



The Yukon Legislative Assembly

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HANSARD

Wednesday, December 3, 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

James McLachlan **Faro**

LEGISLATIVE STAFF

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Clerk Assistant (Legislative)	Missy Follwell
Clerk Assistant (Administrative)	Jane Steele
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Hansard Administrator	Dave Robertson

Whitehorse, Yukon
Wednesday, December 3, 1986 — 1:30 p.m.

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

Prayers

DAILY ROUTINE

Speaker: We will proceed at this time with the Order Paper.
 Are there any 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 Motion?
 Are there any Statements by Ministers?

MINISTERIAL STATEMENTS

Native Courtworkers

Hon. Mr. Kimmerly: I am pleased to announce that the Council for Yukon Indians is planning to deliver the Native Courtworker Program. Discussions between this government and the Council for Yukon Indians are taking place to define the nature and scope of the future program. The intent will be to provide courtworker service in as many communities as possible.

I anticipate that this government, the Council for Yukon Indians, and the federal government can come to an agreement in time for the Council for Yukon Indians to deliver an expanded program in April 1987.

In the meantime, the Skookum Jim Friendship Centre will continue to deliver the courtworker service. I am concerned that this service be available in communities outside Whitehorse. The funding level to Skookum Jim has, therefore, been increased by \$21,513 to allow a native courtworker to travel to the communities to attend during court circuits. An additional courtworker trainee will allow this to occur without diminishing the services now being provided.

I am pleased to be able to announce these significant developments. I am sure that this cooperative approach will result in an effective and representative native courtworker service.

Mr. Nordling: We are pleased that the Minister of Justice has updated us on the status of the Native Courtworker Program. What he is telling us now is the same thing that he told us in July of 1985: the cheque is in the mail. In *Hansard*, on July 17, 1985, the Minister said, "It was totally unacceptable to this government that all of the funding that the Board had in the last two years was devoted to service in Whitehorse. It is our policy that the delivery of the program must occur in rural Yukon as well as in Whitehorse, and that will occur."

The Justice Minister also said, in referring to the timing of his decision to suspend funding, "I decided because I did not want to wait another three months as the program, and especially the delivery of the program, should occur in the communities as early as this fall. I hope it will. I cannot promise that but I hope so. It will certainly be in place as soon as the government can act as the ultimate goal is one of the priorities of the Department of Justice."

In July of 1985, the Minister could not wait three months and attempted to cut off funding without giving the Board the required 60 days notice. On July 2, in a news release, the Minister of Justice said, "Consultation has already begun with the Council for Yukon Indians."

Ten months later, in April 1986, during Question Period the Minister stated, "The service now is in nature the same as the service that was terminated last September."

In May of 1986, the Minister mentioned that he had discussed a general proposal with the Chiefs and stated at that time, "I am

expecting that proposal shortly. I would like to give a date but I cannot. They did not give me one, however, I am expecting that it will be in the month of May, probably next week. If it is not in the month of May I will diligently follow it up."

Now, on December the 3rd, 1986, the Minister makes a big announcement saying, "Discussions are taking place. I anticipate an agreement in time for April of 1987."

Meanwhile, he announces a funding increase of \$21,513 to allow a native courtworker to travel to communities.

The light has just come on. In a letter to the Minister, dated either the last day or two of June 1985 or the first couple of days of July of 1985, Louise Profeit Leblanc wrote to the Minister, and in her letter — she was the Vice-Chairman of the Native Courtworker Society at the time — she said, "The Board is in complete accord with your point about the need for a courtworker service in rural communities."

⁰¹ "The board is determined to fulfill this need, even at the expense of cutting down its staff in Whitehorse, even though this is likely to leave its Whitehorse operation rather handicapped."

"We feel sure that you are aware of the financial struggles of the courtworkers over the past few years, and the efforts that the society has made to receive adequate funding to provide a full service to rural communities."

"You will be pleased to know that the board has decided on immediate contact with the chiefs in order to determine the most effective delivery of service to their communities."

That was not good enough for the Minister. He decided he would do it himself. He did it himself — over one-and-a-half years later. The Minister makes this announcement that discussions are taking place.

In conclusion, I must say one thing on the positive side. If and when the CYI does take over the delivery of the program, I am confident that they will do a good job. I am also confident that they will not allow the Minister to step in at his whim and fire their staff.

Applause

Mr. McLachlan: I wish to know if the Minister can respond to the fact that the program originally was called Rural and Native Courtworkers Program. Do we now interpret, by today's announcement, that the rural part of the program is dropped entirely and that it applies only to the native courtworkers? In other words, what happens in those rural communities that do not happen to have a large native population?

Speaker: The hon. Member will close debate if he now speaks. Does any other Member wish to be heard?

Hon. Mr. Kimmerly: I will respond briefly. The announcement is very significant. On the program that is designed to primarily service Indian people, it will be delivered by and controlled by the Council for Yukon Indians, which already has a rural-based board, being the chiefs. This is a significant step in the cooperation of this government and the Indian people of the territory. The rural aspect is enhanced, in that the plans are to have courtworkers based in the communities and not travelling on circuits.

⁰⁴ Motion of Urgent and Pressing Necessity No. 1

Mr. Lang: I rise under the provisions of Standing Order 28 to request the unanimous consent of the House to move a motion of urgent and pressing necessity. We have seen an unfortunate impasse deadlock in the House proceedings over the past few days on the issue of public disclosure of contracts and the question of public expenditure and whether or not the information is going to be made available to the public.

There has been a major reversal of public policies that was exhibited by this government since they took office a year and a half ago. As the Members of this House know, on December 1, we put forward a proposal to break this deadlock where the government was requested to give us the information quarterly for all contracts. That was dismissed out of hand.

Since that time, the Member for Faro raised another compromise and put it forward at the end of the proceedings yesterday to see whether or not we could break this deadlock and get the information

necessary and proceed with the conduct of the House.

In view of the fact that this side of the House wants to proceed with government business, wants to deal rationally and logically with the business and knows how urgent and pressing it is because of the workload of all Members of the House from the very controversial legislation that has been presented in the short period of time that we have been sitting since November 21, I move: "THAT it is the opinion of this House that copies of all contracts should be made available to the Legislature, as suggested by the Member for Faro, and that no contracts be excluded from public disclosure".

Speaker: Is there unanimous consent to debate the motion?

Some Members: Agreed.

Some Members: Disagree.

Speaker: Unanimous consent is not given.

This then brings us to the Question Period.

QUESTION PERIOD

Question re: Service contracts

Mr. Phelps: Yesterday, the Minister of Government Services said he would take as notice a question regarding how many contracts under \$5,000 have been let by this government under service contracts or consulting contracts. Could the Minister advise the House how many contracts for less than \$5,000 have been issued since March 26, 1986 to the present?

Hon. Mr. Kimmerly: The Member opposite does not recognize the difficulty in finding that number. The short answer is that yesterday I did not know, and today I do not know. It is certainly a large number. This process is in being computerized. When the computerization is complete, this kind of information will be much more readily available. I am expecting that in April or May of 1987.

Mr. Phelps: These are questions that are pertinent right now. If we have the contracts, we could get that information and make it available to all Members. Would the Minister of Government Services make the contracts available to the Opposition, and we will produce those kinds of answers to the public and the taxpayers in the Yukon?

Hon. Mr. Kimmerly: There is an example of the Opposition changing their position yet again. We have answered that question, or a very, very similar one, I am expecting now, approximately 20 times.

Mr. Phelps: We are not changing our position at all, with respect. We are asking for the contracts in the same manner that they have been supplied to us on two previous occasions. Again, I ask the Minister to answer the question directly. Why will he not give us the contracts? Is he hiding something?

Hon. Mr. Kimmerly: We are not hiding anything at all. I have answered these questions before. If the Members opposite have a question about a contract, they can ask it, and we will answer it.

Question re: Service contracts

Mr. Phelps: I am getting increasingly concerned about the way in which the government seems to be piddling around with the taxpayers' money. Would the Minister of Government Services advise how many service contracts and consultant contracts were let this year without tender?

Hon. Mr. Kimmerly: That is obviously an administrative question. I will take it as notice.

Mr. Phelps: Could the Minister advise now as to how many service contracts and consultant contracts, of any kind whatsoever, have been issued to people in Manitoba since March 25 of this year?

Hon. Mr. Kimmerly: I do not specifically know. I will take that as notice, as well. These are obviously administrative questions.

Mr. Phelps: We are pleased we are going to get some answers and that he has undertaken now to give answers to these questions. Would the Minister, when he provides those answers, advise what people, corporations, or companies these contracts were issued to, how much each one was worth, and exactly what the contract was

for?

Hon. Mr. Kimmerly: We have previously announced a policy to answer exactly those questions, and I can simply repeat that we will answer in accordance with the policy previously announced, which is an answer I have repeated again and again.

Question re: Yukon Housing Corporation

Mr. McLachlan: I have a question for the Minister responsible for the Yukon Housing Corporation.

Has there been a change recently in the senior management of the Yukon Housing Corporation that has resulted in reclassification of those people and a consequent salary increase?

Hon. Mr. McDonald: I am not aware of reclassification and raising of salaries. I can check for the Member. With respect to the senior management, if the Member is referring to the general manager's position, there will be an advertisement for this position. I am sure it will be posted soon, if it has not already been posted. Beyond that, I am not aware of any shakeups in the senior management level of the corporation.

Mr. McLachlan: I am in possession of a letter from the Yukon Housing Corporation, signed by a Mr. Andre Gagnon. It is titled Chairman of the Board and Chief Executive Officer, a term normally reserved for private business corporations. I find it rather strange that that terminology is used here in government. That was the intent of the main question. The Minister appears to be unaware of this change. Could he tell us when it was made and why?

Hon. Mr. McDonald: The Member is confusing the senior management of the corporation and the board of directors of the corporation. There have been some resignations from the board and some appointments to the board. The chairman of the board, for the time being, is Mr. Gagnon, who is acting as chair and chief executive officer during the period until the end of this fiscal year.

With respect to other members of the board, their names are public information. I can name them, if the Member wants. There has been no shakeup at the board level. There has been no shakeup at the administrative level. As people resign their positions with the board, new persons were appointed.

Mr. McLachlan: Can the Minister advise the Assembly when the Minister would expect to fill the position of general manager?

Hon. Mr. McDonald: I would hope that we could fill it as soon as possible. That is the senior position at the corporation, and I would hope that the board of directors fills the position at the earliest opportunity.

Question re: Service contracts

Mr. Lang: I have a question with respect to what we, on this side, see as a very important principle and issue. The fact is that there is \$20 million that, in good part, is not required to be put out to public tender. We had a policy where all that information was provided to this side to peruse, as Members of the House and on behalf of the public. There has been a major reversal with respect to that particular policy, to the point where we will only get certain information once a year, even 11 months after the money has been spent. Secondly, we will not be able to get information on contracts under \$5,000 unless we find out about these contracts elsewhere.

I would like to ask the Minister of Government Services a very serious question so that I understand the policy of the government.

Is the policy of the government that for Members of this House or the public to find out about contracts under \$5,000, we are required to go out and if we hear it on the streets or in the alleys of the communities of the Yukon Territory that we have to bring them forward to this forum and raise them as questions in order to find the validity of the statements being made and whether the contracts have been let?

Hon. Mr. Kimmerly: The short answer is no. The Member opposite gave a long preamble and repeated false information, which he has repeated time and time again and we have corrected time and time again. The policy is: if we are asked by Members of the public or Opposition Members for contracts, we will supply those contracts unless there is some reason or principle contained in the *Access To Information Act* that requires us not to.

Mr. Lang: The Minister has always given us two answers so he

can always fall back on the answer that is most satisfactory the day we ask another question.

In view of the fact that this is public expenditures and this is not Mr. Penikett's or Mr. Kimmerly's money, why is it necessary that we go through the *Access To Information Act* to find out whether or not a contract has been let by this government?

Hon. Mr. Kimmerly: It is not necessary to go through the *Access To Information Act*. The Member is purposely trying to make it appear as though that is our position. He has repeated that, I would expect, a dozen times. We have not required that for contracts in the past. I have given the Leader of the Official Opposition contracts and the Member for Porter Creek East contracts when they are specifically asked for. I will continue to do so.

Mr. Lang: There is cause for concern on this side, obviously, and legitimate concern. We had information prior to this Session and now are being denied that information, and we want to know why. I think it is a reasonable assumption.

What, in law or policy directive or policy instruction by the Minister of Government Services, prevents the government from going into, say, four or five \$4,900 contracts as opposed to one \$25,000 or \$30,000 contract?

Hon. Mr. Kimmerly: It is contrary to the Management Board directives of this government.

Question re: Service contracts

Mrs. Firth: I have a question for the Minister of Tourism. In the past 10 months is it true that there has been a contract let to the former Executive Assistant to the Minister of Health and Human Resources for \$4,800 for a cultural survey?

Hon. Mr. Porter: I do not have any specific information related to the question, but I will undertake to ask if such a contract was issued. If such a contract were issued, as the Member states, we will apply the policy and will make it available.

Mrs. Firth: My first supplementary is, again, to the Minister of Tourism. Is it true that there has been a contract let to the former Executive Assistant of the Minister of Health and Human Resources for \$5,000 to be retained for advice to the Department of Tourism?

Hon. Mr. Porter: It is true that the individual, of whom she speaks, is working with respect to the Department of Tourism to assist. As to the nature of the specific amount of the contract, I do not have that particular figure in front of me and will not confirm that.

Mrs. Firth: My final supplementary is to the Minister of Tourism. Is it true that there has been a contract let to the former Executive Assistant of the Minister of Health and Human Resources for \$1,200 to examine the effect of the Nielsen Task Force Report on Tourism?

Hon. Mr. Porter: There is some work being done in the Department of Tourism evaluating the potential effects on this government and specifically on the Department of Tourism. As to whom that contract was let, I do not know the specifics of that particular question.

Question re: Service contracts

Mrs. Firth: I trust that the Minister will be bringing the appropriate information back to the House. My new question is for the Minister of Renewable Resources.

Is it true that there has been a contract let to the former Executive Assistant of the Minister of Health and Human Resources for \$3,800 to do some research on the Porcupine caribou herd?

Hon. Mr. Porter: I am aware that the individual mentioned is working with the Porcupine Caribou Management Board with respect to some information concerning the activities of that Board. I will undertake to get the details of that particular information.

Mrs. Firth: My first supplementary is to the Minister responsible for the Executive Council office, which would be the Government Leader.

Is it true that there has been a contract let to the former Executive Assistant of the Minister of Health and Human Resources for \$4,500 to examine the 21 reports of the Nielsen Task Force?

Hon. Mr. Penikett: I cannot speak to the accuracy of the

amount, but the work is being done, yes.

Mrs. Firth: The Government Leader did not address this as to who was doing the work. Is it the former Executive Assistant who is doing the work? The Government Leader is nodding his head indicating yes.

Why was the contract broken down into two contracts under \$5,000 to examine the 21 reports under the Nielsen Task Force?

Hon. Mr. Penikett: I do not know, but I will find out.

Question re: Service contracts

Mrs. Firth: Why does the Government Leader not know what is going on in his government and in his department?

Hon. Mr. Penikett: The Member opposite has a confused idea of ministerial responsibilities. I am not responsible for administrative matters in the department. I am, of course, accountable in this House for what the administration does, but I do not make those kinds of administrative decisions.

Question re: Service contracts

Mr. Lang: Some very serious revelations are coming forward, in view of the the policy that has been accepted by the side opposite. This side is bringing forward some very valid questions. Who is responsible to look into the matter of splitting contracts below \$5,000: one for \$4,800 and one for \$1,200? Who is going to be responsible for checking and reporting back to this House what is obviously contrary to the Management Board Directives that the Minister of Justice always hangs his hat on?

Hon. Mr. Penikett: Again the Member is making an allegation. I do not accept his allegation as I do not accept his word on everything. I will inquire into the facts, and I will report back to the House as I indicated to the Member. The Member talks about serious allegations. Let us remember that there were hundreds of thousands, millions of dollars of contracts that were put out by the Members opposite. No information was ever provided to anyone.

I would like to ask the Member opposite, if I had the opportunity, if he would be willing to see the contracts of his administration tabled in this House?

Point of Order

Mrs. Firth: Point of order.

Speaker: There is a Point of Order.

Mrs. Firth: The Government Leader has been dodging and darting around this long enough. We have not asked for a great dissertation on what the previous government did. We are asking for this government to be accountable. We have just asked a series of questions about contracts, about which they could answer one or two questions. It is time the Government Leader started to be accountable for what his government is doing.

Speaker: Order please.

Mr. Lang: I find there is no point of order. It is just argument over facts.

Mr. Lang: In view of what has transpired here, could I ask the Government Leader to, in his deliberations and search, be prepared to look into how many other contractual service and consulting contracts have been let for \$5,000 or less to the same individual or company over the course of the past 10 months?

Hon. Mr. Penikett: I will be happy to provide that information.

Forgive me if I may make a comment on the hypocrisy of the Members opposite. I would like to know if they would be willing to have contracts of their administration tabled in this House, and a complete list of them.

Point of Order

Mr. Phelps: Point of order. When he gets his back up, the Government Leader persists in using derogatory terms in referring to the Members on this side of the House. I recall that the same word "hypocrisy", when used by myself, was graciously withdrawn. I would ask the same of the Government Leader.

Hon. Mr. Penikett: Out of my considerably high respect for the Leader of the Official Opposition, I will withdraw the word, "hypocrisy", but I would welcome a statement from him in the

House as to whether he would be willing to see the contracts of his administration made public, or the one previous to his.

Mr. Lang: Since we are talking about the present administration, and we are talking about a government that has never seen as much money as this government has seen, and in view of the fact that we are talking about \$20 million that is not required to go to public tender, and that contracts are being let for \$5,000 and under to the same individuals or companies, what steps or authority does the Minister of Justice have, under the Management Board Directives, to take corrective action, in view of the fact that the contracts have already been let?

Hon. Mr. Kimmerly: I have no authority, myself, but the Management Board has ample authority to deal with the situation.

Question re: Service contracts

Mr. Lang: What law is in effect that would not permit the disposition of \$19,000 worth of contracts into \$4,000 and \$4,500 contracts, in order to meet the \$5,000 limit decreed by the government?

Hon. Mr. Kimmerly: That is a repeat of a previous question, and I will repeat my answer. It is contrary to Management Board Directive.

Mr. Lang: It is fine for the viewer for you to say that it is contrary to the Management Board Directive. Just exactly what does that mean?

Hon. Mr. Kimmerly: It means that the Management Board — and I will not explain what that is because he obviously knows — sets out rules that all civil servants must comply with as a condition of their employment.

Mr. Lang: The individual or companies involved who are getting these contracts are not civil servants. They are private citizens or companies. I want to know under the Management Board Directives if there is anything that you can do, as the Minister of the Crown, with respect to the disposition of these dollars in view of the fact that it has breached Management Board Directives?

Hon. Mr. Kimmerly: There have been allegations that something has breached Management Board Directives, and I do not accept that at all. The Member opposite is being irresponsible in making that allegation and he ought to wait until the situation is looked into and reported upon.

Question re: Northern Canada Power Corporation

Mr. McLachlan: I have a question for the Government Leader. The Minister had set a deadline of October 31 for the completion of some talks with the federal government with regard to the transfer of the power commission to the YTG. That date has come and gone now, as well as the ones in November. Has the Government Leader established a new deadline for completion of these talks?

Hon. Mr. Penikett: We have not established a new deadline, as such, but I can report to the Member that negotiations are going on at this minute in Edmonton, and I hope that we will be able to report the success or failure of the negotiations very shortly.

Mr. McLachlan: In the event that a successful conclusion of talks and takeover of the power commission by YTG cannot be completed by March 31, 1987, for whatever reason, does the letter of understanding with Yukon Electric Company Limited, respecting that company's proposed operation of the assets, then become null and void?

Hon. Mr. Penikett: Of course, I will try to get the Member an answer to the question. I am afraid he may be asking a legal opinion, which I am really not equipped to give, but I will endeavour to have myself or the Minister of Justice respond to the Member.

Mr. McLachlan: I do not believe it is a legal opinion. I am simply asking if it is a continuing situation whereby Yukon Electrical Company Limited could operate the proposed assets, either next year or in the subsequent year, or five years from now. I am just wondering about the continuing aspect of that letter of understanding.

Hon. Mr. Penikett: The best answer I can give to the Member is that we have every reasonable hope that the negotiations will be

completed long before March 31. If many more months pass without reaching a successful conclusion, or a conclusion of any kind, we will obviously have to do a substantial reassessment of our position.

Question re: Indian Education Commission

Mrs. Firth: Will the Minister of Education clarify just what the Indian Education Commission is doing in light of the boycott by two of the three members?

Hon. Mr. McDonald: My information has it that the Commission chairperson and the Commission staff are proceeding with preconsultation in communities until such time as the vice-chairman for social programs for the Council for Yukon Indians and I can meet to resolve the matter. The two Commissioners who are not participating on the Commission at the present time, I understand, are not being paid for their services as they are not working. It would be our hope, in any case, that we can resolve the issue as soon as the vice-chairman for social programs returns to Yukon.

Mrs. Firth: We are talking about a \$403,000 program here that is desperately on the brink of collapsing. The Minister has clarified that the salaries are not being paid. Could he please tell me the importance of this individual who is coming back? It was my impression, from the Minister's remarks, that he was resolving this impasse.

Hon. Mr. McDonald: The significance of the person who is coming back is that she happens to be the vice-chairman of social programs for the Council for Yukon Indians. As the Member can denote from the title, the joint Commission on Indian Education and Training, it is a commission jointly sponsored by the Yukon government and the Council for Yukon Indians. As a result of that relationship, I do not take decisions unilaterally, because I would like to seek their cooperation on major moves of this nature.

Mrs. Firth: Could the Minister tell us if the chairperson is still being paid?

Hon. Mr. McDonald: The Commissioners who are working for the Commission put in a day's work, and they receive a daily fee. As for the contracts that the Members had requested and I delivered, the chairperson of the Commission, I presume, is being paid for the work he is doing.

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Question re: Indian Education Commission

Mrs. Firth: The Minister of Education has contradicted himself unless I had heard otherwise. I thought he said that the two Commissioners were not being paid. Now he says they are being paid on a daily basis. Of the three people on the Indian Education Commission, who is being paid?

Hon. Mr. McDonald: The Member is desperately trying to find controversy here. The chairperson is working with the staff doing pre-consultation in the community. For that purpose, I presume, he is being paid. The people who are not working for the Commission, those who are boycotting the Commission's work, are not being paid, because they are not working. If they were to work for the Commission, I would presume that they would be paid.

Question re: Liquor in correctional camps

Mr. Brewster: In *Hansard* of November 25, 1986, I asked the Minister of Justice how the prisoners in the Haines Junction work camp obtained liquor and how they transported it to the camp. The Minister's response was, "I wish I knew". Can the Minister explain why there was no investigation of this matter, either by the Correctional Institute or by the RCMP?

Hon. Mr. Kimmerly: That is a false statement. I was in Haines Junction shortly after this incident, and I personally spoke to an RCMP officer who was investigating that, so that statement is obviously not true.

Mr. Brewster: I would suggest that the Minister of Justice look at *Hansard* because the quote is in there, "I wish I knew".

In *Hansard* on November 25, the Minister stated that it was absolutely impossible for the Yukon government to attend to the work done to the RCMP fence because it was a federal project. Can the Minister tell me who authorized the prisoners to do this work?

Hon. Mr. Kimmerly: The comment about "I wish I knew" is I

wish I knew the answers that were investigated, but the investigation was inconclusive.

I do not know, specifically, who authorized the work; however, it would appear obvious to me that it was the person in charge of the camp out there who authorized all the projects.

Mr. Brewster: Would the Minister give an undertaking to table the results of the investigation of this incident?

Hon. Mr. Kimmerly: No, I will not because I believe that there is nothing useful, at all, to table. The investigation, I was personally told, was inconclusive. It was conducted by the RCMP into the aspects specifically mentioned, and it was inconclusive. The RCMP did not find the answer. That remains the situation today.

¹⁴ Question re: Crestview truck terminal

Mr. Nordling: With respect to the Crestview truck terminal, on May 26, in answer to my question with respect to the safety of the location of this terminal, the Minister of Community and Transportation Services said, "We are currently deciding the safest method of using that site." Could the Minister tell me if the safest method has been determined and if that method is in effect at the present time?

Hon. Mr. McDonald: A safe method has been determined, as I am sure the Member is aware. The shaving of the hillside around the entrance to the truck terminal has been undertaken, so that sight lines can be accommodated to handle traffic flow in and out of the truck terminal site.

If the Member is going to ask whether or not that is the safest method of any method possible, I can tell him that shaving a hillside right down to nothing is probably even safer, and putting in passing lanes and doing all kinds of other things would be even safer. This is the most cost-effective, yet completely safe, option that we have determined should exist here, according to the traffic engineers, whose opinion I sought and have followed in this matter.

Mr. Nordling: Is the Minister saying that he is satisfied with the safety precautions that are in effect at the present time?

Hon. Mr. McDonald: I am satisfied that all reasonable care and attention has been taken to this particular issue. Traffic engineers from the Department of Community and Transportation Services have been on the site on numerous occasions and have discussed the terminal location and the access to that location onto the highway numerous times with Yukon Alaska Transport officials. We are satisfied that the approach to the highway is as safe as any approach to the highway that we have approved already in similar circumstances. It has proven in the past to be safe, given that drivers are expected to take due care and attention to traffic on the road. We believe that careful attention has been paid to this matter.

Mr. Nordling: Just to go a bit further, concern has been expressed by residents in the area, not with the Yukon Alaska truckers, but with vehicles that pass those trucks as they slow down to turn into the truck terminal at that corner. I wonder if, in his discussions with highway engineers, the Minister did discuss other drivers when it was determined that turn lanes were not necessary.

¹⁵ **Hon. Mr. McDonald:** It is primarily the concern for other drivers on the road that the decision was made. Sight lines as to the view from the highway to the entrance and from the entrance to the highway are important. There are many cases where trucks turn off into truck terminals without passing lanes being constructed. If it is felt in the future that traffic flow is intense in this particular location, then passing lanes could be considered, as they have been in the past where the traffic intensity seems to justify it. I would remind the Member that the Utah site had no passing lanes to my knowledge, even though Cyprus Anvil trucks were turning in regularly. The situation that will proceed will be that if trucking intensity justifies passing lanes we will consider those passing lanes.

Question re: Skagway-Carcross Road equipment

Mr. Lang: I have a question for the Minister of Community and Transportation Services, and I hope he can be a little bit more brief in his response as opposed to the long drawn-out responses

that we have been getting; if he can get to the crux of the question.

Have all the finances required to buy all the equipment on the Alaskan side of the Klondike Highway for the purposes of the agreement that he signed last year been transferred and all that equipment paid for and on site?

Hon. Mr. McDonald: To be brief, I am not aware of the situation in the detail the Member requests, but I will undertake to find out exactly what has been purchased and what is on-site on the Alaskan side.

Mr. Lang: There is a major cause of concern, and I want to raise it because it is a question of public safety, and it is fairly urgent. A number of truck drivers, whom I represent, have called me in the last day and have informed me that on the Canadian side of the highway up at Fraser there is no truck or vehicles on-site to be able to do the necessary sanding to ensure the utmost safety. Can the Minister verify whether or not that equipment is available for maintaining the highway?

Hon. Mr. McDonald: The Member is speaking of equipment on the Canadian side now, and I do not have an inventory breakdown in my head of whether or not there are sanding trucks at Fraser, but clearly if they are required and they are not there then we will undertake to ensure they are there. We want to ensure the safety of the truckers and the travelling public. I realize the maintenance of this road in the winter time is new for all of us, but we have to pay careful attention to the safety of the drivers and assess where there may be problems. If the Member has brought up a point that has to be addressed, we will address it immediately.

Mr. Lang: I would appreciate it, and I would appreciate it if the Minister could undertake to report back tomorrow with respect to the answer to the question I believe I have legitimately raised in the House on this matter.

¹⁶ **Hon. Mr. McDonald:** I will agree, they are legitimate concerns as they have been expressed to the Member from truckers. I will attempt to get the thing reviewed immediately, today, and will report back tomorrow.

Speaker: Time for Question Period has now elapsed.

Point of Order

Mr. Lang: Point of order.

Speaker: Point of order. The Member for Porter Creek East.

Mr. Lang: I rise on a point of order with respect to some direction from the side opposite on House business. For the record, I would like to make everybody aware that we have been informed that second reading is going to be called on the Human Rights Act, which is a very controversial piece of legislation. Both yesterday and today I asked the House Leader if he could delay second reading of the Bill until Monday since there is enough work in Committee of the Whole.

I ask again that the House Leader seriously consider the request that was put forward by the Conservative Caucus to delay the second reading of the *Human Rights Act*. Information has not been totally disseminated to the rural communities. The handbook that was provided to Members of the House are in the process of being printed and will be made available tomorrow. So, adequate information has not been made to the public, and I ask that the side opposite consider that request and let us know this evening what their intentions are on this issue since we deem it very important.

Hon. Mr. Porter: I doubt if the Member has a point of order, and it is the intention of the side opposite that House business, until agreed otherwise, will be dealt with at House Leader's meetings.

Mr. Lang: On the same point of order, the public has a right to know, and we would like to know prior to 5:30 p.m. so that we know where the government is going on this issue.

Speaker: We will now proceed with Orders of the Day. Motions Other than Government Motions.

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Mr. Lang: I move the following motion: The House Leaders have reached an agreement on the order in which the motions other

than government motions should be called today. Before this agreement can take effect, the Members must be asked for unanimous consent. I, therefore, request the unanimous consent of the House to call the Motions other than Government Motions in the following order: No. 54, No. 65, No. 62, No. 61, No. 59, No. 63, and No. 66.

Speaker: Is there unanimous consent?

Some Hon. Members: Agreed.

Speaker: There is unanimous consent.

Motion No. 54

Mr. Clerk: Item No. 1, standing in the name of Mr. Webster.

Speaker: Is the honourable Member appeared to proceed with Item No. 1?

Mr. Webster: Yes, Mr. Speaker.

Speaker: It has been moved by the honourable Member for Klondike that this House recognize the historical significance of the former chambers of the Council of the Yukon Territory, which are housed in the recently-renovated Old Territorial Administration Building in Dawson City.

¹⁷ THAT this House directs the House Leaders to make every possible effort to reach an agreement by which such a sitting could be arranged to take place during 1987.

Mr. Brewster: I believe that that motion is not correctly stated that the Member for Kluane moved that motion; he did not.

Speaker: The Member is correct. It was the Member for Klondike.

Mr. Webster: I will take full responsibility for introducing this motion, which is basically a followup to a motion that was debated in the House on October 26, 1983, which met with unanimous agreement.

This motion was put forward by the present Government Leader, who was then Leader of the Opposition, as follows: "THAT this House urges the Government of Yukon to consider the advisability of renovating the old territorial council chamber located in the former government administration building in Dawson, and that those chambers be made available to this Legislative Assembly for the purpose of holding sittings on ceremonial occasions such as royal visits".

I am pleased to report that the Old Territorial Administration Building that houses the territorial council chambers is completely restored and renovated to its original splendour and charm. The official opening ceremonies held on November 8 were a huge success, attracting many Yukoners.

The remarks made that day by most guest speakers outlined the history of the building. In fact, I was so bold to suggest, and I quote from my speech that day, "In addition to its architectural significance, this administration building is the most important edifices in the territory by reason of the historical functions it served. For example, the Yukon Territorial Council, Dawson City Council, Yukon Territory Court, and Yukon Gold Commissioners Court all sat in this building at one time or another".

With respect to the territorial council, they first sat in these magnificent chambers of the OTAB on December 5, 1901. The last time Council met here was on June 13, 1977, a significant date for two reasons. As you know, June 13 was the day Yukon became a territory in 1898, and 1977 marked the 75th anniversary of the incorporation of the City of Dawson.

Quoting from *Hansard*, June 13, 1977, following are the opening remarks by the Speaker: "Before calling the Order Paper today, I would like to personally welcome all Honourable Members to these most historic chambers in which you are to hold the final debate of this First Session, 1977, of the Yukon Legislative Assembly, which was adjourned to the call of the Chair on April 27th last.

"The chambers were constructed following the creation of the Yukon Council by the *Yukon Act* in 1898. I believe the actual construction was done in 1901. It was in these chambers that the Yukon citizens could enjoy the very first elected Legislature in the year 1908 under the Speakership of Robert Lowe.

"While this sitting of the House has been summoned in honour of the 75th anniversary of the incorporation of the City of Dawson, I

feel that it is appropriate that the dedicated work of our Legislature and administrative procedures be recognized as well on this occasion. Accordingly, I will draw the attention of all hon. Members to the presence in the Speaker's gallery this afternoon of three most distinguished personages. Firstly, I will introduce Her Worship Mayor Burkhard, the Mayor of Dawson City and who today is representative of the many Yukoners who served the people of Dawson since its incorporation in 1902.

"Secondly, I would introduce to other Members, Mr. George Shaw, former Speaker and Member of the Legislature, who is representative today of all the Members who have in the past served the people of Yukon in the former Council of the Yukon Territory and the Yukon Legislative Council respectively. I add that we have the honour to have with us, as well, Jimmy Mellor, who also served in this Council.

"I would like to welcome the hon. Warren Almand, Member of Parliament, current Minister of Indian Affairs and Northern Development, and who is representative today of the former Administration and Ministers of Canada whose duties have reflected the Federal presence in the Yukon since its creation as a separate territory in the year 1898.

"I am sure that all Members would join me expressing our welcome at this final spring sitting of the YUKON Legislative Assembly in tribute to the 75th anniversary of the City of Dawson".

I think it may be of interest to the Members of this Legislature to take a brief look at business that came forward that day. First, there was a full Question Period in which a variety of subjects were discussed, a few of which pertained to Dawson City. The first question that day reads as follows.

¹⁸ "Ms Millard: "(Member for Ogilvie)"Mr. Speaker, I have a question for the Minister in charge of Highways and Public Works. I am wondering how much money is in the maintenance budget for the building we are presently sitting in, since it is still the government building?"

"Hon. Mr. McKinnon: "(Minister of Local Government)"Mr. Speaker, I would have to take that question as notice. I thought it has been transferred to Parks Canada. If it is a territorial government building, I will certainly supply that information to the honourable Member.

"Ms Millard: Mr. Speaker, supplementary to that then, if you find how much money there is, could the Minister project into the future and try to do some maintenance on this building?"

"Hon. Mr. McKinnon: Yes, Mr. Speaker, providing my colleagues agree with me and move the capital back to Dawson."

Question Period that day was followed by Committee of the Whole debate on Bill No. 21, *Dawson Historic Sites Aid Grant Ordinance*. The hon. Mr. McKinnon provided the following in speaking to the intent of the bill:

"Mr. Chairman, this Ordinance was specifically designed for this session to have legislation with specific interest in the city of Dawson. I might also add, Mr. Chairman, that a commemorative edition of this Ordinance is being prepared for presentation to the city.

"The purpose of this Ordinance is to make the present system of providing Grants in Lieu of Taxes on non-functional historic sites in Dawson that do not qualify for a Grant in Lieu of Taxes by the Federal Government. It presently has been identified as a line item in local government's budget up to this point in time. The grant has been paid for '77-'78 and at least two years previous. The future amounts will vary according to the Federal Government actions. It is anticipated that Federal legislation which is being amended will eventually result in the grants being phased out."

Following debate, Bill No. 21 was read a third time and the Commissioner gave assent.

Mr. Speaker, Yukoners are proud of the newly renovated Old Territorial Administration Building and its Council Chambers. It is fitting that we acknowledge the history of the Chambers in a special way. This motion proposes that we do so by conducting a special sitting in Dawson City during its 85th birthday year, fully a decade following the last sitting. I encourage all Members of the House to give it favourable consideration.

Mr. McLachlan: I rise to join with the Member for Klondike in support of the motion to hold a sitting in Dawson City sometime in the near future, hopefully sometime in 1987. We agree with the Member that the resplendent beauty of the Old Territorial Administration, which was, until 1951, the seat of government for this territory, could again enjoy the honour, the presence of the 16 elected Members of the Legislative Assembly. I would look very forward to sitting at that time.

I have been approached by some people who believe that we should not, perhaps, plan to sit as long as we did in the March, 1986 sitting. The only cautionary note I would add at this time is that even though our counterparts in the Northwest Territories do it on a regular basis, moving around the territory for a lengthy period of time could be somewhat fiscally irresponsible. However, we agree with the intent of the motion, and we agree with the ceremonial purposes that the Member intends that we should proceed with the motion, with the intent and strive to fulfill this motion sometime in 1987.

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Hon. Mr. Porter: As one of the House Leaders mentioned in the motion, I would like to indicate my personal support for the contents of this motion. I would also indicate that I would be personally willing to sit down with the other two House Leaders to negotiate whatever arrangement is necessary to accommodate the intent of this motion.

With respect to the OTAB building, I think that clearly anyone who has seen the building as it exists today will undoubtedly agree that that is the finest building in the Yukon. The efforts that this government has put into that building are very, very well represented, and I do not think that the people of Dawson should feel in any way that they have lesser architecture than any other part of the territory.

A bit of history with respect to how the entrance of government came to bear in terms of the most recent renovation efforts: it was October, 1983 that the then Leader of the Official Opposition, who is now the hon. Government Leader, moved a motion in the House. He called upon the House to recognize the historical importance of the building that the motion speaks to and urged all Members of the House to make the necessary resources available so that the building could be renovated. It was a very rare occasion in public life where a Member of the Official Opposition put forward a motion of a constructive nature, and the contents of that motion were adhered to and carried out. That particular individual was then able to become a part of the government that basically did the necessary work to complete it. To that end, both the Government Leader and myself did travel to Dawson City on November the 8th to open that building.

For the purposes of the record, and for the edification of the Members present, I would like to refer to the notes that I delivered at the official opening in Dawson that speaks to the historical significance of the building. As we all know the re-dedication of any building in any particular town does cause a significant change for that community. I think in this particular case, we are talking about one of the most important buildings in that community.

On the history of the building, the architect of the building was Thomas Fuller whose father was the designer of Canada's first Parliament Buildings, and the building we are talking about in this motion was, under the direction of Mr. Fuller, completed in 1901. The Administration Building is an early example of the kind of approach which our government today is encouraging in the design and construction of public buildings. Namely, that is the use of local materials.

Conscious of long term maintenance costs, Mr. Fuller designed the building to house the Territorial Council Chamber as well as a number of different government offices under one roof. OTAB, the Old Territorial Administration Building, was also designed from ground up with local conditions and local materials in mind. To compensate for permafrost shifting and settling, all-wood construction was employed. Short beam spans and larger beam spans were designed to allow for the use of rough sawn native timber.

The largest building in the north, as it was known at the time,

was completed in one building season almost 85 years ago on December 1, 1901. The Territorial Administration Building was officially opened. It stands today as a testament to Mr. Fuller's foresight. The OTAB was the seat of the first Yukon administration with elected representation. In 1908, the first wholly elected council sat in its Chambers. It remained the seat of government until 1953 when the capital moved to Whitehorse. Over the years the Territorial Council, the Dawson City Council, the Yukon Territorial Court and the Yukon Gold Commissioners Court all sat in the building. Every federal department operating in the Yukon before 1953 was housed in the building at some time. It has served as a post office, a telegraph station, a public school, a radio station and a museum.

The building began with the Gold Rush. It continued to stand through the slow times when the gold petered out and prices fell. Now, I believe it is very much in a strategic location to be able to assist the present members of the community to participate in another rush of another kind, which is the tourism industry. While it now will house a number of government departments as it did when it was first built, it is very appropriate that OTAB is the home of the Dawson City Museum.

If we are to learn from our history, I think that we have an obligation to be able to preserve and protect that history as well as to provide the kinds of institutions to house important artifacts and documents that speak of our past history. I think that the construction of OTAB and the re-dedication of the building and the renovations that have gone into it clearly provide, for the museum interests of the people of the Yukon, a very good location. I would like to acknowledge the efforts of the local people in Dawson City who have volunteered many hours to make sure that the construction was completed on time, and the building took on the kind of life it does. In addition to the government offices, the museum offices will be located in the OTAB.

In the motion that asks that this Legislative Assembly convene future sittings in Dawson, I do not think that we are talking in any way of one of these long drawn out sessions that we have become accustomed to in the last couple of sittings. We are indicating that we are interested in moving the Legislature to Dawson City, possibly for purposes of delivering a Throne Speech on a Thursday and then being able to move back to the capital to continue business. It is a major building with historical significance. It has served as our seat of government over the years, and I think that it is only proper that other Members of this Legislature see the kind of effort that has gone into the building. By incorporating this gesture, we will be making a statement to the people of the Yukon, as well, by making the form of government that we enjoy more visible to the people of the Yukon.

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Mr. Nordling: I am pleased to rise today to speak on behalf of my colleagues in support of this motion. I was born and raised in Dawson City. The building is part of my past. It has great significance for the Yukon Territory, as has been stated in earlier presentations. It also has great significance for me personally. As the Government House Leader stated, it was used as a public school. Those were the years 1958-59, and I am pleased to say that that was my first year of public education. My classroom was just down the hall from the very Chambers that we are talking about. In 1959, of course, there was a brand-new school built, which is now sinking into the ground.

I am very pleased to see that the territorial building has been restored. I was afraid, when Parks Canada did not get its hands on that building, that it may fall down before being restored. I am pleased that the Government Leader started the ball rolling, and we now have a beautiful building that is functional. I had a tour of the building when I was in Dawson several months ago for the Yukon Chamber of Commerce meeting, and I can say from personal experience that the job has been done beautifully. I am also pleased that the museum will retain space in the building. It has probably been known as the Dawson Museum to most people who are around now, more so than as the seat of government. Personally, I will be very pleased to go back and sit in the building where I began my education, and sit in there now that I have finished my education.

and graduated as a lawyer. Now, to sit there as a Member of the Yukon Legislature would give me great pride and great pleasure.

We hope that the costs involved will not be prohibitive, and I have no hesitation in directing the House Leaders to make every possible effort to reach an agreement by which a sitting could be arranged to take place in Dawson in 1987. Thank you.

Applause

Hon. Mr. Kimmerly: I am glad the previous speaker mentioned costs, because that is part of the subject of my addition to this debate. When we get to it in the Capital Supplementaries, Members will discover that there is money allocated in Justice for this building. What we are going to do is reconstruct the old desks, which existed there in the Chambers' heyday. This will be, of course, a little more expense than buying modern furniture, however it will enable local economic stimulation in that the cabinet work can be done in Yukon and we can copy the old desks. I am told that two of them exist, which are in poor shape, but it is possible to reconstruct that old furniture.

Hon. Mr. Kimmerly: This will, of course, add to the tourism potential of that room, especially in that building, as it can be a room that can be displayed to tourists. It will also be used for the circuit court when it sits in Dawson if the court consents to sit in a room that displays a crest, which exists in the building as well.

Hon. Mr. Penikett: I would like to join this debate briefly. Unlike the fortunate Member for Porter Creek West, my education is not complete and in some way one might argue that daily attendance in this House contributes to that process, but I must say that it is a toss-up some days as to which was the more pleasant of the two experiences, school or this institution to which I now attend.

Let me say quite simply that having moved the motion referred to by the Members here and having been joined in debate on that occasion by the then Minister responsible, the Member for Riverdale South, and seeing the readiness to respond to this initiative, I am, as the Minister of Renewable Resources said, extraordinarily pleased to have been blessed with the opportunity in my present role to see it through to completion.

Let me say without hesitation, in my view, that this is the most beautiful building in the Yukon Territory. Architecturally I think it is the most appealing. I also think the use of fir and native woods throughout is a wonderful example of what can be done, or what was done, by our forefathers with local materials and the building materials of the day.

On the last occasion that I was in that building, which, as the Member for Porter Creek East said, the locals refer to as the Museum Building, I wandered up into the Legislative Chamber. It was, as I said in 1983, a very sad occasion for me. As someone who is perverse enough to actually like legislators and is monomaniacal on the subject not to have visited every single one in this country at one point or another, and is even soft-hearted enough to feel quite sentimental about such facilities and their importance to our culture and civilization, and not just our political life, I was disturbed by the condition of the Chamber as it was then. There was furniture on its side with cobwebs and dust. It was in a general state of disrepair.

²³ Even though the Chamber is not yet furnished, even naked like it is, it is a beautiful sight. It is wonderful to see what has been done in the restoration of that building. I, for one, will look forward with great anticipation to the opportunity of holding a sitting, even a brief one, even a ceremonial one, at some occasion next year in that place.

I think it is important that, as a Legislature, we do that, not just as a gesture, as the Member for Faro suggested, towards a rural visibility. I think it is also important for us to do to maintain a sense, as few Members — save and except the Leader of the Official Opposition — will have, of the continuity and the longevity of this institution. I think you can make a convincing argument, for example, that this Legislature, as an institution, is older than Saskatchewan's. That is something that I think few Canadians would appreciate.

Because we are in a new building, in a new facility, in a new capital, I think we lose the sense of that. We lose touch with the past. I think it is as dangerous to neglect one's history as it is to be absentminded about one's future. I think it is very important that we celebrate the past — the roots, if you like — of this institution by having at least a ceremonial sitting in that place.

I would like to join the observation of the Member for Porter Creek West, with respect to the building not being just a building that has been restored and sitting there. It is not a dead artifact. It is a living, breathing building. Not only are museum people there, but offices of several government departments are there. I think it will be a building that is used and enjoyed and treasured by not only the people of Dawson and the people of the Yukon Territory, but by many visitors, as well, for years to come.

I think it ought to be a source of pride to the people of this territory that the territorial government did this restoration, rather than Parks Canada. The work we did in this case is commendable. It is something that is laudable, something about which we should feel very proud.

I would want to pay tribute to the architects, the Iredale partnership of Vancouver, BC and the general contractors, Klondike Enterprises, and the workers who performed so marvelously in the job. As we comment on the facility today, and the prospect of having this House sit there, I can only resume my place with much appreciation of the fact that the desire to go there is shared on all sides of this House, and I welcome the day when we arrive and relive, in some sense, the experience of our predecessors in this institution.

²⁴ **Speaker:** The honourable Member will close debate if he now speaks. Does any other Member wish to be heard?

Mr. Webster: Judging from the remarks during debate, it appears that this motion has been received favourably, and I welcome all of you to the special sitting in the old council chambers in the OTAB, hopefully some time next year.

One of the difficulties or hardships facing a representative of the Klondike riding is the fact that the workplace, the Yukon Legislative Assembly, is 330 miles from home. For once, it will be interesting that Members of the House will themselves experience commuting to and from work. For this reason, among others, I am very much looking forward to this special occasion.

Motion agreed to

Motion No. 65

Mr. Clerk: Item No. 3, standing in the name of Ms. Kassi.

Speaker: Is the honourable Member prepared to proceed with Item No. 3?

Ms. Kassi: Yes.

Speaker: It has been moved by the honourable Member for Old Crow:

THAT this House requests that the Government of Yukon seek immediate communication by the Government of Canada to the Government of the United States expressing the deep concern of this House and of Yukon people over activity in Alaska which may harm the Porcupine Caribou Herd, a resource that people of both countries depend upon; and

THAT the Government of Canada be specifically requested to emphasize the importance of concluding an international agreement on caribou prior to the United States making any decisions on activity in the Arctic National Wildlife Refuge which may harm the herd.

Ms. Kassi: This motion is before the House today because of events in the United States, which may take place in Alaska in the near future. These events concern the Porcupine caribou herd, which many people rely on. I think all honourable Members are aware of the importance of this herd to my people as well as to the people nearby in the Northwest Territories and Alaska.

We are talking about the proposal by the Department of the Interior of the United States government. This proposal suggests that the United States government allow oil and gas exploration on

the Alaska North Slope in the calving grounds of the Porcupine caribou herd. Most honourable Members are aware that the calving grounds of this herd are limited a great deal by geography.

²⁵ There is a fairly narrow strip of coastal plain between the British Mountains and the Beaufort Sea that are used for calving grounds. Simply put, if the caribou lose the use of these grounds for whatever reasons, then the population of the herd will be reduced, perhaps drastically. That means that a lot of northern people will suffer as a result. This exploration will take place between Prudhoe Bay, the Yukon border, and the Arctic National Wildlife Refuge, an area that the US federal government has control over.

The report resulted from the Alaska *National Interest Lands Act* of 1980, which required detailed assessment of the impact of oil and gas potential in the area involved. This report has been released. It states that full-scale petroleum exploration should proceed. They say that in doing this the impact on the caribou herd would be to reduce its population, and they seem to think that this is fine.

Obviously, the US Department of Interior did not consider the costs to my people or to other Yukoners, perhaps not even to Alaskans. As well, the people of Old Crow will not benefit from this petroleum exploration in Alaska. I doubt if Alaskans will in the long run, as well. The point is that the actions of this government could well hurt my people by hurting the caribou herd. Right now we have achieved a management agreement for users of the herd in Canada. This is a great accomplishment, and, once again, I commend all concerned, including our Yukon and federal governments.

At the moment, negotiations are underway between Canada and the United States for an agreement between these two countries on the international management question. This is because both countries recognize how important this herd, this great natural resource, really is, and because international management is what we must achieve to protect the herd for our children and our children's children.

However, now we find a US government department deciding that the herd is not worth saving or, at least, that jeopardizing its future is an acceptable risk for a few barrels of oil. From my point of view, and from the point of view of my people, the natural environment, which has meant a continued survival for so many years, is too often threatened by industrial development. Pollution, over-population, and all these sorts of problems around the world mean more and more natural wildlife habitats disappear each and every year. We see that every day when we look to the south; it goes on here in the north, as well.

My people, the Gwich'in, have cherished and protected our lands as long as we have been here, and we will continue to do so. We will work to ensure the preservation of a natural habitat for the wildlife forever. The land and the natural habitat it provides is our spirit, our culture, and our way of life. We hold a moral obligation to respect and preserve this natural environment, which we are a part of. The circumpolar north is the only vast wilderness left, and we must fight together to preserve it as long as we can.

²⁶ The caribou are our main livelihood. The caribou are our life. It has never been otherwise in my village of Old Crow. Caribou have migrated near our village for many thousands of years, and this is why the village is located where it is today. Our people have hunted this herd and depended on it for many thousands of years. We have conserved that herd. We have our ways to do so, and it remains the main source of food and clothing for my people.

The coastal plain is critical to the life cycle of the caribou herd. Calving time in that part of the year when the young caribou are on the calving ground is very critical to the health of that herd. The caribou are extremely sensitive to intrusions at this time. Exploration in this area would cause disturbance and harm to the herd. Their food base would be diminished, diseases will set in and, as a result, the population will become more vulnerable to predators, and the population would decline. The Porcupine caribou still range freely, but they are being attacked from all sides, from Prudhoe Bay, from the Beaufort, from the Dempster, and from the Northwest Territories. The herd are under pressure now; they should not be squeezed anymore. The caribou have roamed freely

for centuries in northern Yukon and Alaska. We should leave them free and healthy.

The intent of my motion is to express, through the proper channels of the Department of External Affairs, to the United States government the importance of this herd to all Yukoners and the importance of achieving an international agreement on the Porcupine caribou before decisions can be taken on the petroleum exploration on the Alaska north coast and in the Arctic National Wildlife Refuge. With that, I will end my opening remarks and ask all hon. Members for their support to this motion.

Applause

Mr. Phelps: I would like to begin by thanking the Member for Old Crow for bringing this motion forward. It concerns a very important subject matter not only to the people of Old Crow, whom she represents, but, of course, to all Yukoners, all northerners. It really deals with a significant and unique world resource.

We have, and I have, a special interest in the Porcupine Caribou Herd because of the time that I spent, along with many other people, working to try to bring together a management agreement on the Canada side. That agreement was finally achieved and signed in Old Crow just a little over a year ago — time flies by.

²⁷ All the community user groups had representatives from the Canadian side, and some from the Alaskan side, present at that very important signing. I want to express my appreciation for having been invited by the Minister of Renewable Resources. I accept that as a very gracious gesture.

I was pleased, at that time, to meet with many of the Elders of Old Crow whom we have had negotiations with; they have been at the table on numerous occasions, many of the Elders from the other communities, such as Fort McPherson and Aklavik and Inuvik, who have partaken of the strenuous ongoing negotiations, and to meet with some of the other negotiators, such as Bob Deleury from the COPE people, Grafton Njootli had carried the ball for a considerable period of time, as well as then Chief Johnny Able, later Stanley Njootli. There was a tremendous number of people from Renewable Resources, from this government, who were involved and very dedicated in attempting to find a solution, which was very difficult to achieve, given the conflicting problems that all parties had.

There were so many user groups, each trying to get a fair share of the resource. There were territorial rights to sort out. There were the differing interests sometimes between the governments because of their special concerns.

All involved realized that these kinds of competing interests had to be put aside for the betterment of the herd.

What was achieved, as the Member for Old Crow has ably expressed this afternoon, was a partial solution, because it dealt only with the Canadian side. As most people know, the herd ranges across the international border into Alaska. A significant area for its calving grounds are in Alaska. The next step is to try to achieve agreement internationally with the State of Alaska and the user groups and then the federal governments, as well, bringing everything together into an international treaty.

It is a huge undertaking. We have come part of the way, but it is almost overwhelming when one really sits down and considers all the various parties that attend and have significant interests in arriving at a solution to try to ensure that this herd is and will be, in perpetuity, protected as well as it can be within the competency of mankind.

²⁸ I am pleased to see that there are some people from Old Crow in the audience today. It is a significant fact that Old Crow's dependency on the herd is unique, unique in that, of the community user groups, it is the community that relies on the the herd.

The communities in the NWT have other herds that they do hunt that they can turn to. It is that unique dependency that made us extra careful in negotiating the agreement to ensure that that was recognized and that, if there were hard times during any period of years, Old Crow's interests would be protected in a very, very careful fashion.

I am convinced that, because of the work done by all of the people who were in attendance at the meetings, we did accomplish

that very important goal. What has happened now has to be of tremendous concern to us all. It has to be particularly alarming to the Old Crow people whose very lifestyles are dependent on the health of the herd. Again, I thank the Member for Old Crow for pointing out some facts that I will repeat, in part at least, because they are significant ones and they have been very correctly stated.

The first point that people have to be aware of is that this large herd calves in a very restricted physical area, restricted because it is a narrow coastal plain, the Beaufort Sea on one side and the mountains on the other. When activity does take place, it certainly does not leave much room for that herd to get out of the way of mankind's development. That has to be of tremendous concern, not only to us, but especially to the Old Crow people.

The Member for Old Crow has spoken about the possible reduction of the herd, and that is certainly one consequence. Yet another consequence, and one about which we must really be alarmed about, is the potential for the herd to change its migratory patterns.

» This has happened already, from time to time, often for reasons that the biologists do not know. There is a large degree of unpredictability. It is a difficult situation to manage for that reason. If the migratory patterns change, they could bypass Old Crow at such a distance that it would have the same effect as a disaster to the herd itself, so that has to be a sincere concern shared by all of us.

I take a great deal of pleasure in standing up to support the motion. I am sure that it will be passed unanimously in the House. I am sure that that very fact will have some significance on the political process whereby the Government of the United States will be making its determinations regarding the possibility of allowing oil production on the north coast.

Once again, we will be fully in support of this important motion.

Applause

Hon. Mr. Porter: Like the previous speaker, I, too, would like to acknowledge the presence in the gallery of the representatives from the community of Old Crow and would like to welcome those individuals to these Chambers. I think their being here today makes a statement as to the degree of concern that they have on this issue and, more specifically, on the future of the Porcupine caribou herd. Maybe their presence here today might mean that there will be some dry meat on my desk when I get back. I will have to wait until the break.

With respect to this particular question, I was contemplating an announcement earlier on with respect to the initiatives that this government is undertaking regarding the international talks. It was during the discussions with the department concerning the drafting of that announcement that we learned of the most recent events. In the last two weeks we have become aware that a new draft report from the US Department of the Interior recommends a major expansion of oil and gas leasing and exploration of some critical portions of the Porcupine caribou herd's range, particularly the calving grounds.

Needless to say, it is a disturbing development that, potentially, runs counter to many of the incremental habitat protection improvements that have been achieved on both sides of the border in recent years.

» The US report acknowledges that there will be negative effects on the Porcupine herd and thereby there are potential negative consequences for the people who use that herd. I think we have heard in earlier debates the importance of the Porcupine caribou herd to all of the people who live in the area of the caribou habitat, and I think that we are very well apprised of what that particular resource means to those people.

For me, as the Minister of Renewable Resources, there are at least two necessary reactions to the announcement made by the US Department of the Interior.

First, I think we have to redouble our efforts to negotiate an effective international agreement, and, secondly, I believe that this House should make its immediate concerns about the proposed oil and gas leasing clearly known to our US friends. We have an ideal

opportunity to do so because public hearings are to be held in Kaktovik, Anchorage and Washington, DC before January 23, 1987.

I have outlined before that in our International Management Agreement we need the strongest possible assurances of the strongest possible habitat protection measures. We need an equitable management and allocation system, and we need to ensure that the use of the herd can be sustained in perpetuity. These messages must also be taken as directly as possible to the United States bureaucratic decision-makers and the politicians. We need to ensure that the decision-making that is now taking place truly reflects the needs of Alaskan and Canadian users of the Porcupine herd and to ensure that the precedent that could be established, if the Department of Interior report is accepted, does not destroy our ability to jointly manage the herd before the agreement to do so is even negotiated and signed.

Almost seven years ago, the United States government passed the *Alaskan National Interest Lands Conservation Act* after years of effort to protect the incredible wilderness resources of Alaska. Traditional subsistence activities were designed into the management of the Arctic National Wildlife Refuge, but the fact that the area became a wildlife refuge with only 50 percent zoned wilderness was the result of a major political compromise. The coastal plain remained in limbo, and the Department of Interior was asked to study the oil and gas issue in more detail before any decisions were made.

Now, after seven years of wrangling and negotiating, their report basically states the well-known fact that heavy development will have negative effects on the Porcupine herd and obviously negate the wilderness characteristics of the coastal plain, but it is a value judgment.

Hard evidence of oil and gas is not available. The preliminary results of seismic work and drilling on private land near Kaktovik were inconclusive, and the report says there is 95 percent chance of a relatively small oil field and a five percent chance of a large oil and gas field. I basically think that the value judgment that we are discussing here, which is being made in other parts of the world, is a very critical one, and I think that when we do make that judgment, we have to balance the interests of the people of that area, the caribou and, as well, the wilderness values of that particular region.

» It is ironic that for many years the Americans, specifically the Alaskans, have asked us to do something about joint protection. The Arctic International Wildlife Range idea was hashed over many years ago, and the US made most of the early tangible strides to gain real protection for the Arctic landscapes. Now we are potentially faced with a real decrease in the level of US protection while we, in Canada, at this time have quite good and improving measures that are being incorporated onto our books on laws and regulations.

I have often mentioned that we need to speak about environment and development rather than always thinking in terms of environment against development. As Donald McDonald stated in the recent Commission on the Canadian Economy, "Although the Government of Canada has talked about balanced development, not enough has been done to protect areas of outstanding natural significance. We must recognize the intrinsic values of the northern ecosystem. We must all learn to value the wilderness and the unspoiled aesthetic virtues of the north. The environment is the very ground of our existence and intrinsically wanting of our respect and even of our awe".

I want to express the theme once again and argue to all Members of this House to consider this motion and to give it unanimous consent. In conclusion, I think that what the Leader of the Official Opposition has said about the intentions of his party to support this measure is welcomed by this side, particularly myself.

I would also like to convey a statement of congratulations to the Leader of the Official Opposition for the way in which he approached, and spoke to, this measure. I believe the Leader of the Official Opposition when he says that he has the best interests of those people at heart. I believe the Member has some very real honest concerns with respect to the whole question of the North

Slope and its development. I think it is an important statement today that over the last couple of days we may have been wrangling about what some may deem as to be petty and inconsequential administrative issues that we can come together on a substantive issue of policy and philosophy and make a joint statement. I think that demonstrates to the people, whom we represent, that the system does work.

With respect to the motion before us, I would thank the Member for Old Crow for doing the work to bring this motion to the attention of the House. I would like to thank all Members for giving their support to this issue.

Thank you.

32 Motion No. 65 agreed to

Motion No. 62

Clerk: Item number 7, standing in the name of Mr. Brewster.

Speaker: Is the hon. Member prepared to deal with item number 7?

Mr. Brewster: Yes, Mr. Speaker.

Speaker: It has been moved by the hon. Member for Kluane THAT this House urges the Canada Mortgage and Housing Corporation and the Yukon Housing Corporation to amend the current Rural and Native Demonstration Program to provide a thirty-year, no interest loan rather than an outright grant for building materials.

Mr. Brewster: I presented this motion to help straighten out the important housing situation that exists in Carmacks as a result of the Rural and Native Demonstration Program provided jointly by CMHC and YHC.

If Members have been reading the local newspapers, I am sure they have noticed a whole series of letters to the editor explaining both sides of this issue. A major controversy about the program is currently raging in Carmacks. I had a talk with many people about the program, and most people agree that there is considerable merit to it; however, where the problem comes in is how the program is implemented.

The major objections to the program concerns its giveaway nature. There is no return to the taxpayers. How can the program be perceived as being fair when outright grants are being given that enable the recipient to have title within five years. The average homeowners are locked into a 25 to 30 year mortgage and have to pay a substantial amount of interest before they receive title to their house.

It should be remembered, as well, that it is the average homeowner who is paying for this program through their taxes. The current program, besides being unfair, is seriously flawed. Theoretically, a person who receives one of these houses could sell it after five years and make a substantial profit, courtesy of the taxpayers. This just should not be.

I have also heard that the people who will receive these houses effectively pay for them through their labour, something called sweat equity. Well, I just do not buy that argument. I know of very few homeowners with mortgages who have not done a great deal of work on their own home, and they are not getting any credit for their labour.

The program is well-intentioned, but it is flawed. The motion I have presented to you for your consideration would correct the situation and make the program more acceptable to everyone. The support of this House would certainly help the proposal being adopted, and I call upon you all for your unanimous support.

Hon. Mr. McDonald: As the Member for Kluane pointed out, the Rural and Native Demonstration Program has been the matter of some controversy in Carmacks and on the front pages of the paper and in the media generally over the past few weeks, largely because there has been some concern expressed by the criteria supporting the program, a program which is sponsored by CMHC.

33 The program, in its original incarnation, which was not particularly long ago, and is a pilot project after all, was sponsored primarily to encourage a self-help home ownership program in the interests of social housing. Clearly, many of the programs across

the country have not encouraged the home-ownership aspect in social housing and have not done enough to encourage the self-help approach to housing development. This program was meant to be modelled after a similar program currently existing in the Northwest Territories to encourage both those components: self-help and home ownership.

As the media has pointed out, and as the Concerned Residents of Carmacks Committee has pointed out in the media, there are some legitimate concerns with respect to the criteria associated with the program. In order to ascertain what the concerns are in some detail, officials of the Yukon Housing Corporation have travelled to Carmacks to speak personally with the Concerned Residents of Carmacks Committee and also to speak to others in the territory who have expressed a desire to make improvements to the program.

The motion before us today calls on the Canada Mortgage and Housing Corporation and on the Yukon Housing Corporation to amend the program to provide specifically for a 30-year, no-interest loan rather than an outright grant for building materials.

The wording is very, very tight and very, very specific and clearly, as the Member for Kluane pointed out, there are a number of concerns with respect to the criteria upon which this program is based. I have not heard any criticism with respect to the general principles supporting the program, but primarily the criteria.

The pointed points from the Member are well taken in that respect. I would recognize, however, that in the motion itself the recognition of the desirability of a no-interest loan is, in fact, a grant of a kind, but it certainly is something that is worth pursuing and doing some number crunching on to determine whether or not it is the best approach to take.

34 As the Member has pointed out, there are other criteria changes that may be worth altering in the interests of making this pilot project a worthwhile program for the territory. The Yukon Housing Corporation has already cleared with CMHC the necessary steps to make sure that criteria can be changed and can make this program a true Yukon program.

The Housing Corporation Board of Directors has taken it upon themselves as well to review the program. They have been making some suggestions for improvements to the program, recognizing that a financial analysis of the various options should be undertaken prior to any representation being made to CMHC. I understand that they are currently reviewing a number of the criteria in order that the program can be made better. Those include the payback provisions that the Member mentions, the eligibility requirements and the method of selection, which has also been expressed as a concern, as well as the flipover provision.

There has to be some obligation on the part of the Housing Corporation, and housing programs generally, to review, develop and implement programs with a mind to local market conditions in any community.

In response to the motion, we, as a government, have asked the Housing Corporation to ensure that consultation done for this program, and other programs in the future, be done thoroughly, and they have taken it upon themselves to do just that. The Housing Corporation is currently in consultation with the concerned residents of Carmacks, and there will be other meetings that will be addressing this and other issues. I would, therefore, think it to be somewhat inappropriate to simply design amendments to the program without completing the consultation with people who brought many of the problems to our attention.

For that reason, I would be premature to impose a provision, whether it be the issue of payback, the issue of eligibility requirement, or the issue of method selection, on CMHC or the Yukon Housing Corporation, until such time as consultation has been conducted.

35 I do not think that there is any doubt in our minds that improvement can and should be made to this program. I think that the general principles of self-help and home ownership are valuable principles to promote. For that reason, I would hate to see a good program go down because the criteria had not been altered to speak to the problems.

In the interests of ensuring that consultation does take place and so that people do not feel that we are simply imposing a solution or

forgetting the other considered amendments to the program, I would like to move an amendment to the motion.

Amendment proposed

I move: THAT Motion No. 62 be amended by deleting the phrase "amend the current Rural and Native Demonstration Program to provide" and substituting for it the following: "consider amendments to the Rural and Native Demonstration Program including the provision of".

Speaker: It has been moved by the Minister of Community and Transportation Services: THAT Motion No. 62 be amended by deleting the phrase "amend the current Rural and Native Demonstration Program to provide" and substituting for it the following: "consider amendments to the current Rural and Native Demonstration Program including the provision of".

Hon. Mr. McDonald: The reason for the amendment is simple. It is important to signal to the people of Carmacks and to other people who have expressed an interest in this program that the Legislature is concerned about some of the criteria of this program, that we are aware that there are other problems other than the payback provision and also that the consultation that we are going to engage in is not going to be a meaningless exercise. We are not going to simply impose a criteria at this level without having heard it thoroughly. We will not torpedo the consultation that is taking place.

Most people could support the principles of the general program. It is the criteria that we have to be concerned about.

³⁴ I would just conclude by stating that I would hope the amendment that is put forward is considered appropriate by the Member for Kluane. I think that we are aware that there are a number of problems, and we are aware that the people in the communities and people in Carmacks would like to express themselves further on this matter.

Mr. Brewster: I can see very little wrong with that. Maybe the government, like all governments, learned something, that you do not send out a bunch of officials and start jamming things down people's throats so that you split a community in the middle. This amendment will make them all get down and start talking to the taxpayers out there. I have no problem with that.

Mr. Phelps: I simply rise to support the amendment. I would like to say a few words about the motion as amended. I agree with the Member opposite with respect to the other criteria that are problematic. It would certainly be worthwhile to have them examined and rectified in consultation with the taxpayers in the communities.

On November 18, because of the problem that had arisen in the Village of Carmacks, I wrote the hon. Stewart McInnes, Minister of Supply and Services Canada, and I will just read the letter into the record.

"I am writing you with regard to the Rural and Native Demonstration Program provided jointly by Canada Mortgage and Housing Corporation and the Yukon Housing Corporation. I am very concerned about this program, because it is causing divisiveness in some small Yukon communities that are currently receiving this type of housing. At the same time, some of the elements of the program, and its promotion of private home ownership, are laudable and, therefore, I would like to suggest a change that should make the program more acceptable to people in these communities.

"I propose that the existing program be changed to provide a 30-year, no-interest mortgage for building materials, rather than an outright grant. This would result in the owner paying less than \$150 per month in the mortgage, an amount that is well within the reach of the target group.

³⁷ "If this alteration were made, the program would be much more acceptable to Yukoners.

"Sincerely, ..."

I would like to table that letter.

One of the communities in which several houses are currently being built under the program is Carcross. I have taken the

opportunity to speak to some of the recipients and to many other people within the community. One of the gravest concerns is this grant, particularly because of the adverse effect the program may have on the price of existing houses owned by residents in Carcross.

In speaking to two of the recipients, I told them that our position was that we were in favour of the program being amended to have a no-interest mortgage and discussed the figures as per the letter. It is interesting that both of those people found no problem with that solution to the one issue and felt that that would be fair and were prepared to pay it. They were almost defensive about the fact that the program, as it existed, did not have the mortgage feature. They would rather have been seen as making that kind of repayment on the building materials advanced by the federal government.

Having said that, there do seem to be problems that have not really risen so much in Carcross, but certainly have in Carmacks, with respect to the selection criteria, and concern over the flip period, as the Minister referred to it, the five years that you have to live there before it can be sold. That particular issue would be alleviated in most minds if there were a long-term mortgage, such as a 30-year one.

I will be supporting the amendment and the motion as amended.

³⁸ **Hon. Mr. Porter:** I, too, would like to rise and speak in a supportive fashion to the amendment before us.

I think all of us in the Legislature are aware of the current housing conditions in the Yukon, and I would like to welcome and address my remarks to the Deputy Speaker. The Department of Community and Transportation Services will be issuing a report soon with respect to the Housing Needs Survey in the Yukon. The results of the report will clearly indicate that the people of the Yukon are the most poorly housed in Canada. No other part of this country has housing conditions worse than we do. That situation has not simply occurred overnight; it is a situation that has built up over the years. CMHC is an institution that has been created by the Canadian government to try to rectify that situation. They have been given a mandate by the Government of Canada to address the question of social housing. They, over the years, have developed various programs under the Rural and Native Housing Program; they have the Section 40 Program, and, also, they have the Section 56(1) program that allows for the building of cooperative housing in various communities in Canada.

As you look at the efforts of CMHC and look at the impact of their work in Canada, you can see, in many centres in Canada, some very real results. For example, the Native Friendship Centre in Regina has over 200 units as a result of the Section 56(1) program under the CMHC programs, and that is not only that particular community, Mr. Original Speaker, this program has benefitted and been carried out in many major centres. Edmonton is another area where there have been some tremendous strides made in the utilization programs offered by CMHC to assist individuals who could not address their housing needs.

³⁹ I think that we are only beginning now to address the problem in the Yukon in a concrete fashion, as to recognize what the need is out there, do an assessment as to what that need is, and try to come up with some ideas with respect to developing programs that meet the need in the community, that addresses the critical question of housing for all of our people. I think this amendment allows us the latitude to be able to look at various formulas and at various programs and to try to apply them in the Yukon. There has to be a sense of flexibility.

Too often, when you get an organization like CMHC, which is a major federal government agency, you have a situation where there is a sense of rigidity that develops over the application of their programs. There is very little flexibility in terms of how they deliver the program at the community level. That is one of the things we would like to see happen and that we would insist occur in any housing program in the Yukon. For example, the Leader of the Official Opposition, in speaking to the amendment, made a clear distinction that the people in Carmacks and the people of Carcross reacted totally differently to the same program that was put into their communities.

Then again, the people of Old Crow are beneficiaries of some units under this program. Their reaction could be totally different from the other two communities. In the future, when we do design programs, we must take into perspective the needs of the people, and we must consult with them in a fashion that when we eventually establish a program, that that program reflects the way in which they think it should be carried out.

I think that housing is something that has to be looked at not only from a social perspective, in terms of being able to afford a decent environment for people, but I think it also should be looked at from the economic perspective. If we look at what kind of impact new housing starts throughout the Yukon will have on our small communities, the impacts are clear. The impacts, with respect to job creation, with respect to training, with respect to the whole question of the use of local material, goods and services. All of those things can be enhanced should the government stimulate the housing market throughout the communities.

There is a very real need in our communities. We, as a government, have a responsibility to address that need. In keeping with the motion that the Member for Kluane established, maybe what is on the table is not good enough now and is not doing the job. We should look at alternative measures to be able to come up with some right answers and some acceptable solutions for the people of the Yukon.

Mr. McLachlan: I rise with some degree of concern, speaking on both the main and the amended motion today. The motion put forward by the Member for Kluane is obviously in request of a Concerned Carmacks Citizens Committee, a non-political, non-partisan group that recently was formed in the community to lobby for changes in the program.

CMHC did create this program. It is in its first year of inception. It was created to solve a problem that exists in many of Canada's rural communities. The corporation is reluctant to provide conventional mortgage financing in many of Yukon's rural communities for reasons that are discussed in another motion. However, in this case, the corporation has been able to address the question of providing housing to some people who were in a position where they could not likely be able to ever secure conventional mortgage financing because their threshold level of income is too low, and they are currently living in substandard housing.

Most people are somehow able to put together a home in one way or another, if only they have some help, time and some construction guidance, but they need something to put it together with. It is usually an acute cash shortage that keeps them from buying the materials to put the home together. CMHC, in cooperation with YHC, has solved the problem by providing the money for housing in return for no additional cost in labour. This part of it, as some may or may not agree, called sweat equity, is provided by the owners. I admit the program is new and radical to some, innovative to others, but maybe, just maybe, it will provide some of the answers for the problems that have existed with rural housing in Yukon, and I implore the other Members to give the program a chance to succeed. Do not cut it off at the knees before it has had a chance. There are only 100 units to be built in all of the country. The Yukon Territory got 13 percent of that total, Carmacks got seven percent of the total. Carmacks has never got seven percent of any program in the territory before, let alone a national total.

There are those who think it is a serious injustice. Old Crow is quite happy to get the three homes they have been allotted, quite happy to improve the housing stock in any way in that community and, up until a few minutes ago, I had not heard the Leader of the Official Opposition raise concerns publicly about any concerns that he had in his riding with the three houses going there.

The hon. Stewart McInnes only approved the program in the fall, for the Yukon's inclusion in this program, and I want to assure the Member for Kluane and the Leader of the Official Opposition that their good friend, who will be dropping in on them very shortly, was responsible for introducing the program in the House of Commons before he was moved up in portfolio. The hon. William McKnight will be meeting with CMHC soon here in Whitehorse, and this program is on the discussion agenda. I would urge the rural

Members in the Tory party, and those from Porter Creek and Riverdale as well, to tell the Minister about the deal that they think is wrong for the territory. Unfortunately, the rest of us will never know because it will all be behind closed doors.

If the opposition to the program is too great, CMHC could just pick up and walk away from the budget commitment for the Yukon. That is not what we want. What we want is for the Yukon Housing Corporation to keep its money here within the territory where improvement in our housing stock is badly needed.

If the presently proposed houses are not sold by the builders within five years, the home is theirs and the administration part of the deal is completely severed. I have reservations with the 30-year program. Most people are on a 25-year program, and less if they can swing it.

Lastly, I want to leave the Member for Kluane with these parting thoughts. If the program is anywhere near reasonably successful and if it is given half a chance to succeed, there is every reason to believe some of the units will go into Haines Junction, Beaver Creek, Destruction Bay or Burwash in subsequent years, and the knowledge I have of those communities and those people is that there are those who want and need better housing. I really believe they would support the chance to get some of these houses if the chance was presented to them.

Mr. Lang: I have a number of comments that I would like to make in view of the statements that have been made. I find it difficult to understand how the Minister of Renewable Resources could talk about how government has not made any effort to address the housing situation in the Yukon Territory.

I want to inform all Members that that could be described as a falsehood. One only has to look at the Housing Corporation's annual reports, which, for the purposes, in broad figures, of social housing, the Government of Yukon, in conjunction with the Government of Canada over the past 12 to 15 years, invested in a total of 497 units for the purposes of addressing the social problems that many people in the Yukon faced.

In conjunction with that, the Government of Yukon presently has approximately 115 to 120 staff units for the employees of the Government of Yukon. Further to that, in deference to the rural communities, the Government of Yukon has on its books, legislated by this House, —

Speaker: Order, please. Would the Member please speak on the amendment.

Mr. Lang: I am. I am talking about housing. Could you explain to me where I have gone wrong?

Speaker: Does the Member wish to continue?

Mr. Lang: I am speaking on the issue of housing and the question of criteria with respect to how taxpayers' money should be distributed. If I am not speaking to the issue at hand, perhaps the Speaker could point out exactly where I have gone wrong.

Speaker: The Member may continue.

Mr. Lang: Thank you, Mr. Speaker. The point I am making is that in conjunction with what is known as the territorial buy-back scheme, the Government of Yukon and the public have made certain significant efforts over the past 15 years to resolve what was then, and is now, in many quarters, perceived as a major problem. Over and above that, and it is not the information that we have in the House, through the Department of Indian Affairs, multi-millions of dollars have been allocated for the purposes of housing, in one manner or another.

I think all Members would agree that a great deal has been done in the past, and I think it was done in good faith. I would like to point out a number of discrepancies with respect to the SAS program. That is where my colleague to my left, the MLA for Faro, and I part company.

In many of the communities throughout the territory, the social housing that was built in those communities, in some cases the Government of Yukon over-built. In some communities, some of the housing is empty, and it is very difficult to get people to move into some of the houses for various reasons.

That, in itself, was the fault of the lack of planning, and that goes back to the early 1970s.

42 In one community that the Minister of Community and Transportation Services represents, it was found that housing was available and no one needed it, nobody wanted it. That tells you, once again, about the largess of government in saying that they will go in there and do it on the community's behalf, and they will be happy forever more.

Who cares? It is just the public's money. Why worry? In the interim, in each community in the territory, there are people who have committed themselves to the Yukon, to raising their families, to the extent that they have purchased or leased their own property, depending on where they live and on the availability of land, and have built their own homes with their own money. That, being an issue, we have to be very careful that, in the rush by government to solve all the problems of all the people, we do not seriously create an imbalance in these communities throughout Yukon, whether it be Whitehorse, Mayo or Watson Lake.

How do we ensure that we, as legislators, provide the necessary financing and impetus for people who are in a less-than-desirable earning capacity to build their own homes? We have seen the consequences of giving grants. We have seen communities split in half, but the Liberal Leader said that we should carry on with the program and give it a chance. The voice of the community was not only speaking for one day. It spoke continuously for months about the need to change the criteria, the need to change the eligibility, the need to ensure that that program was going to be fair. How do we make that fair?

We cannot make it fair by giving the MLA for Mayo \$30,000 and denying the MLA from Dawson City \$30,000. All of a sudden, this puts us in a situation of "them" against "us". How do we deal with the taxpayers' money in such a manner that it will go as far as it can in providing an avenue for people to secure dollars and at the same time have a responsibility to pay it back, as well as optimizing the number of housing starts throughout the territory?

How do we do that? We set up a program based on the principle of money. The individual has to have a certain amount of credibility, and the balance of the money can be made available by the Government of the Yukon. Why did the government not provide that direction in the initiation of the program?

43 We could at least put that forward, similar to what the Leader of the Official Opposition has done in his letter to the federal Minister.

Why did we, as legislators, as a government, not say, "Look these particular guidelines are not going to work in the territory." Especially when you take a look at our success as a housing corporation and the social staff housing that we presently have under the auspices of the taxpayers of the territory. As I indicated earlier, we are dealing with roughly 500 units already. There are 500 units throughout the territory that the people of the territory not only provided indirectly, at least in part the capital expenditures, but also have a responsibility, on an ongoing basis, for the financial upkeep of those units.

I am pleased to see the initiative and the position put forward by the Minister of Community and Transportation today with respect to the resolution from the Member for Kluane, especially in view of the fact that the budgeting process we are looking at is \$1.8 million for social housing and over \$2 million proposed for staff housing. I trust that those particular dollars, other than for the senior housing complexes that are being built throughout the territory, be directed towards setting up a revolving loan fund to meet the demands and the needs of the people throughout the territory. That would make a lot more sense than setting up another grant program when, in many of our communities, a house that is being built by an outside contractor will cost in the neighbourhood of \$100,000. So if you have \$1 million, all you have is 10 houses.

At the same time, they are still dependent on the Yukon Housing Corporation so the individual involved does not have the pride that he or she would have if they were involved in their own home. I think the criteria of the program we are attempting to modify was set down in every good intention, but I do not think it brought into account the independence and the spirit of the people of the North who say, in good part, "Look, we want to pay our bills to the best of our ability." That is the clear message.

The Member for Hootalinqua, the Leader of the Official

Opposition, made it very clear when he spoke on the issue not only about Carmacks, but on Carcross, the community that he represents. It must be ensured that the program is not only going to be fair, but it must be perceived to be fair. As long as the government takes that tact it will get no opposition from this side, but when we get into a situation where we are handing out grants and just handing out money for the sake of handing out money, this side will be scrutinizing it very closely. We feel that a businesslike approach to the housing problems in the territory along the guidelines as enumerated by the MLA for Kluane, who represents a number of rural communities, will meet the objectives I think all the Members share and will be in the best interests of the individual or individuals involved, and just as importantly, the best interest of the people we serve, the taxpayers of the territory.

So I am pleased to see the government taking positively the constructive observations that have been made primarily through the Member for Kluane and the Leader of the Official Opposition, and running with them and ensuring that these kinds of stipulations and criteria will be put into place through the auspices of the Government of Yukon.

44 Amendment agreed to

Speaker: Is there any further debate on the main motion, as amended?

Mr. Brewster: I hope that someone reads *Hansard* to the Member for Faro, because he made accusations about me running down a program I did not. However, that party has been asleep all its life, so it does not matter much.

I am very glad to see that the government is looking at this situation. In all fairness, I think I should defend the people of Carmacks. There are over 30 people on the concerned committee. They are ordinary people. They have homes. They were not against this program. I was not against this program. We just asked that this program be a little fairer. I think everybody here agreed with it, except for the Member for Faro.

I am very pleased the other side will vote for this. The people of Carmacks will be very happy, both the people who are getting these homes and the taxpayers.

Question, Mr. Speaker.

Some Members: Division.

Speaker: Division has been called.

Mr. Clerk, will you kindly poll the House.

45 Hon. Mr. Penikett: Agreed.

Hon. Mr. McDonald: Agreed.

Hon. Mr. Porter: Agreed.

Hon. Mrs. Joe: Agreed.

Hon. Mr. Kimmerly: Agreed.

Mr. Webster: Agreed.

Ms. Kassi: Agreed.

Mr. Phelps: Agreed.

Mr. Brewster: Agreed.

Mr. Lang: Agreed.

Mr. Nordling: Agreed.

Mrs. Firth: Agreed.

Mr. Phillips: Agreed.

Mr. McLachlan: Agreed.

Mr. Clerk: The results are 14 yea, nil nay.

Motion No. 62 agreed to as amended

Motion No. 61

Mr. Clerk: Item No. 6, standing in the name of Mr. Phillips.

Speaker: Is the honourable Member prepared to proceed with Item No. 6.

Mr. Phillips: Yes.

Speaker: It has been moved by the Member for Whitehorse Riverdale North: THAT it is the opinion of this House that the Government of Yukon should urge the federal Department of Public Works to improve the maintenance of the Alaska Highway between Fort Nelson, British Columbia and Watson Lake, Yukon in order to promote tourist travel and eliminate hazards to the travelling public.

Mr. Phillips: I rise today to speak to a motion that I feel, and I hope all Members of this House feel, is very important, not only to Watson Lake, but to the Yukon as a whole.

For several years, we have been hearing more and more complaints about the poor condition of the Alaska Highway when really what we are talking about, in most instances, is that one specific section of the road is in poor shape.

We have spent millions of dollars on improving Yukon's highways, and I have to commend the federal and the territorial governments for their efforts. We, in the Yukon, pride ourselves on having some of the best built and maintained roads anywhere in Canada. Unfortunately, one link in this vital chain seems to be at the root of all these problems.

This past summer, I spoke with many tourists, lodge owners and town councillors, and all of them pointed to the same problem area. Unfortunately, this area is not within the Yukon boundaries, or I am sure we would have done something about it long ago.

I also understand that we have made some attempts to take over the maintenance of the problem section south of Watson Lake, but were not successful.

I hope, with this motion, that we can send a clear message to Ottawa that something has to be done, and done immediately.

« Let me describe to some of the Members who are not familiar with the area some of the problems that we are experiencing.

First of all, the section of the road that seems to give us the most problem is between Watson Lake and Fort Nelson, British Columbia. There is approximately 135 miles of this road that is the old roadbed of the Alaska Highway, full of curves and hills. The roadbed was built when the original Alaska Highway was built and is now experiencing much heavier loads and a much larger volume of traffic over those roads, and that is also contributing to the deterioration of that section. There is no way, with the increased traffic and the increased loads, that we can expect the old section of the old roadbed of the Alaska Highway to hold up.

I would also suggest to you that the maintenance budget on this section of the road has not been increased in proportion with the increase in traffic and the increase in other sections of the Alaska Highway.

There are also several reasons to improve this section of the road. First of all, and probably the most important, is the immediate concern to Watson Lake and the downturn of the economy of Watson Lake. Improving the road to Watson Lake and the Yukon would also help the economy of Watson Lake directly. The word on the poor section of the road is starting to get out. People are going home from the Yukon and Alaska and telling their friends that there are serious problems with the highway. It appears to be a classic case of one bad apple will spoil the bunch. For the sake of 135 miles in almost 2,000, people are saying that the highway is in very poor condition.

The British Columbia government, in the last few years, has been putting more and more funds into the improvement of Highway 37, which is the Stewart-Cassiar Road. Unfortunately, it is becoming a real alternative for tourists coming north. Although they come through the rest of the Yukon on their way to Alaska, many of these tourists, because of the nature of the road and where it joins the Alaska Highway, unfortunately miss Watson Lake, the gateway to the Yukon.

First of all, the federal budget for the maintenance of this section has to be increased, especially in the peak seasons and summer months. Secondly, the 135-mile stretch in British Columbia has to be straightened and upgraded as soon as possible, and hopefully some of that work could take place this summer.

I am asking all Members of this House to support this motion and, in doing that, to support a resolution by the Town Council of Watson Lake. For the record, I would like to read in the letter that the Town Council of Watson Lake sent to the hon. Stewart McInnis, Minister of Supply Service:

“Re: The Alaska Highway.

“The Council discussed the condition of the Alaska Highway for over the past four years and has made the following resolution:

WHEREAS we do not believe the Alaska Highway between Fort Nelson, British Columbia and Watson Lake, Yukon, is being

maintained to a sufficient standard to enhance tourism; and

“WHEREAS tourism is a major portion of the economic base of Fort Nelson, British Columbia, and Watson Lake, Yukon, and the area between;

BE IT RESOLVED that the Department of Public Works be encouraged to improve the maintenance on this portion of the Alaska Highway to a standard that will enhance tourism.

“We have written letters to the different departments over the past few years to help rectify the constant problem and felt we cannot stress the resolution strongly enough. The condition of this particular piece of highway has been a continual sore point all along the highway and at times tourists have actually turned around and gone back because the highway has been so rough.

“The situation is intolerable.

“Yours truly,

“Jamie Ravenhill, Mayor of Watson Lake.”

What we are asking for here today, from all Members of the House, is unanimous support of this motion to very clearly add as much weight as we can to that resolution and send a message to Ottawa. We hope that this section of the road can be improved like the sections in the Yukon have been and that it will be one of the best gravel roads in North America, and it will be a gateway to the Yukon.

Hon. Mr. McDonald: I do not intend to be lengthy in my response, but I would like to state briefly what the government has been doing with respect to responding to the issue generally. First of all, I would like to say that we will be supporting this motion.

I will speak to the motion more from the perspective of the Highways Minister rather than Tourism Minister because I know my colleague would like to express the government's position with respect to the value this road has to our tourism industry.

There are only a few major well-travelled access points to the territory: through Skagway, through Haines, Alaska, and through Watson Lake, from the south. It is incredibly important to the future of the territory, not only for the tourism industry but for the health of our economy generally, that these access points are unencumbered.

From the perspective of the Highways department, the best maintenance possible on the Yukon side of the border will not do anything for the traveller who has to negotiate the section of road that the Member for Riverdale North mentions, the road exclusively in BC. It is obvious that that particular stretch of road could colour a traveller's view of his trip completely, if he had to negotiate potholes, washouts and generally miserable driving conditions.

The government has approached this matter by writing a letter to Stewart McInnis. We seem to have written a number of letters to this particular gentleman. Perhaps it would help for me to read into the record the brief letter that I wrote to the Minister of Supply and Services Canada in August of this year. I will table a copy.

“Dear Sir:

“Re the Alaska Highway

“I understand that a recent message from my colleague, Mr. Porter, Yukon's Minister of Tourism, to your colleague, Mr. Valcourt, Minister of State for Tourism, may have come to your attention. I am somewhat familiar with the details of highway maintenance and can state that the efforts made by the local branch of Public Works Canada are commendable. The problem, as I see it, lies in the maintenance funding levels provided for the portion of the Alaska Highway in BC. These have remained constant over the past five fiscal years and, in the face of rising maintenance costs, the inevitable result has been a serious decline in the level of service.

I share Mr. Porter's opinion that the effect on the vital tourism industry is adverse and that steps should be taken to address the situation at your earliest opportunity.”

The situation on the Alaska Highway in the BC section is every bit as bad as the Member for Riverdale North has stated.

“It is incumbent upon the government to make its position clear to the federal government. I understand that the letter that I sent and the telex that was sent by my colleague are only the latest in a string of telexes, telegrams and letters to the federal Ministers asking for

improvement of the maintenance on that particular road.

Prior to that particular piece of correspondence, this government attempted to pursue the option of offering to maintain the highway in BC, itself, on basically the same kind of management agreement that we have for the Alaska Highway in the Yukon.

Serious attempts were made with local Public Works to have us maintain that particular 200-kilometre section. Despite the fact that we were quite willing to maintain the section, the Province of BC decided that it was their jurisdiction and that the Yukon government ought to be satisfied with the maintenance of the Alaska Highway in the Yukon.

We have still made it clear to our colleagues in BC that this particular stretch of road is very important to the economy of the territory, that the traffic flow on the Alaska Highway is into Watson Lake. We have indicated to them that it would be nice to see improved maintenance on that particular stretch of road, no matter who does it.

It is pretty obvious that we wholeheartedly support the Member's motion, and we have indicated that not only do we support it now but we have supported the intent of this motion in the past through representations to federal Ministers.

Mr. McLachlan: The Liberal Party will have no problem supporting this motion. Anyone who has driven this particular portion of the road recently will regard it as 334 miles of pure hell. Maintenance is not only patchy, but the pre-war design of the road, with all its incumbent twists and turns, resembles a piece of limp spaghetti on a dinner plate.

We have all seen bumper stickers that say, "We drove the Alaska Highway. Yes, damn it, both ways", but the ones with which we must be most concerned are the ones that say, "We drove the Alaska Highway, but never again".

If the road is not upgraded, it will undermine the tourism department's efforts to market the Yukon abroad. The price of a poorly maintained artery to the territory is too great to pay.

Mr. Lang: There are a couple of comments I would like to add to the debate that is underway. It is unanimous that some steps have to be taken with respect to the maintenance and, perhaps, rebuilding some sections in the BC section of the Alaska Highway.

Every year we get a litany of complaints, vis-a-vis that particular section, some years less than others, primarily because of the weather. If we do have a very wet season, we reap the repercussions of a highway coming to the Yukon that people have some very bitter memories about.

As a previous Minister of the government, and now being on this side of the House, being in the capacity of an MLA of the Legislature since 1974, I want to express very loudly my feelings for the Department of Highways in the Yukon. I think that they have done an incredible and admirable job in maintaining the highways within the Yukon, including the Alaska Highway, and, at the same time, they have provided an expertise and, in some cases, are leaders in the fields of the application of BST on the highways in the Yukon.

"We have a nucleus of a workforce that I think we can be very proud of, and I think that the managers in that particular department have done an exceptional job dating back to when the transfer of the responsibility for maintaining the highways was done in the late 60's. People who have left the department, such as Ken Baker, Commissioner Smith of the day, were all very much involved in the highways transfer, the responsibilities that came with the highways transfer to the Government of the Yukon, and I think that the maturity and the ability to manage by the Government of the Yukon is personified in how the Highways Maintenance portion of the department does their job.

I think that the British Columbia side could learn, in good part, from the experience in Yukon. There is no reason to have a major change when you hit that border, a dramatically major change, where you have just gone through a very difficult traverse of highway, and at the border you are almost driving on the Trans-Canada Highway, or at least the same standard. It is amazing today when you think that we can drive to Watson Lake in roughly

five hours and Dawson City in approximately the same. It was only ten years ago when it took eight hours and you thought you were doing real well; you had not stopped for coffee too often and fortunately you were not behind one of those United Keno Hill trucks and eating dust for a full eight hours. That is not that long ago.

I find it amusing in some quarters when you do get complaints about the maintenance of our highway and look back to what many of us who have been here a long time have experienced. I think it is important and incumbent upon the Government of the Yukon Territory to continue to persist, even on a monthly basis, directly through correspondence with the federal Minister of Public Works responsible for that highway, perhaps in conjunction with the Minister of Highways from British Columbia who, I am sure, does not have the responsibility but does share in the concerns being expressed in this House.

In a world of public expenditures and in view of the fact that it is the political arm of government in many instances that decides where those dollars go, I think it is incumbent upon us to continue to directly correspond with the Government of Canada to ensure that they know we are here, that they know we are concerned and that that correspondence is sent well ahead of time, and prior to the tourist season.

It seemed to me that if we in Yukon continue through the basis of resolutions, such as the resolution from the Watson Lake Council, and continue to write letters — any organization such as the Yukon Chamber of Commerce, the Yukon Transportation Association or any organization who is interested in the highway — it would seem to me that the more they hear about it the more they realize it is a problem, as opposed to hearing it once or twice on the *National* because of a washout that occurs in the middle of the summer.

The Government of Canada suffers to some degree the problems that any government suffers and that is when you have changes of ministers and you have a situation when you have to introduce yourself to the new boy or girl on the block and have to continue to try to impress upon them the importance of the issues at hand, which, in this case, is the maintenance of the British Columbia section, and capitalization, because some of it is required to be rebuilt.

⁵⁰ We have had a good go of it here in the Yukon. We see that, in the Capital dollars that have been allocated to the Yukon by the Government of Canada through their Public Works, there is a major upgrading on our portion of the Alaska Highway, on the stretch to Haines Junction, the stretch to Watson Lake, and the consequences of the Shikwak project. When we see the effect of those federal dollars, we can appreciate the care and attention that has been shown by the Government of Canada.

We are getting to the point where we can honestly say that it will not be too many years from now that our highway will be totally rebuilt to a standard that, by far, compares to any other area of Canada or North America. We also have excellent maintenance in the Highways Department, so we have the best of everything that we could hope to imagine.

It is incumbent upon, not only the House, but on the continued duty of the Ministers responsible, whether it be Tourism, Community and Transportation Services, to continue to work in conjunction with the organizations to ensure that the Government of Canada is notified on a regular basis that this is a concern, and it is not just a one shot deal where one letter is written and then it is dropped for six months or a year.

That is the message that we are attempting to convey, not only to the Government of Canada, but to the side opposite. It is of real importance, especially to the people in Watson Lake. They have suffered, to some degree, not only because of the lack of maintenance on the BC side that has attributed to loss of the flow of traffic, but the inception of the Dease Lake Highway has had a major effect, which bypasses Watson Lake. That means less business, less money for the community and fewer people because the economy shrinks. If we could encourage the Government of Canada to take their responsibility for the BC portion of the highway a bit more seriously, then we could increase the economic base of the community of Watson Lake, which Members on this

side have some very major concerns about.

We will be looking forward to seeing future correspondence by the Minister of Community and Transportation Services and the Minister of Tourism on this issue, so that we know exactly what is taking place in the government-to-government relationship, so we get the necessary dollars to do the job if we are going to resolve the problems that we all face in travelling the highway.

Hon. Mr. Porter: Like the previous speaker, I would like to speak for a while about the level of maintenance and expertise that the Department of Highways has as a part of its very credible history. The Member, quite correctly, recognizes the good efforts of that department, and I would like to add some comments to the praise that he has levelled on that department of government.

Without a doubt, I think that the Department of Highways is known in our neighbouring jurisdictions as distinctly a jurisdiction that has some of the best roads around. We only have to travel from Dawson to try to go over back to the Alaska Highway over the Top of the World to get a very glaring example as to the difference in terms of what the jurisdictions allocate to highways maintenance and construction.

Last week, the Minister of Community and Transportation Services mentioned in the House that the Yukon, on a per capita basis, allocates a higher percentage of funding for highways from the budget than any other jurisdiction in Canada. That is a large reason why we have such a good highways system. The expertise in the department has been built up over the years. I am informed that some of the neighbouring jurisdictions come to us to consult and ask for advice from this government on some better methods for improving their approach to highway construction and maintenance.

One of the interesting parts of life as we know it in Canada is that there is a constant debate between the efforts of private enterprise as opposed to those of government. Very clearly, we see two parties in these legislative chambers here who express different philosophical opinions as to the results of both of those entities. We like to think of ourselves as a party that promotes an integrated approach to economic initiative, meaning that we think both the role of the private sector and the public sector, in many cases, are equally important in terms of efforts to do work for our people, be it in the economy or the social areas.

When you apply the debate to this particular situation, it is of real interest to note that the company that is charged, and has been charged, with the responsibility to maintain that section that the motion addresses is a private company. To my knowledge, it is the only private company with respect to operations on the Alaska Highway.

In that particular view, sometimes departments of governments clearly demonstrate an area of expertise, and I am sure they can be as deeply competent — in some instances, more competent — than their counterparts in the private sector. In addition, that is a major statement as to the level of expertise our Department of Highways has maintained over the years.

With respect to the issue as it affects the community of Watson Lake, the community that I represent, it is clear that this particular situation has caused the community a lot of concern over the years. Although we do not have substantive data on hand, we are seeing a situation where there are some major shifts in terms of the recreational vehicle market and, as well, the motoring tourist market travel patterns, and there seems to be greater use of the Highway 37 Route through to the Yukon and to Alaska.

I do not think that we would be able to prove that the Government of BC is strategically making efforts, both in terms of public expenditure, by way of road construction and by way of tourist promotion, but it is a situation where that could very well be the case, that in effect we are seeing an aggressive approach by the Government of BC to market that section of the roadway over and above the Alaska Highway.

With respect to the consequences of that action, clearly the community of Watson Lake will suffer greatly if the numbers trailed off, but I think one has to either travel on, or talk to those people who have travelled on, the Highway 37 route to understand that that highway is no super highway itself at this particular point.

There have been problems as recently as this summer with respect to that road, and so I think we still have a competitive advantage with respect to offering the Alaska Highway system as the better system on which to reach the Yukon and Alaska.

In terms of the long-term issue of jockeying for marketplace, I think the Yukon has to look in the future at doing some specific promotions aimed at attracting tourists. The community in Watson Lake has to talk to the communities of Fort Nelson, Fort St. John and Dawson Creek about greater discussions and coordination among themselves. I see a relationship developing between the Alaska Highway communities and they are starting to get together and say, "we have an interest here to maintain, and we have to become organized around that interest".

I think it is something I would like to think about in terms of tourism promotion, to even look at a possible motion with respect to the use of video to be able to show potential tourists or travelling tourists that the Alaska Highway is indeed a scenic and safe route. If those kinds of matters are pursued in the long term, that could be to the advantage of not only the community of Watson Lake, the Gateway to the Yukon, but also to communities further up the Alaska Highway system.

With respect to the issue on that particular section of the road, as Members have pointed out, this has been an issue of concern for many years. Inevitably, what happens is that the complaints have not been acted on with respect to the federal and BC governments, and the situation is allowed to deteriorate to such a degree where when the heat really gets turned up they move in, and, unfortunately, that is at the end of the tourism season and that does not do a lot of good.

So, I would like to thank the Member for bringing this issue before the House for debate and consideration. I think the effort on his part and the unanimity that will be given this motion from all Members of the House will send a strong signal to Ottawa to say that on some issues we stand together and on this particular one this is going to be evident in our debates.

With respect to an issue that the Minister of Highways, my colleague, spoke about earlier, he indicated that I personally cabled or Dexed a cable to the Minister of Tourism for Canada, Mr. Bernard Valcourt, and I also sent a copy of that address to our Member of Parliament, Mr. Erik Nielsen, and, as opposed to reading it into the record, I will simply table the Dex in the House for the record. I think our position is very clear on the issue, and we have been very attentive to the problem, and we are seeking ways in which we can overcome this problem. I might mention that there has been a suggestion that the Yukon portion of the Alaska Highway has received a great deal of attention, and I would like to say, as one who has driven the highway a number of times and could almost sleep on the highway and still make it down there, that there is an awful lot of work yet to be done in the Yukon.

I speak of that section that starts at the Speaker's trapline cabin and goes south to Watson Lake. That section is not in very good shape either, particularly around Rancheria, and around Swift River there is a lot of the old war road left. We have seen the Department of Public Works do a lot of trenching and clearing, and we are getting to a situation where the cleared area is growing up, and we are seeing the willows take over again. As well, we should impress upon the federal government that we know they are in a bind, that they have a program of restraint, but if we are to realize the potential of tourism and to promote tourism to its rightful place as one of the most important industries in Canada and give it that kind of credibility, we should, as governments, collectively undertake measures that enhance tourism.

I would like to, again, thank the Member for bringing this measure forward, and thank all Members of the Legislature for their support this afternoon.

Mr. Brewster: I think most things have been said about this, and we are all saying the same things. I could probably put a little different light on it having been in the lodge business. It was always apparent that the road in BC would wash out because of poor maintenance. This would cause a chain reaction in the lodges all the way up the highway. You could almost tell in your business that

something happened up the road within 24 hours because the traffic would stop. These things have improved.

The highways certainly have improved in the Yukon, although I probably have an argument in Beaver Creek about this. I drive up there, and I think the road is good. There are young people who have been in the Yukon eight to ten years asking when the road will be fixed. I think the road is quite good. It used to take me 10 hours, now I can make it in five hours, having coffee at every lodge; what I think is good road and what other people think is quite different. The younger people do not realize how rough the roads are, so there still are complaints.

The easy way for me to get out of that is to tell them to go down into the BC part between Watson Lake and Fort Nelson. If they have driven that section a couple of times, they will think they have a pretty good road and, even though it is a little dippy at times, it is quite nice.

Another thing that happens continually is that a lot of people start up that road and, probably 100 miles outside of Fort Nelson, they are so scared they turn back. I suspect those numbers would be quite large. The Minister of Community and Transportation Services started to talk about a changing pattern in tourists coming to the Yukon. Tourists used to come up a highway that was all the same. We did not have the Skagway Road open; the Haines Road was not as good. They would then come up and go back through Haines, but now they have the Skagway Road to go back over. We are finding now that tourists are using this route both ways because of the BC route.

Consequently, this not only affects Watson Lake, it is beginning to affect Teslin and all the highway to the border from here. If we are not careful, the chain reaction on the traffic, once it changes, will be very hard to recover from. Once there is a chain reaction, it takes years of advertising to break it. We should be pointing out to Ottawa that a big part of the Yukon is going to get hurt.

⁵⁴

Speaker: The hon. Member will close debate if he now speaks. Does any other Member wish to be heard?

Mr. Phillips: First of all, I would like to thank all Members of the House for unanimous support of this motion. I think it is very important to send the strongest message possible to the Minister. I think it is also extremely important, considering the resounding success that Expo was in inviting people to come to the Yukon, what those people will find on their way up here. More and more are going to start coming next summer, and we have to address this problem immediately. I hope that when the Minister reads the letter from the Speaker and reads the debate that we have had here today, he knows that we are stressing this in the most strongest terms, that it is an absolute necessity. It is something that has to be addressed this winter. Planning has to start this winter so that reconstruction and maintenance will be carried out next summer. We have had too many years where it has sort of gone by the boards and nothing has been done. It has to be addressed immediately.

I do not want to be left out, since everybody is sending the Minister a letter. I also sent the Minister a letter with respect to the situation, and I would like to read it into the record. I sent the letter on November 14 to the Minister of Supply Services, Mr. McInnes.

"I am writing in support of the motion passed by the Town of Watson Lake concerning improving the maintenance of the Alaska Highway between Fort Nelson, British Columbia, and Watson Lake, Yukon.

"The poor condition of the road has been a serious problem for a number of years and has acted as a disincentive to Yukon tourism, as well as a hazard to the travelling public.

"I will be raising this issue in the form of a motion for debate in the Yukon Legislative Assembly and urge you to do everything possible to rectify the situation."

Thank you, Mr. Speaker, and I thank all Members for supporting the motion.

Motion No. 61 agreed to

Motion No. 59

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

Speaker: Is the hon. Member prepared to proceed with item number 4?

Mr. McLachlan: Yes, Mr. Speaker.

Speaker: It has been moved by the hon. Member for Faro THAT it is the opinion of this House that the Government of Yukon should investigate mechanisms by which it could establish a pool of mortgage money to assist rural Yukoners with home ownership.

Mr. McLachlan: The year 1986 marks the 40th anniversary of the creation of Canada Mortgage and Housing Corporation. For those who may not be that familiar with its purpose or its intent, I want to remind the Members that the corporation was created in 1946 so that soldiers returning from the war could rely on some sort of financing mechanism to build new homes and start their lives again.

The more broader intent of the corporation's creation was to provide mortgage money for all once certain conditions were met. That is not happening today.

All Canadians are not being treated fairly when it comes to the dream of home ownership. The farther you get from an established base centre of population, the harder it becomes to secure financing on any sort of a reasonable basis.

If an individual goes to a chartered bank to secure a conventional mortgage for home building, he will likely be told one or more of the following: no way; you will need a 35 percent down payment, yourself, you realize; or we do not do mortgages in your area.

The individual then has a choice to make that may work. If he has a written refusal from the bank, he can approach CMHC for direct financing. They are presently doing one or two of these per year in the Yukon, but it is hardly enough to fill the demand.

What happens next is usually predictable — the home does not get built. Porter Creek was one of those very areas that went through these growing pains. There was a point in time when people first began living there that CMHC said "no" to mortgages. The reason was that they were not on water and sewer. CMHC was not about to back down on a national policy. If the present Members for Porter Creek had been around then, the screams would have been loud and clear.

To correct the apparent inequity and encourage the continued development of the Porter Creek area, the government of the day instituted territorial mortgages. When water and sewer was installed in the area, then, and only then, did CMHC agree to provide the mortgages, and the territorial government backed off on its program. While it was in place, it filled a temporary stop-gap measure very nicely.

In many rural Yukon communities, Yukon Housing Corporation provides housing for its employees. They have an attractive buy-back scheme that provides guarantees that are not available to others in the community. It is not always the easiest scheme for those others in the community to deal with.

If we want people to settle in rural Yukon and make a permanent home there, then we have to be able to guarantee people access to decent, affordable housing. It is not being done now, and if we seek an improvement toward the quality of life in rural Yukon, this is one area that must be addressed.

Hon. Mr. McDonald: I rise to wholeheartedly support the Member's motion. I do so from a couple of perspectives: one as a Member of the House who has lived most of his adult life in rural Yukon and, also, as the Minister responsible for the Yukon Housing Corporation.

I know, from my own experience, that in many instances over the past years that I have been living in rural Yukon, I have known that people have attempted to establish themselves, have fallen in love with the country and the people, have wanted to establish homes, families and settle down in order to develop a better base, in order to fulfill their own desires and build a better base in the communities.

One of the things that has prevented them from doing that very thing has been that they have been unable to finance a home for themselves and their families in the same way that other people in

this country do. Clearly, it has been a policy of outside interests, essentially, which has prevented them from finding a much-needed mortgage insurance in the interests of building their own homes.

The policy that I speak of, from external sources, from banks, from CMHC, et cetera, demonstrates, I think, a lack of understanding of the commitment that many people have to rural communities. It illustrates a lack of confidence in the future of those communities and a lack of confidence in the individuals who wish to establish homes in those communities, and I think that, although that lack of confidence is misplaced, it is nevertheless a reality.

It is not to say that some banks are not trying to make some valiant efforts, some are trying to make some new efforts to try and participate in rural Yukon life but the efforts are not sufficient to meet the demand and need in our communities. For that reason, I think it is very important to support those people who have an interest in home-ownership in the communities, whether it be a pool of mortgage money or whether it be through mortgage insurance or some other mechanism, in order to bring them in line with other people in the country and in the territory to bring them into line with urban areas of the territory where we do have access to credit in order to build our own home.

I think it is fair to say that we want to review the relative merits of establishing a pool of mortgage money, which ties up funds for a specific purpose, or whether we might want to consider studying the option of mortgage insurance, but I think the principle the Member brings forward is a laudable one. I think it would be universally accepted in all rural areas of this territory because I think quite clearly this one change, to encourage people to take on home ownership and to allow them the credit they need to do that, will have dramatic effect on the character of the communities themselves. Many of the communities do not want to be transient by nature, but they are forced into it because they do not have access to the credit that will allow them home ownership.

So, to make a long story short, we, of course, support this motion. We feel that it would be universally acceptable in Yukon, and we hope that, in the coming year, we could investigate the possibilities, and certainly the one the Member mentioned in his motion. I think that the intent of the motion is something many rural Yukoners want and we would hope to be able to deliver the goods.

Mr. Lang: A good portion of what needs to be said was said with respect to the resolution that was brought forward by the Member for Kluane.

I rise on a couple of points. First of all I want to make it very clear that this side of the House supports the fundamental principle of the resolution. I want to say that we are in a wonderful point in Yukon's history at this time to be able to be debating this kind of a principle and know, secondly, that we have the money to finance such a program. That is basically why the financial formula that was signed approximately a year-and-a-half ago was initiated and pursued by the then Government Leader, Mr. Pearson, in conjunction with the Government of Canada. It was to make extra dollars available and utilize them not only for the purposes of upgrading our capital infrastructure but also to be able to put programs such as this into effect to, perhaps, change the method and the policies that had emanated during the 1970's, when the principle of grants had been accepted by the Government of Canada.

The Government of Yukon was handcuffed, in many cases. They had no other choice but to accept those dollars. We feel that it has been to the detriment of the people of the territory. Some of the giveaway programs were not in our best interests, socially, economically or politically to a lot of people who had, through no choice of their own, taken advantage of those programs.

We are at a threshold, a transition. We are at a stage in our history of housing where we can actually make an effective, dramatic change that has to be directed toward home ownership. We view, with great disappointment, the fact that there is \$2 million in this budget for staff housing when we have the territorial buy-back scheme in effect. That guarantees that an employee's house will be bought back by the Government of Yukon if he or she meets the requirements of eligibility under the legislation.

Perhaps, instead of spending \$2 million on staff housing, why not put that into the revolving fund and look at increasing the value of the Yukon Housing buy-back scheme, making it more applicable to the 1987 dollar. We have to always be cautious to do everything to see that those houses, if possible, are not purchased by the government, but by other individuals if at all possible.

There is a lack of private housing in Teslin and Haines Junction, and I think the government should take the responsibility. That responsibility goes back to the comments I made earlier on the motion presented by the Member for Kluane where the government, in its largess, has moved in and built staff and social housing. In retrospect, it has to be examined with respect to the effects of what we have done in the past. I do not have any problems with the concept of the mortgage pool or mortgage insurance. Maybe that is the route to go. The resolution is broad enough in its intent to give the Government of Yukon the flexibility to consider the pros and cons of the various avenues that could be taken by this government.

We fully recognize that in the rural communities, it is difficult to get financing for housing. I think that it would have been very advantageous if the amount of money that is available to the government, or even a portion of it — the "free money" — was available to the government in 1975 or 1980.

It was not that long ago that this government had to put their employees on a nine-day fortnight in order to be able to pay the bills. I harken back to when the territorial taxpayer and, in turn, the Government of the Yukon had to deal with the deepest recession that this country has ever known.

We are going to be following up on this through the various procedures that we have in this House to ensure, when something comes forward to this House for close examination of the options and how we can proceed to implement a program, that not only rural but urban communities can take advantage of it.

Not everybody in the City of Whitehorse can get a mortgage. It is not as easy as some Members may think it is. We have to be very careful in drawing up any programs, and I would put this representation to the Minister of Community and Transportation Services that in any particular financial program that is going to be put into place, he should also examine the problems faced by the people living in the Whitehorse area or the Watson Lake area, those communities where CMHC and government financing have been made available for housing.

I do not think that anybody here should be left with the impression that people in Whitehorse have no problem going out and paying for their house. There are a lot of people out there who are having a tough time meeting the bills at the end of the month.

It alarmed me when I read in the newspaper the comments of the Mayor of Whitehorse and they call for equal pay for work of equal value and that taxes are going up four percent. It is just another cost that somebody else is going to take. I use that as an example.

It is incumbent that any program be brought in not only to consider the rural aspects, and I recognize there is a problem and I fully endorse it, but I do not intentionally avoid or ignore the responsibilities of the plight that some of the people have in the urban centres, i.e., Whitehorse, Watson Lake, or perhaps Haines Junction.

As the critic in this area, it is an area that we will be following very closely. I am very pleased to see a change in direction that the government is taking in this particular area. With the monies that are being set aside, except for senior citizens and that kind of thing with respect to the housing corporation, those dollars can be redirected in the manner that all Members in this House are unanimous on.

We are going to look forward to further debates in this area. It is of concern to all of us.

Hon. Mr. Porter: It seems that all of a sudden we are becoming interested in the housing issue and I think that is a good sign for those people in need in our communities.

The reason I rise to speak to this particular motion is that my colleague, the Minister of Transportation Services, having spoken, is not able to do so. The reason I do so is not, as is being suggested by the Member for Riverdale South, that he cannot speak, it is just

that he has already spoken to the motion.

With respect to the comments made by the Member for Porter Creek East, there was a suggestion that somehow when the government does introduce a housing program it will not be a program that encompasses all of the Yukon. I would like to give him the assurance, based on my discussion at this very moment with the Minister of Community and Transportation Services, that it is the case that in fact any housing program that we develop for the people of the Yukon will be for all the people of the Yukon including rural and urban areas of the Yukon.

As to whether or not the Member for Porter Creek East specifically will be a beneficiary of the program, we do not know. He will have to apply like everybody else.

With respect to the question on the aspect of mortgages, there has to be a realization in terms of the application of the question of mortgages and the availability of mortgage funds to rural communities that, unfortunately, somebody living in a community like Mayo does not have the same kinds of avenues to pursue that someone in Whitehorse has. For example, many of the major banks in Canada do not provide mortgage assistance directed to rural members of society. I think that is an acute problem in the Yukon as it is in many parts of Northern Canada, so when we look at that aspect it is, in a sense, a very unfair situation that rural members find themselves in, even though they may have the necessary financial resource to be able to contribute to a mortgage plan, but simply because of the institution's inability to be able to extend their program to these communities they cannot make those decisions and cannot benefit from those programs.

I think when we do look at that specific part of any housing program or any housing assistance program, there could very well be substantial variation as to what is offered with respect to rural residents as opposed to residents of Whitehorse.

I might as well stand longer, I am getting nothing but cheers from the side opposite.

I think that on this particular motion there has been an awful lot of good sense made, as there has been throughout the afternoon with respect to the issue of housing, so I would hope that everyone in the Legislature intends to give this motion their supportive blessing.

⁶⁰ **Speaker:** The hon. Member will close debate if he now speaks. Does any other Member wish to be heard?

Mr. McLachlan: I would like to thank the Members on the other side of the House for supporting the motion and for what I think was support from the Members to my right. I am not exactly sure because the Member did not say for certain. I realize that it has to do with the types of "i.e.s" that he speaks.

I do not presume, with this motion, to insist that the Yukon territorial government immediately begin funding of a corporation for a specific allocation of mortgage finance. I simply want, by the intent of the motion, to ask them to investigate all potential mechanisms that might be available for this purpose.

Some Hon. Members: Division.

Speaker: Division has been called.

⁶¹ **Mr. Clerk:** would you poll the House, please.

Hon. Mr. Penikett: Agreed.

Hon. Mr. McDonald: Agreed.

Hon. Mr. Porter: Agreed.

Hon. Mrs. Joe: Agreed.

Hon. Mr. Kimmerly: Agreed.

Mr. Webster: Agreed.

Ms. Kass: Agreed.

Mr. Phelps: Agreed.

Mr. Brewster: Agreed.

Mr. Lang: Agreed.

Mrs. Firth: Agreed.

Mr. Phillips: Agreed.

Mr. McLachlan: Agreed.

Clerk: The results are 14 yea, nil nay.

Motion No. 59 agreed to

Hon. Mr. Porter: I rise in the House to seek unanimous consent of the House to entertain a motion to move into Committee of the Whole.

Speaker: Is there unanimous consent?

All Members: Agreed.

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chairman: Committee of the Whole will now come to order. We will now recess until 7:30 p.m.

Recess

⁹¹ **Chairman:** I will now call Committee of the Whole to order.

Bill No. 77 — Lottery Licensing Act — continued

Mr. Lang: I recognize the government's right to direct the order of business of the House, and we are here to cooperate wherever we possibly can and come to some amicable arrangement and expedite some business of the House. I want to register our concerns with respect to the suggestion put forward in the deadlock over the financial expenditures of the House.

I recognize that it is not going to take very long to get through the three bills on the House business tonight, which were enumerated by the House Leader, but we will, again, be back to the legislation that is, in good part, why we are here this fall Session. We hope the government will now seriously consider the recommendations put forward from this side with respect to giving information to us on the budget expenditures so we can proceed expeditiously with other aspects of business before this House, either later on this evening, depending on the scope of discussion on the legislation that we are discussing, or possibly tomorrow.

I say that in recognition of the fact that the government wishes to deal with other work, but, at the same time, we will be going back to the other work we have left.

Chairman: Any further general debate?

On Clause 1

Mr. Lang: It seems the side opposite is being very quiet. The Minister has not expanded on what his intentions are with the lottery commission. We can read the legislation. It has been almost 10 months since we had second reading, but since that time he has had the regulations rewritten. Perhaps the Minister could make some comments on that bill.

Hon. Mr. Kimmerly: I will speak for a moment or two, but I will warn everyone that I have nothing useful to say. I have explained the general principle at second reading and again last week. The regulations are here; it is all clear. There is no secret here at all; there is no trick; it is a very simple measure, and I will answer questions.

Mr. Lang: Whenever the Minister of Justice does not want to speak on a subject, we can take it there is no tricks or anything involved with respect to the topic that is before us.

How come, in the course of drafting the Legislation, there were no timeframes put on the suspension or revocation of licensing, the period of time the license is going to be revoked. I know I am getting detailed. Perhaps, Mr. Chairman, you will want to deal with that later on in discussion. I see the Minister of Justice with his hand up.

⁹² **Hon. Mr. Kimmerly:** I was only going to ask which section of the bill or the regulations the Member is referring to. I would suggest that we go through clause by clause and deal with questions about the regulations under the regulations section. However, I have no compelling preference, and I will discuss it in any order that the Chair

permits.

Chairman: I would prefer to discuss it in order, clause by clause.

Mr. Lang: In general debate, we discussed the question of what the government's policy was, as far as holding raffles in liquor outlets, i.e., hockey pools, all that kind of thing. If I recall correctly, the Minister of Justice said he was in favour of hockey pools in liquor outlets. I think there was a kind of unanimous agreement in this House that they should be permitted.

In the legislation or regulations, why is there not an appropriate mechanism to give a liquor outlet an annual licence for the purposes of having hockey pools or football pools, as long as a portion of the money is given to a worthwhile charitable organization?

Hon. Mr. Kimmerly: Because that would be illegal under the *Criminal Code*. It would be tantamount to licensing a gambling casino. We are restricted by the *Criminal Code*, which requires a licence for every particular event.

Mr. Phillips: Why is there no provision in the regulations for licensing a bar? I see you can only licence charitable organizations in good standing under the *Societies Act*. There is nothing in there at all allowing a bar or a hotel or an establishment such as that to run a hockey pool or a football pool on their premises.

Hon. Mr. Kimmerly: It would be contrary to the *Criminal Code* and the *Liquor Act*.

Mr. Phillips: Is the Minister telling us that what he said the other day about operating a hockey pool or football pool in the local establishments, as has been done in the Yukon for the past 40 or 50 years, is now illegal, and his Lottery Commission or the enforcer will be going around enforcing that from now on?

Hon. Mr. Kimmerly: No, I am not saying that at all.

Mr. Phillips: What is the Minister saying?

Hon. Mr. Kimmerly: Lotteries are now licensed by civil servants. It is the policy of the government that the licenses be approved or granted by a board of citizens. It is our intention that the board of citizens apply the law in a broader fashion than the civil servants might do. It is our intention that there be no possibility of any political influence in the licensing of lotteries. That is the only intention, and if Members opposite are opposed to that, I would like to hear that. I do not hear that, so anything else is detail.

Mr. Lang: I cannot concur, believe it or not, with the Minister of Justice that we are just dealing with details. I recognize what the intent of the Bill is. The intent of the Bill is to take the heat of the Minister of Justice through a committee because he/she does not have the time to be authorizing lotteries. Also, politically, it is advantageous to have a committee in front of you putting the time and effort into the responsibilities that are required.

There have to be some responsibilities taken by the Minister for overall policy and for the direction of the government. We do not just arbitrarily say that we will set up a committee for every piece of legislation, and we do not stand for anything. You have to stand for something. We have established that all Members are in favour of hockey pools.

I noticed the regulations talks about sports lotteries. Which section of the *Criminal Code* says that we cannot authorize, either on a monthly basis or on a six-month basis, a liquor outlet if they abide the rules?

Hon. Mr. Kimmerly: Section 190.

Mr. Lang: Could the Minister quote that for us? Does he have it with him?

Hon. Mr. Kimmerly: No, I do not.

Mr. Lang: I do not have the *Criminal Code* here, but does it specifically state in that section that the Lotteries Commission, or whomever, cannot authorize a six-month or an annual license to a liquor outlet?

Hon. Mr. Kimmerly: Not in a specific sentence, but that is clearly what it means. There is no controversy about the meaning of that section in that context.

Mr. Phelps: There is a fair amount of controversy with regard to the meaning of that section, that fairly lengthy section, and sections, and subsections so on of the *Criminal Code*. That is quite true, but it does pose a problem. In most small towns, bars run

pools for Grey Cups, and so on. It is a popular thing to do. I wonder whether or not this government has tried to do two things. First of all, think through a system whereby that could be done, whether or not it is done on behalf of a charity and through the auspices of a charity or a sports organization, which is under your definition in the regulations. Secondly, whether care has been taken to try to make that as simple as possible for small fools. The kind of complaint that I get when I visit around the territory — places such as Mayo, and so on — is that it is such a hassle to try to get a \$1 pool, which is \$100, I guess, or a \$2 pool, or whatever. With small pools, there is very little chance for irregularities in well-established small town hotels. Therefore, my question is whether or not the government has sat down and talked to some of these people and tried to come up with a system that would make it easy so they do not have to be filing forms; it is just not working. I think it is rather a shame because a lot of the people who frequent the social centre in the town, which, for many, is the local bar, to watch a game, and it is part of the fun to have these pools.

Hon. Mr. Kimmerly: There has been no specific discussion about bar pools, as far as I know, certainly not involving me. There is no change in policy, or in law, in fact, in that context. The only change is in who gives the licenses, civil servants or a community board. That is the only principle here.

Mr. Lang: Since we are talking about small pools, I want to follow up. I think the Leader of the Official Opposition asked a very valid question, and I ask you why, prior to the tabling of this legislation, did the government not try to think of a method of how they could, through our regulations and legislation, provide the right for these organizations to have these hockey pools and football pools?

Surely there could have been some thought given to it. All Members on this side, when they saw it, said what does this do, both the commission and the regulations, and how does it help and aid and abet a pastime that in many cases going on now that we know has been illegal in the past? How can we legalize it within the gambit of the law presently in the Government of Canada, because those were some of the arguments that were put in. The thought of this legislation was not new, but there was a great deal of discussion a great number of years ago asking why we are passing legislation when we are under the *Criminal Code*? If the *Criminal Code* is going to do it why is the Government of the Yukon Territory going to be involved in it if they cannot in any way whatsoever make the rules?

There was some thought given at that time, and there were a few ideas thrown out, and I thought maybe there was some method further that could be utilized for the purpose of providing through this commission and through the regulations an easy method for the town of Beaver Creek to have a hockey or football pool. I do not think it is irrelevant. Just to say we are going to send it on to the committee, jeez if that is the case we will do it for every piece of legislation, and we will all go home and save the taxpayers a lot of money.

Mr. Phillips: I guess if the Minister is not going to tell us why he did not put it in the legislation, what happens now with the people that are going to run hockey pools? Are they going to be doing it illegally or is the government going to clamp down or is it all over in the Yukon because they did not put this provision in? What is going to happen to it?

Mr. Lang: Well, maybe I can answer that question.

Mr. Phillips: I think it is a legitimate question. There are an awful lot of people out there the last three, four or five years who have been living in a bit of fear of what they are doing running a hockey pool in a bar. Somebody walks in and they can get charged and there could be some problems. We have in front of us an act with the regulations and why can we not put something in that act, as legislators, to make legal something that is going on now illegally? A lot of people are worried about it and some people, in fact, do not run these pools anymore because they are so worried about what is happening. Why do we not make that provision now when we have the Act in front of us? Why can the Minister not do something like that? Is it impossible? Is it beyond their authority?

Hon. Mr. Kimmerly: Yes.

Mr. Brewster: I was going at this from a little different angle. I could be wrong on this, but I do know they do these things in the bars in Alberta and BC. Do you mean that all of Canada is doing this things illegally?

Mr. Lang: This has to be the strangest piece of legislation I have ever seen piloted through this House. I have heard a series of four or five questions, and the sponsoring Minister has refused to answer. All he does is wave his hands. I think the Member for Kluane had a very reasonable question. Are the people in Alberta, BC and Manitoba all doing it illegally? If the Minister of Justice does not know, why does he not stand up and say so. Say something — anything.

Hon. Mr. Porter: I think this response had been clearly indicated that it is not within the competence of this government to legislate in matters that are within the ambit of *The Criminal Code*. If we get a sense that this simple measure that is being proposed is not legislation that is welcomed on the other side, then I propose that we leave the legislation in Committee, and that we move on to the next agenda item, which is Bill No. 21.

Mr. Lang: I cannot believe this. This side has stood up and asked some very legitimate questions, and the side opposite says, well, if you do not accept the answer we gave — which was nothing — then we will move on to other business.

Are we going to get that response in all legislation? Is it not a legitimate question? We discussed hockey pools some time ago and how it related here and whether or not we agreed with it. We all agreed with it. The question is, then how do we get into a situation where we can, through our legislative abilities, aid and abet and go about assisting some of the practices that are happening at the present time. We are not here to embarrass the Minister of Justice. If that is the impression he is getting, I apologize profusely.

The MLA for Kluane has asked a valid question: what happens in Alberta and BC? Surely, in the drafting of the legislation and regulations, there must have been some discussion with the sister provinces. Maybe they have come up with something that we have no knowledge of that can be put into the regulations, or maybe a section could be added to the present Act to give consent to the government to do something.

Does anybody on that side have any idea what happens in Alberta and British Columbia? Are they required to go through a lottery commission and get a licence each time for the purposes of having a Saturday night hockey pool? If so, how does the administration of the Province of British Columbia expedite it to the small town of Terrace?

Mr. Brewster: Did whoever drew up these regulations not check with any provinces before they brought this legislation forward?

Hon. Mr. Kimmerly: Of course we did. This is not the topic at hand; however, this is not a major measure of government policy. In view of the obvious lack of acceptance from the other side, it is not my intention to proceed with this Bill. It is simply not important enough, and it can die on the Order Paper.

Mr. Lang: Surely, the Minister of Justice cannot be serious in bringing forward a piece of legislation that he obviously spent time on, along with regulations that cost a great deal of money to write, which, incidentally, — I will give accolades to the government — are very readable and clear. Because of a line of questioning, due to our lack of knowledge, the Minister says to us that it is really not that important to the government that the Bill be passed. Nobody on this side has disagreed with the principle of the Bill.

We know the purpose and the reasons for the legislation, the reason for the commission. However, there are certain authorities that are vested with this organization that the Minister is recommending be set up. Is there a method through which we can add a section or a clause that would allow the commission to issue six month contracts or licenses, or a license that could be renewed by telephone — if it is below a minimum rate and it follows certain regulations — so that we could avoid shutting them down or requiring them to do a large amount of paperwork.

It is quite evident that the Minister wants to leave the impression that we are filibustering the Bill, and that is not the case at all.

Mr. Lang: We are doing our job as legislators. Let us reverse roles. It was

not too long ago that if anybody on the front bench had taken that attitude that you have taken, you would have taken a great deal of glee in not only taking him or her down, you would have put the boots to them.

I think there is a responsibility for us to go through the legislation. I also think that if the attitude on that side is that if we ask a question and it does not sit within the scope of what the Minister wants to talk about, he is going to take his ball and go home. Let us recess for Christmas. Let us all go home.

I would like to hear from the Minister of Justice.

Hon. Mr. Kimmerly: I have been asked that question, and I have answered it. If the Members on the other side had done their homework, they would not have asked it in the first place. It is illegal. It is contrary to the *Criminal Code*. This bill is simply designed as an improvement on the present system. It is not worth all this hassle. It simply is not worth it, and I will not proceed on it.

I would ask to go on to other business because I am not proceeding with this bill.

Mr. Lang: I think we should have a recess. I am not proceeding on his bill, either. That is priceless.

Chairman: We will now recess for 15 minutes.

Recess

Chairman: The Committee of the Whole will now come to order.

We are on Bill No. 77. Will the Government House Leader report progress?

Hon. Mr. Porter: We would like to, at this point, move from Bill No. 77 to debate on Bill No. 21, entitled *An Act to Amend the Assessment and Taxation Act*.

I move that you report progress on Bill No. 77.

Motion agreed to

Bill No. 21 — An Act to Amend the Assessment and Taxation Act

Chairman: Bill No. 21, *An Act to Amend the Assessment and Taxation Act*, general debate.

On Clause 1

Hon. Mr. McDonald: The Bill before us is a fairly simple Bill. There are a number of purposes to the proposed amendments that are all clearly explained on the explanatory notes for the Act. There is not much more to it than that. I realize that in second reading it did not receive a lot of discussion, probably because the amendments are housekeeping in nature. The Government Leader did mention that the responsibility for the collection of taxes would be transferred from the Deputy for the Department of Finance to the Deputy of Community and Transportation Services.

There is a proposed change to the department's structure to incorporate the taxation end with assessments because they are so administratively linked. There are a few other minor changes, and there is an amendment proposed to ensure that religious bodies or church groups are not exempt from taxes on residences and cabins. That is to conform with the general intent of the legislation when it was first initiated some years ago.

¹⁰ I can explain that more fully when we start discussing it clause by clause.

Mr. Lang: This side does not have any problems with the bill. We recognize most of it is housekeeping. I did have a question about the reason for putting the collector of taxes with the deputy head of Community and Transportation as opposed to the territorial treasurer, which effectively took it from the Department of Finance to the Department of Community and Transportation Services. I wanted to know if the person year and the money in the Department of Finance were going to be transferred over to the Department of Community and Transportation, and will we see a decrease in the Department of Finance, as far as person years and dollars are concerned, for administration?

Hon. Mr. McDonald: Quite properly, that should be an item for budget discussion. The Member makes the point that there will have to be a transfer of manpower and that is what is expected. At this stage, there is the proposed transfer of one person to the

Assessment Branch of Community and Transportation Service's Lands Department from the Department of Finance in order to incorporate this particular function.

Chairman: Any further general debate?

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. McDonald: I move you report Bill No. 21, entitled *An Act to Amend the Assessment and Taxation Act*, without amendment, to the Assembly.

Motion agreed to

Bill No. 65 — An Act to Amend the Municipal Finance Act
Chairman: General debate?

Hon. Mr. McDonald: This is a provision that is designed to limit the maximum amount by which any one municipality's grant can be increased in any given year. It is a provision that has been discussed with the Association of Yukon Communities, and they are in concurrence with it. It is fairly straightforward.

Mr. Lang: What would that have done with respect to the Watson Lake situation, where they did experience the boundary expansion, a series of events took place and the equalization. I recognize it is to address that particular problem that was confronted because of the sudden change. Am I not correct that that is the reason why the legislation is here?

Hon. Mr. McDonald: Primarily, yes. There were a couple of factors that Members will remember. One was the boundary expansion which incorporated some federal properties into the municipal boundaries and the grant in lieu from the federal government is traditionally late, and that caused the town of Watson Lake some heartache. There is, however, provision in the Act, existing already, that allows for the town upon application to request funds for essentially a loan to cover any losses encountered by a late payment of a federal grant in lieu.

As well, in that exercise in boundary expansion, the municipal assessment climbed dramatically, which meant, according to the formula, that the grant in lieu equalization payment would drop commensurately. The assessment did climb and the ability to collect taxes did climb, but the grant to the town they had grown used to declined by approximately \$30,000 as a result, so it was obviously a surprise to the community and in order to absorb certain shocks to the system there was a desire to limit the amount lost in any given year and this proposed amendment is to limit that amount by the amount suggested in the Act.

Mr. Lang: I am aware of the section of the Act that permits the Government of the Yukon Territory to pay out the grant in lieu of taxes on behalf of the federal government then collect it from the federal government, and, with all due respect, I do not think that has a bearing with respect to this particular amendment because the paying out of the federal tax in lieu is really a separate decision in any given year for the government to make in any community. What I would like to know, using Watson Lake as an example, is what the difference would have been had this Act been in place six months' ago with respect to the transfer of dollars from the Government of Yukon and the formula?

Hon. Mr. McDonald: With all due respect, the whole issue of municipal financing that encountered problems with the municipal boundary expansion, which included such things as the expanding onto federal properties, was a contributing factor to the problems that were perceived by Watson Lake to have existed. Now Watson

Lake was the example the Member mentioned, and I do not have the exact figures, but essentially what this would have done is to have reduced their grant by no more than ten percent in that year.

¹² The grant was not reduced by more than 10 percent in one year, but it should have been reduced by greater than that, in following years it would have been reduced gradually rather than all in one lump sum. That is the intent of the proposed amendment.

Mr. Lang: To use Watson Lake as an example, the transfer of dollars was approximately \$25,000 less in total than what had been there the previous year. Is it correct that, with this proposal, the amount of money that they would have had transferred to them would have been \$2,500 less than the previous year? The total amount would have been \$22,500?

Hon. Mr. McDonald: Let me explain it another way. Let us take a hypothetical community. Let us assume that that community would receive an assessment equalization grant of \$100,000. Should that community's assessment climb dramatically under the formula, the assessment equalization grant would properly drop by \$30,000. Under normal circumstances, the grant would have been reduced by \$30,000, and they would have received \$70,000.

Under this proposed change, the formula remains, but, in any given year, their overall grant will not be reduced by greater than 10 percent. In Watson Lake's case, if they had been entitled to \$100,000 the previous year, their grant would not have been reduced by more than \$10,000 or 10 percent.

If, under the assessment equalization formula, they only receive \$70,000, they will still be required to meet that \$70,000 figure over a number of years, but in any one year the grant will not be reduced by more than 10 percent.

Mr. Lang: I follow that, and it is, in essence, what this side was trying to say to the other side during the major financial problem that faced the council of Watson Lake. Not that much time has passed since we dealt with the situation in Watson Lake, and they were down by approximately \$25,000. Is the Minister prepared to put this section into effect, in view of the acknowledged problems that they have encountered, to give redress to a very major problem that no one could foresee? Is the government prepared to make this section applicable to Watson Lake and reimburse them X amount of dollars?

¹³ **Hon. Mr. McDonald:** Let us get one thing clear. First of all, the formula under this proposed amendment stands. If the Member is asking whether or not the government will be prepared to enact this retroactively in order to accommodate Watson Lake's claim of last spring, the answer has to be no.

If the Member wishes to read the audited budgets for the Town of Watson Lake, he will have a very clear understanding of why that is the case. I would invite him to read the audited statements for both Dawson and Mayo, as well. They were under the old tax rates. I think that those audited statements will speak for themselves in this matter.

The purpose of this amendment is merely to allow communities to prepare for their budgets. If they are not aware of the municipal assessments for the coming year, they will still be able to plan ahead and understand what funding will be coming from the government in a given year. That is generally the narrow purpose of this amendment.

Mr. Lang: Is he telling me that Watson Lake, Mayo and Dawson have too much money? Is that what he is saying, with respect to the audited statements? If it is, then say it. We were all dealing with the figures that had been provided to us. Could the Minister tell us exactly what the situation is?

Hon. Mr. McDonald: In Watson Lake, under the old tax rates, they generated a surplus last year, even with the decline in the assessment equalization payment.

Mr. Lang: Was the argument that was put forward not that they had to cut back in certain areas of their budget in order to ensure that they had a surplus?

Hon. Mr. McDonald: In developing their budget for this year, they were making the claim that they had to cut back. They did not cut back in the last fiscal year. Under the conditions in the last fiscal year, with the taxes of the last fiscal year, they still generated a healthy surplus, even with the assessment equalization grant

dropping.

The audited statements are public documents.

Mr. Lang: I do not have it in front of me. We are only six people over here. We are asking some legitimate questions. If that is the case, why the legislation? If you are saying everything was all right, then what is the necessity of the legislation. Earlier you told me that because of the situation in Watson Lake, which we have all experienced, in one manner or another, in this House, that this was at least in part the reason for the amendment.

Now I am told, no, it really does not matter because it would not have applied anyway.

¹⁴ Now I am confused.

Hon. Mr. McDonald: This amendment is not being placed on the floor of the Legislature to answer the concerns expressed by the Member for Porter Creek East last spring. This amendment does not respond to the Member's desire to alter the Assessment Equalization Formula. At the beginning of this discussion, the Member asked whether or not this amendment would have affected the situation as it existed in Watson Lake. It would have affected that situation, but still the town of Watson Lake would last year have generated a surplus under the old tax rates. All this modest amendment affects is the amount by which the grant can be reduced in any one year.

It is definitely a benefit to the communities, but merely reduces the amount of a reduction in a given year. It does not change the amount of the total reduction that will have to come about as a result of assessments dropping.

Mr. Lang: We fully understand the way the Minister describes that there is a large difference in the money between the transfer from the Government of Yukon to a municipality. This will cushion, for a period of two or three years, the amount of money from the government. It then follows, if this has been in effect in Watson Lake whether or not there was a surplus, that it would have been of benefit to whichever community.

I guess the next town that has a boundary expansion, for example Dawson City, will get the benefit of this if their expansion goes through if the equalization goes through and the transfers are less. So obviously, it did have an effect.

Hon. Mr. McDonald: It would have generated a greater surplus than it did last year anyway. That is what the effect would have been if this provision had been in effect. The tight money situation, as perceived by Watson Lake, would be determined as not being so tight. It was in fact in a surplus position. If, for example, the Dawson boundary expansion does go ahead, and the assessment equalization grant does drop, this will slow down any reduction in the assessment equalization grant. It will have to shake down totally in the end.

¹⁵ But it has, generally speaking, nothing to do with the community's wherewithal to finance its operations.

Mr. Lang: I understood everything that the Minister said. Why would he say it had nothing to do with the financing of the community? That is the whole purpose of the Act.

Hon. Mr. McDonald: Last spring, Watson Lake was not in a life and death situation; they were not threatened into going into the red; they were in the black. This amendment would have only cushioned the drop in the rate. This would not have prevented Watson Lake, or any other community in a similar position, from going into the red. This amendment in itself, in Watson Lake's case, would not have prevented that if they were truly in financial trouble. I have explained it as best I can. I think the Member understands. I hope the Member understands the intent of this section of the Act, because it is fairly straightforward. Does the Member need more clarification?

Chairman: Any further general debate?

Clause 1 agreed to

Title agreed to

Hon. Mr. McDonald: I move that you do now report Bill No. 65 entitled *An Act To Amend the Municipal Finance Act* without amendment.

Motion agreed to

Bill No. 94 — An Act To Amend The Home Owners Grant

Act

Chairman: General debate?

Hon. Mr. Penikett: I believe this is an uncontroversial measure, which is a companion piece to that previously discussed by my colleague, the Minister of Community and Transportation Services. As I said at second reading, the purpose of Bill 94 is to transfer the responsibility for the administration for the *Home Owners Grant Act* from the Department of Finance to the Department of Community and Transportation Services and place the responsibility for the Home Owners Grant Program in the department of government, which is already responsible for lands, housing and community development where we think it will be more relevant.

¹⁶ The second objective of this Act is to delay by one month the deadline of the submission of home owner grant applications.

As we all know, all such applications must be in the hands of the government by January 31. We have accepted late applications if they were postmarked before that but, upon consideration, we have concluded there is no reason why we could not allow another month for the applications, as a convenience for the public.

I would be willing to wax eloquent, but I really do not know how I could, with this measure.

Mr. Lang: I gave the Minister fair warning in second reading. Is that another person year and money being transferred over to the Department of Finance, so that means a total of two person years plus the dollars?

Hon. Mr. Penikett: No, this is the same person year and the same money that is going to Finance, robbing Mr. Fingland's department to enrich the Department of Community and Transportation Services.

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Penikett: I would ask that you report Bill No. 94, *An Act to Amend the Homeowners Grant Act*, out of Committee without amendment.

Motion agreed to

Bill No. 73 — An Act to Amend the Legal Services Societies Act

Hon. Mr. Kimmerly: I explained the principle at second reading. It is a short principle, as it is a very short bill. The intention of the government is to proclaim this Act after this amendment is passed, if it is passed, and to activate this society. We have worked on the first regulations, which are prepared in a draft form, but which will be discussed thoroughly with the new board established under this Act. The regulations will come from that body initially, as opposed to the government. However, the government is concerned about the potential abuse of this system, and we have had a hand in suggesting a draft of the regulations to this board.

The intent here is very simple, and I cannot say anything useful in addition to what has already been said at second reading.

¹⁷ *On Clause 1*

On Clause 2

Clause 2 agreed to

Clause 1 agreed to

Hon. Mr. Kimmerly: I move that you report Bill No. 73 without amendment.

Motion agreed to

Hon. Mr. Porter: That brings us to the point of discussion with the Capital Mains, and if it is the wish of the side opposite we can proceed with the Capital Mains or if there is a willingness to recess on this particular evening we are prepared to consider that.

Mr. Lang: In view of the fact that we have put a number of suggestions on the floor for the side opposite to avail themselves of in order to provide us the information that we have requested,

perhaps it would be wise to give the side opposite more time to think about it. Maybe it would be wise to recess until tomorrow and then we can deal with it another day and, hopefully, we can get a little further than we have in the last number of days.

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

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

Some Hon. Members: Agreed.

Motion agreed to

Speaker resumes the Chair

Speaker: I will 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. 77, *Lottery Licensing Act*, and directed me to report progress on same.

Further, the Committee has considered Bill No. 21, *An Act to Amend Assessment and Taxation Act*, Bill No. 65, *An Act to Amend the Municipal Finance Act*, Bill No. 94, *An Act to Amend the Home Owner's Grant Act*, and Bill No. 73, *An Act to Amend the Legal Services Societies Act*, and directed me to report the same without amendment.

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

Some Members: Agreed.

Speaker: I declare that 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 8:59 p.m.

