talking about: \$628,000. Are we just going to have to write that off or what is going to happen?

Hon. Mr. McDonald: The project management system anticipates that the tender specifications for a given project are going to be suitable for that project, given the construction environment. The ground crew will understand the ground conditions, necessary building techniques, et cetera. They will specify what is necessary to avoid trouble in the future. So the project management system anticipates that process being put into place.

I believe that, in Government Services, such a procedure is in place for construction work of this nature. Certainly, as the Minister responsible for Education, I want a building that is going to stand up and is going to do what we anticipate it will do. It very much depends on the ability to supervise the project, to make the right decisions at the right times, and the people who make decisions take responsibility for the decisions as the project proceeds through its natural life.

A project management system is in place. It will be in place in the future with respect to facilities of this sort. When and if the funding is made available for a project of this sort, the Minister of Education, at least, will have security in the knowledge that the project management system is in place and that the best minds have participated in determining the technical specifications for the project. So, when the Minister requests funds for a capital project that would meet an educational need that he will have to justify, there would be the attending security of knowledge by Members of the Legislature that the system was put in place and would work.

With respect to the way construction projects are supervised and the delineation of the project management system, the person who can explain it better than I is the Minister of Government Services. With respect to deciding the need for the educational institution in Dawson, I would be the person who is best in a position to explain it, and I would be in a position to justify that kind of expenditure for that kind of project.

Mrs. Firth: I would like to know if the Minister has asked the Minister of Government Services who is going to be accountable because he is going to be questioned even though I understand where the responsibility is. But the question has to be answered as to who is going to be accountable because this was a concern identified by the Public Accounts Committee. A project management system was to be brought into place that was supposed to prevent this kind of thing happening again, and obviously it has happened again. I would like to know who is accountable and I know my colleague from Porter Creek East would like to follow up with some questions also.

Hon. Mr. McDonald: I cannot tell the Member with any degree of certainty whether or not the project manager system was in place for this particular construction work. Certainly the Ministers who were ultimately responsible for the department, at the time the decision was to be made whether or not to go ahead, are responsible and most of them are in this House right now.

Of course, there have been conversations about what kind of project management system is in place. That is not to suggest that my working knowledge of the system is perfect, or as good as, or better than, the Minister responsible for the project manager system. It only means that the Minister responsible for the project manager system is the Minister responsible for the construction activity being undertaken. If the Member has questions with respect to the educational necessity for building the capital work, I stand here now to defend what is before the Members now in the budget. I believe that is a decent explanation.

Mr. Lang: The reality of the situation is that the Minister of Education is going to have to answer to this, and you are answering to it right now. We now have, approximately, a \$628,000-building from which, I understand, the boiler room has left and gone over to the Eldorado Hotel.

It is very serious. I think the Minister has made a very valid observation. We went through, when the government was this side and the opposition was that side, and I recall, and rightly so, that

there were some very interesting questions asked about the Faro School and the implications thereof. At that time, if I recall correctly, the question was raised by the Public Accounts Committee about what we could do to try to prevent anything like this happening again. You had a major capital expenditure and all of a sudden the politician is trying to justify why the boiler fell out of the building or, in the case of Faro, why the gymnasium fell off the rest of the building.

That is very difficult, and not a lot of fun. I think it is a very legitimate question to ask what happened in the decision-making when we have a building where you are asking to give back \$95,000 and, at the same, having received a boiler sinking out of the boiler room.

³⁹ I would like to know what we are doing to rectify it. I understand that the department has looked at what options are available regarding that particular addition. I would like to know what is happening in that respect. Has a logical recommendation been put forward? If so, what is the cost going to be?

I would like to know who made the decision to put ordinary spruce piling in for a foundation? I think that is a very legitimate question. If that were the case, to put in spruce pilings for the purposes of that facility, I think somebody had better be questioned why they went ahead with that decision.

Who made the decision to go with local spruce for the foundation? Was that a political decision or was it an administrative decision? If so, why? I would like to know what we are going to do to correct the situation, or are we just going to have further consultants coming up, similar to the Faro school — and I am saying this from a non-partisan point of view, because this happened when the Conservatives were in power — where they looked at it and nothing of any substantive nature came out of it except that more money was spent. It was all done with outside consultants, not local consultants.

Hon. Mr. McDonald: The intent of the Member's concerns are legitimate. The details are not quite so important, even if they are not quite accurately stated.

The question respecting local spruce and when the decision was made and who made the decision, are not known to me. It was not a political decision that I had made, as of June 1, when I became Minister. If it was a political decision taken by the previous Minister, then I have no way of knowing that. I would not expect the department to say. They might.

To make things clear, the boiler room itself is in the main body of the main building. The additions that we are talking about are the add-ons — the industrial arts room, which is not a level property. You can see some cracks in the wall. The boiler was not mailed to the Eldorado Hotel. I do not think the Eldorado Hotel would want it. The boiler room is sinking in the main body of the main building. It is sinking, and the boilers are constantly being levelled, to ensure that there is no damage to them.

The reference the Member for Riverdale South made regarding project management is a serious consideration. I remember that even the short time that I was on the Public Accounts Committee that this was an issue. We did review the way decisions were made and tried to identify people who make the decisions to ensure that tender specifications are followed, that cost-cutting is not done to damage the integrity of any structure. I can only presume that project management was followed in this case, but I am not sure that it was. I am not sure that it was put in place at the time the decisions were made and the project was undertaken.

⁴⁰ I am not sure whether the tendered specifications stipulated that a certain kind of piling was preferable over another, or whether the engineers who initially made the decision to put in a certain piling were simply mistaken. I can ask the Minister of Government Services to make that kind of detail public with respect to this project. Obviously, the issue of having the Minister request funding for capital work when nobody is certain that this capital work has an expected life of more than a year has got to be a major consideration for people in this Legislature.

We have plenty of experience with respect to technical decisions that were either wrong in the first place, or were not followed in the second place, by the project managers at the various levels. That

obviously has to be a consideration for us.

Mr. Lang: I hope we do not get accused of filibustering again, but I agree with the Minister that it is a very major area of concern. I gather there was some study done of the facility as to what could be done and what options were available to try to rectify a very serious situation. You have not answered my question. Is anything concrete going to be done that you can report to this House in view of the fact that you have had full knowledge of this situation for quite some time. Plus, there have been experts looking at it.

Hon. Mr. McDonald: We have had some cost-estimates done of repairing the school as opposed to constructing a new one. The very carefully worded caveats that the Department of Government Services, to my knowledge, has put on any rehabilitation funds is that once the building is in danger of sinking, you can never be truly sure that you have caught the problem. You have to get in and do the base work in order to satisfy yourself, with any degree of certainty, that the situation will not worsen.

The cost estimates are in the neighbourhood of \$3,000,000-plus with respect to renovating the existing centre portion of the school and leveling, again, the industrial arts room.

I can tell you truthfully that I would be hesitant to ask for that kind of funding if I were not sure that the structural integrity of the school is stable. There would be no point in spending that kind of money, in my own opinion, if the school was in danger of sinking even further after it had been levelled and some foundation work done.

The decision with respect to what to do with the school in the future is up for very serious consideration, given the kinds of concerns that the Member for Porter Creek mentioned: the safety of the school, the integrity of the boiler system, et cetera, which are all very significant. The fact that the sprinkler system does not work is something that probably could be rectified without constructing a new one, of course.

⁴¹ The structural foundations are the major consideration. When we are talking about a \$3 million repair bill we might just as well consider construction anew.

Mr. Lang: Is this the recommendation of options by the so-called experts who came up and had a look at the facility? Is that where you got the \$3 million figure? What exactly did the experts recommend? Was it somewhat similar to where you got the in-house numbers?

Hon. Mr. McDonald: As to the authors of the study that the Members refers to, I will have to take the question under advisement to pursue the matter in greater detail. The estimates that we received for the repair work, whether they came from a consultant or not, came from Government Services.

Mr. Lang: I am a little concerned. I am told on one end that we hire a consultant for \$10,000. Then I am told it is not sure if the figures were received from that individual who apparently looked at the facility. Whose advice are we taking and what credence and credibility do we give to that advice?

On one hand you say that \$3 million is wanted to build a new foundation for the present site so, logically, it is presented to the House that there is the possibility of building another facility. Who is to say that the next room is not going to fall in? We recognize that something is going to have to be done to rectify the situation. What is being done internally or by contract to ensure that we do not get into a situation of building a structure that falls in? Is there any work being done regarding the permafrost? That is where our concerns lie. That is where our money has been wasted in Faro. I am sure the problem with Dawson City is permafrost as well.

What are we doing to ensure that not only Dawson but Government Services and the Department of Education do not get into a situation like that again? Do we have some sort of internal mechanism set up to bring forward a policy to ensure that certain steps are taken when we do confront permafrost? If they are deviated from, is it taken to the highest chain of command? That was the Public Accounts Committee recommendation accepted a couple of years ago by this House.

I think the main concern is permafrost. I would like to know what is being done internally so that we do not get into a situation where some poor sap sitting on the other side there down the road — God

Bless, it might be you, Piers, but I doubt it — is trying to rectify the fact that the Dawson City School has fallen in again.

Hon. Mr. McDonald: First of all, I will do my best to be here five years from now. I will give little thanks to the Member for Porter Creek East if I am. The Member has asked what we plan to do about the situation in the future.

My limited understanding of permafrost is that it is quite different in different communities, depending on the permeability of the soils. In Haines Junction there is frozen heavy clay, in Dawson there are gravels, in my part of the country the overburden is a mix of mud, dirt and rock. I have had some experience in mining in permafrost conditions, but the experience of permafrost is different in different communities.

⁴² I do know there is a bit of an internal discussion with respect to what can be done in a place like Dawson. There is even some folklore, as expressed by the Mayor of Dawson, as to how building construction should be carried out. The folklore is at odds with the expert advice that we purchased for the original design for the new addition.

There is some understanding in municipal engineering as to the building conditions in Dawson. We have spent some time and effort and resources in upgrading people in the Department of Municipal Engineering with respect to understanding building in permafrost conditions. The security that we would have with respect to project management of a situation such as this, as dictated by the House and the Public Accounts Committee from before, is that there is a project management system in place.

As I have said already, I think the project management system depends very much on the technical advice initially being correct. The concern by some people in Dawson is that the experts whom we hire from outside do not understand permafrost conditions in Dawson and that they use a textbook solution to a situation that is not anticipated by the textbook. That has gotten us into trouble in the past.

It is difficult for all legislators here to deal with that situation when the experts disagree. There are certain building techniques, I have been told, that can be employed in a place like Dawson quite successfully. The same building technique, because of the difference in ground conditions or whatever, cannot be employed successfully elsewhere in the same community. That is the kind of situation that we are dealing with.

Project management, necessarily, might not be the only solution, if the technical input from the beginning is incorrect. It will help if we have the security of knowledge that the technical information is correct. Then we will know, as the decision is being made and the construction of the project progresses, that the likelihood of supervisors work on the construction will not veer from the initial advice given. If the technical advice is correct, the building will be structurally sound.

I think that there have been some efforts made with respect to educating the people who are responsible for this kind of engineering work in-house, to have them understand, beyond practice, the construction techniques in permafrost better.

If we wanted the perfect solution, the perfect technical information, we may find ourselves, in future years, trying to determine what happened to some project that we thought was secure, and was not. The best we can do is ensure that the project management system is in place, that the information that we have is as technically sound as possible, that all the experts in the government and the experts in the field can agree that this is the proper approach to take with respect to building a particular major project like this, and hedge our bets to make the best decision with the best information. The best information may not be complete, and that is where the decision will fall in the future.

Chairman: We will now recess for 15 minutes.

Recess

⁴³ **Chairman:** I call the Committee of the Whole to order.

Mrs. Firth: I would like to direct some of my questions regarding the line item, Robert Service School - Renovations/

Upgrading, to the Minister of Government Services, if it is that Minister who is responsible for the project.

We are talking about some very important principles here. To follow up on the Public Accounts Committee meetings that I had mentioned earlier, in a report, the Yukon Legislative Assembly Report of the Standing Committee on Public Accounts, together with evidence from 1985, one of the outstanding recommendations from 1983 that was brought forward by the Committee was a formalization of procedures in Government Services. That recommendation was "that the department should, with regard to construction projects, formalize the duties and responsibilities of client departments and the Public Works Branch, as well as all management procedures to be followed during the project, and have them incorporated in the policy manual".

We received a joint response from Community and Transportation Services and Finance that a project management policies and procedures manual has been drafted and should be completed by April 1, 1985, and "at the same time, a government-wide directive on the responsibilities of the Department of Government Services and its client departments is to be implemented if approved by Management Board".

Then we received, as Committee members, from Sam Cawley in the Department of Government Services, a procedure manual. We received this on June 19, 1985. This project had to have come under the guidelines of the procedures manual on project management. As a member of that Committee, it was my understanding that this kind of procedures manual was to prevent this kind of incident from happening again. I know the Government Leader can recall that, with some of the other instances, we were very concerned about the management procedures, to the point that the Government Leader requested management audits on some of the projects.

Perhaps the Minister of Government Services could enlighten us somewhat on the project and tell us if the construction company is going to be held accountable or if the government is going to be held accountable, and, if we are looking at an increased amount of costs, or if we are looking at the whole addition having to be removed or replaced, who is going to be liable and accountable for that expenditure of funds?

Hon. Mr. Kimmerly: All of this has absolutely nothing to do with the supplementary estimate under discussion; however, I will answer generally. There was some false information, I believe, in the preamble to the question about the management audits referred to. The Public Accounts Committee recommended management audits of the Dawson sewer and water project and one other project, the Faro School. The government of the day denied those management audits.

The procedures that are referred to are control and financial management procedures. They are not checks or audits of the engineering work. We are talking, and the previous opposition speaker was talking, about a general engineering problem. I wish I had the answer, but I am not an engineer.

Mrs. Firth: The point the Minister makes about the Public Accounts Committee requesting the management audit is well taken. I understand that and I stand corrected. However, it is very pertinent that we discuss this here in this section, because the Minister of Education has said that the process was faulty and not done correctly. The concern of the Public Accounts Committee was: did the government have the ability to sue the construction company, to pinpoint who had made the error and who was going to be responsible for that, or was the government going to continue to cover the costs of these projects? Some of them go on for years and years, and the government ends up paying for years and years.

The question still has not been answered as to who is going to be accountable for the additional costs or for the loss of money because the project is unsuccessful and the building is cracking.

Hon. Mr. Kimmerly: In general, any engineer who warrants work is accountable in liability. In general, any construction firm that does faulty work is accountable to a court. The subject under discussion is new work at the Dawson school, and I am completely unaware of an identified fault with either an engineer, an architect or a construction company or the government. That information

appears to be missing here entirely.

Mr. Lang: Have you asked for it?

Mrs. Firth: I do not know if the Minister of Government Services, by not rising, is refusing to answer the questions, but the point is that the Minister of Education has said that they examined this incident and if they are going to repair the new structure, it was going to cost some \$3 million. If we have to repair it, do we just pay for it and say that it is too bad that someone made an incorrect decision about something, and now we are just going to carry on and pay the ongoing costs for repairs?

Hon. Mr. McDonald: I think I have to get something perfectly clear here with respect to the process and the renovations that we are talking about. It is true that the main building at the Robert Service School site is sinking, and I do not think there is anyone who disputes that fact. The public knows from press reports, and I know from first-hand experience, what is actually happening with the boilers and the boiler room, which is sinking.

There is the issue of the new addition. The boiler room, which is sinking, could not possibly have been constructed under the terms of a project management system. We are only speaking of the new addition.

⁴⁶ At the new addition site there are some levelling problems. There is a structural crack in the wall. The repairs to that site are not going to be \$3 million. It is the repairs to the main structure of the building that will be in the neighbourhood of \$3 million-plus. The situation with respect to the new addition, the industrial arts room, could be repaired cost-effectively.

I did not say that the process itself was faulty. I simply said that there was a structural problem with the school. If the project management system was adhered to, to the letter, it still could mean that structural problems could show up later on, because the technical information that went into making the decision in the first place was faulty, or not the best, or wrong or mistaken. The project management system is an accountability system. It is a control system. It depends on basic information that has to be accurate. If it is not accurate, then the control system upon which you base the construction will not produce the kind of result that we all want.

That is the situation as it exists with this school, and the situation that has existed in other projects that have proven faulty in the past, that are not necessarily the fault of the project management. Although, in the case of the Faro school, the problem was identified as a project management problem, a problem that could be rectified with proper control procedures. With the Robert Service School, in the new addition we are talking about, we would have to determine what went wrong to allow the structural cracks to show up now. It may have been ground problems, or the fact that the school was not levelled properly from the beginning. It could be something else, other than the pilings. I am not an engineer. I cannot make that determination.

⁴⁷ Clearly, with respect to providing technical information now that the project management system is in place, the provision of the technical information to provide the best advice possible is where we, as legislators, have to put our minds, because that is going to tell the tale as to whether or not the system is going to be more dependable in the future.

Mrs. Firth: I have been speaking only of the new addition. There was some confusion when a couple of us started talking about the project and the faults with the whole school and I thank the Minister for clarifying his point about the \$3 million being the total school repair bill. In speaking only to the new addition, what was the problem and what went wrong? What are the Minister of Education and Minister of Government Services doing to identify what the problem was?

Hon. Mr. McDonald: I undertook, at the beginning of this section, to produce that kind of information. I will check on details so that the discussion can be informed.

Mrs. Firth: I will look forward to receiving that information. There are going to be certain costs and options attached to that study or analysis. Who is going to have to pay for the reconstruction or repair?

Hon. Mr. McDonald: With respect to liability, the issue would be to find fault first, if fault can be found easily. I will try to

provide that kind of information about what has happened there.

Mrs. Firth: I recognize that the Minister is going to say this is hypothetical but, should the construction company be found liable, does the government have the ability to sue the company for a recovery of costs?

Hon. Mr. McDonald: The Member is absolutely right: it is hypothetical. I would presume our ability to sue would be like other construction works in the territory. We had prepared ourselves for a suit in Porter Creek C. If the construction company or the technical advice provided by the engineering company was proven to be faulty and wrong by reasonable standards, then we would pursue them in the courts as we do elsewhere.

Mrs. Firth: I believe the circumstances are somewhat different for the construction of capital projects and that was the reason why the Public Accounts Committee raised the concern about how projects were being managed. Obviously, the Minister is of the impression that the government can sue the construction company, but I do not know if the government has that ability. I think it may not, unless in some way that aspect has been identified in the procedures manual in project management. Did the government manage this project or was it managed totally by a construction company?

Hon. Mr. McDonald: The debate is highly speculative and I think that one thing that we can consider doing is to provide ourselves with the kind of information to make it less speculative. When I was talking about the Porter Creek C water and sewer project, I was not talking about it with regard to O&M costs, I was talking about a capital work. The construction of the building is also a capital work.

It may be worthwhile to provide some information to the House in order to make this discussion meaningful. I have undertaken to provide some background material to do just that. If we were to just wait to discuss that kind of question, in general principles, at a time when we had the information, it might be a worthwhile expenditure of our time.

Mrs. Firth: With all due respect to the Minister, I am finding the discussion quite helpful. I hope he will bear with us. Did this project proceed in phases and, if so, who made the final decision to when to proceed to the next phase of the project? To be very practical and simple about it, they would have had to build the foundation and someone would have had to approve it for it to proceed on to the next phase. Who made those decisions? Was it the construction company or was it the government?

Hon. Mr. McDonald: I am not sure if the project management procedures were in place for this work. If they were, then I have to determine in some detail who made the decisions of what and when, and where Government Services inspectors would have been involved during various stages of the construction.

I reiterate — with no disrespect, either — the Member asked me whether or not I felt that we could sue. I said I did not know but that we have sued for other construction works and the Member said that we may not be able to sue. We are dealing with indeterminant factors in a highly speculative debate. It does not seem to me to be particularly useful until the information can be provided in the kind of detail that the Member mentions.

Mr. Lang: The part that I find a little disillusioning is that we know we had a problem to the point where a contract was made for \$10,000 to have someone have a look at the problems that you have outlined in the House today. It seems to me that nobody has asked the questions that the Member for Riverdale South has. Why are we in this situation? Was there an engineering company in charge of supervision who had responsibilities? These are some broad principle questions that I think should be asked.

In deference to the Minister, if he does not have the information, it is one thing. We have to accept that as a given, but maybe we should just set this section aside and come back to it in a day or two. It does bear public scrutiny. I do not know how we are going to be able to go into the O&M Mains on this because there is no section on it. We are not dealing with the capital side of the budget. Unless we have the approbation of that side, the Chairman is going to rule us out of order.

That is the difficulty that I see with respect to what we are dealing

with. We do not seem to be asking the department to come out with various policy guidelines vis-a-vis permafrost. We are not getting answers on that either. I see the Minister of Government Services wanting a debate and so be it, go ahead.

Hon. Mr. Kimmerly: I will make an offer, if it will help. I will offer any Member, and the media, either a private or a public briefing about that particular work, or about permafrost generally. It seems to me that this is a question about getting the facts together and about engineering opinions. If the Members are interested in a briefing about the project from the project manager, or an architect or whatever, I will offer that.

Mr. Lang: I appreciate the offer. We want to know what the government is doing about it, not necessarily what a project officer thinks or what he does not think. We have been informed from that side, and from this side we recognize that there are differences regarding permafrost.

Is there the ability to put in general parameters, and if you go beyond those parameters, policy-wise, is there a method of a check and balance? I want to ensure the side opposite, this is not a partisan attack. We are all in this thing together. The Faro school is there and you guys got Dawson City. All the political decisions were made in good faith, as far as whether or not we were going ahead with it, and whether or not we were going to get the money for the facilities.

I am concerned that we get some answers and about where we are going from here. I understand that a report has been done for the government, yet we have not gotten a clear, definitive idea of where we go from here with the new structure or with the boiler room. The boiler room is separate from the addition. What are we doing now to alleviate or rectify the situation in the new part?

Is the Minister prepared to set this aside, or does he want to, under something in the Mains, continue on this element of the debate? I recognize that he is saying he needs to get more information. I do not have a problem with that and neither does my colleague. I think we should have the right to examine this a little bit closer.

Hon. Mr. McDonald: I do not want Members to mistake the ownership of the decision-making with respect to the addition. The time-lines themselves indicate that the construction work started early in the spring. I would be extremely surprised if my predecessor had anything to do with determining whether or not untreated wood of a certain kind was put in over another type of piling. I would be very surprised if the Minister of the day made that kind of decision.

The matter under review here deals with some specifics. The Member for Porter Creek East reiterated many of the questions that the Member for Riverdale South posed. I suggested that, in the interests of an informed debate, we get the information. I would be prepared to discuss this even in the O&M Mains, but certainly the Capital Supps, where capital projects are discussed.

It is a problem, and if the Members want to identify and work on this one in particular, I would really recommend that we get the information first. It is too speculative at this stage.

Mrs. Firth: I do not want the Minister to take it personally in any way. We, in this House, will come and be long gone, but the expenditure of the taxpayers' money will carry on no matter who is here. The point we are making is that there was supposed to be a system in place where somebody would be accountable so that we did not have to stand up and defend the beings who made decisions.

The Minister of Government Services shook his head and said, "I did not", and the former Minister is saying, "I did not", and so on. That is exactly my point. It is not the politicians who are making the decisions, but publicly it is the politicians who have to be accountable. Now, as politicians on the Public Accounts Committee, we asked that the government bring in a system to rectify this problem. I want to know if it is working. I do not get the feeling it is, if we have built another addition that is cracking and falling apart.

We want to know why the system is not working, who is going to be accountable and is the government going to have to continue to pay? If that is the case, are we going to be looking at management audits because of this expenditure of funds?

Mr. Lang: The Member for Riverdale South has made it pretty clear. I appreciate the offer by the Minister to discuss this somewhere in the Mains. If the Chairman will accept that we will not be prevented from discussing it, we would be prepared to pass this particular section and go on to the next capital project.

Robert Service School in the amount of a reduction of \$95,000 agreed to

On Watson Lake High School Upgrading

Hon. Mr. McDonald: It is interminably hard to turn back money.

Members have to keep in mind that when you revoke funds for a capital work that has to do with an educational institution, you have very limited construction time. Essentially, you cannot engage in a construction activity in a school when students are present. It is too disruptive. The item here refers to some renovations to be done on the washrooms at the high school, but not all of them could be done. For that reason, we had to turn back the \$15,000 that we simply could not spend on that project.

Mrs. Firth: We will be required to revoke the funds? The renovations will carry on and will be completed, will they not?

Hon. Mr. McDonald: I had hoped that this project could be completed when the revotes are tabled. Certainly I will be prepared to discuss this when our future endeavours on this project are anticipated.

Chairman: Any comments on the next two that do not have any supplementary figures?

Mr. Lang: I have a number of questions on the Elsa School Activity Room. Is that the final amount of money that is going to be spent on that project?

Hon. Mr. McDonald: I believe so. There was some grounds work, cleaning up construction piles, but I do not anticipate that that would involve any significant costs whatsoever.

Mr. Lang: I had some information provided to me by the Minister of Government Services, which I appreciate. It showed that the price came in at \$150 per square foot. If my memory serves me correctly, I read a figure of four hundred and some-odd thousand dollars, as far as the facility was concerned. Perhaps you could comment on that. I want to know what the final bill is going to be.

Was all the time and effort put in by Government Services, because it was done by day labour, charged against the project, as well as all these other costs associated with it?

Hon. Mr. McDonald: My understanding is that all the costs associated with construction are included. I am not sure of the intent of the Member's question with respect to the \$150 per square foot and the \$400,000 figure. I got the same package that the Member received from the Minister of Government Services, and if he can identify the \$400,000 figure some place, I would appreciate it.

Mr. Lang: Perhaps I am off base on that. I thought I had read the figure somewhere. I am just going through it again. I did not think we were going to get to this particular section until this evening.

Last year when it was explained to us in the House, this project was going to be a social experiment. You will remember the discussion in the Committee of the Whole when all Members were blindsided, so to speak, in that we were not going to contract, as is the normal government procedure, but we were going to be our own general contractor.

Are any other projects going to be done in this manner in the forthcoming year, and if so, which ones?

Hon. Mr. Kimmerly: No, it was not a social experiment at all, but an experiment. There were actually two reasons. One was the time factor and the other was the local labour factor. Those are explained in the materials I provided. The experiment is being assessed and the Member is aware of what subcontracting occurred. It was an interesting experiment. It is viewed as successful for the purposes of that particular work.

Mr. Lang: The answer to my question seems to be par for the course. I asked specifically if there were any other projects in this forthcoming year going out to this type of management?

Hon. Mr. Kimmerly: No.

Chairman: The time now being 5:30 p.m., we will now recess until 7:30 p.m.

Recess

Chairman: I now call the Committee of the Whole to order. We will continue discussion on the Elsa School Activity Room.

Mr. Lang: My understanding is that the tendering procedure used in this particular area was in good part invitational tender. Is that correct?

Hon. Mr. McDonald: To be absolutely clear, I would have to find that out. I would not want to mislead anybody on that particular item.

Mr. Lang: I am at a loss as to how I am going to carry on my line of questioning. Is it then understood that I could raise this in the Mains?

Hon. Mr. Kimmerly: The best answer is to indicate exactly which contracts were invitations to tender and which were not. I will supply that in due course.

Mr. Lang: I was not specifically looking at any one particular tender by itself. My understanding is that a number, if not all, were done on invitational tendering. By the procedure that was laid out, how did you determine who you went to, and questions of this nature, so that it could be looked at from that vantage point. I am not singling out any particular contract at this time, unless something comes to my attention that I am not aware of.

Hon. Mr. Kimmerly: That is understood and I will supply that information.

On Ross River Industrial Arts Facility

Mrs. Firth: Could the Minister give us a breakdown of the \$31,000 being returned?

Hon. Mr. McDonald: The industrial arts facility that we are speaking of is largely completed. The work budgeted for was largely grounds work and could not be completed in the time allocated for it. The industrial arts facility itself is finished.

Mrs. Firth: Again, is this one of these projects that the Minister is saying they are going to have to decide, when we come to capital supplementaries, whether or not it is going to be completed? Are we going to be asked to revoke this money?

Hon. Mr. McDonald: This is exactly one of those particular projects. The Member will remember this funding was voted in the first supplementary and because the supplementary was voted later than anticipated and the winter came earlier, work could not be finished.

Mrs. Firth: I would like to raise a concern because we have gone through quite a few projects now that need further decision-making as to whether they are going to continue on to completion. People would have had expectations, when the project was initially announced, that it would be completed. How is the Minister going to deal with the disappointment, hopes and expectations we discussed earlier? Surely the Minister can give them a commitment that either the project will go ahead or it will not go ahead?

Hon. Mr. McDonald: It is out of due respect for the Legislature and for the traditions of submitting these figures for consideration by the Legislature at a particular time that I am taking the stand I am with respect to this particular matter. Certainly, if projects do not go ahead and expectations are dashed and projects do not go ahead because of other funding priorities, then that is the disappointment quotient that we, as government, will have to endure. I am not saying by that that any particular project or all projects or any number of projects will go ahead or not.

As is tradition, the extent to which we will go ahead, and our position as a government, and my position as Minister responsible for education will be made clear when the revote items are tabled in the House. Some may need enhancement beyond what was anticipated in the previous vote.

⁰³ That would have to be taken into account, too. As I have said many times, those revote items will be made clear, and there will be full opportunity to discuss each of those when Capital Supplementary No. 1 is tabled.

Mrs. Firth: Surely, the Minister is not trying to give the impression that he is going to bring a whole bunch of things forward to the

Legislative Assembly, and we are going to decide which is to go. The Minister and his colleagues will be setting their priorities and determining a schedule of projects that are going to proceed. That is what he will be bringing to the Legislature and asking for approval.

I would like to get some indication of how the Minister is going to determine which projects are going to go ahead and how he is going to set his priorities. I have some concern about the hopes and expectations of people who had anticipated that these projects were going to go forward. Perhaps the Minister can enlighten us on that process?

Hon. Mr. McDonald: I can assure the Member that it will not be a multiple choice given to the Assembly, that you can choose column A, column B or column C at your will. Our position with respect to priorities, as they have already, will be established very clearly for Members. Any disappointment, should it exist, is purely hypothetical, because the Members have not seen revote requests as of yet.

Traditionally, the announcement as to whether or not a project will go forward is done when the revotes are requested. I intend to fulfill that tradition by allowing Members to consider these requests in the future, when this government's statement regarding those priorities is made in some sort of formal way in the Legislature by tabling supplementaries and revoting requests for the next year.

I hope to be able to do that, and to provide full explanations as to where we are going with respect to these projects and other projects.

Mr. Brewster: I have a little problem just knowing what line item I should be on. I notice that, in both Supplementaries No. 1 and No. 2, there is no mention of the schools in the Kluane area. I know there was some work done. Where would I find the breakdown on that? Maybe I am out of order on this one, but I really did not know where to bring this one in.

Hon. Mr. McDonald: There could have been some maintenance work done to any of the three now-operating schools in the Member's riding. They were not of sufficient size to warrant a line item. If the Member has some question as to what happened at a particular school, I do not have the details right now, but I can certainly rustle it up quickly.

Mr. Brewster: No. The particular one that would be of some size would be the dormitory that was remodelled out there. I cannot find that anywhere either.

Hon. Mr. McDonald: The dormitory was contained in the 1986-87 Mains, but not in any of the Supps or Capital Mains for this past year. We could have an opportunity to discuss that when the Supps are tabled and that item is included.

Ross River Industrial Arts Facility in the amount of a reduction of \$31,000 agreed to

On F.H. Collins Retrofit/Renovations

Hon. Mr. McDonald: The funding for this was actually turned back, because it could not be spent. In the first supplementary, voted in late October, there was a feeling that much of the retrofit work, which was improvements to exit doors, windows, et cetera, could be done over the course of winter holidays, et cetera. Unfortunately, that was overly optimistic. The funding, essentially, had to be turned back. It is kind of a theme that had occurred because of a combination of weather, the times that the vote was officially made in the Legislature, the tightness of the school year and the construction window over the Christmas holidays.

Mrs. Firth: Could the Minister tell us exactly what those retrofit and renovations were? What project was that?

Hon. Mr. McDonald: If the Member wants real specifics, I will have to get back to her on the question. If the Members look back through previous budgets, for example 1985-86, \$100,000 was budgeted for this. It is an ongoing project to upgrade the school facility. This past year it has been the replacement of carpets in the downstairs area of the lobby area, and the area up to the entrance of the gymnasium. There is also a request for extensive work in terms of retrofitting, such as the replacement of windows to encourage the conservation of fuel. There were improvements to a number of exit doors around the building. I could come back with some details with respect to specifically what is anticipated for the future, what sort of retrofit program, in the long-term, the Member may wish to

have information on.

Mrs. Firth: It was more that I was trying to find out what kind of project it was, or what kind of renovations they were. The Minister had said that, because of time constraints and so on, they could not get them tendered out, or whatever it was. I may be quoting him incorrectly. I really do not see the reasoning. If it was things like that, why could it not have been done in off-hours and so on. What really was the problem with having those retrofit things done?

Hon. Mr. McDonald: There was definitely a feeling that the work that was to be done could not be done in off-hours, and had to be done in that window of construction over the Christmas holidays. It was felt that to do otherwise would take chances with the workings of the school. It was decided not to proceed until work could be done just as easily this summer at no extra expense and no risk.

As I say, there was a suggestion of work to be done on replacing windows, exit doors, lockers and some carpeting in the school.

Mr. Nordling: What happened over the Christmas holidays this year that did not allow them to do it? The weather was great, I thought.

Hon. Mr. McDonald: The Christmas holidays were too short. The decision to go ahead was made too late. The decision to proceed required some advance notice. Because a decision was made late, because of the logistics of performing the renovations in that narrow window, the short Christmas holidays, it was felt that it could not be done in that period.

Mrs. Firth: Could the Minister tell us what delayed the decision-making? Was it the responsibility of the department? Were they tardy in bringing forward what had to be done? Did they not get the tenders out in time? There must be a reason. The time period seems to have been an adequate time period in which to do those renovations, and yet they were not done. There was a delay, as the Minister says, in making a decision. Where did that delay happen? Was it at the bureaucratic administrative level, or was it at the political level?

Hon. Mr. McDonald: To listen to the administrators, it was at the political level. The administrative decision to proceed was made rather late. The vote itself took place even later and the interim period did not allow for the logistical arrangements to be made in time, I am told, to do the \$170,000 worth of work in that narrow window around Christmas. Now the students at FH Collins may consider that window to be too narrow, as well. As for the construction work that was necessary it was too narrow and they would rather do it after the school breaks in June.

Mrs. Firth: The Minister sounds very positive. Does that mean that they are going to be getting the funds to do it after the break?

Hon. Mr. McDonald: It is my hope that, if all goes well, work of this nature can be done.

F.H. Collins Retrofit/Renovations in the amount of a reduction of \$171,000 agreed to

Mrs. Firth: Could I just ask about the fire alarm upgrading. Is that the end of that fire alarm upgrading system now? I have some notes about 1984 when we first started identifying money for it and working on it. Is this the end of the fire alarm upgrading system for FH Collins School?

Hon. Mr. McDonald: I am not sure. This completes the anticipated project for this year. Whether that is a sufficient long-term solution to the fire alarm system in FH Collins, I am not sure. If the Member wants the information I can see to it that it is delivered.

On Installation of Computer Labs

Hon. Mr. McDonald: Around the territory, Members will know, it is considered desirable to dedicate space for the use of computers. The reason for that is that the use of computers, and the method by which computers are installed, et cetera, requires some refitting of classroom space. When the capital estimates were passed in 1984 the desire was simply to dedicate space and design classrooms so the use of computers could be easily facilitated, and there was a proposal that three such refits should take place around the territory.

The reason for the delay was the delay in implementing the

computer policy so the purchase of hardware and refitting of classrooms was put on hold until such time as the computer policy was finalized. The computer policy was finalized, but it was not until December of 1985. Because the work could not be done in operating hours, the feeling was to delay it until the new year, when I hope the revote may be granted by the Legislature and by my colleagues.

Mr. Firth: If we have spent all our money on miscellaneous school equipment, that means we have purchased all the computers we need and yet some of them have not been installed in labs. Does that mean, then, that they are just sitting crated up somewhere?

Hon. Mr. McDonald: The use of computers is being undertaken now and people have been using computers in the high schools and the primary schools for some years. The installation of the computer lab was not meant to be the only method by which education would be delivered. It was felt that there should be some refitting of classrooms to provide electrical outlets, et cetera.

As the Member knows by going into some of the computer labs in the high schools, one would notice electrical cords everywhere, jerry-rigged electrical systems in order to accommodate the numbers of computers. It would be considered to be wise and prudent to refit a classroom to handle computers. It was anticipated that probably \$15,000 per school would be about on target.

One of the schools was to be Mayo. I cannot remember the other two, but I think they were F.H. Collins and one other. The work was anticipated because of the problems people associated with the existing classroom space that was being used for computers, and the promise of more computers coming into the system. As a result, they felt, as I do, that the refitting of some classrooms around the territory will be necessary to handle the increasing load that computers place on the classroom.

Mrs. Firth: When does the Minister anticipate having all the classrooms refitted correctly? Does the inadequate wiring present any kind of safety hazard?

Hon. Mr. McDonald: This is a situation where it is better to be safe than sorry. It has never been characterized to me as a safety hazard. It has, however, been characterized as being prudent and being careful. I do not think this is a program in the sense that the Member has characterized it, or we would start off with three schools and complete it in two or three years time. It is rather a situation where a school warrants it, given the frequency of use of computers and the methodology by which the computer courses are taught, we could be requiring this on an ongoing basis. Perhaps in future years, if a school were to increase its use of computers, they would then qualify for some refitting of a classroom.

A lot depends on the methodology by which the computers are used. I have been told, to anticipate the Members's question, that there are a number of other schools that will qualify as well in the future.

Mr. Nordling: Do I understand then, from the Minister, that all the computers are in place, but at the present time we have electrical cords here and there and jerry-work that will be fixed up later?

Hon. Mr. McDonald: The assumption that all the computers are in place is not an assumption that I would support, necessarily. It certainly depends on the high school. Let me give the Member an example of the sort of situation I am referring to. In Mayo, there is a classroom that is dedicated to computer use, and there are computers that are located elsewhere in the school. The classroom is not built as a computer lab and, therefore, there is some desire to outfit the lab to handle computers.

The electrical systems are one thing to consider. Cords are spread out on the floor, but they are taped down in a way that is considered, at least until now, to be safe. I would consider it to be safe if it were monitored on an ongoing basis, but there is a sense that if the classroom was refitted properly, people could make best use of the computer lab without having to monitor the lab itself regularly. There is a desire to allow students to have independent use of the labs.

It is simply a desire to refit classrooms to allow for a lab atmosphere.

Mrs. Firth: Can the Minister tell us if the space allocations

study that is being done is taking into account the different space allocation that may be needed per student because of the numbers of computers that are now going into classrooms, and because of the need for computer labs? I know that when you put a few computers in a classroom, it does take up a lot of space, which cuts down on the amount of room left for students. I just wanted to know if that is being studied.

Hon. Mr. McDonald: To my knowledge, changes that are associated with a teaching program have been incorporated into the facility study. If I am mistaken, I am sure the department will correct me tomorrow.

The use of computers has, so far, at least in rural schools, not affected the space requirements. It is considered to be a complement to the existing program, and not an addition.

Installation of Computer Labs in the amount of a reduction of \$40,000 agreed to

On French First Language Facilities

Hon. Mr. McDonald: Competitive bids. The work was completed to add the classroom for the instruction of grades 7, 8 and 9. It came in under budget. This would be a recoverable item, in any case.

Mrs. Firth: Is that for the classroom at Jeckell School? Is it a classroom? It is not a mobile unit, by any chance, is it?

Hon. Mr. McDonald: This is the instructional classroom that was funded by the federal government to support the French First Language Program.

Mrs. Firth: I remember when we were discussing the recovery, the Government Leader made a comment that this recovery was lower than was budgeted for. Can the Minister tell us why?

Hon. Mr. McDonald: I am not exactly sure what the Member is referring to but, in this particular case, certain capital works have been approved on a recovery basis from the federal government. They included the classroom space for the expansion of the existing program. We had budgeted \$172,000. If we had required the \$172,000 within the bidding process, we would have recovered the entire amount. We will only be recovering \$129,000, because that is all we spent, because the bids were more competitive than anticipated.

Mr. McLachlan: The answer may be that it is required for a simple accounting procedure, but the last line item seems to indicate that we are going to be recovering more than we are about to vote in a revised vote. Can the Minister explain that?

Hon. Mr. McDonald: Is the Member referring to contingency?

Mr. McLachlan: I am referring to the revised vote of \$129,000 versus what we were originally going to recover of \$172,000. Yet, to balance the books, it still shows that you are attempting to recover \$172,000. That is a good game with the federal government, if it works.

Hon. Mr. McDonald: It must be an error. I do not think it is a game we will win.

Mr. McLachlan: Maybe it is required for accounting purposes to balance something out. I wondered if the Minister had any way of knowing why.

Hon. Mr. McDonald: I can explain why that \$172,000 is shown as a recovery. Some work may have been done at Whitehorse Elementary, but that is a long shot. I would think that that is an error in the book, and I will have it checked.

Mr. Nordling: If the Minister looks at Capital Recoveries on page 35, I think it is correct there. It shows a recovery of \$129,000, or the same figures we are talking.

Mr. Lang: We are in a little bit of a dilemma. I am sure you want to correct this particular page, if we go through it. Perhaps I should put the question to the Chair. Is it necessary to make a correction?

Mr. Chairman: No, it is not.

It is not being voted, so it is not necessary to have it corrected.

Mrs. Firth: Saved.

Could the Minister tell us how many students were in that classroom, grades 7, 8 and 9?

Hon. Mr. McDonald: I am sorry I do not have the figures for this. I do have the figures for the primary school, but not for the secondary school. I believe it was six when we dealt with this the

last time, and am prepared to say that.

Mrs. Firth: I believe that is approximately correct. I would not mind having one of those enrollment statistics sheets that the Minister refers to. I was being provided one as the opposition education critic and for some reason they just stopped coming, so I thought it was an opportune time to raise that for the Minister. I do not know why they stopped coming so I would like to formally request that we do get the enrollment sheets again. It would help us along.

Hon. Mr. McDonald: I will give her a formal commitment to that effect.

French First Language Facilities in the amount of a reduction of \$43,000 agreed to

On Carcross Library Development

Hon. Mr. McDonald: The projected cost for the purchase of a trailer and land in Carcross was \$60,000 at one time. When the supplementary was created, it was thought that a reasonable purchase price would be in the neighbourhood of \$50,000. I happen to know for a fact that the deal did not close by year end, so there will be a lapse of a further \$50,000. There was some discussion as to the purchase of the trailer and the deal that was attempted to be struck for the purchase of the trailer as a permanent home for the library, which now rests in the corner of a small room in the community center. The trailer land that had been targeted, and still is I believe, is across the street, and the efforts exist right now to try to swing a deal for the purchase of the trailer.

Mrs. Firth: I gather that the project of having a library in Carcross is still alive and well then. I imagine that would be a great concern within the community because I recall that the parents had a great deal of concern about their children and their reading abilities, and we would definitely like to see that this project is going to go ahead.

Can the Minister just clarify what he said at the beginning of his comments, that he figured that the \$50,000 was going to lapse too because they could not find a trailer.

Hon. Mr. McDonald: The \$50,000 figure was put forward in January as a projection of what the government anticipated spending should it close the deal on the trailer. The deal, to my knowledge, was not closed by year-end so technically these funds will lapse. The initiative to purchase a permanent home has been a very real one by the libraries and archives section. It maintained a very close contact with the community and the library association. I believe the relationship was very close. The Member for Hootalinqua will remember signing the log that was the official opening ceremony of the temporary facility in the community hall.

¹¹ Everyone recognized from the beginning that the temporary facility was extremely small and that it was inappropriate in the long term, as good an initiative as it was. It was a significant improvement over the box of books on wheels, which had been the previous library. There is a library association there that has shown a lot of enthusiasm. They sincerely feel that a decent library facility that would include an area for reading, for storytime, et cetera, is necessary in the community. We are intent on helping them out.

Mr. Phelps: May I ask whether or not an agreement has been signed for the purchase of the trailer and lot? Is there an interim agreement, or some paperwork that leads towards a closing?

Hon. Mr. McDonald: Specifically, I do not believe so, but I can make the details with respect to the securing of that particular facility available to the Member, if he wants.

Carcross Library Development in the amount of a reduction of \$10,000 agreed to

On Library Development

Hon. Mr. McDonald: The Libraries and Archives Branch is a rather small one. They had anticipated a resolution of the Carcross Library installation. Because it took so much of their available time, they did not have the opportunity to do the library development that they wished around the territory. In some cases, it was cosmetic capital works in a variety of locations. They wish to turn back that money that they can spend for those miscellaneous works.

Mrs. Firth: What miscellaneous works is the Minister referring to?

Hon. Mr. McDonald: I am told that there is some work anticipated in Watson Lake and elsewhere. I am not entirely sure of the specific breakdown as to what miscellaneous items for what libraries. Some of the money was spent around the territory. Some furniture of major size, sofas, et cetera was bought for libraries around the territory. There has been the desire to replace, in some community libraries, the boxed book system whereby a particular room is designated for community use, and is also designated for a library system. The books are boxed in roll-away boxes and drawn out on library day. There was a desire to improve that system, to provide decent shelving and designate a space for libraries, and to bring libraries in many of the communities up to standard.

There are some communities with very good library systems, but there are others that require some work. In my own riding, for example, Mayo has a very nice library, but in Elsa they operate on the roll-away boxes system.

¹² Dawson is not designated for this particular work. Other communities were, but much of that work could not be undertaken because the department was casting its resources on the Carcross library.

Mrs. Firth: Just before we clear that item, can the Minister tell us if the libraries were dependent upon the department doing this organization, or did they have the ability to have the funds allocated to them and do their own footwork and so on?

Hon. Mr. McDonald: In many of the communities, despite the fact that core funding for the libraries is a reality and some library boards are active, in other communities the library boards are quite inactive and the work put into providing most of the ground work for these kinds of renovations is not done by anyone other than the Libraries Archives staff. That unit is a very small one.

For that reason, the amount of time that they can put toward any one project and fulfill their other duties is limited. There are some communities with an active librarian and a library board, and they would be able to provide some of the background information. Some of the work, because it is a government expenditure, would have to be done by library staff. I am told that they simply did not have the time to put into it to do a proper job of it.

Mrs. Firth: Do those library boards that do take an active interest have some say in which books they get and which they can apply for, or is that pretty well done here by the central library agency?

Hon. Mr. McDonald: The library boards and the libraries in the communities do have a book order system. In the volunteer libraries in very small communities, where everything is volunteer and there is no paid staff, essentially, boxes of books are sent out unless a special request is made. They take what they get.

For all the other community libraries for which a library association exists and there is paid support and a controlled atmosphere with a librarian, there is a book order system.

Library development in the amount of a reduction of \$47,000 agreed to

On Storage Equipment/Facilities

Hon. Mr. McDonald: The space referred to here is to be used by the Library and Archives Branch in this building here. The project did not proceed because of the government-wide Space Accommodation Study. There was a sense that the reading area and the library itself should be expanded in the future. That is on hold until such time as the Space Accommodation Study is complete.

¹³ *Storage Equipment/Facilities in the amount of a reduction of \$30,000 agreed to*

On Reference Room

Hon. Mr. McDonald: This is a similar project as that for Libraries and Archives. This is more specifically the reference room itself and this too is on hold until such time as the accommodation survey is complete. There will obviously have to be a reallocation of space for the Libraries and Archives Branch given that the new home for the archival portion, at least, may be delayed a little longer than anticipated so it may remain in this building. At the same time, there is still the intention to keep the public library in this building but, in the future, to expand it into where the Archives and Land Titles now exist. Land Titles will move to the Justice Center.

Mrs. Firth: That sounds like quite a major project and a major undertaking. When is the Minister expecting to have some definite answers as to the effect of the whole Space Accommodation Study and the relationship of it to the allocation study for the space of the Whitehorse schools? Are we going to proceed with any major costs to the library, archives or land title area here, or is that all on hold until such time as they have some final decisions?

Hon. Mr. McDonald: It is pretty well on hold until the overall government Space Accommodation Survey is completed. There had been an intention to renovate, at some cost, the section where Land Titles had existed before to increase space for Archives. There was also a desire, within the Archives Branch, to warehouse much of the material rather than keep it at this particular site, in this particular building. If there could be a place found which is of sufficient size to house materials I believe we might be a government warehouse.

The plans for the Archives were put on hold because of the construction schedule for the new college. I think we are only talking about a delay of a couple of years but, nevertheless, there is still pressing demand that exists every year for space. The placement of Land Titles in the Justice Center in the Philipsen Building may provide sufficient space for Archives to remain where they are, and for the Library itself to increase in size in the immediate future.

Reference Room in the amount of a reduction of \$40,000 agreed to

On Display Preparation and Maintenance

Hon. Mr. McDonald: This is largely archival work that we are talking about, of a capital nature. This is the preserving of documents. The delay was the result of a delay in the hiring of a researcher, who would perform the actual work. That is the reason for it. There is a concern, over the long term, that there should be proper attention paid to not only restoring, but also to housing and displaying much of the information that archives possesses.

Unfortunately, it has not been a high government priority, with all the financial obligations of the government. The collection is now a significant one, but there still some sense that we should better display much of the work that we have. In any case, the reason why this particular work could not be done was because there was a delay in the hiring of a researcher. I believe the researcher is hired now. But when exactly, I do not know.

Mrs. Firth: Can the Minister tell us why the researcher's salary would be under the capital expenditure, as opposed to the O&M?

Hon. Mr. McDonald: It is not exactly the researcher's salary. It is the capital associated with the display and presentation of the work. The researcher would be responsible for doing that work. It was felt that because the researcher was not onstream that the capital should not be expended.

Display Preparation and Maintenance in the amount of a reduction of \$17,000 agreed to

On Photographic Darkroom

Hon. Mr. McDonald: Along the same vein and within the same theme, the Archives Branch receives a lot of donated material year after year. It is requested that a lot of that be copied and held for posterity. Unfortunately, the darkroom facilities are considered inadequate and the amount of man-hours put towards it are considered inadequate to do the task that Libraries and Archives would wish to do.

That is the reason for promoting this in the first place. The delay is largely the space accommodation survey, because there was no sense as to where, specifically, a darkroom would be placed under the current conditions.

Photographic Darkroom in the amount of a reduction of \$17,000 agreed to

On Library and Archives - Facility Planning

Hon. Mr. McDonald: The same theme — a redesign of a new library and a facility in this particular building, to start the planning.

Library and Archives - Facility Planning in the amount of a reduction of \$10,000 agreed to

On Northern Oil and Gas Action Program

Mr. Lang: Perhaps someone could give us a little rundown on

what is happening with this program. I know we voted vote authority, and it would appear that we hardly got any contracts signed prior to the cutback by the federal government that actually materialized in February; therefore, no more agreements could be entered into. Could the Minister outline why we did not take advantage of it when it was available?

Hon. Mr. McDonald: We did take advantage of the program on the O&M side. We did not take advantage of it on the capital side. On the O&M side, there has been a Beaufort Sea librarian who has been collating information and has travelled to other jurisdictions in Alaska and the Northwest Territories to collect information to allow for a greater reference library with respect to Beaufort Sea activity.

There were no funding expenditures under NOGAP in capital allocation, but there has been funding under, on a recoverable basis, on the O&M side.

Mrs. Firth: A certain number of person-years have been seconded to this government under the NOGAP. Are those going to continue? Do they lapse after a certain period of time? If so, is the territorial government considering picking up those person-years within their complement?

Hon. Mr. McDonald: I am definitely getting the feeling that the federal government's current frame of mind is towards cost-cutting and given the amount of Beaufort Sea activity, we can probably expect that we may not see as much, or even any funding, under the program in the near future.

The extent to which we could take on people who are currently hired to do research work will depend upon what they could do in the government if there were openings. This government is doing a number of things in terms of library development and archival work. This would probably be considered greater priorities than collating a Beaufort Sea library. It is a possibility that those people could be taken on to do that kind of work if we were to place a funding commitment and show a priority for more resources to libraries and archives. That decision to date has not been made. Neither has the decision to cut back on NOGAP funding been made, to my knowledge, with any degree of certainty.

Northern Oil and Gas Action Program in the amount of a reduction of \$1.00 agreed to

On Contingency

Mr. Phillips: In the line items in the budget, we are turning funds back in every case except for four, but in this case why would we have a \$50,000 contingency? What is the need for the contingency here?

Hon. Mr. McDonald: In period nine, the departments, including this one, project what they will need, in terms of projects going forward. They do turn money back to the Legislature, back to general revenue, because they do not think they will be able to proceed with a particular project.

If they are doing their job, that puts them close to the line with respect to what they are actually going to need, and what might yet be turned back. My understanding is that Finance, in conjunction with the department, based on the size of the budget and historical fluctuations between what is budgetted and what finally ends up in territorial accounts for that particular year in that particular vote, determines what they would regard as being a necessary buffer so that a department, if it proceeds along in the manner it says it will, without new commitments or anything of that sort, in order to pay its accounts, that it would require, say, a \$50,000 buffer to ensure that it does not, in paying its final invoices for the year, overspend its vote authority, which is contrary to the *Financial Administration Act*.

Contingency in the amount of \$50,000 agreed to

Capital in the amount of a reduction of \$2,249,000 agreed to

Chairman: We will now recess for 15 minutes.

Recess

Chairman: I will now call Committee to order.

Department of Finance

Hon. Mr. Penikett: There is not a lot of change between the Mains and the Supplementary here and I am prepared to explain the items line by line.

Mr. Phelps: If the Minister will proceed then.

On Treasury

Hon. Mr. Penikett: That is a reduction in professional services expenditures due to negotiation to produce safekeeping fees, computer systems for budgets delayed and computerization of the accounts payable system included in the Financial Management Information Systems Project.

Mr. Phelps: Can the Minister explain the reduced safekeeping fees?

Hon. Mr. Penikett: The original estimate was \$11,800. The period nine estimate, based on actual, is \$5,300.

Mrs. Firth: Did I hear the Government Leader say something about money turned back for hiring specialists or consultants or something to that effect?

Hon. Mr. Penikett: This is an item under professional services expenditures due to negotiation of reduced safekeeping fees, the computer systems for budgets delayed and the computerization of the accounts payable system included in the Financial Management Information Systems Project, which came onstream effective April 1, this year.

Mr. Lang: I would like to get back to the question of safekeeping. What exactly are we talking about? Are we talking about locks on a safe?

Hon. Mr. Penikett: Our bank charges us a certain amount of money to keep certain securities under safekeeping.

Mr. Lang: You said something about more money for computers because of budget delays. What budget delays were you referring to?

Hon. Mr. Penikett: The most significant here is, as you know, at the request of the Auditor General and at the urging of the Public Accounts Committee, a three-stage computerization of the financial management systems in the government. The first one is the financial management information systems, which came into effect April 1. We will also have an accounts payable system, which will be coming into effect during the course of the year. Targeted for April 1 next year is a centralized commitment control system, which we have not had before.

Mr. Lang: We are going to get to the point where we count this money about 10 times. It is getting to the point that it is costing us a lot of money to do it as well.

The Minister said initially in the session that he had a review of tax policy done. Was that done in-house, or did you contract people? If so, who and for how much?

Hon. Mr. Penikett: Since the bearing this has is on the 1986-87 Mains, that would probably be the proper place to discuss this. It was done in-house.

Mrs. Firth: I just want to ask some questions about the three different stages of the computerization, and this FMIS project, as the Deputy Minister of Finance refers to it. We raised some concerns in the Public Accounts Committee meetings with respect to signing authorities of the Deputy Ministers and the Ministers. We were told at that time that all the signing authority directive designates, specifically the ones for the Ministers and Deputy Ministers, would be completed by that third stage. Is that correct, and when is that third stage completion anticipated?

Hon. Mr. Penikett: As I previously said, the accounts payable will be some time in the course of this year. The commitment control will not be until the beginning of the next fiscal year. The Member was asking questions about project management earlier today. There was a difference that was discussed by the Public Accounts Committee some years ago, when she and I were both members, what members or officers in this government have certain signing authorities, but having implied commitment authorities way beyond that.

In a large operation like this, without some central commitment control, so that you know what you are committed to at any point in time, it is very hard to achieve effective financial management. We cannot do that without a computerized system. A manual system would just be impossible to maintain. Right now, the commitment

is in the departments. The centralized commitment system will give us system-wide assessment of the commitments at any given point.

¹⁹ That will be effective April 1, 1987.

Mr. Coles: There are a few of us Members here today, including the Chairman and the Member for Klwane, wondering why it has taken five weeks for our expense cheques to get here, and if we are eligible for the 10 percent interest now in the new year?

Hon. Mr. Penikett: If you have been waiting for five years for expense cheques, that is understandable. If you have been waiting for five weeks for expense cheques, it almost certainly is not the fault of the Department of Finance. There may be some problem, some addition errors or something like that, in the claim made by the Member but the processing of the paperwork on those claims is in the Clerk's office and I am not accountable for what they do.

I was asked by the Member for Faro about an invoice. I did investigate the matter and discovered that the cheque requisition was received by Finance on one day and a cheque issued the next day. I would be prepared to look into other individual cases, and particularly the expense claims that the Members opposite are referring to.

Mr. Brewster: I can assure them that it is not the fault of the Clerk. I checked that this morning and she showed me all the invoices and when they went out. They all went out on time.

Hon. Mr. Penikett: The Treasurer will look into it.

Treasury in the amount of a reduction of \$38,000 agreed to On Grants

Hon. Mr. Penikett: This is a case where the homeowner grants were \$20,000 less than anticipated.

Mr. Phelps: Can the Minister give us any reason why he feels this happened?

Hon. Mr. Penikett: It seems to vary from year to year. There does seem to be some change in the application rate. It is clear I think that in all years there are more people eligible than claim. In some years there has been more publicity about the fact. The one year when there was the most publicity was when we were late paying them. That was a number of years ago.

If the Members would like, I would be happy to get back with some supplementary information that provides more detail in terms of how it broke down in terms of communities, but it is one of those things that is impossible to predict with perfect accuracy, as to what kind of response you will get to this program.

Mr. Phelps: I would like that information in due course.

Grants in the amount of a reduction of \$20,000 agreed to On Accounting Adjustments

Hon. Mr. Penikett: This is made up of two separate items: one to reimburse municipalities for penalties in interest on property taxes collected by YTG retroactive to 1982. That is a \$12,000 amount. The second one is correction for a general ledger error in calculation concerning an intergovernmental agreement.

Mr. Phelps: Was the first reason a result of some change in policy?

Hon. Mr. Penikett: No, it is not a change of policy. When we collect property taxes and school taxes, for example, we reimburse the municipalities for the penalties and interest on property taxes collected by the YTG retroactive to 1982 as per Orders-in-Council declaring municipalities. Since Finance received the revenues in previous years, Finance is required to absorb the adjustments.

²¹ **Mr. Phelps:** Could we have a more detailed explanation of the second item, the \$2,000?

Hon. Mr. Penikett: The Member asked what the \$2,000 is? There is an agreement between the Yukon and the Northwest Territories concerning the Dempster Highway and the collection of over-weight permits. There was, in calculating the exchanges in there, a \$2,000 error, which this is correcting.

Accounting Adjustments in the amount of \$14,000 agreed to On Contingency

Mr. Phillips: The Contingency is the largest item in the whole budget. Could the Minister explain why the contingency is so high?

Hon. Mr. Penikett: As the Member knows, we are, at some point, running all the money of the government through this department. We may have potential overruns in Treasury and in

grants. Since period 9, we may have casual secretarial assistance as a result of the budget. There may be a closing amount for the FMIS project, which is contracted with Price Waterhouse. We have a contract with another firm for the payroll and general ledger computer systems manuals. The second group of things we could have is unforeseen audit adjustments, especially for prior years. For example, these amounted to \$50,728 in 1984-85. These are not usually known in full until the Auditor General's audit is completed during the following spring and early summer.

Mr. Lang: I just want to follow this up in the general policy of contingency funds. I understand what the Minister is getting at. I know that the idea of contingency funds was instituted a year previous to this. My concern is that it is almost giving vote authority to a "slush fund" as an administrative convenience to go towards balancing the books at the end of the year.

Would the Minister be prepared to look at the concept again, to see whether or not it is appropriate, in view of the fact the we will be voting another supplementary this particular year. It is going to have to be closed off at one time or another. It would then give us a more accurate picture of the monies. Next supplementary, we are going to have to come back to the Minister of Finance or the Minister of Community and Transportation and say, "You had \$50,000. Did you spend it? Where did you spend it?" We will spend 20 minutes going through this exercise.

Hon. Mr. Penikett: That is not quite the case. That was the case prior to the new *Financial Administration Act* brought in by the previous government. Under the old system, we would have had one more supplementary to finally wrap up the year. We do not have that anymore. We have now only the Territorial Accounts that close the year. We also have a provision under the *Financial Administration Act* that prohibits, in law, a department overspending the amounts here.

This department does not have a huge budget, but it has a large cashflow. The Auditor General may come along and make audit adjustments and so forth, but this is the last supplementary you will see for 1985-86. There are departments that have contingencies to allow for those adjustments that may happen since the period 9 closing, and accounting adjustments that may happen after the year end. We could have an expenditure under some contract that we get the bill now, but we would want to charge it to 1986-87. The Auditor General comes along and says, "No, that is accruable in 1985-86." We have to be able to cover those.

The system now is: we have the supp and, ever since that new *Financial Administration Act* came in, we have these contingencies. There will not be another supp. All there will be is the Territorial Accounts at the end of the year. The departments cannot legally spend, which was not the case before, any more money than is provided for in this supplementary.

Mr. Lang: I appreciate the explanation and I recognize that contingency funds came in last year. I was not directly involved with it, but I do have concerns. For example, you are predicating all your estimates here on the variance nine report. We could be in a situation on this side of the House of approving a contingency of \$200,000 for Community and Transportation Services and maybe going to some item that is approved by Management Board that we had no idea about under the largess of a very broadly defined objective of a department. That is my concern.

Would the Minister be prepared to look at the *Financial Administration Act* to see if maybe we should be loosening it up a bit so that we give more accountability back to the House. It concerns me as a Member of the Legislature.

Hon. Mr. Penikett: I understand the Member's concern and it is something I have thought about. The most useful solution that we could have, I think, would be unacceptable to the Member. If we wanted to have a very accurate closing in this final supplementary, we could put off closing it until this fall. There would be absolutely no question then that we would know, save and except something the Auditor General might say to us, exactly what the expenditures were for 1985-86.

We began this discussion a month ago with the Members opposite insisting that we deal with the supplementary before we deal with the Mains. We could deal with the anomaly in the *Financial*

Administration Act if we could, by convention or understanding in this House, simply not deal with the supplementary until the fall. But that, of course, is not the perfect solution for reasons that the Member opposite well knows.

Mr. Lang: That was not the solution that I put to the floor. Listen carefully. My thoughts were that maybe we should amend the *Financial Administration Act* to allow for your supplementary now, go back to the old system where you wrap up the supplementaries in the fall. You would have the supplementaries in the spring, vote authority to justify the accountability of Government. Then you could follow up in the summer or the fall for a wrap-up.

Hon. Mr. Penikett: I would be willing to take that suggestion under advisement, but let me make this one point, which I think is worth thinking about. In the system that we had before, I think there was some real concern by all Members on all sides of the House about whether, when they debated the General Estimates, they were really writing fiction or writing fact.

By the time we got down to the second or third supplementary, sometimes that finished product to the budget bore little resemblance to the one that the House had originally approved. If you do not do what the *Financial Administration Act* now does, which says "thou shalt not overspend - you cannot legally overspend", if you allow that other door to be open — especially in the big spending departments, their capacity to move money around is much greater than the little tiny departments such as the one I run, like Finance and Economic Development — the potential for losing legislative control I think is greater than perhaps that which the Member is expressing.

Mr. Lang: There is another method that just occurred to me that could possibly be a vote to a further amendment to the *Financial Administration Act*. I can see the pros and cons to either side. Our concern is that items, projects and programs are identified. Maybe if there was an undertaking after variance nine and what has not been brought forward to the House over the course of this debate in the spring, then a commitment could be made by the government that all new programs and projections will be presented to the House at the next sitting.

That may in part rectify the situation that I see as a problem as far as the Legislature having ultimate control over the budget.

Hon. Mr. Penikett: I will look at the suggestion made by the hon. Member.

Mr. Phillips: I just want to get it clear in my mind in the budget process here and what we are doing with these contingency funds. Did the Minister say earlier that a part of this contingency is if they have overruns from treasury and grants, and things like that? Will that contingency fund be used to pick up those overruns?

Hon. Mr. Penikett: That is a small part of what the contingency can be used for. I mentioned a number of things that when this budget was put together, we did not have the final bills for, the FMIS, and the consultants project was another one. The main area is in accounting adjustments. I apologize, but the Member was conversing with his colleague at that point and he may have not mentioned that I just mentioned, in fact, that in 1984-85 these audit adjustments amounted to over \$50,000.

Mr. Phillips: I am not really arguing over the amount, I am trying to get clear in my mind what it is for. I am wondering why, if you may use some of the contingency funds from the treasury for grants why it is not in grants right now. Why are we giving money back when in fact you are telling me we may have to take some money out of contingency to put money back into it.

Hon. Mr. Penikett: The reason we do it this way is to try to be more accurate for the Member in saying that the reason there is a reduction of \$38,000 is for specific reasons that we are explaining to the House. There may be some overages that occur that we do not know about at this point. That is why the money is identified separately as contingency; it is not allocated. If that money is required for any purpose such as the ones I have explained, it will show up in the public accounts at year end.

Mr. Lang: At the end of the year end here let us assume, God forbid, that the Government Leader's department has overspent, regardless of what the law says. What is the recourse?

Hon. Mr. Penikett: For a start, I would fire the deputy minister.

Mr. Lang: Let us say we are audited. All of a sudden, unforeseen, there is \$10,000 more in grants in the home owner-grant, which by law you have to pay, and you are overspent by \$3,000. What exactly is the recourse in law?

Hon. Mr. Penikett: The Member said he was serious, so am I.

Mr. Lang: I want to follow this a little further. We fired the deputy minister, so now what do you do? You still do not have vote authority for the \$3,000.

Hon. Mr. Penikett: That is a problem and we would have to, in fact, presumably come back to the House to get that authority some way, but the act is quite clear that you cannot do it. We occasionally stumble across that when we discover expenditures. Public Accounts has done it on a couple of occasions when there were expenditures made without proper legal authority. Almost certainly, I would suspect, the Auditor General would pick it up and then it would become a matter of the Public Accounts Committee and the Public Accounts Committee would like to call the offending official or Minister, but more likely the offending official, before the House for an explanation. Then the Cabinet would consider what the Public Accounts Committee would have to say and the Legislature would debate it and I would expect some serious consequences would flow, as they usually do.

Mrs. Firth: Can the Government Leader tell me what the cost of the FMIS study was? How much did Price Waterhouse charge for that?

Hon. Mr. Penikett: I will get back with the exact information. It is not a study; it is actually a project to implement a system. It was done in stages, and I will get back with the total final accounting for the Member.

Contingency in the amount of \$40,000 agreed to

Total Operation and Maintenance in the amount of a reduction of \$4,000 agreed to

Department of Finance in the amount of a reduction of \$4,000 agreed to

Department of Government Services

Hon. Mr. Kimmerly: I will say very little. In total, we are turning back \$587,000. There is an over-expenditure on O&M, and we are turning back more on capital. I can explain each of the line items as we go through them.

On Administration

Hon. Mr. Kimmerly: The categories here are: under personnel there is an over-expenditure of \$157,000; under transportation and communications items there was an under-expenditure of \$14,000; on professional and special services, an over-expenditure of \$49,000; repairs and maintenance, an under-expenditure of \$35,000; in supplies and utilities, an under-expenditure of \$19,000; and, on chargebacks and attractive assets, an over-expenditure of \$23,000.

Mr. Lang: Would the Minister explain what professional and special services entail?

Hon. Mr. Kimmerly: The largest items here are insurance, the insurance for the government. The over-expenditure here is entirely due to increased insurance rates.

Mr. Lang: Fire, is that what we are referring to?

Hon. Mr. Kimmerly: It is fire and liability. The various policies come due at different times, and it is a number of policies. I believe I can get a precise breakdown, but the entire expenditure is insurance rates.

Mr. Lang: Just to put the Minister on notice, it is something that I would probably be raising in the Main Estimates. As far as custodial workers are concerned, I believe this would be the section that it would apply to. I would like to ask what was the increase from the decision that was taken back in November until now?

Hon. Mr. Kimmerly: Twenty-nine thousand dollars is the difference. The cancellation of the contract gives us \$19,000 that we did not spend. The pay for the new custodial workers is \$48,000. Subtracting the \$19,000 from \$48,000, the additional expenditure is \$29,000.

Mr. Lang: Does Workers' Compensation Board come under this area? The Minister mentioned chargebacks or something, and I

was wondering if that had something to do with this area. What is a chargeback and what does it refer to?

Hon. Mr. Kimmerly: Chargebacks are to departments of this government. As to the specific departments and specific amounts, I do not have that, but it is entirely chargebacks to departments of this governments. Workers' Compensation is not involved here at all.

Mr. Lang: I believe I raised this question of chargebacks with the Yukon Housing Association as to what the costs are to Government Services? I believe I put the Minister on notice that I was going to ask that question. Do you have the figure of exactly what it will cost to do the maintenance work for the Housing Corporation?

Hon. Mr. Kimmerly: No, I do not. I believe all that budgeting would occur for Yukon Housing. It would not show up as an item here. The money comes from the Housing Corporation. We would expend it and chargeback. The balance would be nil.

Mr. Lang: My understanding is that you do the work for Housing Corporation, charge the Housing Corporation, which covers your cost. It is an internal transfer back to Government Services. Perhaps the Minister of Housing could reply.

Hon. Mr. McDonald: There is an internal transfer, but Government Services does the work and charges Yukon Housing Corporation for that work.

I believe that it would show as a cost to Yukon Housing Corporation but not as a cost to Government Services. I thought the Member put me on notice to provide him with information during O&M Mains, and I will undertake to get that information for him.

Mr. Lang: I appreciate that. Could the Minister tell me what the chargeback is for?

Hon. Mr. Kimmerly: Here is a change in a lease rate for the office space for the Workers' Compensation Board. We had expected \$137,000, and we have spent \$116,000.

Mr. Lang: Is there anything else for the Workers' Compensation? Just two comments. The Minister said that Workers' Compensation was not covered under this. Are there any other chargebacks and, if so, where?

Hon. Mr. Kimmerly: No, and I apologize. I meant that Workers' Compensation charges, or levies, or payments, were not involved, but the lease of the office space is. I apologize for that apparent inconsistency.

Mr. Nordling: Could the Minister tell me again what the overage was for personnel?

Hon. Mr. Kimmerly: It was \$157,000 over in the total.

Mr. Nordling: Can the Minister tell us what that was for?

Hon. Mr. Kimmerly: It was the Job Evaluation Study influence, the signing bonus, \$48,000 for the custodial workers, the severance pay for several retiring employees, and the casual to cover for a retiring employee, casual help including the summer students, and the personnel costs for repair on the main administration building.

Mr. Lang: Perhaps it is some other area where I should raise this, and the Minister can direct me to the Main Estimates if he likes. What is going to happen with respect to the results of the study that was commissioned, looking at the ventilation and various other things. Would that be involved in here? If so, in what area, and what are going to be the steps following the study?

Hon. Mr. Kimmerly: I believe that is in professional and special services, which is here. The results are tied in with, and are intimately related to, the overall space study, as space and the density or the population of the building is the major contributing factor to bad air in the building. That study was projected to be finished April 1. It was actually finished April 11, last Friday. It will be presented to Management Board in either a week or two weeks' time.

Mr. Lang: I assume that study will be made public, is that correct?

Hon. Mr. Kimmerly: Yes, eventually it will be.

Administration in the amount of \$161,000 agreed to
On Systems and Computing Services

Hon. Mr. Kimmerly: There is traditionally a reduction here, which is a matter of concern to me. It is generally an underexpendi-

ture due to vacant positions, and that accounts for \$228,000. These are not the senior positions, but the recruitment, especially local recruitment, of computer analysts is extremely difficult and this is almost an annual event. I recognize that is unacceptable and I am looking at ways to make the budgeting far more accurate.

The contracting for supplies and for the computerization of the government was also less by \$112,000, and maintenance on office equipment — almost entirely computers — was \$39,000 in excess of the original budget.

Mr. Lang: I want to put the Minister on notice. He tabled a document with us with respect to the utilization of computers and the effect it was going to have as far as the government was concerned, and there were various recommendations throughout the document. Because of time commitments, I have not had the time to study it to the extent that perhaps I should. There are some major implications on the cursory look that I had at the document and I want to give the Minister notice that I intend to raise that particular document in the O&M Mains and to have quite an extensive discussion over it because I think we would be remiss in our responsibilities as legislators if we let it go by without some comment. I would appreciate the Minister making it available to us.

He referred to contracting and the fact that they were under as far as contracting services were concerned. I am assuming that that is going out to the various businesses in town, that in good part the basis of the business is with the government. That is the foundation of the business that allows them to provide services to the small businessman as well, that perhaps come in on a sporadic basis or individually. Is there any thought being given by the department with respect to closely analyzing what is happening as far as computerization is concerned? Are we getting to the point where we are starting to impinge or infringe upon the area that belongs to the private domain as far as contracting out pieces of work on behalf of the government?

Hon. Mr. Kimmerly: No. If I understand correctly, in fact, the opposite is occurring. A number of the local contractors are ex-employees, and we are contracting more than we used to. That is over the long term. That policy has been maintained under our administration. The fact is, the government is leading the private market and is encouraging the private market, and that is a service for it supplies the possibility of a service to other private clients. That is a good policy that the present government is maintaining.

Mr. Lang: I do not have any problem with clearing this area. I am going to have some specific questions in the Mains regarding systems and computers.

Mrs. Firth: Before this item clears, how many person-years are vacant for computer analysts?

Hon. Mr. Kimmerly: Right at the moment, I do not know. I can find out. There are absolutely no planned vacancies, or positions that we are not filling. The positions are all either filled or under active recruitment. I will find out the vacancies as of this instant. I expect it is one or two, but I will find out.

Hon. Mr. Porter: I move that you report progress on Bill. No. 17.

Chairman: You have heard the question. Are you agreed?
Motion agreed to

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

Motion agreed to

Mr. Speaker resumes the Chair

Speaker: I will now call the House to order. May we have a report from the Chairman of Committee of the Whole.

Mr. Webster: The Committee of the Whole has considered Bill No. 17, *Fourth Appropriation Act, 1985-86*, and directed me to report progress on same.

Speaker: You have heard the report from the Chairman of Committee of the Whole. Are you agreed?

Some Members: Agreed.

Speaker: I declare the report has carried.

Hon. Mr. Porter: I move that the House do now adjourn.

Speaker: It has been moved by the hon. Government House Leader that the House do now adjourn.

Motion agreed to

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

The House adjourned at 9:30 p.m.