



# The Yukon Legislative Assembly

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Number 52

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26th Legislature

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## HANSARD

Wednesday, December 10, 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**

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

## **GOVERNMENT PRIVATE MEMBERS**

### **New Democratic Party**

<b>Sam Johnston</b>	Campbell
<b>Norma Kassl</b>	Old Crow
<b>Art Webster</b>	Klondike

## **OPPOSITION MEMBERS**

### **Progressive Conservative**

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

### **Liberal**

**James McLachlan**    **Faro**

## **LEGISLATIVE STAFF**

<b>Clerk of the Assembly</b>	<b>Patrick L. Michael</b>
<b>Clerk Assistant (Legislative)</b>	<b>Missy Follwell</b>
<b>Clerk Assistant (Administrative)</b>	<b>Jane Steele</b>
<b>Sergeant-at-Arms</b>	<b>G.I. Cameron</b>
<b>Parliamentary Administrator</b>	<b>Dave Robertson</b>

**Whitehorse, Yukon****Wednesday, December 10, 1986 — 1:30 p.m.**

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

*Prayers*

**DAILY ROUTINE**

**Speaker:** We will proceed at this time with the Order Paper.  
Introduction of Visitors?

**TABLING RETURNS AND DOCUMENTS**

**Speaker:** I have for tabling a resolution of the Legislative Assembly of Ontario respecting a proposed amendment to the Constitution of Canada concerning property rights.

Are there any other Returns or Documents for Tabling?

**Hon. Mr. Porter:** I have a legislative return on contracts to table.

**Speaker:** Reports of Committees?  
Petitions?

**PETITIONS****Petition No. 5**

**Mr. Brewster:** I have today a petition from the people around Kluane Lake asking that this Legislature take action to preserve Silver City.

**Speaker:** Are there any Introduction of Bills?  
Notices of Motion for the Production of Papers  
Notices of Motion?  
Ministerial Statements?

**MINISTERIAL STATEMENTS****International Human Rights Day**

**Hon. Mr. Kimmerly:** I rise today to mark International Human Rights Day. On this day in 1948, the United Nations General Assembly proclaimed the Universal Declaration of Human Rights. It was on December 10, 1948 that these nations, representing a majority of the world's people, agreed on a common standard of human rights.

<sup>01</sup> These nations, of which Canada proudly is one, agreed upon the fundamental importance of protecting the human rights of all people.

The Universal Declaration of Human Rights states that "... the inherent dignity and the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and world peace..."

It states that "... the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want, has been proclaimed as the highest aspirations of the common people..."

Since this historic date in 1948, the Universal Declaration of Human Rights has had a wide impact throughout the world. It has been an inspiration and a guiding force in the development of human rights laws and programs all over the world. It has inspired the formation and unanimous passage of human rights laws similar to the one before this House.

Canadians can celebrate that we have the fundamental right to vote. We can celebrate that we have freedom of belief, of expression and of assembly, that we are free from torture, and we can be proud that we live in a country that has actively promoted human rights in the last 38 years. We can be proud that we are working toward a society that is free from discrimination.

**Mr. Phelps:** We join with the Minister and the government in the celebration of International Human Rights Day in Canada. We want to say that it is our profound hope that the government will be conciliatory and amend its Bill No. 99 in ways that will make it possible to achieve unanimous passage of a new Human Rights Bill in Yukon.

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

**QUESTION PERIOD****Question re: White Pass Railway**

**Mr. Phelps:** I have some questions regarding the report tabled on the Economic Viability of the White Pass and Yukon Railway yesterday. It is a report that raises a lot of concerns for many of us in the Yukon and I would like to ask the Minister for Transportation Services whether the government feels that it has any leverage that it can use to ensure that a tourist operation on the railway would be the possible option in the Yukon, from Fraser to Carcross, rather than the alternate Skagway to Fraser run?

**Hon. Mr. McDonald:** I think that, as the report states, it is obviously not the end all and be all of reports with respect to this discussion because we know that there are enhancements that can be made to the operation to make it more viable that are not considered in the report because the report was a baseline document. The report does indicate that the most economically viable option would be the Fraser to Carcross section of the route. Clearly, economics would indicate that that would be of primary consideration. We would use whatever leverage we can discover with respect to our legal position and our persuasion through the provision of technical support, et cetera to encourage a private operator to use the Fraser to Carcross portion of the railway. When we initiated the study we asked the consultants to provide us with information that was real. We did not have preconceived conceptions as to what the report should say. We asked them to tell us the truth, and I believe that is what they did.

**Mr. Phelps:** Has the government initiated any discussions with either of the two labour unions involved, the one on the Canadian side or the one on the American side, with regard to the future of the railway?

**Hon. Mr. McDonald:** We have not initiated any discussions with respect to the railway because the character of any specific potential tourist operation has not been identified. I am sure that the unions would want to listen to a specific proposal. If a reasonable proposal was put to them they would respond reasonably, and we have nothing specific to offer labour unions. In any case, clearly, we would like a private operator to undertake the project because we do feel there is some viability for someone who would like to put up risk capital and to manage the operation, and we would encourage that future operator to undertake any discussions that would affect the labour unions.

<sup>04</sup> **Mr. Phelps:** The report was one step, and it is a welcome step. Has the government done anything with respect to formulating plans for preserving the entire right-of-way of the railway from Skagway to Whitehorse?

**Hon. Mr. McDonald:** As the Member will be aware, the move by White Pass to sell off its operation in any way, or to divest itself of the operation, would require abandonment under CTC regulations. It would be the first time in this country that a main line had been abandoned. It would be the government's intention to intervene to ensure that the right-of-way was protected and preserved for future consideration.

**Question re: White Pass Railroad**

**Mr. Phelps:** My concern is whether or not any actual plans have been formulated with respect to that eventuality. We understand that abandonment procedures could take place fairly soon and be over fairly quickly. At least, that is what officials from the railway seem to think.

**Hon. Mr. McDonald:** My information is slightly different. The average abandonment for a branch line in this country has taken

approximately four years in the past to complete. This will be the first time that we are talking about the abandonment of a main line railway, and I would anticipate that the process would be fairly lengthy, if there were any complications.

We are preparing ourselves right now, with respect to the legal implications — in the Yukon, BC and Alaska — with respect to abandonment, and we would hope to be in a position to respond to an abandonment hearing, should it arise. There is no indication, as yet, from White Pass that they are interested in abandoning the railway.

**Mr. Phelps:** Has the government had any formal discussions or correspondence with the New York group, Fantasia Trains, regarding their plans for the railway?

**Hon. Mr. McDonald:** To my knowledge, we have not had any formal connections with Fantasia Railways. We are interested in his proposal. I understand he will be in Yukon in the near future. We would be interested in assisting him in his plans if he were seriously considering restarting the railway to the benefit of Yukoners.

As I understand it, he is considering a proposal that enhances the tourism potential of the railway and also promotes more aggressive marketing. Through the Department of Tourism, we would be interested in assisting him in any way we can.

**Mr. Phelps:** I take it that the inclusion of the Town of Carcross in the plans for the railway would be essential for Yukon to really benefit from the various potential tourism options.

**Hon. Mr. McDonald:** I would say that Carcross in any plans will be critically important to the railway's future. We would hope to enhance the business opportunities in the community and any operating plan if we had the ability to affect that plan. We are interested in business opportunities for Yukoners, and Carcross is included in our deliberations.

#### **Question re: Commission on Indian Education and Training**

**Mr. McLachlan:** As a result of last evening's meeting with the Director of Social Programs for CYI, does the Minister of Education have a solution that he can announce to the Legislature to the problems surrounding the Yukon's native education?

**Hon. Mr. McDonald:** I would like to thank the Member for affording me the opportunity to tell the House that I have just now completed discussions with CYI and the Commissioners and would report that all Commissioners, in wanting to ensure the future vitality of the Commission's work and recognizing the controversy that has plagued the Commission's work in the last couple of months, have voluntarily withdrawn from the Commission. We are now going to be seeking names of new potential Commissioners immediately.

**Mr. McLachlan:** The Legislature voted a considerable sum of money, some \$368,000 to \$400,000, for that Commission. Will the Minister undertake a review of the Terms of Reference in order to ensure the Legislature that such a situation cannot develop again?

**Hon. Mr. McDonald:** We will do everything in our power to ensure that a situation such as has occurred in recent weeks will not recur. The government is very committed to the future of native education in the territory, and we still feel, along with CYI, that a Commission is the appropriate response for seeking answers to our concerns about native education.

We recognize that the Legislature has considered a significant appropriation for this exercise. We feel that it will be well spent. Between now and the time that the new Commissioners are in place, we will be approving a work plan by the Commission staff for the interim regimen. We would like the Commission to continue its work. There is a lot of valuable work to be done, and we would like to assure all Yukoners that the Commission concept is still very much alive.

**Mr. McLachlan:** Is it the intention of the Minister to make public what the particulars of the dispute were that caused the problem?

**Hon. Mr. McDonald:** I think that there were complex concerns that played a part in the controversy. It was, in part, created by itself, the controversy feeding on controversy, which made it impossible for the Commission to independently do its job. The Commissioners felt that they would like to withdraw from the

Commission in the interests of the process, and the Management Committee, both the Vice Chair for Social Programs and I, were accepting that belief.

#### **Question re: White Pass Railway**

**Mr. Phelps:** Back to the railway. An article in one of the papers last week quoted businessman Rolf Hougen who said at a meeting, "Without the railway there is no reason for cruise ships to stop at Skagway. Although people say tourist numbers are up it is because people come here believing the railway still exists." The Director of the Yukon Visitors Association agreed with that statement, and it certainly is a statement that brings a lot of concern to businesses in Carcross and other parts of the Yukon. My question of the government is: have any formal discussions or formal communications been made with the cruise ship lines or the bus tour operators with regard to the impact of the loss of the railway on passenger service?

**Hon. Mr. McDonald:** Through its own resources, the government has had no contact with the cruise ship lines that the Member mentions, although the consultants who were drawing up the report made contact.

The Member mentions that there is some concern that without the railway the cruise ship lines would cease coming to Skagway. I think that claim would be somewhat disputable, given the fact that five new cruise ship lines came to Skagway last year when there was no railway tourist train in place, and I am certain that the cruise ship lines would not have misled their passengers into thinking that there was a railway to travel on. I think there is no question, though, that the tourism train would enhance what is already increasing cruise ship activity through Skagway, and there is reason to believe that one would feed on the other. Clearly, I would not accept wholeheartedly the proposition that cruise ship berthings are going to evaporate because the tourist train may not be put in place in the coming year or years.

**Mr. Phelps:** I do not think we are talking about total evaporation, but it is a concern that has been expressed by the Yukon Visitors Association and by a prominent businessperson in Whitehorse.

My question of the Minister of Tourism is: can he tell us whether his department has had any discussions with the Yukon Visitors Association with regard to this concern?

**Hon. Mr. Porter:** Responding to the earlier question on the issue as to whether or not cruise ships will come to Whitehorse, it should be pointed out that from 1983, which is the first year after the train stopped running, the tourism numbers increased in Skagway by 1,039 percent, and we can see, looking at the last figures, that 97,074 people docked in the port of Skagway as a result of the tourist ships coming into that community.

On the question of consultation with the YVA, I am sure that the YVA, in its joint cooperative marketing effort with the department, has discussed this issue among other issues they normally discuss.

**Mr. Phelps:** I take the answer is, "I do not know."

**Hon. Mr. Porter:** I am sure that they have talked to YVA on this question. As to whether or not they talked yesterday or the week before, I cannot confirm that. I am certain that YVA and Tourism Yukon have discussed this issue.

#### **Question re: Watson Lake Forest Products**

**Mr. Phillips:** With respect to Watson Lake Forest Products, I understand there has been a feasibility study done with respect to the economic viability of this company. Can the Minister of Economic Development: Mines and Small Business tell us if it is true, and if the government played a role in this study?

**Hon. Mr. Penikett:** I could provide the Member with details. Through one of our programs, the government did provide some financing for that study.

**Mr. Phillips:** Can the Minister tell us how much financing they provided for the study, who they provided it to, and will the Minister be tabling this study in the House?

**Hon. Mr. Penikett:** I will have to take those questions as notice.

**Mr. Phillips:** When the Minister is taking that under notice,

could he also find out if the study was done for a specific group or, since taxpayers' money was used for the study, will the study be available to the public or anyone who is interested in operating that mill?

**Hon. Mr. Penikett:** I will take the question as notice.

**Question re: Watson Lake Forest Products**

**Mr. Nordling:** Can the Government Leader confirm that the receiver/manager of Watson Lake Forest Products has received two proposals to purchase the operation?

**Hon. Mr. Penikett:** I can give the House no information on that score.

**Mr. Nordling:** The government has put money into this. Why have they not followed it up? Does the Minister of Renewable Resources' department have any information with respect to offers to purchase that mill?

**Hon. Mr. Porter:** No, my department has no such information.

**Mr. Nordling:** Will the Minister of Renewable Resources look into that and get back to the House?

**Hon. Mr. Porter:** As the Government Leader indicated, he has taken notice of the questions asked by the Member. We, as a government, would endeavour to research the question and provide whatever pertinent information that is available to the Members opposite.

**Question re: Commission on Native Education and Training**

**Mrs. Firth:** Is there any financial compensation attached to the withdrawals of the Chairperson and two Commissioners from the Commission on Native Education and Training that the Minister of Education announced today, with respect to the premature termination of their contract?

**Mr. McDonald:** There has been no agreement. If the Member is suggesting that there be severance pay, no severance pay was offered or requested. The old Chairperson of the Commission, Mr. Sharp, will continue to work for the Department of Education, as that is his normal employer. The others will return to whatever they were doing prior to working with the Commission.

**Mrs. Firth:** My question was not concerning severance pay, exactly. I wanted to know if there was any pay because of a penalty on behalf of the government. Was there a withdrawal phrase in the contracts that forced the government to have to pay out a certain amount of money? Can the Minister answer me yes or no?

How much of the \$403,000 has already been spent on the Chairperson and the two Commissioners' salaries so far? I ask that because I would like to know how much short we are going to be of the \$403,000 now.

**Hon. Mr. McDonald:** I hope the Member can forgive me if I am not answering the question with absolute precision, because I do not have those budgetary items here. To my knowledge, no penalty is going to be paid by the government to Commissioners who are leaving the Commission voluntarily.

The Commission's budget of \$367,000 is one portion of the \$403,000 that was voted. The balance was to pay for the rest of Mr. Sharp's salary during the period that he was working for the Commission. Of that total amount, there is approximately \$255,000 remaining in the budget to continue the work of the Commission.

**Mrs. Firth:** Can the Minister tell us if any of the former names can be resubmitted for the new Commission?

**Hon. Mr. McDonald:** I think it is fair to say that we have closed a chapter with the old Commission members, and we are opening a new chapter with new Commission members.

**Question re: CBC Television in Yukon**

**Mr. Brewster:** In a letter of July 3, 1986, the Executive Vice-President of CBC, Mr. W.T. Armstrong, offered to meet with the Minister of Community and Transportation Services to discuss the question of CBC coverage in the Yukon in view of the complaints of the Stanley Cup television coverage last spring. Did the Minister meet with the senior CBC official?

**Hon. Mr. McDonald:** I have not had an opportunity to meet with the senior CBC official. We did, through our CBC intervention for a continuation of their license, make clear the position of this

Legislature and the position of this government regarding CBC coverage in Yukon communities.

**Mr. Brewster:** Can the Minister reassure rural Yukoners that they will be able to see next Spring's Stanley Cup Playoffs?

**Hon. Mr. McDonald:** I am going to have to be absolutely careful about this, and I will have to take the question under advisement because I would dearly love to be able to give that specific commitment hard and fast. If the Member will allow me to come back tomorrow with an answer I will endeavour to do that.

**Mr. Brewster:** When will the Minister arrange to meet with the senior officials so we can get this straightened around?

**Hon. Mr. McDonald:** Well, it was my original intention to make the CBC intervention myself for the CRTC Hearings. Unfortunately, time constraints and pressure of activities prevented me from doing so but I will, between sittings — if there is such an animal — between the Fall and Spring sitting, endeavour to make personal contact with the CBC officials.

**Question re: Watson Lake Forest Products**

**Mr. Lang:** I would like to pursue a little further with the Government Leader the question of the Watson Lake Forest Products mill and timber leases.

At the outset, the question was asked whether or not the Minister was aware that there were two proposals forwarded to the receiver for consideration to reactivate the mill. Could the Minister tell us if he is aware, and, if so, to what extent those proposals have been put forward?

**Hon. Mr. Penikett:** I have taken the questions as notice on the subject. I, of course, have no way of knowing who may have submitted proposals to the receiver, exactly how many people are interested nor what their interests are. Suffice to say that we, as a government, have been examining ways to assist the Watson Lake Forest Products operation to come back into operation, and when I come back with the answers to the questions I took as notice I will describe to the House what our decisions are in that area.

**Mr. Lang:** My understanding is there are two proposals forwarded. Is the Government of the Yukon directly or indirectly involved with one of the proposals actively being considered by the Receiver?

**Hon. Mr. Penikett:** I took the question as notice.

**Mr. Lang:** There seems to be a lot of notices here. Not notices of motion, but just taking notices of questions on something very important.

I would like to ask the Minister, in deference to this House, when can we expect an answer to the questions that have been raised on this matter today?

**Hon. Mr. Penikett:** I believe I could give an undertaking to the Member — this of course being subject to whether I am in a position to reveal or not certain commercial confidences which may be in my position — but I believe I could give an undertaking to the Member to come back next week to this House with the answers to the questions you have asked.

**Question re: Agricultural Policy Advisory Committee Report**

**Mr. Phelps:** I have a question regarding Bill No. 47, *An Act to Amend the Brands Act, the Highways Act and the Pounds Act* of the Minister of Renewable Resources.

The question is: when is the Minister prepared to table the Agricultural Policy Advisory Committee Report in the House?

**Hon. Mr. Porter:** I am assuming that the Member is referring to the list of recommendations that have been brought to my office as a result of the public hearing process. I would give the Member the undertaking that I would check whether or not this constitutes information to Cabinet with respect to making a decision. If that is the case, then I would suggest, under Section 8 of the *Access to Information Act*, that that is not information that is for tabling. If it does not fall under that specific section, then I would have no difficulty in tabling such a series of recommendations. If that is the case, I will assure the Member he will have those recommendations prior to discussion in Committee of that particular legislation.

**Mr. Phelps:** I cannot be turned away that easily. It seems to me

that often, when you have a consultative process — as this was — recommendations are forwarded to the appropriate Minister. Almost always, when the public has been involved in consultations, they are given the recommendations of the committee or body that has been created by government to consult with the public.

I do not see how these recommendations ought to be treated in any different way than the recommendations of the select committee on the green paper, for example. Why does the Minister feel he has to hide these recommendations, when they are based on public input?

**Hon. Mr. Porter:** If one were to listen to and read the answer I provided, I am not hiding anything from the Member. What I have stated is that I am going to be absolutely careful that the recommendations that are provided to me by the APA Committee do not constitute information supplied to a Cabinet Member in the process of making a Cabinet decision.

The Member should know that the APA Committee is a ministerial advisory committee created by the Minister of Renewable Resources.

**Mr. Phelps:** I am aware of that. Surely the Minister is not trying to say in this House that the recommendations from the advisory committee are a Cabinet document? Surely they are simply background information upon which the Minister can take that advice, heed it or ignore it, or take some and ignore the rest. Is the Minister trying to say that these recommendations are such that they really constitute a Cabinet document?

**Hon. Mr. Porter:** I am not saying that the recommendations themselves constitute what is referred to as a Cabinet document but, from my recollection of the *Access to Information Act*, Section 8(c) or (f), there is specific wording to the effect that any advice that is given to a member of the government that assists in the process of making a decision regarding a Cabinet decision can be construed as information that should not be released.

All I have stated to the Member opposite is that I will check that fact. If it clears, then there is no problem. The recommendations in themselves, for the most part, are public knowledge. There is nothing particularly debatable or even conflicting about those things, but the Member will respect the effort on my part to be absolutely careful on this question with respect to the legality of issuing those particular recommendations.

**Mr. Phelps:** This *Access to Information Act* is really becoming quite a tool in the hands of this new government. Maybe I am not hearing too well today, but I hope I did not hear the Minister say the the *Access to Information Act* prohibits the Minister from releasing recommendations from a body such as APAC. Is that his position?

**Hon. Mr. Porter:** Any information that is information to be received by a Cabinet Member used in coming to a Cabinet decision can be construed as information relevant to that decision. So, I said that I will check with the pertinent language in the legislation and be absolutely careful that this information is not as I have implied it is under the law. If it is not, I have no problem giving it to the Member opposite.

**Mr. Phelps:** Once again my question has not been answered. We seem to have this veil of secrecy that keeps growing and growing until pretty soon we will not be able to find our way into the government offices because the whole thing will be shrouded in a veil of secrecy.

All I am really asking is: does the Minister take the position that somehow or other the *Access to Information Act* somehow prohibits him from making the recommendations of an advisory committee public? Is that his position, because that is what I am understanding him as saying. I do not read the Act that way.

**Hon. Mr. Porter:** If the Member is in the dark on this question, I will do everything possible to turn the light on for him. I think I have committed myself to that extent. The question is not one of interpretation. The Member says that his reading the Act clearly constitutes that on any Ministerial advisory body that advises a Minister on a particular question, the Minister can make that information available at any time. All I said is that I will check this particular advice from this particular committee against the relevant sections of the Act. If, in my opinion, I come to the same

conclusion as the Member opposite, I will make the information available. If not, I will explain why it should not be made available.

**Mr. Phelps:** Would the Minister just turn the light on, and I will help him turn it on very quickly. He could just table the information we have requested. Will he do that?

**Hon. Mr. Porter:** I think we have danced all over on this point, and my position is clear. I said that I would check the issue and once I have the information clear, I will make it available.

#### Question re: Rural Native Demonstration Program

**Mr. McLachlan:** I understand that the Deputy Minister for Community and Transportation Services is presently meeting with CMHC regarding changes to the Rural Native Demonstration Program. Can the Minister advise this Legislature if the changes with CMHC that are being discussed are of the nature we discussed in the House last week on the amendment of the motion by the Member for Kluane? Are they going further than that, or is he at liberty in any way to say what changes are being considered?

**Hon. Mr. McDonald:** I would like to take the opportunity to discuss with the Board of the Yukon Housing Corporation what changes they may be recommending. They will be consistent with the kinds of concerns that we expressed in this Legislature.

I just saw the Deputy Minister of Community and Transportation Services a few minutes ago, and I do not think he is meeting with CMHC officials now. Certainly there will be a commitment requested from CMHC officials that they do allow for changes to be made to the terms of reference or the criteria for the Rural Demonstration Program to meet many concerns that were expressed in this Legislature both in the motion and in the debate.

**Mr. McLachlan:** I had some concerns made to me by some people in Carmacks who are presently in the program and who, after reading the media reports and reading the debates, have some concerns that the terms of reference that they signed for would be altered in midstream. Can the Minister give his assurance to this Legislature that the 12 or 13 homes that are going forward under 1986's program will not be altered and that those people can complete their homes as per the agreement they signed with CMHC?

**Mr. McDonald:** I think in the interests of dealing fairly with people in Carmacks and around the territory, those people who have signed an arrangement with CMHC and Yukon Housing should have their agreements honoured. I think that is an honourable arrangement. Any changes in the future ought to be for future housing allocations.

There are obviously legal restrictions as to what can be done retroactively in any case, but I think in the name of dealing with people honourably, retroactive change is not desirable.

**Mr. McLachlan:** That is all I wanted from the Minister; some assurance that the Yukon Housing Corporation would not change their 25 percent of the deal on those arrangements that were already proceeding and underway, and that the Minister would allow those, without any interference, to go ahead in all three towns.

**Hon. Mr. McDonald:** Let me just reiterate. The Yukon Housing Corporation is by far the junior partner in this venture, and criteria changes in any case for future years would have to be approved by CMHC, irrespective of whether or not Yukon Housing was cost-sharing. To my knowledge we have spoken to the CMHC about the changes. I am not up to date with the character of those discussions at the present time so I could not give the Member a snapshot as to where we stand, but I have been given the impression that changes can be made and there is some willingness to make changes to fit our circumstances.

**Speaker:** Time for Question Period has now lapsed. We will now proceed with Orders of the Day.

#### ORDERS OF THE DAY

**Speaker:** Motions other than Government Motions?

#### MOTIONS OTHER THAN GOVERNMENT MOTIONS

**Mr. Lang:** The House Leaders have reached an agreement on the order of 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 ask the unanimous consent of the House to have the Motions Other Than Government Motions called in the following order: No. 63; No. 66; No. 68; No. 71; No. 70; No. 72; No. 74 and No. 73.

**Speaker:** Is there unanimous consent?

*Motion agreed to*

#### **Motion No. 63**

**Clerk:** Item number 2, standing in the name of Mrs. Firth.

**Speaker:** Is the hon. Member prepared to proceed with item number 2?

**Mrs. Firth:** Yes, Mr. Speaker.

**Speaker:** It has been moved by the Member for Whitehorse Riverdale South: THAT it is the opinion of this House that the Government of Yukon should adopt a policy on communications that would ensure materials produced by the Public Affairs Bureau are not utilized for any partisan political purposes.

**Mrs. Firth:** This is not a new issue that we are about to discuss in the Legislature this afternoon. I believe the Government Leader, when he was Chairman of the Public Accounts Committee, first raised the issue about government advertising back in 1983 when the manager of the Public Affairs Bureau of the day was being interviewed about the advertising that the government was doing. I am going to quote from the Public Accounts document, 83-2-4, page 49. The chairman, the now Government Leader, asked the witness about a committee in Ontario and about the concern there was about the grey area between propaganda and information in government advertising and in the Public Affairs Bureau, and that there had been a lot of attacks on the government because of the television advertising that was done and how people felt it was partisan and political to deal with issues that were before the Parliament.

That issue was followed up by the Public Accounts Committee in subsequent years. After the election of May, 1985, the new Public Accounts Committee, under the chairmanship of the now Leader of the Official Opposition, has continued to follow up on the issue and made a request to the Public Affairs Bureau, when they were called forward as witnesses on follow-up matters, to present their policy directives for a review by the committee, to see if the issue of politicization within the Public Affairs Bureau had been addressed in the policy directives. There had been a commitment given to us that something was going to be done about the particular issue and concern.

We received the policy directives, and I went through them very closely and could not find anything that addressed the issue. I could not find any specific details or directives dealing with how materials were prepared. I will go into the three or four areas that I have concern about in a minute.

The policy directives dealt with all the regular relationships between the media and between the Ministers and the public, and so on, just to show that they were relatively comprehensive. A commitment had been given by the department that they would address the specific issue that we are dealing with in this motion today.

In the budget debate last session, I raised the issue again of politicization within the Public Affairs Bureau, and I raised it again as a member of the Public Accounts Committee. After much consultation, the recommendation to me was to present it in the form of a motion, and that is why it is here today.

My particular concerns are not new ones, but some will be. I have raised a couple of them before in this Legislature. The first one that I want to refer back to is the Annual Report of April 1, 1984 to March 31, 1985. Of course, there was a concern expressed about the Cabinet photograph of the day not being consistent with the government Members of the day. The names, office phone numbers and home phone numbers of the Members of the Legislative Assembly, both opposition Members and government Members — not necessarily their photographs, but their names —

had been left out entirely. Those had traditionally been included in annual reports. The Government Leader gave us a commitment in the Legislature that there would be some response to that issue and that it would not happen again.

I bring it forward to point out that if there had been a policy in place that could have responded to that, it would not have happened in the first place. I raise the concern about it in regard to the annual report that this government publishes.

I have also raised in the Legislature a question about Ministerial Statements. I know the Government Leader is going to say that he knows this issue has been referred to the Member Services Board, and I appreciate that. I would still, however, like to raise it because I have a feeling of how the Member Services Board is going to respond to it.

There were Ministerial Statements copied, and I cannot find out who made the decision to do this. I will wait for the Government Leader's response, but someone had to make a decision, and I would like to know if it was in the Public Affairs Bureau, or just where it was. It involved quite an extensive amount of printing. We are not sure how much yet. It was published under the authority of the Speaker of the Yukon Legislative Assembly by the Queen's Printer for the Yukon. I feel that this could have put the Speaker in somewhat of an awkward position, Mr. Speaker, as you were unaware of these publications, as well.

One publication, the Ministerial Statement on the Department of Renewable Resources by the Hon. Dave P. Porter, Minister of Renewable Resources, went out with a letter attached to it saying "I have enclosed for your information a detailed budget speech on renewable resources, which I presented to the Legislative Assembly on May 26 of this year". It goes on to say what the speech outlines, and it is signed by the Minister. I have had constituents receive this in the mail; therefore, these statements were mailed out to people. I do not know how many or how the decision was made as to who they should go to.

On checking at the Information Centre at the Government Building, I found that there were some 11 other Ministerial Statements printed that included comments by all of the Ministers, and Ministerial Statements that they have given in the Legislative Assembly.

One was on the Coolican Report on a comprehensive claims policy under the name of the hon. Mr. Penikett; another was the Task Force on Family Violence, the hon. Mr. Kimmerly; the Yukon Science Policy, the hon. Mr. Penikett; a Ministerial Statement on the Justice System Review, hon. Mr. Kimmerly; a Ministerial Statement on Arctic Sovereignty, hon. Mr. Kimmerly; a Ministerial Statement on Compensation for Victims of Crime, the hon. Mr. Kimmerly; a Ministerial Statement on supply of local furniture, the hon. Mr. Kimmerly; a Ministerial Statement on Child Welfare - Transfer of Responsibilities to a Yukon Indian Band, the hon. Mrs. Joe; a Ministerial Statement on the Advisory Committee on Substance Abuse, the hon. Mrs. Joe; a Ministerial Statement on the *Young Offenders Act*, the hon. Mrs. Joe; and, a Ministerial Statement on the Yukon Lands Program, the hon. Mr. McDonald — the only one for the hon. Mr. McDonald.

Who made the decision to do this, and on what basis was the decision made? I would like to know how many copies in total were printed. I do not know if these are available at the territorial agents within the communities, but they were available in this building. When I raised the issue last in Question Period, they were still being distributed by the information centre. After checking this morning, I see they have been removed from the information centre now.

I would also like to know how many copies in total were printed and at what cost and out of which budget the money came to print them. In my correspondence to you, Mr. Speaker, and to the Government Leader, I asked whether Opposition Members were going to be allowed to send out similar productions in the form of their response to the Ministerial Statements, or some such other publication.

This is an outstanding issue. The point has to be made that the decision was made somewhere. The Government Leader may say it was because there was no set and defined policy. I have a feeling

that that is a possibility; however, I do not know. I would like to find out. I would like to see that it does not happen again, particularly under your authorization, Mr. Speaker. Somehow, I just do not feel that it is appropriate.

I have a concern about government publications. I do not want to appear to be picky about it. I have seen a definite trend developing, now that we have several publications. It is all to do with the government's Yukon 2000 policy and their strategy and, in particular, the colours of the publications. I know that there may be an incident of some governments across Canada that get pretty close to almost publishing their party logo on the literature that comes out of the government. I do not think that that is what we want to see here in the Yukon. I believe that that was what the Government Leader was getting at when he was Leader of the Official Opposition and chairman of Public Accounts.

There is a fine line. Colours represent certain impressions within people's minds and that first visual impression is very strong and an identification can be made by the general public. I am referring to the publications of Yukon 2000 and the Tourism Strategy and so on. My first impression, as I have had others draw to my attention, is the colour combination of the publications and how they so closely resemble the colours and literature in the election campaigns in Saskatchewan and BC with the orange and green stripe.

<sup>16</sup> The Members may think this is funny, but when the Leader of the Government was the Leader of the Official Opposition, he was very concerned about this kind of issue. I remember him raising it.

People came to me and said that these documents very closely resembled campaign ads they had seen on television during the BC election campaign. All there was was a different colour in the background. I am not saying it is right or wrong, but it is a decision the government has to make, whether they are going to do it or not. I am simply making the point that, if they are going to do it, they should have a policy that defines it and is upfront. When people make an identification, there is not any question about what the government's intentions are.

The Yukon 2000 theme is consistent with the Forum 2000 federal theme. I know the Government Leader is sighing and shaking his head now and is going to say that it is not relevant. We will wait and see what he says. These are very real concerns that we all, as a Public Accounts Committee, had when the Government Leader was the Chairman of that committee.

So I bring these examples forward. My final example is the publication, *Yukon Info*. I believe the Government Leader had some concerns a long time ago about *Yukon Info* as well as the now Minister of Justice when he was a new Member of the Legislature. The concern was that it was political advertising, I believe was the terminology that the now Minister of Justice used, and I will check that to make sure so I am not quoting him out of context. Yes, it was in November 25, 1981. The Minister of Justice referred to *Yukon Info* and I will quote, "... *Yukon Info* for exactly what it is, a political advertising...". Now I have gone through the *Yukon Info* and have looked at the publications that have come out since this government has been in office. I have compared them with the former publications that the previous government issued. I do not find an awful lot of difference, other than the Government Leader's picture is on just about every publication that this government has had in some form or another, announcing some new initiative or another. The Minister of Health and Human Resources appears in a picture and the information, I find, is generally good, and I, personally, do not have any disagreement with the concept of *Yukon Info*. I believe the issue of the day on November 25, 1981 that was being discussed, that initiated the Member for Whitehorse South Centre to make that comment, was that they were debating a motion about government advertising and government information and utilizing *Yukon Info* for some publication or another. A great debate was entered into about *Yukon Info*. The government of the day, which was a Conservative government, agreed with the principle of *Yukon Info*; however, the NDP Opposition did not agree with the concept of *Yukon Info*.

<sup>17</sup> The Government Leader had some rather firm comments to make about *Yukon Info*, and maybe we will get into those a little later.

I think *Yukon Info* is a good publication for the public, to inform

them, particularly for the people in the communities. It gives them an idea of how to get a hold of government and of the new government programs that are going on. I feel it is somewhat helpful to them, so I will wait to see what comments the Government Leader has to make about the publication that his government is carrying on with.

I do not raise this issue to be confrontational and to snipe at the government. I raised it because it was a common concern, and it was something that the Government Leader indicated to me was not a tremendous priority with him now as the Government Leader. I think that, because the Public Accounts Committee has not received a totally complete answer and a totally complete policy directive dealing with the issue, maybe it should become a little higher on his list of priorities and that it should be dealt with by the Public Affairs Bureau.

The issue cannot be raised, I suppose, as a political issue because it really takes away from some of the positive information that can come out of a government, positive information that should be shared with the public. But, it should be shared in an open and in an honest way and not used for political party benefits. I look forward to hearing what the other Members have to say who are going to speak to the issue, and I will be making some further comments later.

**Hon. Mr. Penikett:** The Member said she did not want to be confrontational, and neither do I. The Member also expressed the concern that she might be seen as being picky. I must honestly say that I do share that concern.

Let me say what I know about this issue, independent of the information that was provided to us by the Member for Riverdale South. Let me then comment on each of her points, and, in the course of doing so, I would also like to indicate what steps I expect to see taken to address not only her concerns but concerns that preceded her introduction of this motion.

There have been concerns about politicization of the Public Affairs Bureau that were originated internally, as there have been concerns that have been raised externally by myself in opposition and by others. As the Member opposite has indicated, these concerns have been raised everywhere in the country and in every Legislature and probably by every Public Accounts Committee. That is as it should be.

<sup>18</sup> There have been specific concerns that were raised internally. Understand that there was a concern during the last general election campaign where a government photograph was used in a political piece of literature. There was a complaint made, and the photograph was then withdrawn and not used anymore. I understand that, at one point, we did not have a clear policy about the use of Ministerial signatures or names on documents. That caused the Member for Riverdale South some problem, when she was Minister of Education, because she began to receive job applications from people all over. Well, the legend in this building is that that is the case. Perhaps it is, like many legends, a nice piece of fiction and very entertaining, but perhaps not grounded in hard reality. It is probably appropriate, given the subject that we are talking about.

The concerns have caused the officials in the department to address the question. The Member has asked about it before, and it is my intention that in the course of this fiscal year — certainly before April 1 — there will be a clear policy in this government in this area.

Before I get into discussing what may be some possible elements of that policy, let me just talk about some of the points raised by the Member. The Member talked about the picture and the identification of herself in the Annual Report. I have previously apologized for that. Believe me, I do not write the things, I do not edit them, I do not draft them, I do not lay them out. I do not even see the things until they are effectively a fait accompli. I know from long experience, longer than anybody else's in this House, what it is like to have a government publication that only shows the back of your head. I tend to be unfortunate enough to have a particularly unattractive back of my head. The front is not that great either, but the back is truly awful, and I know very well what it is like to only have that part of one's anatomy displayed in government publica-



tions. So, I am sensitive on this point, and I will do everything within my power to rectify it.

With respect to the question of Ministerial Statements, the matter has been referred to the Member Services Board. I do not know whether I will fall afoul of the rules, but I will tell you this — the Clerk will probably leap up and bat me with the mace — but the Clerk has, in response to the concern raised by the Member, drafted some rules, which are based on the House of Commons rules, governing the reproduction and publication of extracts from *Hansard*, and I think, once those rules are sanctioned by the appropriate body, they will serve us well and prevent a repetition of whatever concern was held by the Member. That will deal with the actual editing in the publication extracts, which I think is why she is concerned.

She also talked about the actual mailing to people of information about the government's position on one thing or another, which may be done by individual MLAs or may be done by government. It has always been done by governments elsewhere. The Opposition, of course — I know from people who have shown me stuff that they get in the mail from the Opposition — get dozens of pieces of information, extracts from *Hansard* and extracts occasionally from magazine articles, which they get from Members of the Opposition, mailed under the parliamentary frank. That is done by all MLAs in every Legislature, everywhere.

10. If we are going to get into an accounting of those, if we are going to say that we are going to have to get a detailed accounting of those, then it is fitting that it should be done on both sides of the House. I do not think we are going to be contemplating a kind of reciprocity here that, every time the government publishes some information, the government is also, simultaneously, going to be providing the means to publish a contrary view or dissenting view from the Opposition party or parties.

I would suggest that the rules proposed by the Clerk, if they are proving satisfactory to the Members governing the publication of *Hansard* extracts, I think will serve us very well. The question of the monies allocated and the authorities for distributing the information, either about debates of this House or about policy announcements of the government, is an entirely separate issue.

The Member's third point was about government publications and colours. You will forgive me if I have some trouble taking this point seriously. We are blessed, living north of British Columbia, with exposure to the advertising that emanates from that province, as it has done for a long time, in the party colours of the party in power and with messages that are remarkably consistent with those that are promoted during campaigns. I understand the Member opposite's alarm and even cynicism on that score. To suggest that a Yukon 2000 document, the theme colours of which are red and green, has anything to do with my party's colours, which happen to be orange, or have anything to do with the Conservative Party colours, which I think are blue, the theme colours are red and green — there may be different colours, maybe there will even be a blue one. I suppose I will get attacked for that. We have a blue Order Paper. I am sure that is not a sign of political corruption, and the fact that the Conservative Party, notwithstanding the fact of lost office, still has absolute control of the Clerk's office and the Speaker's office and everything else. We can be silly about these things. I urge Members not to.

The Yukon 2000 exercise is designed to be non-partisan. The theme colours of red and green of the publication are attractive colours. They are very definitely not the colours of my party, nor the party opposite, and should have no identification.

As to the suggestion that they are somehow linked with party campaigns in BC and Saskatchewan, I cannot give any credence to that. I know nothing about the literature from those two campaigns. I do not pay attention to it. It is not an interest of mine. Believe me, we are not somehow having the communications strategy on Yukon 2000 governed by remote control from Regina or Victoria or Vancouver or anywhere else.

On the question about *Yukon Info*, the Member will have to understand that I do not write it, I do not edit it. These days, I rarely get to time to even read it. The Member has complained

about the Government Leader's picture being in it frequently, announcing one initiative after another. While I do not apologize at all for being busy and taking many initiatives, if she finds the frequent appearance of my picture unpleasant, I share her opinion. I do not particularly like having pictures taken of myself, much less published.

20 I would be quite happy, as long as she does not regard it as political interference, to give instructions to the Public Affairs Bureau to stop putting my pictures into *Yukon Info*, or cut down the number of times my picture appears. I would be quite happy with that if that will make the Member happy, but she will have to understand that I do not normally have anything to do with the content of that publication.

Let me deal with the matter that does bear on the motion rather than the subject. We have developed policy directives on the use of Ministers' names within government advertising to make it clear when that should be used and when it should not. The Public Affairs Bureau — I do not mind sharing this with the Member — has suggested to us that in order to avoid any conflict of interest between what is prepared by public funds and the use of such for partisan political purposes, there should be some kind of prohibition on the use of those materials, and there should be no use of pictures taken by government photographers for campaign literature. The Public Affairs Bureau suggested that the kind of advertising, the type of advertising and the nature of advertising that appears under the authority of the government after an election which has been dropped should be severely restricted.

Some of the obvious types of advertising that have to continue are public service job ads, recent tourism ads, and those kind of things, but we should not get into the kind of practice which appears to prevail at the federal level and in some of the provinces where the amount of government advertising seems to increase after a writ has been issued for an election.

The material that is prepared by Public Affairs should not be used by political parties. In other words, they should not be, in effect, working for political parties. The Public Affairs people should not be operating on instructions that essentially come from the political proponents or the political contenders. The Public Affairs Bureau should not, of course, be providing a writing service, a photographic service or layout service to the parties, and they should not be subject to pressure from MLAs to do this kind of thing.

I would hope, and I think it would be quite useful, to have the kind of policy we are talking about go through the normal development stages, and I will give my undertaking to the Member for Riverdale South that in this fiscal year, let us give me a deadline of April 1st, there will be a policy in effect and that the purpose of the Public Affairs Bureau, that it provides public and media relations, advertising and photographic support to government departments and agencies to help communicate the government's activities and programs to the public, be maintained and respected, and that the Bureau's inquiry centre respond to the public's day-to-day information inquiries and assist the public in contacting appropriate departments and agencies as well as providing printed information to citizens who may be interested in it.

21 We are never going to have a perfect dividing line to satisfy everyone on these questions. Out of respect for the concern raised by the Members opposite and by Members on this side in previous years, I will be taking steps to make sure that there is a policy in effect for the next fiscal year. Therefore, we will be supporting the motion.

**Mr. McLachlan:** Many times in the past, not only this government, but many other governments as well, have had criticisms leveled at them that publications have had a definite partisan, political slant. The Member for Riverdale South, in her opening remarks, referred to printed material and photographic material. We would like to suggest that any audio materials that are produced or may be produced in the future, also be subject to the policies that the Government Leader has outlined.

We feel that it would be extremely unjust for any government to be using resources of people who are in the civil service to further their own political platform. Not only do we feel that it is

imperative that the policy on communications be produced to prevent this sort of thing from happening, but there should be some mechanism in place to ensure that the policy is continually and continuously adhered to.

If necessary, and the Members are not satisfied with the policy that is developed by the government from time to time, another suggestion that we would like to put forward is perhaps representation from all parties in this House be struck on a committee that could examine it to see that the policy is adhered to. In closing, we do endorse the motion, and we are urging all Members to support the motion.

**Mr. Nordling:** As it appears, the passing of this motion will be unanimous. I will be quite brief in my remarks. I support the motion, and I believe that a policy would be helpful to all concerned, including the Government Leader. The area that concerned me in particular was the publishing of excerpts from *Hansard* under the heading "Ministerial Statements" and appearing to be published under the authority of the Speaker of the House, and therefore the Legislative Assembly as a whole.

These were purely political partisan documents, and I submit that they were produced for political partisan purposes. When the Member for Riverdale South wrote to the Speaker to inquire about these papers, Mr. Speaker's response was, "I am now making inquiries as to the circumstances which led to the printing of those reproductions." With that response, the Member for Riverdale South wrote to the Government Leader. As they were headed "Ministerial Statements" and published under the names of the Ministers, we expected that the Government Leader would have some information. The Government Leader's response was, "As the Speaker has informed you, he will look into the matter you have raised. I would not want to duplicate or interfere with his own efforts."

To me, that implied that the Government Leader did not have much control over the publication and did not know what was going on.

<sup>22</sup> A policy is needed. For several weeks, after the letters and questions in the House, the Ministerial Statements were available. My submission is that the publishing of those statements alone show a clear need for a policy. As we have heard from the Government Leader and the Leader of the Liberal Party, there is no question that they agree.

I was surprised to hear the Government Leader say that the Member for Riverdale South was being picky. I believe that thousands of these Ministerial Statements went out, perhaps without your knowledge. We will see. That is a serious question. I was surprised at the lack of concern coming from the Government Leader, the champion of fairness. I was surprised to hear, in his comments today, the same theme that we have been hearing since we began this sitting, and that is that if the Conservatives did it before, it is okay now.

Two wrongs do not make a right. To leave out the names of the Conservative Members from the Annual Report does not make it all right, because only the back of the Government Leader's head was shown in previous government publications. It is not an excuse. I would urge the government, because I know that we are all going to support the motion, to get this policy in place as soon as possible.

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

**Mrs. Firth:** I was somewhat disappointed to hear what the Government Leader had to say, but not surprised and not totally disappointed. It is consistent with the attitude and the style that has been demonstrated in the Legislative Assembly, particularly in this last sitting.

I raised this as a legitimate concern. I had expected the Government Leader to take it a bit more seriously and not so glibly. I guess I was right in my prediction of what he would say I was doing.

The Government Leader was very clever, because he raised this one little issue about the photograph, and he raised this one little

issue about some legend. That is the kind of style this government seems to be presenting. If someone is trying to come forward with a constructive motion or a constructive alternative or a positive alternative, we cannot take it seriously because they are the Opposition and we are the government. If we let them do something then they are getting the upper hand, and we have not got it anymore.

It is not an attitude that is prevalent just with this government. I have seen it with other governments, as well. I remember how the Government Leader always talks about fairness and the Opposition having input and having the ability to make some positive alternatives and constructive solutions. That is what I was trying to do when I came here today and presented this motion to the Legislature.

Just to clear up the clever little maneuver, the legend was a legend, of course. I see the Government Leader very cleverly covered his ground on that little point talking about legends.

<sup>23</sup> The photograph ended up being paid for so that the government was not incurring the expense, so there really were no issues in that little puff of smoke that the Government Leader liked to puff out there.

My point is not the number of pictures of the Government Leader. He knows full well that I know that he does know how many photographs go out of here, nor did we when we were the government. It seemed to be a big issue to the Opposition Leader of the day. I am glad to see that he now has a better understanding of what can happen when some of the publications go out. He is ultimately responsible. No one else is, since he is the Government Leader. Whether he likes it or not, he is responsible for every little thing that goes on in this government, and he has to be answerable and accountable for it.

Another little puff of smoke is the talk about extracts from *Hansard*, and all the ones that the Members of the Opposition are sending out. We send out excerpts from *Hansard* that we photocopy on the machine that is provided in the Legislative Assembly office. They are a lot different from the very professional publications that the government was able to put out. I was simply raising the issue that if this was a policy of the government, were the Opposition Members going also to have access to the professionally done statements with the larger printing, typeset, neatly done and neatly packaged? I was not raising a big point, but a significant one, I think.

I go back to what the Government Leader said when he was the Leader of the Official Opposition in the debate when we talked about *Yukon Info*. I do not come back to this House with heresays or little legends. I like to think I do my research responsibly. When I find something and bring it back to the Legislature, the information is accurate, and I also try, when I can, to back it up with some quotations from *Hansard*. Sometimes we refer back to newspaper clippings and so on. I guess these are things that we just do, being in opposition.

When we had that debate about *Yukon Info*, the Member for Whitehorse West was very firm in his opinions about *Yukon Info* and about what kind of service it was to the public. He even made some comments that it was a gratuitous insult to the media. He went on to describe how we were sort of replacing the media and trying to take over the media's job because they were not doing a good enough job; that we were going to replace their functions and how it was an imposition on businessmen and so on.

The Government Leader was then very firm in his comments, saying, "It is purely and simply a gratuitous attack upon the media of this town and small businesses operated by Yukoners who are working hard to serve their community, struggling away to provide a service to the community, and meet a payroll and earn enough money to pay their income taxes and their taxes to this government. It seems to me that we are wasting a lot of money on this *Yukon Info*. It is, I think, a totally unnecessary and rather wasteful expenditure in the first place. What we are doing if we adopt this motion is adding insult to injury."

<sup>24</sup> I got the impression that this is something that the Government Leader felt very strongly about. It is now 1986, and I know the Government Leader has only been there for a year-and-a-half and part of the responsibility is with the former government, but,

nevertheless, it was this Member in this Legislative Assembly who felt so strongly about this issue.

The intention of bringing this forward was not to get some little sniping comments about the colours of his party and not to get into a debate about whether it is orange and green or red and green. The fact is that the impression that is left with the public is that the two themes are consistent and are synonymous with each other, and that is exactly what we are trying to get away from. We are trying to get away from the perception being left with the public, or the impression being given to the public, that the government is of one political name or another, or we may as well just have this government stamp its party logo on all our literature.

That is the point I raise, and I raise it very sincerely. I am pleased to see that the Government Leader is going to support the motion and I am more than pleased to see that, because of raising this issue, we are now going to get a policy by April of 1987, so hopefully the issue will be closed once and for all. I am also pleased to see that there will be some rules drafted about the publications of *Hansard* and that that issue will be addressed and, therefore, as a Member of the opposition I feel like I have made some useful contribution to this Legislative Assembly.

I hope that the Government Leader is not too sensitive about these kinds of issues and can be a bit more open and recognize that we do come in here with some positive, constructive ideas, and if we make for better government it is only his interests that are going to be protected and served. I thought that was what the whole legislative process and the whole democratic process was all about.

I thank the government Members for supporting the motion. I think I have made my points. I do not think they have been picky points. I think they have been constructive, and I think we now have two good positive successful indications that have come forward because of the motion, and those are a new policy that will be in effect in the Public Affairs Bureau to take into account the politicization of the Public Affairs Bureau dealing with photographs and literature, and some rules for the Legislative Assembly to protect yourself and the integrity of the House for *Hansard* publications. I think that is good.

*Motion No. 63 agreed to*

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#### **Motion No. 66**

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

**Speaker:** Is the hon. Member prepared to proceed with item number 3?

**Mr. Lang:** Yes, Mr. Speaker.

**Speaker:** It has been moved by the hon. Member for Whitehorse Porter Creek East: THAT this House urges the Government of Yukon to incorporate the Yukon Contract Directives into regulations in order to provide legal certainty to the process of tendering Yukon government contracts.

**Mr. Lang:** We have before us an issue that has been ongoing as a question of overall policy, as far as the direction of the Government of the Yukon Territory is concerned. It is not a new issue. It is an issue that has been actively discussed more and more over the course of the past year-and-a-half. Major changes did take place, contrary to the wish on this side, to go from the principle of having the contract policy incorporated into regulations to that of being incorporated as directives. I am sure the Minister of Justice is looking forward to the debate. It is an ongoing debate. Like the Member for Riverdale South, I feel this is the forum in which to bring forward the question of policy and why policy is being enacted, or revision to policy that is in the best interests of the public we serve.

As a Member of the Legislature, and in my capacity as a Member of the government side, I recognized the importance of the regulation-making process. I think that my experience in this area gives me a fair amount of credence to be able to stand up and speak on the issue and what all Members of this House should be looking for in this question of contracting.

Over the past year-and-a-half, there has been some considerable mismanagement, in some cases mishandling, of situations, some of

it unbeknownst to the government until too late. It has raised questions in the eyes of the public with respect to how public expenditures are being authorized, and the public is beginning to wonder whether or not it is perceived to be fair.

That is the most important and critical aspect to the expenditure of public monies. Wherever possible, the government has to be in a position to not only be fair, but be perceived to be fair. That is why we are bringing forward the issue here today, to see whether or not the government is prepared to look and reassess the situation they have been in for the past year and-a-half. I am sure that to experience some of it has not been all that comfortable for them and, in many instances, with good reason.

This is not the major basis of my talk here today, but we have had a major concern expressed from this side where third party rentals, vis-a-vis the question of the contract directives and the procedure, in our opinion, were violated where third lowest tenderers were given jobs over the lowest tenderer with no reason.

It is documented. There was never anything given in writing, never any reasons given why. In fact, to our knowledge and what we could get out of the essence of the discussion of last year, there was never any discussion with Management Board on the question.

We are presently in a situation in this House where we are asking about public expenditure and are being denied information under the guise that there is a \$5,000 limit and anything under \$5,000 really is not of any interest to the public. It must be of interest to the public because we are raising the question.

I was very pleased to hear the Government Leader say that they are reassessing their position on this and they would be getting back to this side of the House in the next few days in order that we know what the government position is. I do not think that a reversal of that particular decision is going to make or break the government. I think it would ensure more openness and accountability, and I think it would be in the best interest of, once again, the people we are here to serve. So I raise that. That is an issue that has been ongoing.

The question of the furniture and the issuance of contracts there, that was another debacle, from the point of view of suppliers versus those of builders. Now we have a situation where at least some Members of the front bench and Deputy Ministers now have furniture worth \$8,000 or \$10,000. That same type of furniture could conceivably have cost in the neighbourhood of \$3,000. I do not deny the Minister of Justice a desk for one minute, but I have to question how many desks we do need. That is another question, and I will get into that, not in this debate. It is a question of budgets and where we are going as far as the growth of government is concerned. Maybe there is an industry there that is well beyond the imagination of anyone in this House. I do question the need for any Member in this House to require an \$8,000 or \$10,000 desk.

I recall there was some thought of the previous Government Leader being granted a \$10,000 or \$12,000 desk and that order was cancelled. It was the Leader of the Official Opposition at that time who quite legitimately raised it. It was agreed that it was far, far too much money. That is another issue. All I am saying is that was a debacle.

There are contracts that are being rejected. They are not becoming public issues; I am not going to raise them as public issues, but it has been an ongoing exercise over the past year where many contractors are watching what is going on and saying all of a sudden one contract is going to be rejected for one given reason and then the association or individual contractors have to come forward and say that that is not the way it should work. So it puts the whole question of the procedure and method of contracting into question. I do not think there is any real reason for it. I recognize, that political decisions have to be made at times, and I recognize they have to be defended, but one of the most important elements we face here today as government, as legislators, is the fact that the Government of Yukon enjoys the most amount of money than any government has had the good privilege of allocating in the area of capital.

We are talking \$114 million-plus that, in good part, will have to be tendered out, and should be tendered out. It is essential that it be done properly and be perceived to be done properly. That is why we have the motion before you here.

People will stand here and ask, "What is the difference between a regulation and a directive?" There is a very stark difference between a regulation and a directive. In some circles, a directive can be referred to as "secret law". There is no requirement by law that any directive be made public. A regulation is law, and it must be made public within a required period of time under the *Regulations Act*. That is clear in the law. It is there and it is unequivocal.

The other point is that it is very clear that government officials are not libel with respect to any wrongdoing, if it were to happen, under the *Summary Convictions Act*. It is clearly stated in the *Financial Administration Act*. Why? Why does that particular section not apply? If anybody in this House stands up and says that there is no difference between a directive and a regulation, there is a difference between them, otherwise it would not be specifically stated in the legislation.

Across the country, the question of authorizing contracts, the procedures of how they are authorized, the general principles of how contracts are going to be administered by government is done under regulation, including that of the Government of Canada.

To take this step and put it into directives, in my judgment, is totally and absolutely inappropriate, and there is no reason for it. I substantiate my argument under the piece of legislation that the contract regulations are promulgated with. That is the *Financial Administration Act*.

No Member in this House can stand up and say that the government does not have the ability to put contract procedure, directives, principles, whatever, into regulation. I refer you to the heading, "Contracts", on page 133 of the *Financial Administration Act*, what is referred to as Chapter 19. I think it is important that it be read to the record. I am not a lawyer, but I think it has been made very clear and specific for the public why this section is here. It states as follows:

"25(3) The Commission in Executive Council may make regulations establishing terms and conditions that shall apply to contracts or any class of contract specified in the regulations."

It is very clear that the Commissioner in Executive Council may make regulations. Further in the *Financial Administration Act*, it clearly indicates and clearly states on Section 77(1):

"In addition to the regulations authorized to be made by any other provision of this Act, the Commissioner in Executive Council may make regulations for carrying out the purposes and provisions of this Act."

It is clear that the legislation that is presently in place does provide and is intended to have regulations promulgated for the purposes of issuing contracts. I do not think there is any question about that. It is consistent with all jurisdictions with respect to the administration of contracts.

I think that it is absolutely essential that the contracting principles be put into regulation. They have to apply, not only to the government, but also to those involved with the government. There is a reason for it. The reason is that if there is recourse, there will be recourse through the law, and the law is clear. I do not question the right of the government to make some changes. I think, in some cases, that there should be some changes as we advance and as we learn from our experiences. It is a learning experience, but there is no reason to put it into "secret law", which does not have the same force or weight in law as opposed to putting it into regulation as it was in the past, especially in view of the huge amount of money being dealt with. This provides the politician, the government and the administration with protection. It says that this is the law and that this is the accompanying piece of legislation. We will have to go through Cabinet for any major changes. It will have to be made public. There are procedures to be followed. This is a major point. Those regulations, promulgated through the Government of Yukon, through the Cabinet and the Cabinet decision-making process, are reviewed by the Standing Committee on Statutory Instruments that is a part of this House. That is important. It is an ongoing process that ensures that the changes made are made specifically with the intent of the legislation in mind.

The Minister of Justice knows that. He sat on that Committee for a number of years. He did take a very active role and was very

interested in what was going on. I never sat on the committee, but we were very, very concerned that the proper procedures were followed. That is why they are there. They are a check and balance in the system. We do not have that with a directive. Nobody even knows that a directive has been changed. The Minister of Justice can say that, as a policy, they are going to make all directives that apply to contracts public. What about the one that they forget to make public? There is no requirement in law.

The argument is, "Trust me." That is not the way the legislation was intended to be. If that was the case, we would hand the government all the money and they would ask us to trust them and we would come back a year later. There are reasons for this being put into place. There are reasons for the process and the procedure. I think that the arguments I am presenting are very reasonable and logical.

<sup>29</sup> Taking it one step further, as we all know, there are associations and individuals interested in how government administers the public purse, how contracts are let and want to ensure that it is based on the principle of competition and to ensure that we stay away from, as much as possible, what is known in some quarters as pork-barrel politics.

The regulations provide you with that mechanism. The law will provide you with that mechanism to protect the government. How can I, as a Member of the Opposition, raise an issue with the Minister of Government Services if all the procedures under the regulations have been followed?

I had a call from a constituent the other day with respect to how a contract had been issued. I listened to the complaint, I found out that the government had followed all the procedures they said they were going to, and I defended the government. I said, I am not going to raise that as an issue, just for the point of trying to bring the Minister of Justice to his feet.

I am saying that there is good reason to follow the constructive advice that is being put on this floor, and the issue that is here today for discussion.

I would like to make a couple of other salient points. Last January, the Contractors Association requested that the directives be incorporated back into regulations. I think it verifies my point. Nobody has asked anybody to go to directives. Since that time, my understanding is that there have been three or four requests that they be put back into the rightful place — into regulation.

It was interesting to note, in correspondence, the Minister of Government Services made a commitment in January, 1986, to look at putting directives back into regulations. "I have asked my legal staff to draft the necessary changes to make the directives into regulations. When this is done, I will forward the draft to your association for your comment. Should you wish to discuss the legal opinion in this letter, or the draft regulations, please contact Eric Woodhouse directly at 667-5412, who is hereby instructed to give your association the benefit of his research."

I do not think I am asking the impossible. There have been ongoing discussions. There have been some commitments made, to the extent that the government should look at this and look at the prospects of regulations. What we are asking for is not beyond the realm of possibility. The Minister says that himself. That is number one.

Number two is that I take it that there are draft regulations prepared. That was last January.

<sup>30</sup> That instruction was issued. I am raising that because I believe that with very few problems and with the support of the Members of this House, the Minister of Government Services can put into effect what the people feel is in the best interest of the public expenditures.

There is one area that I want to draw attention to, which concerns me. That is the bypassing of the local tender procedure. I know that presently in contract documents, it is very clear that if the government bypasses the lowest tender, there is no need for further explanation. I have given the Minister of Justice our position on that. We believe that there should be written explanation if somebody is bypassed, recognizing that we need that. In fairness to the process, there should be some documentation. I ask the Minister of Justice, when he takes the directives and puts them into

regulation, that that principle be looked at again. I do not think it is too much to ask of the government to have a written explanation to ensure that their position is well documented and backed up.

The Minister of Justice knows that if their position is not documented, it is not of much value if it was to go to a court of law, which hopefully it would not. But the government owes that to anybody who takes the time, effort and expense, sometimes great expense, to put forward a proposal or tender.

We are bringing this forward in a constructive manner. It is a question of major policy. I like to think that the government will support us now that I have pointed this out. We have our legal opinions that it is possible to put this into regulations. It is clearly enunciated in legislation that it can be done. I think that it would clear up a lot of the uncertainty that has arisen over the past year and a half.

I would like to commend the Minister of Government Services on his implementation of the monthly meeting in making the departmental staff available to contractors. That is a good process. I recognize that at times it is a mechanism that is necessary, and it provides the government with some direction about what is going on in contracting. The people who take the time to go to these meetings are doing it at cost to themselves. I think that should be recognized. They take these meetings very seriously. They see the benefits for everybody involved if there is a consensus and a common approach in confronting the problems.

From my point-of-view, like I say, I think it is a good process and I think it is one that should carry on because it is in everyone's best interest, and I would just as soon not be raising an issue such as this in the House, quite frankly.

**Hon. Mr. Kimmerly:** I will not be too long but I think I can put this issue to rest. Let me say at the very outset, and I will be as clear as I possibly can be, that I and the government are going to support this motion. Let me be even clearer, because the wording of the motion is not absolutely clear, we will be doing this. Let me start off that way.

I think it is appropriate to say that despite what the mover of the motion said, this is all a tempest in a teapot. There are some differences between regulations and directives and he has very adequately, I think, outlined what they are. However, these are not differences of much practical import or much practical effect. Let me explain the process that has occurred in the past.

In the long past, before May of 1985, I guess it was — I cannot speak from personal knowledge of the process — it is clear that the Legislature passed the *Financial Administration Act*, and the *Financial Administration Act* speaks about these directives. These directives were not possible before passage of the *Financial Administration Act*, and what happened on the passage of that Act is that the bureaucracy completed a series of directives that take effect, or get their authority, under the *Financial Administration Act*.

Where my involvement came in is after the government changed. I started to meet regularly, as the Member for Porter Creek East has already spoken of, with the Contractors Association. After we had developed these draft directives we gave them to the Contractors Association and we consulted. This consultation was not simply one meeting, it took substantial time, and we went through the particulars and the Contractors Association, I wish to say, was entirely businesslike and very constructive throughout this. They made suggestions to the government that greatly assisted the government, and the government changed a number of directives that we had first proposed. All of that was done in the spirit of cooperation, as it should be and as it continues to be.

It is important to note that I was at those meetings. We went through all of these details, but I do not remember hearing the issue of directives versus regulations. It was not raised at those meetings. What happened is that this issue was raised in January, I believe, from information I have received, on the initiative of the Member for Porter Creek East. However, after he raised it with the contractors, the Contractors Association raised it with me. I assured them that it was a tempest in a teapot and that there was no practical difference, and the government was not intending to do the things

that I was told the Member for Porter Creek East suggested that we may be intending.

I suggested that I would advocate, as is my role in the Cabinet, the position of the Contractors Association, whom I deal with regularly as the Minister of Government Services, that we change this policy. I made it clear that what the Contractors Association was asking for was for government regulation that applied to them. One of the differences between regulations and directives is that regulations apply to everybody, including the private sector, and including those contractors, and directives apply to the civil servants who apply the government policy.

This change, which occurred on January 31, 1986, was a deregulation of the private sector. Some of the contractors liked that. They thought that was good. However, the Contractors Association was concerned about the issue of changes in directives, not in the fact that they would change — everyone recognized that they would — but in the publicity of the changes. I assured them that, exactly as we consulted about the original directives, any changes would involve consultation as well. They said fine, but we want to see it in writing. Their position is basically as the Member opposite just stated it, that they want to ensure that any changes be made public.

The best way — and I would suggest there would be no argument about it — to guarantee that is to make them regulations.

I am pleased to inform the House now that I am now at the stage of advocating the position of the Contractors Association to my colleagues in the government. We have arrived at a decision: the directives will be made into regulations.

There is another issue that the Member opposite did not raise, but which the Contractors Association has raised. That is that there is a procedure directive, specifically procedure directive 3/105, which is effective. The Contractors Association wishes us to include that procedures directive into the overall contract regulations. I have agreed in principle that we should do that. We will do that. However, Members will forgive me if I do not give them a specific deadline by which that will be done, although our target date is February 28, 1987. That is our target date for achieving this change; however, this does involve consultation, and if the consultation does take a little longer, it is certainly my position that the process is more important than meeting that target date. I would not be pleased, and neither would the Contractors Association, if we missed it by many months.

It was mentioned that I, as Minister of Government Services, meet monthly with the Contractors Association. I say on the record that that is an excellent method by which differences and potential differences between the government and the contractors can be worked out.

The Contractors Association, of course, does not represent all contractors. It is important to keep in the back of one's mind, at least from the government's point of view, that there are other contractors who are not represented by that agency. It is an extremely useful procedure, and I would recommend publicly to future Ministers of Government Services that that be continued. The next meeting is Thursday, tomorrow at noon. This item is on the agenda. I will distribute the Blues, and the discussion will probably be shorter than it would otherwise be.

The Member for Porter Creek East said that the perception is important and this is a concept that is, of course, not new to lawyers at all. We say that justice must not only be done, it must also be seen to be done. It is true to say that, and I totally agree with the Member for Porter Creek East that in the area of government contracting it must not only be fair, it must be perceived to be fair, in his words.

It is largely for that reason that we are making this change, to guarantee and to show that there is no intention on any side to be anything but fair. When this was raised, we considered it to be a tempest in a teapot, but the best way to solve it is to accommodate the concerns that were raised, and we will do that as soon as it is practical to achieve it.

**Mr. McLachlan:** I will be brief in my remarks. I rise to speak in support of the motion put forward by the Member for Porter

Creek East, and I believe it is ironic in today's society that we often find it necessary to provide the legal certainty of our rights. The system should work for all people equally without any bias. This applies to many areas, from government service contracts to issues like human rights. I find it encouraging that the Member to my right is making a motion in this regard, and I hope when we come down to Committee of the Whole discussion on the area of human rights he will remember the request for legal certainty.

I see the incorporation of the Yukon contract directives into regulations as a positive step that will not only safeguard this government from any question of impropriety, but future governments as well. In addition, it will give contractors in the private sector more security in the tendering process. Whether it is reality or not, many times the contractors feel they have been discriminated against because of their political affiliation or the card they happen to be packing at the particular time.

This is so, not only with this government but previous as well, and there is a good chance it will happen with future governments. With the passage of this motion, hopefully, this attitude will be greatly diminished.

**Mr. Phillips:** This really is a landmark day in the House. We have had two motions on the floor, and both times the Member on our far left, the Liberal, has voted with our party. The other thing is, so did the government.

I am very pleased to see that the government is going to support this motion. I am extremely pleased to see that the Minister has announced the change in the House today.

The concern I have is the uncertainty that has been around for over a year. It seems to me that when the Minister has a cause, for instance the native courtworkers, it is done overnight, but if the Minister is really not concerned about an issue, he delays it or changes his mind two or three times.

I am very distressed at the uncertainty it has left with the contractors in the Yukon. I have hoped that today the Minister really means what he said and really does change these directives back into regulations.

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

**Mr. Lang:** I rise because I want to say that I am very pleased to see that the Minister of Justice has seen the light and the wisdom of the arguments that have been presented to him and his government. I want to assure all Members that any of the correspondence that was sent to the Minister by myself on behalf of the Conservative Caucus was brought forward to ensure that the process of the administration of contracting was not only fair but perceived to be fair. As I have indicated at other times, we felt that the process that was underway was, at times, not fair and was being perceived to be not fair.

I recognize that some people would call it deregulation. It was amazing that the government would go into this area for their first step into deregulation when the government has so much responsibility in other areas that might well warrant it, but I accept the Minister's statements as they have been presented. I think this is going to be good news to the public at large. I know that there are other areas that are affected. I recognize that the question of purchasing would come under the realms of the contract regulations — the question of consultants and how you enter into contracts. It is not going to be an easy task. I also recognize that most of the work has been done. There are old regulations that worked quite effectively over the years, not to say that there should not be changes. I know that there must be drafts of regulations, since instructions were given eight or nine months ago.

I do not see that as a major problem in meeting the deadline I was pleased to hear the Minister announce of February 28, 1987, so that they could, and will, be put in place for this forthcoming year.

<sup>35</sup> We will continue to observe what is going on to ensure that it is done fairly. If it is not, we have a duty to raise these questions if we feel that some things are not in the public interest. That is why the

motion has been put forward. I, like my colleague, the Member for Riverdale North, want to commend the Member for Faro for his ability to vote with us along with the government to make it unanimous.

*Motion No. 66 agreed to*

#### **Motion No. 68**

**Mr. Clerk:** Item No. 4, standing in the name of Mr. McLachlan.

**Speaker:** Is the honourable Member prepared to proceed with Item No. 4?

**Mr. McLachlan:** Yes.

**Speaker:** It has moved by the Member for Faro: THAT this House urges the Government of Yukon to give consideration to developing a facility which would provide low-cost lodging for Yukoners from outside of Whitehorse who must, by reason of medical treatment not available in their area, reside in Whitehorse for extended periods of time.

**Mr. McLachlan:** There are very many occasions when rural Yukoners must travel to Whitehorse for medical treatment that is not available in their community. This is usually because the treatment is of such a nature that it requires a visiting specialist or, as most frequently is the case, that treatment by a medical doctor is simply not available.

The Yukon Health Care Insurance Plan presently pays for the transportation of the patients to Whitehorse by whatever means are available, private vehicle, charter, scheduled aircraft, but that is all the plan pays for. People are left on their own to pay for their board and lodging. If the visit to the specialist requires hospitalization, this is not a problem. These costs are covered by the hospital, but often, this is not the case.

The most acute situation that I have seen in this regard are women who are waiting to deliver babies. Currently, babies are delivered in only two communities outside Whitehorse, in Mayo and in Watson Lake, unless, of course, those are unscheduled deliveries. Many of us know that babies do not always arrive on a very regular, pre-determined schedule. That often leaves a woman waiting for two weeks, perhaps three, often at her own cost.

I have seen some cases where some women who are not in a position to afford to stay in a Whitehorse hotel for two or three weeks at a time have forced the issue by waiting until the last minute. The perception of the idea seems to be: if I cannot afford it, I am going to make sure that the plan will pay for it, and someone can pick up a telephone and call charter aircraft when I go into labour. It is rather dicey and dangerous, and I would hardly recommend it. They are taking that course of action simply because they do not have \$50 or \$60 a day for lodging costs.

Another situation that often arises is that children must go to the hospital who have to be accompanied by one or more parent. Parents are not allowed to stay at the hospital. We have no such situation here, and they must go privately to a hotel.

<sup>37</sup> Call it what you wish — a hostel, a Ronald McDonald house — but some means or mechanism should be examined by government to look into how this could be done. The present system is horrendously expensive for those who must go through it.

It could be a conversion of an existing facility, such as that that we had a 501 Taylor Street. It was bought for one purpose, which raised a considerable amount of controversy, but this is the type of facility on which remodeling could be examined for this purpose.

One offshoot of this particular situation comes about when the particular people who have to come in for medical attention are of Indian ancestry. Health and Welfare Canada has a working agreement with Indian Affairs and Northern Development where they pay the costs when the person coming for medical treatment is a native.

There are a considerable number of these, and it is my feeling that Indian Affairs and Northern Development would automatically guarantee the Government of Yukon four or six beds a night for every night of the year to assist with this type of cost.

This is perhaps something similar to the group home in Mayo where the Government of Yukon pays for two beds out of a four



bed situation. It is just enough to be able to allow the project to get off the ground and make it a cost-competitive basis. That kind of guarantee, four or six beds by Indian Affairs and Northern Development, would go a long way toward making this feasible.

I am not presuming that this particular type of exercise should be totally free, but the present cost, on a daily basis, is very expensive. Some basic meals would probably have to be provided, and just the basic room where someone could stay, and people could avoid the \$35 to \$40 per night charge.

By the intent of this motion, I am simply suggesting that the government examine this type of facility to see if it is all workable. I am interested in hearing the comments of the other Members in this regard. I know that there are other rural Members who have experienced the same type of thing with their constituents.

**Hon. Mr. Kimmerly:** I thank the Member for Faro for bringing this motion before us. It is a very good idea. The motion is worded that it be low-cost lodging. It is not worded that it be free lodging, and it does not specifically say that the government should own and operate this facility. It says that the government should have a role in developing the facility. Those are the features of the motion that I thought I would specifically emphasize.

I do not think we will find any Members disagreeing with the intent of the motion, or of the service that rural residents should expect or should be able to have when they come into Whitehorse.

The problem has always been about numbers in that it is expensive to operate a facility if it is used by only a few people. For example if it were to be used only for expectant mothers, the numbers may not justify the facility or it may be better to house those people at the hospital, it may be cheaper although it may not be the most desirable housing of course. However, if we add the possible uses for such a facility and make this facility a more multi-use facility, the economics change. I would suggest that it is appropriate to have a facility in Whitehorse primarily for the use of rural residents who come here or for the priority use of those residents, although there are also needs for Whitehorse residents as well.

One of the complications is in the incompatibility of some kinds of residents. There has long been a need for housing for people who suffer from either a temporary or permanent mental disability or a mental illness. There are day programs at the hospital; there are people on the medical ward from time-to-time who could be housed in a less expensive and less intrusive kind of accommodation and receive daily treatment at the hospital. There are patients who could be released from hospital to stay in a kind of half-way house where the bed and facilities are available, but the full scope of medical care available at the hospital is not necessary. All of these uses, if they are combined, would, I am sure, justify a facility in Whitehorse.

The potential problem is that some of these people may not get along with some others. I am sure that expectant mothers would not feel kindly to being associated with or housed with people with mental illnesses, and that is a potential problem, but I am sure that some accommodation can be made for a more generalized use of a facility such as this.

I raise those issues essentially as examples. The position of the government is that this is an excellent idea and it should be considered very seriously. The kind of use that this kind of facility would get should be carefully considered, and the kind of association with other uses or multi-uses should be considered. I would suggest also that the issue of whether the government ought to run this facility, or the government ought to assist a private agency, is a very serious and important one and should be considered also.

**Mr. Brewster:** When I first read this motion, I thought that we were looking after people who were coming in to get treatment in the hospital. However, when the Minister of Supply Services got through with it, we will have a lot of other things. We will have another big empire, another big house and another building for taxpayers to pay for. I previously understood the motion as that we did not necessarily want a big building. If those people wanted to

stay in a hotel, they would be helped financially with their rooms. We did not want another bureaucracy here. I have a little problem if that is the way this motion is going. I frankly thought it was to help people who come here from outlying communities who cannot afford to pay for hotel rooms and meals.

I do know that the hospital allows mothers to stay when their children are in the hospital. That is fine. That is fairly well looked after, not completely but almost. I certainly do not want another big empire built. I am a little sick of empires. Here we go again. We started out to help people from outlying districts, to take a little tension off of them, so that they could have some freedom in their own minds so that they did not have to foot big bills.

I do not see a reason to build another big empire just to let people come into Whitehorse and save some money when we could just simply help them.

**Hon. Mrs. Joe:** I think that this motion reads that the House urges the government to give consideration to developing a facility that would provide low cost lodging. That could include a number of ways to do it. If we are going to look at and support a motion such as this, we have to look at all sorts of options, rather than looking at a great big bureaucracy being planned. I think that the suggestions that came up from both sides of the House were excellent. There is no problem with looking at any options of any kind. I think this is a good idea.

**Mr. Phelps:** I want it to go on record as supporting the intent of this motion. However, I would like it to be clear in the wording of the motion that such consideration should also be given to the immediate family, or at least one person from the immediate family, of the person who might be brought into Whitehorse for medical treatment. Very often, that can create a lot of hardship and financial burden.

I know that, in the case of Tagish, a family did get into this situation, and the wife of the person who was ill had to come to Whitehorse for a considerable time, and then go outside. While the husband was covered for most of his expenses, it was a terrible financial burden on the family, because the wife chose to remain with her husband, who was on the danger list for quite some period of months.

As I understand it, that is the intent behind Ronald McDonald House; it is a facility for the family of very ill cancer patients. That was how it was started.

I am going to move an amendment, just for that clarity, and it will read as follows:

*Amendment proposed*

**Mr. Phelps:** THAT Motion No. 68 be amended by adding the following words immediately after the word "Yukoners": "and in certain cases, one member of the immediate family".

**Speaker:** It has been moved by the Leader of the Official Opposition: THAT Motion No. 68 be amended by adding the following words immediately after the word "Yukoners":

"and in certain cases, one member of the immediate family".

**Mr. Phelps:** I appreciate the motivation and the support for the original motion and the reasons given by the Member for Faro. I would ask that all Members consider this amendment and take into account, in their own minds, those situations where, in a severe illness, I think, on humanitarian grounds, it is important that at least one member of the immediate family be financially assisted in staying by to visit and be with the patient.

**Hon. Mr. Kimmerly:** This is an excellent amendment, and we support it and thank the Leader of the Official Opposition for bringing it forward.

**Mr. McLachlan:** I have no problems with the amendment as proposed by the Member for Hootalinqua. The intent of the thing certainly was medical treatment for those who find themselves in disadvantaged positions and are unable to afford it. In a lot of cases, that does involve one other member of the immediate family,

whether the sick person requiring treatment is a child or spouse or relative or whatever.

41 I would like to clarify two points. As the Member for Kluane mentioned, it was the intent that those who, by reason of needing treatment from outside rural Yukon, came to Whitehorse. I have some reservations, quite rightly so, about mental patients being in the same wing of a building as an expectant mother, should that be a first-time birth. I think that could be an incompatible position, and I do not know yet how to resolve that position short of putting bars down the hallway.

I have some concerns about the Minister of Government Services' figures about births, and I know the Minister of Health and Human Resources has access to those figures. It is certainly my understanding that the numbers of babies being born from rural areas is not a small number, and I felt that there is a continuing need for that sort of facility for expectant mothers.

In my closing remarks I would certainly like to suggest to the Minister of Government Services and the Minister of Health and Human Resources that it is my understanding that this government has a significant input into plans that are being developed for the new Whitehorse General Hospital whenever that comes, wherever that comes, and that we seriously bring forward these concerns at that time. If we build a new facility and possibly incorporate plans such as these into a new hospital facility, that this be the time that it is done and it be done with the concerns that we have brought forward into this Legislature this afternoon.

**Speaker:** Are you prepared for the question on the amendment? Are you agreed?

*Amendment agreed to*

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

Are you prepared for the question?

*Motion No. 68 agreed to as amended*

#### **Motion No. 71**

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

**Speaker:** Is the hon. Member prepared to proceed with item six?

**Mr. Brewster:** Yes, Mr. Speaker.

**Speaker:** It has been moved by the hon. Member for Kluane: THAT it is the opinion of this House that the Government of Yukon should initiate measures to acquire the ownership of the historic buildings at Silver City in order that they can be protected and preserved for the benefit of future generations of Yukoners and the tourism industry.

**Mr. Brewster:** It appears that in my career in this Legislature there are two things I seem to have a problem with and have been chasing for almost four-and-a-half years now. One is nurses whom I do not seem to be able to keep in place and the other is historic sites that fall down and nobody wants to help me, so I shall try again.

The hon. Minister of Tourism quite often compliments me that I get my motions through, and I would hope that the hon. Minister would remember that when he votes on this one.

I rise to present this motion, which is very important to the people of Kluane and also to the heritage of the Yukon. History does not have to repeat itself. The Yukon does not have to lose another historic site through negligence.

42 Donjek City has been lost; Link City has been lost. Do Members of this House want to add Silver City to that list? I do not think so. This government spends thousands of dollars on protecting and preserving historic sites and structures throughout the Yukon, and I congratulate them for this. The only problem that I have is that the bucks seem to appear to stop when we hit the boundary of the Kluane area. Almost total reliance is placed on Parks Canada because of the Kluane National Park. This is just not good enough.

It must be recognized that Kluane National Park only appeals to a certain segment of the tourism market. Their advertisement is designed to appeal to that segment. Parks Canada cannot do it all. Look at the tourism statistics. They tell the real story of what is going on. Border crossings at Pleasant Camp have dropped by 9.7

percent and at Beaver Creek by 1.3 percent. This government has a duty and an obligation to promote tourism and protect heritage sites in the Kluane area. At the present time, it is not doing its job there.

This motion would be a good start. If we want tourists to stop and spend some time in the Yukon, we have to provide them with something to see.

Most every tour bus that travels throughout the area travels the extra five miles down the road so that the people can see Silver City. When it goes, and it is only a matter of time, tour buses will no longer stop, and you will have lost an important historic resource. They will continue straight through, and that would be a shame.

When I lived at Silver Creek, the property at Silver City was owned by a Mr. Johnny Hayden. At that time, the buildings were in good shape. He then sold them to the current American owners. Slowly but surely, things began to disappear year by year. The buildings started to deteriorate. The presents owners have blamed Yukoners for the removal of historical property and the deterioration of the site. Nothing can be further from the truth. If it was not for some concerned Kluane residents, Silver City probably would not even be here now.

I am very concerned about some of the statements made about Silver City by officials of this government who should know better. "I am not really that much of an alarmist when it comes to Silver City. It has lasted this long, a couple of years more will not make a sufficient difference." We have been waiting 30 years for this. Those are the words of a true bureaucrat, and it reflects the type of government attitude that I have been fighting against entering these Chambers.

Did these officials even bother to go out to see Silver City after this year's flood? Today, I had the occasion to talk to an historic sites expert about Silver City. He advised me that in two or three years more there would be nothing left of value to save. One more flood like the one we had this last year will do the job. There will be no more Silver City.

The bureaucrats may not be alarmed by this prospect, but I can tell you that my constituents are. Today, I tabled a petition in this House from the people in the Kluane Lake area asking the government to save the City. The signatures on this petition are just from the people who live in the immediate area. We did not take in Haines Junction or Whitehorse where we know we have lots of support for the saving of this historic site.

Many, many people outside of the Kluane area are very concerned about the preservation of Silver City as well, and they should be. Silver City has had a unique history. There are many good reasons to recommend it for protection and preservation. If you bear with me, I would like to give the House a brief history of Silver City.

Silver City actually started on a creek in 1903, which is now called the Fourth of July Creek. It was staked by Tagish Charlie. Another claim was then staked in July on Ruby Creek in the same area.

43 Other staking spotted on small tributary creeks in the vicinity caused a small stampede. This area was known as the Kluane district. In the fall of 1903, four men, named Frank Altemose, Fred Ater, Morley Bones and Joseph Smith staked a stream on the south end of Kluane Lake. That would have been in September of 1903, and they called it Bullion Creek because of its rich concentration of gold. In October, 1903, Bones and Ater staked a discovery claim on Sheep Creek. Claims were staked on Vulcan, Canada Creek, Metal Line and other St. Elias streams, creating another rush in the area. By the time things cooled down, 2,000 claims had been recorded in the Kluane district.

In 1904, expectations increased and favourable reports were found in the *Whitehorse Daily Evening Star*. Throughout the fall and winter, prospecting was done primarily by panning and enthusiasts continued in anticipation of spring thaw. Tent camps sprung up on many of the creeks mentioned, and a small community grew on the south shore of Kluane Lake, the northern terminus of the Whitehorse Kluane Trail.

In May, 1905, Altemose, Ater, Bones and Smith again asked discovery claims on Burwash Creek north of Kluane. They named it



after Lockland Burwash. He was the local mining recorder at Silver City. This started another stampede to the immediate surrounding areas. Bullion Creek proved to be a flash in the pan. No pay had been encountered on Kimberly Creek by 1907. The Northwest Mounted Police had moved to their north central location of Champagne and the act of settlement of Silver City was virtually abandoned.

Silver City was started in 1903. In 1903, five Northwest Mounted Police were stationed at Silver City. A mining recorder and office was at Silver City. A roadhouse was at Silver City for the miners. A post office for mail for the whole area was at Silver City. The school, which is questionable — we have short records on this — but it appears for a day or two was started in Silver City.

Silver City was also the jumping off point for supplies from Whitehorse to Burwash and, later, to the Chichina gold rush. The bridge at Canyon Creek, which received so much publicity last year as the Minister was unaware where it was, was built to promote the supply of Silver City.

As Members of the House can see, the whole area has a rich and colourful history which, up to this point in time, the Yukon government has neglected. From Beaver Creek to Dalton Post there is a history nearly as old as that of the Dawson City gold rush. There is still time for the Yukon government to act. There is still time to save Silver City, if we act now. I urge everybody in this Legislature to support this motion.

**Hon. Mr. Porter:** As the Member correctly points out, in the past I have been a very ardent supporter of initiatives brought forward by the Member for Kluane. Today is no exception. With respect to his chide about the location of Canyon Creek, my memory of this location is not lacking. With respect to the history of it, I would profess that yes, I do not know the history of that particular bridge as well as the Member for Kluane.

With respect to the motion before us, it presents an interesting quandry to myself. As I will report to the House, we have attempted to purchase the site, without success. As a matter of fact, in 1983, the Lands Branch of the Community and Transportation Services department approached the owners, Mr. and Mrs. Martin Victor of Fairbanks, Alaska, with an offer to purchase. Both by personal contact and by letter dated September 20, 1983, the branch proposed to purchase the historic townsite for \$31,450, or for a land exchange. At the time, no interest was expressed in the proposal. To date I am not aware that the owners have changed their minds about the particular property. I understand in checking the records they have paid their taxes up to July of 1986 on the property and according to the newspaper article of last week, made a statement of disinterest with respect to selling the property. According to the article that was reported in the paper, they in fact stated that they were prepared to develop the site themselves. As you can see, at the present time we clearly do not have an understanding of the situation. If the Member for Kluane is asking us to make a new offer, I would suggest that once that information becomes public and there is a natural inclination — I am not speaking disparagingly of these two individuals, but naturally when people in the public know that government is willing to buy the price does tend to escalate. I would hope that we do not see a situation where, basically, because of an initiative by government that the situation develops in that direction.

I should also point out to Members, as I have done in the past with respect to questions that he has raised on this particular issue, that the Department of Tourism is conducting a heritage inventory study. The study is in process, and I would like to remind Members again that the study is intended to evaluate the hundreds of historic sites and structures that we have throughout the Yukon, and I am sure that everybody in the House and all the people in the Yukon are aware of the sites in their own individual communities and their importance to the Yukon.

With respect to the sites, obviously we would be looking at sites connected with the gold rush and other gold and mining activity in different parts of the Yukon, the construction of the Alaska Highway, the history and culture of the aboriginal people of the Yukon and the trading and exploration efforts. All of those

initiatives have left traces of history throughout the Yukon and it is the intention of the department to do the inventory and to be able to catalogue all of those sites so that an assessment can be made as to their relative value as heritage properties and a decision made as to whether or not we preserve or restore those sites.

Clearly it is a situation where we cannot restore all those sites. We will have to make some decisions with respect to a priority of which sites are developed and when. That is the intent of the study that we are undertaking.

In terms of the Silver City question itself, my department is going to be advised, with the consent of the owners, to conduct an appraisal of Silver City and include it as part of the heritage inventory.

With respect to whether or not we make a decision at this point to purchase Silver City, I would suggest, given the history of our negotiations or attempted negotiations with the owners, that we delay that decision until we have had an appraisal of the property. In the interim, there are measures that can be undertaken to protect and preserve the buildings for the benefit of the people of the Yukon, particularly those people in Kluane. The Heritage Branch program currently exists in the Capital program and will come forward in the Capital Estimates. It will allow private individuals to apply for assistance in the preservation of the Yukon's privately-owned heritage sites.

Should the Member, when he speaks again, agree that this is a program that we should offer to the people in Alaska to develop this as a privately owned site, if it is the wish of the House to do that, we would undertake to locate and contact the owners. If they are not interested in selling, if they are interested in developing the site, we can let them know that there is a program within the government and, as private owners, they can apply to this program. We would accommodate their application if that was the wish of the House.

There are other options open to government to protect the future of the site. The Department of Tourism has been looking at developing heritage legislation. Heritage legislation, as it exists in most provincial jurisdictions, allows governments to designate sites as being of historical significance, and such designation requires the cooperation of the landowner to protect the site from destruction. It would enable the parties to work together and to improve the properties if they were agreed on a course of action. It still would not require the landowner to improve the property or to sell to government.

This brings me to the final option, the option that is most abhorrent in government circles, the option of expropriation. This is a question I would like the Member to answer when he rises again. Is he in favour of the government moving on an expropriation basis. Does he want us to expropriate the property in Silver City? Under the *Expropriation Act*, of 1971, "The Commissioner may, without consent of the owner, enter upon and expropriate any land that he deems necessary for the public purposes of the territory." In the research we have done, we have only found one occasion where a provincial government has expropriated property for heritage purposes. It is an avenue of last resort and is not used too often in government. I would not, at this point, be in favour of expropriation, but I am interested to hear the opinions of the Members opposite.

This side is going to support the motion as presented by the Member for Kluane with the cautionary statements that we have made. Regarding the first available capital year in which we could make a direct contribution, I have outlined that there is an existing program. If a private individual wanted to apply for funds to assist in developing a private heritage site, that is available immediately in this capital year. If we are going to proceed with expropriation, the law is currently on the books to allow us to do that. We would like to conduct an appraisal on the value of the property. The earliest capital allocation that we can provide for acquisition and construction would be in the capital following this one, in 1988.

I am confident that, prior to that capital year, we will have conducted the heritage inventory process, which the department is engaged in, and we would be in a better position to make a decision. I recognize the importance of this site. I have told the Member for Kluane that I would personally consider this as being

one of the priority sites.

<sup>46</sup> **Mr. Lang:** I want to begin by commending the MLA for Kluane for his presentation. I think he gave a very informative history lesson to all of us. It is an area that, to some degree, has been neglected, primarily because financing was always a major impediment. Priorities had been set by the Government of Yukon, by the Government of Canada, and there is a very limited supply of dollars available.

What the MLA for Kluane is saying in his presentation is that it is Kluane's turn. I appreciate the Minister of Renewable Resources and Tourism saying that it will be a high priority area.

He knows that this side has some problems with all the money he is spending on the inventory study throughout the territory. We had quite a lengthy debate about somebody being paid to go out and tell us that Silver City is an historic site. I still have a problem with the thousands of dollars for this study. It is a considerable amount of money. There are probably other ways of doing it, as opposed to spending the money in that manner. The amount of money that was spent on that study could have gone a long way toward rectifying the situation at Silver City that we are discussing today. It would have been a very real investment in the history of Yukon and in the future of the tourism industry in the Kluane area.

As a long-time resident of Yukon, I had the opportunity to travel up Burwash Creek. It is probably one of the most interesting road trips I have taken in the Yukon. I think there are a lot of people in the Yukon who have never taken the time or the opportunity to go up that mining road to see the canyons and what has gone on there over the past years.

As the MLA for Kluane says, we are dealing with a placer mining area that dates back to 1900, to the Gold Rush. I want to say that if any of the Members of the House or the public do have time, when they get up into the Kluane area, they should take the time. It is really interesting. It has not been publicized enough for people to know that it is there and that it would be of interest to them, the scenic beauty and the historic significance and the work that is going on at the present time.

It is also important to point out that where every other area of the Yukon has seen an increase in tourism, the Kluane area, to some degree, has had a decrease. We legislators and then, in turn, the government have to ask why and how we can improve the situation for those people who have invested in the area, not only short-term, but those who have made long-term investments. How can we build on what we have out there?

<sup>47</sup> What is being said here is that we can build on an area that, in good part, has been ignored. It is not an allegation that the government has not been doing this or that various people have not been doing that. The MLA for Kluane is doing the proper thing in raising an issue and bringing it to the House for general debate. Hopefully, the media finds it in their wisdom to carry some of the information that has been provided to this House on a topic of this kind.

It is not all that controversial, but I think it is informative and important that we start realizing that there are significant areas for tourism potential, and this is one: Silver City and the surrounding area is an area that could provide that stimulus to the tourism industry. If there had not been a fire out in Destruction Bay, there would have been some major problems confronted by some of the roadhouses there. As it was, with the traffic, I think they did okay this year. I am sure the MLA for Kluane will expand on that. It is a very real problem that has to be confronted. We could see a situation where, if it continues to decline, we have a problem for the Minister for Renewable Resources and the Minister for Tourism. When I use the word "we", I am using the royal "we". It is a figure of speech.

The Minister of Renewable Resources outlined a number of options. This side fully understands that there are a number of options. The resolution has been well thought out. Part of our position is to see if we can negotiate an agreement for the acquisition of the property in question. I think an effort should be made to do that, at the direction of the House. I think the Minister has made it clear. What is a fair price? That has to be established.

That could be done. There are methods to do that.

It concerns us a great deal, if I heard the Minister of Renewable Resources properly, that we are talking about 1988 before anything can be done. That is a concern to us. The government does have the ability to reorganize its budget. I recognize that by the parliamentary procedure you cannot lose an item in your budget or the Minister of Justice is looking for work elsewhere. We do have another Session coming up in the spring — unless the Minister of Renewable Resources was looking forward to this one kind of folding into the next Session.

There are going to be some projects that are going to come in under budget, I hope. Perhaps there can be an allocation of dollars to get on with something in 1987. From this side, we do not understand why it cannot be, if it is a priority of all Members. There are areas in the supplementary budget that we have before us that the government felt were priorities. We can discuss them as we go through the budget. There was no vote authority given and they have gone ahead and expended money. If the wish of the House is unanimous, I cannot see why we could not start on a reconstruction program to save the structures that are there.

<sup>48</sup> As years go by, as the MLA for Kluane has stated so well, they are getting into a very much dilapidated position. In conclusion, I would just like to point out that our option is here in the motion recognizing that the government has further latitude, recognizing how the Minister of Renewable Resources outlined the various options. There is latitude in the motion, but with unanimous consent of the House — and I think the Minister of Tourism has indicated that he will support the motion because he always agrees with the MLA for Kluane — there is no reason why we cannot get on with the business at hand in the best interest of Silver City for the long term, not only for ourselves but for future generations.

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

**Mr. Brewster:** There are a number of things I would like to point out. I find it very curious that we would build a bridge and we start on the road to go there for \$10,000, and then I guess it is a bridge that goes to nowhere. If we are not going to get to where we were headed, I find it curious, but then knowing bureaucrats and how they work, I understand what happened.

I think you are going to have to agree that when people in Kluane are reading articles and statements such as made by the Heritage Branch, they should be alarmed, rightly. I think it is a very bad statement for anybody who is in government to make. Maybe Ministers can make it because you can get back at Ministers, but you cannot get back at bureaucrats, they just hide.

Also, the position was made that the spokesman for the Yukon Lands Branch said they attempted to make a deal two years ago. I wonder how much attempt was made because if you read a little further, Mrs. Victor denied that she and her husband were ever made an offer. Now it is funny the way things go around here. When they make up their minds they do not want to go into an area, they do not want to go into an area.

We have a Kluane Tourism Plan that has been sitting on a desk for what, four years, five years — I guess every before I came into this Legislature. They have not done nothing, they do not intend to. Maybe they do not like the Member from there, that is probably one of the reasons, but the Member is going to be here for a long time and they are going to get sick and tired of it and one of these days they will come into that area because it is still the most beautiful.

They have to come out there to get their heritage pictures and then they mention Dawson, Carcross and everything and they use pictures from the area and never mention the area, but that is the way things go.

I would like to thank the Minister very much, and I hope he has not changed his mind and will be supportive of this motion.

**Speaker:** Are you prepared for the question?  
Are you agreed?

*Motion No. 71 agreed to*

**Motion No. 70**

**Clerk:** Item number five, standing in the name of Mrs. Firth.

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

**Mrs. Firth:** Yes, Mr. Speaker

**Speaker:** It has been moved by the Member for Whitehorse Riverdale South: THAT it is the opinion of this House that the status of the Grey Mountain Primary School should remain unchanged until such time as the parents, through the School Committee, indicate that a change in status is desired.

**Mrs. Firth:** For a minute there I thought I was going to have to wake everyone up with the motion about Grey Mountain Primary School, but I see Mr. Brewster has done that with his motion about Silver City, so we can get on with Grey Mountain Primary.

"This is not a controversial motion in any way. I think the intention is very clear. It is simply just to show that the status of the Grey Mountain Primary School remain unchanged, and should it be changed, that proper consultative processes are gone through.

The Grey Mountain Primary School, for the new Members of the Legislative Assembly who do not know where it is or how many children attend there, it is located in the middle of Riverdale. This makes it an excellent location. The students in the school vary from about 110 to 130, and it is quite interesting that people from other parts of the city would move to Riverdale, woodsmoke and all, just to have their children go the Grey Mountain Primary School.

I think that is because of the general reputation that the school has, not only within the city but within the whole territory. Over the last few years, there have been many changes at the school. There has been some turnover in the teaching staff. There is a new principal, and the pupils and parents who live in the area are changing. However, through that change of personnel, the school has still managed to maintain the same high quality reputation, and it has consistently been a good reputation. I think that speaks well for a school, because it is obviously the good work that has been done in the past and the dedication not only of the teaching staff, but the parents as well, to see that their children are getting as good a quality of education that we can deliver to them.

I have sat at the corner at Grey Mountain Primary School on the first day of school and watched the parents accompanying the children to school. They get to meet the teachers; they have a close working relationship with them. It is not uncommon, on that first day of school, to have parents volunteering for school committees and to dedicate as much of their time, maybe a day a week, to work in the library or help in the classrooms. One thing that the parents have said about the school was that there was a distinct personality that belonged only to the Grey Mountain Primary School and a predominant attitude that seemed to be associated with the school.

Some of the observations that I have made and some of the comments I have heard from parents, in preparing to put this motion forward, were that there is a very positive attitude and a personal touch that the school has. It was quite interesting to hear mothers say that the personal touch went even to as small a thing as having a person come out and ring a bell for the kids as opposed to a buzzer. They found that quite remarkable that their children liked that. Children who have moved on to other schools say that they liked the Grey Mountain Primary School because there was a lady or a man who came and rang the bell instead of just a buzzer going off.

The positive attitude of the teachers and the principal at the school do a lot to reinforce a good attitude amongst parents and the children. Quite often I hear parents say that they have been called to the school because their child has developed problems.

"When they are greeted by the teachers, there is always a positive comment made about their child before they get into the details of what the real problem is; things like, gee, your boy is a refreshing little fellow, or he is an active little fellow — something to identify the child with the parent. That is a significant quality that teachers in that school are displaying in their teaching skills. I think it is one that should be noted and complimented.

One of the most important things about children going to school, kindergarten to grade three, is the feeling that the child develops when he is responding to what school means. Parents tell me that children

who go to Grey Mountain Primary School feel like the school likes them. Therefore, they like school. That is a tremendous compliment to the teaching staff. If children do not like school then, at the first levels, the child is looking as some difficulty when he moves on to the higher grades.

I know how the Government Leader feels about his children, his little fellow, when he first went to school and got homework in the primary grades and was quite distressed about it because he wanted his little fellow to like school, and he did not think that homework in the primary grades was exactly part of liking school.

This time, for parents and for children, when the children are leaving the home for the first time and going to school, is very stressful, they say, for children. I think it is probably just as stressful or more so for the parents who feel quite threatened sometimes. They feel like they are losing control, and that their children are going to be exposed to a lot of exterior influences now. They are concerned about the control they are going to have over the decision-making and the decisions that are going to be made about the education their children are going to get.

At Grey Mountain Primary School, it seems the parents are very involved and, because of the personal and positive approach, they do not get that stressful situation that they would normally have. There is a lot of adapting going on between the children and the parents. They are learning to deal with new things in life, new experiences, new people, new exposures. I think the size of the school and the personal approach helps to foster and promote a very strong sense of family and of community. I do not think I have ever been to a function at Grey Mountain Primary School that most of the parents have not attended. There is an excellent turnout, and there is either one or the other, if not both, parents attending the function to cheer on their children.

I remember when the Grey Mountain Primary School had the fire and came very close to being closed down because of the cost to repair the classroom that had burned. I remember seeing how the neighbourhood pulled together to get the children moved temporarily to Selkirk Street School, and how everybody pitched in, whether they had children in the school or not, to help move the teachers and the children over with all their textbooks and so on.

"When there is a small community school of this quality, I find that it encourages the teachers to excel and to expand their personality traits; therefore, they take a better sense of responsibility for the children's progress. It is a closer, more united approach.

When the government decided to do the space allocation studies and the criterion research study regarding parents' preferences for future elementary school development in Whitehorse, it was quite obvious that the parents definitely preferred the small neighbourhood school concept. Even to the extent that they preferred the program preference versus proximity indicated that given program preference and location, more parents would send their children to schools closer to home, and the majority of parents preferred to forego extra features and extra programming in favour of sending their children to smaller schools closer to home than to busing them to larger school that possibly offered a larger variety of programs.

When the department was first doing these studies, the school committee did its own small survey. It sent out a one or two page questionnaire regarding the status of the school. They had a remarkably positive return of 87 percent. Of that return, there was only one or two who were in favour of considering changes in the status of the school. Then it seemed to be that it was a bargaining position. They would consider a change for some other option.

The academic standing of the school has constantly been high. I know that the Canadian tests for basis skills are not started until Grade 3, so it starts at Grey Mountain Primary at the last grade. However, they are in the 99th percentile, which is an extremely high rating and is quite comparable and on par with many high quality schools across Canada. It gives parents a lot of reassurance that their children could be competitive on a national level. That seems to be a very predominant point with some parents.

The parents and children are looking forward to the new activity room, but I find some hesitancy and some caution being shown by the parents. Most of them are aware that in the construction of the new activity room, some framing has been installed in the walls in

the event that they want to convert the activity room to a two level building for the installation of classrooms. I recognize that the government is planning ahead and is showing some foresight, but it does raise a bit of concern with the parents. We will do our best to reassure them that we will try to preserve the status of their school.

I am looking for a favourable response from the Minister, and I look forward to what comments he has to make regarding the Grey Mountain Primary School.

<sup>52</sup> **Hon. Mr. McDonald:** The Member for Riverdale South in her remarks stated what I think is the obvious, that this small school, Grey Mountain Primary School has a good school spirit, a good reputation, and clearly has the support of the parents who send their children to it. It is recognition that small schools such as the Grey Mountain Primary School have proven very effective. The Members remarks were very positive and constructive, and supportive of the small school concept and of this particular small school.

Personally, I live close to a school even smaller than Grey Mountain Primary and know the value of having small schools close at hand, and I can understand and appreciate the loyalty that parents feel toward that school.

I would presume that the reason for this discussion arose when this government undertook the Whitehorse School Facilities Needs Study last year, which attempted to ascertain the needs of Whitehorse residents in terms of the school facilities that are provided. They attempted to do population projections as to where the population was expected to grow in certain parts of the city and took into account busing and program requirements for that area's schools.

Clearly, with this report, as with other reports, the government did not tell the consultants what conclusions to come to because we wanted them to come to conclusions under terms of reference based on the information that they received through their research. The consultants came up with the conclusion, in some respects very unfortunately, that the Grey Mountain Primary School should be permanently closed. They felt that those children who were going to Grey Mountain ought to be transferred to Selkirk Street School as they felt that it was large enough to accommodate all the children of elementary school age in Riverdale.

We made it clear to the Education Council, prior to this report being done, that this was not going to be the basis for the government's position on school facilities in the city, and that there would be a consultation process beyond that. We feel that an independent analysis of the facilities was required and would be the basis for a discussion.

The consultants for the Facilities Needs Study recommended that there be a telephone survey conducted as well, and we undertook that. We undertook it in fairly short order because the time between the consultants reported and the end of the school year indicated to us that if we were to have any kind of survey at all, it would have to be done quickly.

<sup>53</sup> We felt that we had to have the report done prior to the end of the school year.

Before we undertook this particular exercise, what is now referred to as the Criterion Report, we indicated to the Education Council again, and they agreed with us, that this was not going to be the be-all and end-all with respect to Whitehorse school facilities, but it would be another step in the chain of events that would lead up to decisions as to what was going to happen with Whitehorse schools generally.

The criterion people reported, and the government and the Education Council sat down. We had representations from the City of Whitehorse that any discussions about improvements to or creation of facilities ought to be, at least partially, conducted with their knowledge and also, if possible, to be conducted jointly with them. It was primarily city planning.

The city clearly indicated to us that they wanted major capital construction projects to be determined jointly with their planning department, because there would be an impact on municipal infrastructure, and they wanted to be involved in the decision-making.

I felt that that was a reasonable request. After the Boreal report

was completed, and after the Criterion report was completed, and after the Education Council had had internal discussions with respect to Whitehorse facilities, we established a working group composed of the city planning department of the City of Whitehorse, the Education Council and the Department of Education to come up with some proposals for public discussion, which would be turned over to school committees for their perusal. I remember making this clear in a letter to the chairperson of Grey Mountain Primary School, who felt a little nervous, given the recommendations of the initial Whitehorse School Facilities Needs Study.

I realize that we took a chance in making a document public that was only a consultant study to provide us with a basis for discussion, but we felt strongly that, in order for literal discussion to take place, the information of this nature had to be provided to all people who would be affected by the decision that we undertook. Copies of the study were disseminated to all and sundry.

The parents of Grey Mountain Primary School felt that it was in their best interests to make it very clear where they stood with respect to their school. I am more than sensitive to that concern, because I am a strong believer in small schools, certainly at the elementary level.

In recognition of this government's commitment to small schools, the Member for Riverdale South knows that the government did undertake to build an activity room, which is not a temporary structure, as might be termed the balance of the structure. The activity room is a fixed structure and any attempt to move it would prove fruitless and not cost-effective. We did recognize that this school should receive that kind of support.

<sup>54</sup> Having said that, I think it is important to state something that I hope is obvious, and I hope the Member will understand my comments. I would like to make a slight amendment to the motion. I say it in the context of the points that I have already raised. The government supports Grey Mountain Primary School. The government recognizes the spirit and the reputation of this school and the desire of the parents to continue the school as it exists. The motion does state that the school committee will be the final determining factor as to the future of this school.

We are about to engage in a review of the facilities in Whitehorse. We recognize that it may not be possible to seek unanimity of all school committees to the recommendations that are adopted by the majority of residents in this city. This government is very committed to the continuation of Grey Mountain Primary School, but, at this time, we have to bear in mind the role of school committees and their relationship to the government.

I am very interested in pursuing options where school committees become more responsible over school affairs and simultaneously become more accountable for the decisions they make. I have been encouraging the Education Council to pursue options that would increase school committee control. I am hoping that they will do just that. I hope that they will opt for more parental control of the school system. I am very much a believer in that. If, at this time, we send clear signals that every school committee is going to be able to determine the future of that school, then we will be in a position where we will be looking for options for improvements to Whitehorse facilities, which are going to have to require the unanimous consent of all school committees in the City.

The responsibility is given to the Department of Education to be responsible for school facilities. We do consult with school committees, and we take that consultation very seriously.

<sup>55</sup> The concern that I have, without any stated direction with respect to more control being devolved to school committees, is that we would be conferring upon school committees essentially a veto, and that is a veto in the face of the Department of Education's clear responsibility for facilities in this city.

I would like to propose an amendment in that light and in the context of this debate.

#### *Amendment proposed*

**Hon. Mr. McDonald:** I would move: THAT Motion No. 70 be amended by deleting the phrase "such time as the parents, through the School Committee, indicate that a change in status is desired"

and substituting for it the following: "thorough consultation has taken place with parents, through the School Committee".

**Speaker:** It has been moved by the hon. Minister of Education that Motion No. 70 be amended by deleting all of the phrase "such time as the parents, through the School Committee, indicate that a change in status is desired" and substituting the following:

"thorough consultation has taken place with parents, through the School Committee".

**Hon. Mr. McDonald:** In speaking to the amendment, I probably already have spoken to the amendment, I would reiterate a couple of points. I think they are very important in the context of this debate, and I am sure the people from the School Committee of Grey Mountain will be reading this report, as I am sure they read the letter that I sent to them with respect to this particular matter.

Firstly, the Whitehorse Facilities Needs Study and the following study, the Criterion Study, were two steps in a chain of consultation, which is now being undertaken and driven by a group comprised of City of Whitehorse, City Planning, Department of Education and the Education Council, one representative of each. Further to that, there will be very thorough consultation with respect to what happens in the future.

Clearly, this government does not want to be in a position where it drives perhaps tens of millions of dollars of expenditures over the next five or ten years into improving Whitehorse school facilities that are not acceptable to the majority, and I would hope the vast majority, of Whitehorse residents.

I would also like to state in the context of this discussion that the government has already expressed, not only by word but also by deed, their support for the concept of the small school like Grey Mountain and the construction of permanent facilities at the site supports that particular school.

That is a very clear indication of our ongoing continued faith in that particular facility and in the children and the parents who support the school.

With respect to the control issue, it is not an insignificant issue. It is something that is currently the subject of intense discussion within the Education Council and cannot be underestimated in terms of its impact on the future of this territory. I would hope to be able to make a statement fairly soon with respect to the consultation process with respect to the *Education Act*, which speaks very specifically to the role of the school committee. Irrespective of what comes out of the consultation with the public, it is my considered opinion, as one resident in this territory, that school committees, if they wish, should opt for more control and should be more responsible for school affairs. That day is coming very soon. I would hope for the opportunity for it to come very soon.

At the present time, it is not here. The responsibility is still the Department of Education's. The consultation process as we have designed it, I would hope, would ensure that unpopular recommendations, such as those found in the Whitehorse School Facility Needs Study with respect to Grey Mountain, would be either clarified or overturned through public consultation.

In all likelihood, that will take place. I would hesitate to enter into discussions about the future of Whitehorse facilities if I thought that there were a series of 10 or 15 vetoes to the exercise. I would hope the Member would understand, at this point, the government's position and recognize that the government very much supports the Grey Mountain Primary School and has done so not only today by word of mouth, but also in the past by deed in the construction of permanent facilities at the site.

**Mrs. Firth:** When the motion was drafted, the concern that the Minister is expressing was taken into account, only in a different context. I think I understand how the Minister is interpreting the motion. From his comments about the school committee determining the future, I get the feeling that he is getting the message that this is going to give the school committee the ability to come to him and say, we do not want a change or we want a new school built there right now. That was not the intention of the motion.

When it was originally drafted, we drafted it with the intention of giving the government some latitude. We did not want to tie its

hands and say that you cannot change the status for ever and ever. That was a concern of the school committees and the parents that I discussed it with, too.

I thought that the wording was clear enough, that the school committee was the avenue that the parents would go through, and that the department would go through. As the Minister has said, he gave the reports to the school committees. My intention in the draft of the motion was that the school committee would then go to the parents and say, this is what the Minister has given us.

They are looking at changing the status of our school. They would have a meeting where they would discuss it, and the school committee would be the route to go back on behalf of the parents to the Minister to tell him what they have discussed — it is a negotiation and this is what they will live with. The intention of the wording was not to give the school committees any authorities that they do not presently have or to give them a veto. It was simply to indicate that the parents feel extremely strongly about the status of the school, and that should there be any change in that status, it should go through the school committee process.

I am prepared to accept the amendment. It is saying practically the same thing. I do not, in any way, want to soften the strength of the motion, which to me is to express to the Minister how strongly the parents feel about the status of the school. From his comments today, I get the indication that he has gotten the message and he agrees with the concept of small schools. I want to explain that the drafting of the motion is not to give the school committees any extra authorities, determining powers or vetos. However, we are prepared to accept the amendment if the Minister insists and to proceed with the debate on the main motion.

**Mr. McLachlan:** Of all of the Whitehorse schools, the Grey Mountain School is the one that I have more than just a passing knowledge of. I had a child enrolled there in the 1985-86 season. I have attended some meetings there and, knowing the attitudes of the parents in that area and their feelings for the school, many have expressed concern about having moved there. They like the concept of the neighbourhood school and having it very close during those formative years from K to grade 3.

I have some degree of empathy for the feelings of the people there, and that close consultation be maintained at all times with the department in regard to any changes of any nature. I agree with the Member for Riverdale and with the Minister as to his intentions on the consultation process with the school committee. I support the amended motion giving due regard to the feelings of the people and the school committee there.

**Speaker:** Are you prepared for the question on the amendment?  
*Amendment agreed to*

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

**Mr. Phillips:** I am going to be very short. That is not a pun, Mr. Speaker. I am going to be short in view of the time.

I rise to support the motion from the Member for Riverdale South. I not only support wholeheartedly all of the things that the previous speakers have said about Grey Mountain Primary I have, myself, a very special interest in the school. I, like the Liberal Member, had two of my children attend Grey Mountain Primary School, and the quality of the education is second to none in the Yukon.

I am going to cut my speech real short, I did plan to close by singing the Grey Mountain Primary School song, but I have decided after a practice session with my colleagues and their overwhelming comments about my not being able to carry a tune in a bucket that I am going to take their unanimous advice and spare the rest of your ears the agony.

**Speaker:** Are you prepared for the question?  
Are you agreed?

*Motion No. 70 agreed to as amended*

**Speaker:** Is it the wish of the House that the Chair recognize

the clock being 5:30 p.m.

**Some Members:** *Agreed*

**Speaker:** This House now stands recessed until 7:30 p.m. this evening.

*Recess*

**Speaker:** I will call the House back to order.  
We are on Government Bills.

## GOVERNMENT BILLS

### Bill No. 47: Second Reading

**Clerk:** Second Reading, Bill No. 47, standing in the name of the hon. Mr. Porter.

**Hon. Mr. Porter:** This bill represents only one part of a package of measures this government is taking to address the problem of free-ranging livestock in the Yukon. The Agricultural Planning Advisory Council began working on the problem of livestock control back in the Fall of 1985. At that time, an APAC sub-committee was struck to prepare a discussion paper on problems created by free-ranging livestock. The paper was...

**Speaker:** Order please. The Minister has to move this motion.

**Hon. Mr. Porter:** I move that Bill No. 47, *An Act to Amend the Brands Act, the Highways Act and the Pounds Act*, be now read a second time.

**Speaker:** It has been moved by the Minister of Renewable Resources that Bill No. 47 entitled, *An Act to Amend the Brands Act, the Highways Act and the Pounds Act*, be now read a second time.

**Hon. Mr. Porter:** At that time an APAC sub-committee was struck to prepare a discussion paper on options for dealing with the problems created by free-ranging livestock. The paper was released in July for public comment. A variety of letters and suggestions was sent in and reviewed by the APAC on September 20, and the Committee provided me with its recommendations shortly thereafter.

This Bill incorporates many of the APAC recommendations. For example, the Committee recommended that the government be responsible to implement a system to capture and deliver animals to designated pounds; that the *Brands Act* be amended to permit various methods of marking livestock; that a three-tiered system of escalating fines be established for owners of livestock who allow their animals to run at large; that owners convicted of a third offence have their livestock seized and auctioned off; and, that branding remain voluntary except for stallions.

This Bill incorporates these elements. The amendments to the *Highways Act* and the *Pounds Act* implements a system whereby animals found running at large on a highway right-of-way can be seized and delivered to the nearest pound keeper.

Furthermore, we are implementing a series of escalating fines for people who allow their animals to run at large, either on a prescribed highway right-of-way or within a pounds district. Furthermore, they will lose their animals upon a third conviction within three years.

At the same time, we are amending the *Brands Act* to permit a variety of methods of branding animals without using a hot iron, in order to make it easier for people to brand their animals, if they so wish. These methods will be outlined in the Brands Regulations later this winter.

Furthermore, we will be requiring poundkeepers to mark all the animals they impound, so that the identification of repeat offenders will, in cases, be made easier.

As I mentioned at the beginning of the speech, these amendments are only a part of a larger package of measures we are taking to bring the problem under control. Our first measure was taken on October 16, when we enlarged the Takhini Hot Springs pound district and increased the fees poundkeepers can charge for their services. We have appointed poundkeepers for this district and will soon be tendering contracts for the capture and delivery of

free-ranging livestock within pound districts to those pound keepers.

The final piece of the package is a grazing lease policy. My department is working on a new grazing lease policy and examining the feasibility of establishing community grazing areas. I personally met with the Outfitters Association on November 21, 1986, and have heard their concerns in that regard. Officials of my department will be continuing to meet with the executive of the Yukon Outfitters Association to address concerns expressed by that executive.

My department has been working closely with the Agricultural Planning Advisory Committee on the development of a grazing lease policy. Most recently, on November 29, 1986, in Mayo, APAC met to review a departmental discussion paper on the subject, which incorporated the great many concerns of the Committee's recommendations. From my information, that was a constructive meeting, and APAC will be meeting again on January 31 for further discussions of the unresolved issues.

Once a grazing lease policy is implemented, our package of measures for controlling free-ranging livestock will be complete.

I announced this summer that this government would be taking decisive measures to deal with the problem of free-ranging livestock. We are living up to that commitment and, with the advice and cooperation of the Agricultural Planning Committee, we feel confident that these measures will be effective in making this territory a safer place in which to live and travel.

In addition to the comments that I have respecting those areas that my department is responsible for, I would also ask my colleague, the Minister of Community and Transportation Services, to speak at second reading.

03

**Hon. Mr. McDonald:** Further to what my colleague, the Hon. Dave Porter, Minister of Renewable Resources, has stated on the problem of livestock wandering freely on public highways, as Minister responsible for Community and Transportation Services, I am pleased to address the amendments to the *Highways Act*, which will provide both authority for removal of troublesome animals and a penalty system to charge owners or offending animals.

This government is convinced that animals grazing on public highways in some areas of the Yukon constitute a serious, unacceptable threat to public safety, and this government is determined to act upon and resolve this issue.

An analysis of the motor vehicle accident reports from January 1, 1986 to November 11, 1986 indicates that livestock animals, particularly horses, have been a contributing factor in at least 14 motor vehicle accidents. Many of these accidents have resulted in minor and major injuries to the drivers and the passengers of the vehicles. The vehicles involved in these accidents have all received substantial damage, and both parties, the vehicle owner and the owner of the animal, had to bear some costs resulting from the accident.

The owner of the vehicle bears some cost for, at least, the insurance deductible amount to repair the vehicle, and the owner of the animal bears costs as usually serious injuries to the animal are incurred, and the animal is either killed or must be destroyed.

These amendments to the *Highways Act* propose to prevent the owner or caretaker of livestock animals from allowing their animals to wander uncontrolled within 30 metres of the centre of the road on prescribed highways. The reason for requiring such an animal-free zone is necessary to control the ditches and sufficient area on each side of the highway surface, as most animals are drawn to this open area to feed. Animals grazing here are startled by oncoming vehicles or while crossing the highway to grassier areas on which to feed.

The government will be considering enforcing the control of animals in areas of public highways that have been identified as problem areas. The more critical problem areas presently identified are within the new boundaries to be controlled by the amended *Pounds Act*. Areas outside these boundaries, which give evidence to become potentially dangerous driving areas, will be enforced by the provisions proposed in these amendments to the *Highways Act*.

In fairness, we feel that initial prohibition of all public



thoroughfares, every side road and trail in the territory is not necessary as this could result in unnecessary hardship to livestock owners whose animals do not roam near principal highways. The ability to prescribe highways to which the prohibition will apply provides flexibility for the government to address the safety issue, while at the same time allowing traditional free range areas where there is no threat.

To help ensure that the enforcement of this provision is respected, these amendments provide a tiered penalty system. For a first offence, the owner or the person in control of the animal will be fined \$100.

26 If in three years of the first offence the owner of, or the person in control of, an animal seized for wandering on a highway or section described as a restricted area will be fined \$300.

Should the owner of, or a person in control of, an animal allowed to wander into the restricted area for a third or subsequent time, the animal will be seized and forfeited to the government and the person in control of the animal will be fined \$500.

I hope the measures taken in this legislation will be sufficient to meet a long-standing concern over free-ranging livestock in the territory.

**Mr. Phelps:** The problem is one that has been a very severe one in the riding of Hootalinqua and, of course, there have been a lot of concerned residents in my constituency who have been making representations to me and to the government. I have been writing to, and raising the matter with, the Minister who has just spoken and have raised the matter in the House for the past 18 months, and I am pleased to see that some progress is being made. The inherent dangers of large numbers of livestock on the roads are pretty self-evident, and there have been some tragedies as a result.

Nonetheless, I remain concerned about the other side of the equation. I am concerned because a provision has not been made to provide land for grazing and, of course, if people are going to be forced to fence their horses and livestock in, they are going to have adequate grazing areas. That has got to be of great concern. In fact, one really cannot expect people to build fences unless they have some tenure in the land, such as title or, at the very least, a long, long term lease, because fencing is very expensive.

I am also concerned that we have not been privy to the recommendations of the Agricultural Policy Advisory Committee, which submitted recommendations to the Minister some months ago. I, for one, am very interested in what that Committee had to say.

27 Finally, it is of concern to me that the proposals do not protect the private property of others, and one of the most continuing complaints that I have had on a regular basis are from the people who reside in Hootalinqua and are constantly having trouble with livestock of other people coming and trampling their gardens and ruining private property. I am a little concerned that these interim measures do not do much to meet that problem.

**Mr. McLachlan:** Anybody who has ever driven any of the highways in the Yukon and had a brush with one of these animals on the road can certainly relate to this Bill. I am sure that many of us have, and it is not a pleasant experience. Coming from a riding that has had a substantial increase in truck traffic since June of this year, I am concerned that one of the ore trucks will run afoul of one or more animals on the road in the course of what would be inevitable devastation. Those trucks have a danger of running off other vehicles any time they get into trouble on the road because of their weight and their speed.

I have some real concerns. I am hoping that other Members have some similar feelings about the intent of this Act. As the Member for Hootalinqua said, I feel that the people on the road north of Whitehorse, that I am familiar with, have some means or recourse to put the animals in a fenced-in area that they could call their own for a long time to come.

I also hope that the government will tell us what they intend to do with an animal that is impounded for the third time. Will the animal be subject to sale, such as the RCMP do on the seizure of illegal hunting and fishing things? I hope this question will be addressed

during further debate.

06

**Mr. Brewster:** I guess we face the reality that civilization has come to the Yukon. I can recall years ago coming here and we used to all enjoy the place, we used to all get along good together. As the population used to come in people were demanding television, demanding this and demanding that. I used to say to people why did you come up here if you want all these things. Well, we come up to get rid of the rat race. It is quite apparent they are bringing the rat race with them.

I do not think there are any of us who dispute that horses should not be on highways, anybody in his right mind would not dispute this: horses or cattle or anything else. When you have lived 36 years and you still have not got a piece of land and you spent \$841 for a survey and you still have not got a piece of land — and I am not just talking about myself, I am talking about people all over — you are required as an outfitter to have 25 head of horses or you could not have an outfitting license. The government told you to have the horses or they would take it away.

Now it seems we are going to put a law through that, frankly, I am going to go along with. I agree that we have to have civilization, but do not think that tomorrow morning after the law has passed all these horses are going to be off the road. What are people going to do with 100 head of cattle that have never been able to fence? Shoot them all?

We have the cart before the horse. I doubt if you have any trained personnel to read brands. I have gone through this with RCMP and other people. I was born and raised in Alberta where they have had these problems and they have them still. All of a sudden you think you are going to pass a law and you expect to hear people on the street saying, "Boy, it's all over tomorrow; the horses and cattle are all gone".

Let us grow up, these things are not going to happen. Those that have federal leases have them for one year but they cannot put a fence around them. You pay taxes to the territorial government, but you cannot put a fence up. Willows grow all over, and you want to knock them down but you cannot touch them. The environmentalists say, "No, do not touch them". But there are other laws saying you can have horses here, so let us get a little bit of commonsense into what we are doing. If you go by the figure of 40 acres per head for horses, that is 120,000 acres needed, and there is less than 48,000 acres applied for in the Yukon, so it is quite apparent we have to have more land.

People cannot even get a piece of land to build a house on. How all of a sudden are you going to get all this land to do this, and you are going to have to give some lead time and round them up. I wonder if you really consulted all the people who have cattle and horses. You saw the outfitters and I know that that was not the most friendly meeting. I know they do not agree with what went on. They are very concerned, and I think they, like I, would like to have their horses fenced. I do not think there is a problem with that idea, but if you do not have a fence what are you going to do?

07 I mean, you can make all the laws in the world but, if you do not give a man a way so he can move out of this, where are you going to go on this thing?

Reality has come. I accept it. Here again, we seem to be putting the cart before the horse. We are making laws before we turn around and give anybody a chance to get out of this. One of the things I will be questioning closely is "control of a horse". What is control of a horse? Does it have to have a rope on it to be controlled, or can they be riding down the road? Is that controlled? What happens if they have a fence up and a moose knocks the fence down? That is the Queen's property. Is that the fault of the thing? Have you really looked into all these things, or are they in regulations that we are not going to see?

There are a lot of problems with this thing. I am quite happy that the Minister is the Minister over there and not one of us. What about the elders? Right in my area, elders who hunted and guided with me have three or four horses so they could go out hunting. They are enjoying their life. Where are these horses going to go? They cannot afford the fences.

We have lots of problems, and I will be questioning this very

closely. I agree it has to come. The time has come. The rat race has arrived in the Yukon and we have to do it, but somebody is going to have to explain to the elders and a few other people. I am glad that I do not have to do it.

**Hon. Mr. Porter:** Seeing as I am the one who has to do it, I might as well speak a little further to this.

With respect to some of the concerns raised by the Member for Kluane on the question as to what control would mean, I would expect that as long as it is demonstrated that the animals are in the control of an individual or group of individuals, for example, if they rounded up some horses along the highway in the bush and were driving them along the highway, in my estimation, that would fit under the designation of control. It does not have to be a halter on a horse tied to the horse in front of its tail to be able to ascertain control.

With respect to the outfitters meeting, the Member made a statement that it was not a friendly meeting. The outfitters' organization, regardless of what people say about them, is a very respectable organization. When they do business, they do business. They have not shown to me that they are an organization that will deal with you across the table and then run to the press and start agitating and second-guessing you. When they make a deal in the room, I have experienced to this point that it is a solid understanding. Regardless of the way in which the debate goes in the meeting, I respect them for that and appreciate that that is the style they choose to work in and hope that that continues.

We did have a meeting and we did have differences, but it was not a meeting in which people became personal about the differences or emotionally upset about the differences. They laid it out on the table. I responded as to what our intentions were. They said that one of their legitimate concerns is that they were in the business of outfitting when the public consultation process was ongoing, and that they wanted to be able to have a go at the department to try to iron out some of the problems that they see. One of the areas that they made representation on, specifically some of the outfitters who have experience in the Province of Alberta, was the question of community grazing leases. That province has adopted a system where there are community grazing areas and people do bring in their animals and pay for those animals to be cared for.

<sup>98</sup> I made the commitment that the department would look at implementation of such a system here in the Yukon and that we would look at the EDA as a vehicle to provide some funding to accommodate that, because it is recognized that there are very few communities out there that would be able to fund such a venture.

I explained that grazing leases was of major concern, not only for the Outfitters Association, but for other Yukoners who want to get into the business of raising horses for a business or as a hobby. I made a statement to them that I was in favour of a long term tenure on the lease, maybe for 30 years. They expressed an ability to not only have a 30-year provision in the lease as well as a renewal clause. There was agreement that we would pursue, as a department, the development of a grazing policy. We have initiated the first draft of it. The APAC subcommittee members had a go at it. We are working toward the final draft of that. We have agreement with the Agricultural Planning and Advisory Committee, that there will be a meeting at the end of January to discuss the work we have come forward with. I think that we are quite a ways down the road on that question.

Another problem that has surfaced in discussions of this issue is the question of productivity. It is clear that the Yukon does not enjoy very rich farmland, and there are sporadic areas of the Yukon where you do have good agricultural land, for example, of the scale and quality that the Peace River Country offers. One of the problems, at the present time, is if the individual livestock owners were to rely on natural growth to feed their animals. That is not the kind of productivity that occurs naturally to be able to satisfy that. That drives the costs up for agricultural development in the Yukon.

One of the things that we have to look at in developing the grazing lease policy is to insist that a certain portion of the land be put into production. Should that occur, if the land is utilized and

feed for horses is produced, that cuts down on the amount of acreage that is needed to provide for feed. I also think it is economical in the long term for the individual concerned.

Another question raised by the Member for Faro concerned impounded animals and what the government does with them. If the Minister of Community and Transportation Services and I got into a serious tag team effort, we may need a lot of protein. We plan to have a public auction. Of course, I was talking about corn-fed beef when I was talking about protein. The process, as we envisioned it, is to take these animals and auction them. We will post the auction in certain municipalities and deal with the confiscated animals that way.

I think I have addressed most of the recommendations, but they will obviously be there when we move to Committee, and we can discuss them at further length.

<sup>99</sup> *Motion agreed to*

**Hon. Mr. Porter:** I move that the 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:** I will now call the Committee of the Whole to order. Is it the wish that Members take a brief recess before we continue?

**Hon. Mr. Penikett:** On a point of order, it is understood by agreement, partly negotiated, that Bill No. 7 will be the business in Committee of the Whole.

**Chairman:** I was about to ask if we should have a recess before we begin with Bill No. 7.

We will now recess for 15 minutes.

*Recess*

<sup>10</sup> **Chairman:** The Committee of the Whole will now come to order.

We are on Bill No. 37, *First Appropriation Act, 1987/88*.

### Bill No. 7 — *First Appropriation Act, 1987-88*

**Hon. Mr. Penikett:** Some weeks ago, in general debate, I outlined the totals in the budget and the major projects in this Capital Budget. I will, of course, as usual, hope that specific questions about specific projects or programs will be deferred to the consideration of the departmental lines. I would, at the outset, like to respond to some comments that were made about the new format.

Before I do that, I would also like to mention that questions were asked or given notice of by letter from the Member for Riverdale South and in the House about the community-by-community breakdown. As of Tuesday last, all Members were provided with a copy showing all the projects on a community basis. I have some other general questions that I am in a position to respond to.

Before I do that, let me say a few words about the new format for the Capital Main Estimates. As Members know, in the past the Capital Main Estimates have detailed a mixture of line items consisting of programs, activities and projects. We have no two departments being displayed in a consistent manner. The result of this method was a presentation of great detail for minor projects, combined with no detail for major programs. For example, in the last set of Capital Mains tabled by the former government in 1985/86, a separate line item was shown for the stabilization of the Canyon Creek Bridge for \$10,000, while highway construction, which totalled \$7,049,000, 15 percent of the entire budget, received no more detail and attention in the Estimates Book than did the \$10,000 item.

<sup>11</sup> Accordingly, the Capital Expenditure programs have been orga-



nized into a system that more closely matches the system used for the O&M budget; for example, the departmental Capital Expenditures are divided into Capital Programs and these, in turn, are divided into activities. The lowest level of normal detail is the individual project.

To bring the two sets of Main Estimates even more closely into line, we have, for the first time, included Capital Program Objectives in the Estimates. It should be noted that in many, but not all, cases the programs for departments are the same for O&M as they are for Capital. In addition, each department's vote includes several pages of more detailed information, and on these pages we have attempted to point out the major objects of the program activity information provided in the expenditure detail pages. In some cases we have provided listings of major projects and in others we have shown sub-activities of the programs.

It is our hope that the new format will focus discussion in the House on the fundamental principles and purposes that underlie any particular capital program rather than concentrating just on the project detail. Naturally, however, we are prepared to discuss projects in detail during debate in Committee of the Whole.

As a result of these changes, some of the minor details that previously appeared in the Capital Mains are no longer contained in the presentation. This is not always the case, and you will find some examples of more details actually being provided. In this regard, I might refer Members to highway construction which is detailed on page 20 of the Estimates book and is far more detailed than anything that was previously published.

Be that as it may, the new presentation does provide more information than has been made available to the House in the past in the Estimates book and, hopefully, Members will find a considerable improvement in the overall quality, organization and content of the Capital Budget. I do appreciate that it is a change, but we have tried to make it an improvement and tried to make it consistent with the O&M Estimates.

Members will know, particularly the Leader of the Official Opposition and the Member for Riverdale South, that the Auditor General has frequently suggested that the format and the content of the Estimates be improved. I would respectfully submit that the format of this new Estimates book is an improvement of the kind requested by the Auditor General.

With those remarks, I would be happy to respond to questions in general debate on the Estimates.

**Mrs. Firth:** The Government Leader has given quite an extensive reasoning as to the descriptions, but I did not really get an answer as to whether he is going to put a little bit more detail in. For the new projects, the pilot projects and so on, there is no description of details; therefore, we will end up asking a lot of questions about individual programs. Some of the new projects — this time the Research and Development Program is a new pilot project for \$100,000; the Venture Capital Program — I am sure that there will be more detailed questions about new programs, anyway, but is the Minister intending to give some direction to put a bit of detail in the Budget?

**Hon. Mr. Penikett:** It is my intention, when we get to the Economic Development Capital vote, to provide as much information as I can about those programs to the Members. I hope she will appreciate that, since they are new programs, they will not have, as yet, in many cases, regulations and detailed things.

As I explained last year, when we were developing the Prospectors Assistance Program, for example, having got the vote approval from the House, we then sat down with the Chamber of Mines and the organizations that were going to be benefitting from the program and the federal government, who had been delivering the predecessor program, worked out with them some improvements in the delivery and the regulations and the guidelines and set up a committee that would approve it.

What I would hope to do with respect to new programs is provide Members with not only an outline of the program and how we see it would operate, but perhaps examples or cases of how we see the program being used and the kind of project we see taking advantage of it.

As we get into the second year of some programs, or the third

year, we may be in a position to provide the kind of detail that I think ought to be in the Estimates, which are performance indicators for the program, what our experience with the program has been the previous year and the year before that, so that Members may be able to judge the request for money against some information in the Estimates about the demand for the program and the take-up for the program.

I will just make the general point that if, as a result of the discussion in the House, Members indicate to me that they want more particulars, more precise, and more fine detail in the Estimates book under the new format, I, of course, will be more than willing to make the commitment that we will do that in the next round. With the first time of this new format, I hope that the Member will appreciate that, in some cases, there is more detail than there was before; in other cases, though, I concede instantly that we are not putting in all the little projects that may have been carried out under one program as it was previously.

**Mrs. Firth:** I appreciate what the Minister is saying; however, maybe the budget process is not the same as it used to be, but, from what I understand of the preparation of the Capital Budget, the first thing you did was determine what the objectives were going to be. There were descriptions drawn up of capital programs, and the details, and they would mesh with the five-year capital plan. You had a lot of your detail right there anyway, even for a new project that needed a certain amount of analysis to see what potential O&M costs could be, and so on. I am not asking for a great amount of detail, but it is helpful to know, for example, like the Minister has said that there is more information in Highways, but there is no detail to any of the major projects as we used to have in the budgets before.

For example, they would cite specific highways, but if it was for a very large amount, it is interesting to know whether that is just for an upgrading or a redirecting of the whole highway, and so on. That is the kind of detail that I am asking for; not for a lot of specific particulars.

**Hon. Mr. Penikett:** As we go along, I will be able to explain to the Member that in respect to the five-year Capital Plan as it evolves, what we have in there regarding projects is more standards. We will not know before we hire an architect how a particular school or building may look. We may talk in approximations as to how many people may be using it and so forth.

I believe the Members will be pleasantly surprised when we get to the Community and Transportation Services estimates, because for the first time, the Minister plans to provide to the House maps of exactly where the project is going to take place and the actual mileage. I share with my colleagues the experiences before, in that it was sometimes hard to visualize exactly what we were talking about. I will be more than happy to provide the Members with that kind of information. It is hard, because of the printing quality, to put some of that kind of information in the estimate books, unless we get into colour reproductions, and I do not want to do that.

**Mrs. Firth:** No, I do not want to get into colour reproductions either. We are in year three of the Five Year Capital Plan, I believe. Can the Minister tell us if there was much adjustment when the government set their priorities for their budget for this 1987-88 year? Are they pretty well following the same Five Year Year Capital Plan? Did they have to realign where they were going to make their direct priorities?

**Hon. Mr. Penikett:** I am not exactly sure I understand the Member's question. First of all, we are in year three, but the Five Year Capital Plan is ongoing. We are also in year one of the Five Year Capital Plan; we are also in year two and we are also in year three. The Five Year Capital Plan is rolling over, and there will be new projects added on that we envision down the road.

We did review the Five Year Capital Plan. We did review some standards, and we did make some changes that are consistent with our policy announcements about wanting to maximize local employment and local materials, and that may have some design implications to some projects down the road. I do not believe there is much in this Capital Budget that would have surprised anyone who had an intimate knowledge of the Capital Plan as it was a year or a year and a half ago.

**Mrs. Firth:** The Minister has said that the priority is job creation. He has said that several times. How did the government analyze the benefits to their goal of job creation to the new programs that have been created, like the Opportunity Identification Program, which is in its second year, and the Venture Capital Research and Development?

**Hon. Mr. Penikett:** I would rather answer those kinds of questions when we get into the Economic Development Estimates. As the Member will understand, as she obviously does by the nature of her question, it is much harder to assess the employment benefits deriving from the application of a program like Opportunity Identification, than it is for some of the EDA business programs where you will see a business start and you will naturally know how many jobs may be created. It is more measurable. I do not think you can take a look at the end of an Opportunity Identification thing so easily and measure job impact. We concede that. I want to defer the reason for that program until we get to Economic Development Estimates. The reason for that program was because there was a need identified, given the nature of the capital markets and the financial markets in this territory.

**Mrs. Firth:** When the departments are getting together and developing the capital plan in accordance with the priorities of the government, I know it is very difficult to trade off O&M costs that are going to be coming to government for new structures and new facilities against programs where job creation is going to be of a benefit. Is there any kind of analysis or comparison done?

**Hon. Mr. Penikett:** We cannot, at this point, with any kind of instrument we have, measure tradeoffs between O&M cost implications and employment impacts. We will be able to talk about, with respect to the projects and the programs in this thing, the O&M costs. What we are not able to accurately do yet is talk about the O&M savings.

Let me give the Member an example, which I am sure she will be well acquainted with. If we improve a broken down stretch of highway that has previously had a fair amount of maintenance cost, the cost curve on the maintenance has been climbing up, we can reduce the maintenance costs considerably there. I am not sure how sophisticated the measurements of that are right now in the government.

By the same score, we can do rough estimates. For some time, this government has had a policy on retrofits, that there had to be a payback over a seven year time scale. That is the economic standard by which that would be done. The cost reductions may not be apparent in a large budget, because we do not have a separate line for energy costs that runs right across through all the departments and all the Budget. It would be possible, I suppose, with a great deal of work to do the calculations, but I do not know if that would be useful work at this point.

**Mrs. Firth:** Governments seem to keep spending money, and it would be interesting to know — just as unemployment statistics and population increases and how that is impacting on revenues — what the tradeoffs are. Sometimes the so-called job creation programs are relatively short-lived and are so temporary that they are finding now that they are ending up costing far more money than the benefit is to the government or to the population.

**16** My concern is that we do not just continue to have a lot of job creation programs that are going nowhere, and the Forget Commission raised that as a concern; that there were so many job creation programs now it just seemed to be another way to get people to be eligible to get unemployment insurance benefits again.

**Hon. Mr. Penikett:** I understand very well the point being made by the Member. We are trying to use employment creation as a key indicator, and we are trying to use it, if you like, as a pulse indicator for ourselves. It cannot be the be-all and end-all. I can see immediately that we could spend perhaps \$10 million building a pyramid here that would put a lot of people to work, but it would be absolutely useless. Obviously the key point is that when you build a school, for example, in a community you not only create jobs, which is an incidental benefit for the time being, but you leave a permanent benefit to the community, which is perhaps, hopefully, a fine educational institution, which will be of continuing benefit for a generation or more to the community and to the children who

attend it. That benefit, if you were doing some kind of calculus about this, would obviously amount in the long run to much more than the jobs you got that season in building it, but it is quite proper for us to take a look at the alternate methods and the alternate material choices and the alternate design choices that we can choose from when building that school, and saying to ourselves, for example, that we could have a package school built — presumably somewhere in Texas or Calgary where they may have factories that build schools like Lego blocks, I do not know — and you put one of those together and in fact you create practically no employment locally. That is one end of extreme.

At the other extreme you might decide that it is going to be all done with hand labour, or something really ridiculous. Between those two extremes, there are models that give us some material choices and some choices about design, and it is possible to instruct architects, we have discovered, to say that one of the things we want considered in building this is to maximize local employment. Now that may mean to use skills that exist in our community and to use building products and materials that people in our community know how to use and are available in our community.

**Mr. Lang:** I just want to follow up on a point that was left hanging and that has to do with the Capital Plan. There was some discussion about the standardization of the amenities that would be put into the various communities, such as swimming pools, for an example. What sparked my interest was your question about the architects and the fact that we have to have an architect have a look at these things. The point I want to make is that if the swimming pool in Pelly Crossing meets a certain standard, surely we could use the plans for the same swimming pool to be put into Beaver Creek, with very few, if any, revisions.

I am using that as an example, but there are others as well. I am just wondering if the government over the past year has taken some time and effort to get a kind of standardization of requirements and, therefore, hopefully keep costs down with some consistency, so our maintenance crews know what they are dealing with if they are going to either Beaver Creek or Teslin.

**17** **Hon. Mr. Penikett:** Yes, we have incorporated some standards in the capital plan. That is an ongoing process, and we will do it. I would guess that the Member is quite right, that if you have a virtually identical situation, there is no reason why you should reinvent the wheel every time, or reinvent the swimming pool every time you go to a new community. I would take it as a different proposition when you get into something like designing a school. I do not think you can use a standard school design and go plunk them around the different communities. I think you will have different demographic situations, different needs, different demands and different levels of circumstances. I do think you ought to be sensitive to that.

**Mr. Lang:** Further to that, I recognize there may be some modifications. Let us use the school for an example. I do know there are methods that you can have your central core of the school effectively the same and then build out from there if you want to make an industrial arts shop or home ec area or whatever the case may be. I think there are some commonalities that can be built into the planning process and cutting down the expense with respect to what the taxpayer sees and the ongoing O&M.

I do not think you want to have every building looking the same from the outside, but that is facade and that can be altered, according to where it is in the locality. I am just saying that there should be some kind of a standard in the general structure, which then cuts down our costs.

**Hon. Mr. Penikett:** I understand what the Member is saying. The basic answer is that we do build to the BC standards, in terms of schools. I am not going to try to masquerade as an expert on educational architecture. If we get too far down in the discussion about school design, I am going to have to defer to my colleague or maybe suggest that we wait until we get to the Education Capital.

**Mr. Phelps:** Back on the same question, how do you analyze the cost-effectiveness of what your product is? Is there some way of correlating the end price per square foot or anything with private enterprise buildings or other structures in town? What actually takes place? I have a horror of some of the prices that I see placed on

buildings.

**Hon. Mr. Penikett:** We are developing some life-cycle costing techniques. Our experience is not exactly comparable to the private sector, because we do not have the cost of borrowing and some of those factors that the private sector will have to deal with. In some types of things, we do not have enough body of experience to look at projects.

Not too many years ago, less than four or five, we had a lovely debate about this post-project evaluation, which was not a formalized process in this government at that time. Since then, at the behest partly of the Auditor General but, also, as a process of this government becoming more sophisticated in this science, we have adopted a capital project management system that adopts the federal model of a five-stage process, where you start off with a needs analysis, then go to pre-design, then design, then construction, and then you have a final stage that is a formalized post-project analysis.

I think as recently as the last school built in Porter Creek, to use a school example, there was not a formal post-project evaluation done. The problem that that left us with was that the last time we came to build a school, there was not a set of documents or report which someone could read and say the last school had some problems, and we do not want to make these mistakes again. There were people around who had it in their heads, but there was not any kind of formal report.

The Capital Management System will have a formal report at some period after the project is done that will allow us to not only learn from our mistakes, but also to learn from the things that went well. That, along with the technique of life-cycle costing, will give us some of the tools to measure the cost-effectiveness of the construction as well as the effectiveness of the facility in operation.

**Mr. Phelps:** I understand that, but, nonetheless, it leaves me with the uncomfortable feeling, when I see some of these buildings going up and I get some impression of the cost per square foot, that there really is not any kind of comparison of what is happening in the real world of the private sector in terms of the cost per square foot of an equivalent building.

I wonder if that kind of comparison is actually an ongoing process that is being conducted by government. In the private sector, if someone is building a house, one knows if it is completely in line on a per square foot basis, or if one is building an office building, one could get a rough idea of what the cost is in Whitehorse pretty quickly. There does not seem, at times, to be much of a relationship between those costs and the costs for a monument built for the government.

**Hon. Mr. Penikett:** The word monument, I assume, was chosen advisedly. When we get into the Government Services Estimates, the Minister there may be equipped to provide the House and the Leader of the Official Opposition with more detail on exactly how that department operates.

In many cases, the public will require us to build public buildings to different standards than may be acceptable to a business. They expect public buildings to be built to be very safe, secure and strong. I have learned, somewhat to my surprise, that evidence that the government is building to last, or looks like it is here to stay, has an important effect on certain private investors. I will not mention the companies' names, but there are a couple of large companies that, in the last few months, have been trying to make decisions about whether or not to invest in this town. Rather than looking at a lot of statistical detail, they saw the Andrew Philipsen Building and the new college going up as evidence that this community had faith in itself and was building for the long term, as if it had faith in its future and building institutional structures, as if we were here to stay, and as if we wanted to build with pride and confidence about the future.

**Mr. Phelps:** I appreciate that and I am sure the Government Leader will admit it is a partial answer. There certainly is some substance to some aspect of it, but nonetheless it does not hold true with every building, every swimming pool, and whatever else is being built by government these days.

What happens when the architect or the engineers make mistakes, and are complacent about the blueprints? This is another problem

area with me because I know some of the contractors around town, of course, and there is a continuing complaint about mistakes being made on blueprints and drawings being redone and that causes problems for the contractors and also huge cost overruns for government. I will not even quantify it. It is huge cost overruns. Is there any kind of penalty factor that is applied back to the architectural firm or the engineer or the in-house engineering department?

**Hon. Mr. Penikett:** Yes, there can be. I am not a lawyer, and I may not be careful enough, but let me just cite a couple of cases to the Member from recent history. I think in Porter Creek C we ended up in a legal action against a contractor. There was another case, I think, the Faro School extension, where liability was essentially established in the end as being inside the public service, rather than the contractor, because I think in that case some public servant had ignored the consultant's advice about what was the prudent thing to do and, therefore, the penalties were internal. Yes, if we have unsatisfactory performance, we would presumably go after the people the same way that you would in the private sector.

**Mr. Phelps:** It is a concern of mine because I had occasion to look at some of the blueprints for Yukon College some months ago. I am not even sure which phase or which buildings now, but there was addendum after addendum after addendum — I mean it was almost a library of books of changes with each set of books. The consequent cost and puzzlement and problems for the small contractors, in even trying to understand what the changes were and trying to keep abreast of them was really quite horrendous. I think I will leave that unless there is another question.

**Mr. Lang:** With respect to the management of projects in general we have had experience from our acting as an agent and contracting out the work and having our own inspectors on the job to insure that they are meeting the standards and that is generally the normal way of contracting.

My question is on the question of project management on the larger contracts. I would like to know how the government feels with respect to the overall project management style that was implemented over two years ago, primarily with the College and the Justice Building. Is it the intent of the government to continue that type of management on larger projects?

**Hon. Mr. Penikett:** I wonder if the Member will permit me to defer a detailed answer to that question until we get to the Government Services Estimate. I think the Minister there will be able to speak to our experience. By way of a preamble or an overture to an answer, the Member knows it has been a controversial instrument, not only with the construction building trades, but also with service contractors of a certain size who felt that this process may have displaced them. How we proceed with contracts that are going in the future, such as the schools and so forth, we will have to review our experience with that.

I would like to suggest that we defer a detailed discussion on that until we get to Government Services. Perhaps the Minister might give us one?

**Hon. Mr. Kimmerly:** I will answer generally and briefly answer now. I would separate project management as project management within the management of the civil service, which will continue, and project management of large buildings — like the Philipsen Building and Yukon College and the proposed Dawson School. The Contractors Association and various labour organizations in Yukon have submitted to us that a total policy of project management will not achieve as much local hire as would contracting out the whole project.

There is a level here that is extremely important. Some contractors are telling me that we should be contracting the entire project for projects under approximately \$10 million, or doing that for some projects. That is something that we are looking at very seriously.

The question is a very important one, and I am interested in the comments of Members opposite. Generally, let me say that we are not wedded to contract administration for, for example, the Dawson School, the next large project.

**Mr. Lang:** I recognize the dilemma the government is in. I also recognize the pitfalls of going to major contractors. All of a sudden

you are in a situation where you may have closed union shops, which requires people being from BC and coming onto the worksite, in many cases. You face that on the one side.

I wanted to further explore with the Minister the statement that it would be more local hire if it was strictly one contractor. I ask this because it was an accepted fact that, during the time when we were just coming out of the recession — and I refer specifically to the Andrew Philipsen Building — my understanding was that all the contractors on the site, except for structural steel, were local contractors and everybody was local. They were living here and working on the site.

<sup>21</sup> I think I could verify that that statement is correct because of my knowledge of the people and the fact that I used to walk by there, and I knew most of the people. We do have some guidelines and cornerstones to go on. We do have the Andrew Philipsen Building. We do have the first phase of the community college to refer to for procedure and project management. In view of the Minister's knowledge, and what has been compiled within government and how it relates locally, I would like to hear his comments on that.

**Hon. Mr. Kimmerly:** I will be prepared in more detail at the debate on Government Services. The percent of local hire on the Philipsen Building was 92 percent. It depends. If you count the person hours of employment, the dollar amounts of the contracts or the number of contracts, you get slightly different figures. It is about 90 percent better than that.

I will report on our experience to date on Yukon College, and there are some comparisons of previous buildings as well. I would be interested in the comments of any Member about the future policy. I would recommend that we postpone the detail of this debate to the Government Services debate.

**Mr. Lang:** While we are pursuing the question and method of contracting, there have been some concerns expressed with respect to the amount of money being allocated to unorganized communities and some municipalities, how the government is going to deal with those projects are going to be dealt with by the government. I would like some idea from the Government Leader or the Minister of Government Services how these projects are going to be handled.

I think it is important that whoever is handling the contract has some contractual procedures so that the contracts are not only handled properly, but they have to be perceived to be handled properly. If we are talking about \$500,000 projects in some of the smaller communities, I would like to know what the policy of the government is going to be with respect to handling the actual contracting out of these monies.

<sup>22</sup> **Hon. Mr. Penikett:** It is indeed a very important question that I think bears some discussion. I wonder if we could, with the Members' indulgence, either wait until we get to Community and Transportation Services, which is the first large line item in the Budget, and get into some kind of detailed explanation there, or would the Members prefer to wait until we get to Government Services? I would suspect that C and TS would be a better time, and I would ask that both Ministers be prepared to discuss that item when we get to it, if that is acceptable to the Members.

**Mr. Lang:** That is fine. I just have one more question. There are a number of programs pertaining to the Budget where I know there is information available from the government; namely, for example, the question of Special ARDA, there are some housing projects, and things of this nature where studies have been undergone, there have been analyses done. I am wondering if that information could be made available to the House so that we may have it to read a day or two ahead? For example, three housing studies have been done and were, I gather, released yesterday. We still do not have copies of them, things of this kind — the custodial study and that kind of thing. Could they detail it, and we could have an idea and get them ahead of time as opposed to having us stand up here and use ten minutes of *Hansard's* time trying to get the information?

**Hon. Mr. Penikett:** The Minister responsible for the Housing Corporation advises me that he will be tabling the three housing studies referred to by the Member tomorrow. The only study that I know of, which I think has bearing on what the Member asked for, in the new Capital programs that I have, is already public, I think

— The Access to Capital Study. Perhaps we could get back to the other ones that the Member referred to.

**Mrs. Firth:** I just wanted to follow up a bit with either the Minister of Government Services or the Minister of Economic Development about project management to see if I understood it correctly in the way that the Minister described it. Do I understand that some projects will be managed by government employees and, then, is there a possibility that large projects will be tendered out and a private project manager will be managing a project?

**Hon. Mr. Kimmerly:** Again, we will get to this in more detail, but the general answer is yes, that understanding is correct. The Civil Service, or the Department of Public Works, has a project management regime for the purposes of the government management of a project, whether or not it is tendered to one contractor or several, or done entirely in-house. That management style in the department, I understand, is now not controversial, and we are not contemplating any change.

The only change that is contemplated is on the past two major projects: the Philipsen Building and the Yukon College, being three major buildings. The government hired a private sector project manager. The contractors in the Yukon are telling the government that it is time now to contract with a general contractor for a fairly large project. For example, the Dawson School would be in that category.

<sup>23</sup> **Mrs. Firth:** The Minister may be able to answer now. If not, I can give the concern I have as notice and we can discuss it later. The regime that the civil servant follows in the project management and the decision-making process will be one style of management, and then the private sector would have their own style. My concern is the accountability factor. In the private sector, if something happens on the project, you can go after the project manager, but if the civil servant project manager makes an error in judgment, then the government is left picking up the price tag. It would seem to me that it would be to the government's benefit to utilize the services of private sector project managers. Is the Minister prepared to comment on that?

**Hon. Mr. Kimmerly:** I would again suggest that it would be more appropriate under the lines of budget. In a very general answer, it is sometimes — and I would suggest perhaps most of the time — easier to find the proper accountable person if you have a single private sector contractor, possibly a general contractor, on a larger project. The contract is clear as to who is responsible for mistakes. That is easier than the contract with a project manager and a second stage of private sector contracts.

I will discuss all these at the appropriate line item.

**Mr. Lang:** I think this is the appropriate time to raise my general area of concern, and it is in the question of the tendering of contracts and the timing thereof. I do not think it is any secret. One of the reasons we are in the House today is because we have a Capital Budget that does not come into effect until April 1, 1987, but we are giving you vote authority. There is money that has been spent and taken out of the 1987 portion that was spent in the planning process and getting the tender documents together.

Even now, I see tenders going out in the newspaper and being advertised. I will use the infamous liquor warehouse that the Minister of Justice says we need and I say we do not need. The reality is that it was not tendered until the fall. We had a raging debate in this House on whether or not we were going to spend certain dollars for a project, and the majority carried the day. That is fine, and I accepted those realities.

Why are we pouring concrete in 20 below weather? Why is it taking so long in getting some of these projects out to tender so that we can utilize the good weather that we do have for the purposes of construction.

<sup>24</sup> **Hon. Mr. Penikett:** I cannot comment on the 20 below concrete, but the procedure is that while we may let out a tender as the budget goes through, we cannot actually contract or pay anything on a contract until April 1. We cannot give any money to anyone. We can advertise. We can offer the tenders now. We can take advantage of the winter, the advantage of having the Capital Budget in now. That lead time, from a planning point of view, is getting more and more critical especially with a budget of this size.

Nothing can really be spent on the job. We cannot give contractors any money until April 1.

**Hon. Mr. Kimmerly:** The liquor warehouse was mentioned as an example. The reason is twofold. I consider the representations of the Member opposite extremely seriously. We were able, by reassessing some of the design features, to save a lot of money on that contract. I will report on it later. It was tendered twice because of misunderstandings in the original tender. Those are the reasons, but this is the wrong time to discuss it. I apologize.

**Mr. Lang:** I am pleased to hear that the Minister takes my representations seriously. I think he should always take my recommendations seriously because I have a fair amount to say. In time, he learns that. I use that as an example because I have to drive by there every day on the way home.

Is there a schedule being drawn as to when it is expected that the projects will be publicly tendered, so that the planning and the tendered documents are completed by April 1, or January 30, or whenever, so that there are some expectations by the government as to when they will be tendered? The reason I ask this is because I recall when we were government I do not think that anyone ever did that. It may have been done administratively, but it was not done politically. A schedule was not drawn up as to when these contracts were being tendered.

Budgets were passed with all good intentions and understanding that projects would be done expeditiously. In some cases, I do not think that it was politically bird-dogged the way they should have been to ensure that the contracts were out to tender at an early date in the spring. Does the Minister of Government Services have any comments on that?

**Hon. Mr. Kimmerly:** I thank the Member for that suggestion. It has been a problem, and it is one that leads to lapsing the funds, as well. That is a potential embarrassment for us. We have paid attention to it. I have personally paid attention to it in a global way, not on a project-by-project basis, but the project managers have been directed to establish a time line per project, exactly as the Member suggests.

<sup>23</sup> On a local or government-wide basis, I have determined that I should pay a little more careful attention than I have in the past year. I have already arrived at the same conclusion that he suggests, and it is a very good idea in my opinion, also.

**Mrs. Firth:** My concern about the contracting and the method to follow up that the Member for Porter Creek East is asking is this: when the budget projects are identified, how does the government really know whether it has the capability, the manpower or the workforce within the community to complete those projects and to do it in a relatively good time so they are not put in a position, as the Minister has said, of having a lot of lapsed funds. If there are lapsed funds, it is for maybe two or three reasons. They are either extremely inefficient in getting the projects tendered or getting the work, or they are a bit ahead of what the community can really provide in the way of a workforce to complete the projects or to even start some of them. What consideration is given to that?

**Hon. Mr. Penikett:** The problem of available resources in the community has not been a huge one in the past, although with the size of this Capital Budget we may be stretching the limits. I think the biggest problem in terms of the construction cycle we have in the short season has been the planning, the front-end work, and it is one of the reasons why we are, in fact, trying to get some moving. Most provincial governments that you talk to have plans on the shelf or do last year's planning and do it this year. We, as we to be able to actually build something, they can pull the plan off the shelf or do last years planning and do it this year. We, as we develop our sophistication and maturity as a government and are using our capital plan increasingly, will be able to do the planning in one year and use the engineering services that may be available and then do the construction in subsequent years. Previously, as I am sure the Member knows, that was not possible to do, so there was a scramble in the very short season to do the planning and to do the front-end work in a very short construction season. That, in the end, is the long term solution to that.

**Mrs. Firth:** My concern is that far be it for me to suggest that we have too much money to spend, but I think, in relation to our

resources, we may find that that is so. I am concerned that we have the ability to spend all of this money on projects within the time period that is given, which might sound like a normal time period, but is very short when it comes to tendering and getting projects started.

I would like to know if there is any impact on person years as a result of the budget.

**Hon. Mr. Penikett:** Yes, there are as a result of this budget. I think we have discovered that one of the things that we have to contend with in terms of the Capital Budget is that we do need people to deliver it. As a result, we have quite a large number of term person years tied to this budget. In other words, they live and die with the capital projects.

<sup>26</sup> There are 30.015 term person years associated with this Capital Budget, three indeterminate person years — those are permanent positions — for a total of 33.015. I do not have that information typed up. If the Member would like, I can give a typed up version broken down by department.

**Mrs. Firth:** I would like that, if the Government Leader is prepared to bring it forward. In a general sense, are the majority of the person years within the Government Services and Community and Transportation departments, where I imagine most of the work would be done?

**Hon. Mr. Penikett:** There are 6.415 in Community and Transportation Services. Three of them are in Economic Development to deliver those capital programs, of which there are some that are new. The largest single block of them is 14 in Government Services. There are six in Tourism. I believe the Members will get an explanation of that, but those are the largest groupings.

**Mrs. Firth:** I did not hear, but was the first one for Community and Transportation Services, 6.4?

**Hon. Mr. Penikett:** No, 6.415.

**Mr. Phelps:** We have been debating all these figures. Getting back to a problem with the overview, in terms of the spending of the government at this time and this huge Capital Budget this year, it has gone up considerably. We do have a situation where the deficit of the year presently stands at \$17 million, and where projected revenues for next year are going to be decreased with the medicare by somewhere between \$2.5 million and \$3.5 million, depending on how many people are projected.

The Minister will concede that there is going to have to be a pulling back soon, because we cannot run this deficit forever without losing our surplus.

<sup>27</sup> **Hon. Mr. Penikett:** Last year we were talking about an annual deficit because of lapses, both in O&M and in Capital, but we ended up with a surplus. It, in fact, increased the accumulated surplus. This budget is expected to draw down the surplus in a way that is sustainable. I should say, looking beyond — because I take it that that is the implication of the Member's question — that there will be a levelling off of the capital expenditures in the year beyond that. If our plans are correct, that will be accompanied by a further reduction in the level of unemployment and an increase in the level of business activity in the private sector. There will be a continuing effort on the part of this government, out of consideration for a long term interest, to keep some kind of effective control on the growth of our O&M Program expenditures.

**Mr. Phelps:** My point is about the projected deficit for the year of \$17 million. With reduced revenues, the government is going to be forced, sooner or later, to cut back on expenditures. That is going to have obvious effects on employment from government capital projects, based on the figures. My concern is whether or not this government is planning to pull back on the throttle and reduce capital expenditures in future years, or does it think that it can continue running at a \$17 million plus deficit?

**Hon. Mr. Penikett:** No, that is not contemplated. I see a levelling off of capital expenditures next year and the year beyond. I hope to see a reduction in the lapses as our ability to spend the capital budget at this level improves. We have, in our current circumstances, both lapses of budgeted deficits, which do not occur at year end, and lapses that ensure that the projected deficits do not happen.

I see a combination of circumstances. Our revenues, I do not

think, will go down next year. The opposite, I think, will be the case. We will spend this level of capital that is voted here. We will have a controlled increase in the O&M expenditures.

At the end of the year we will have a surplus that will be reduced, but we will be in a surplus for next year, the year beyond and I expect for some years to come.

**Mr. Phelps:** I am just going by your figures and the deficit, after approval of the Supplementary No. 2 that we are dealing with, is estimated to be \$17,187,000, which would be financed out of accumulated surplus grants. Next year, you are also getting into a situation where you will be lacking revenues overall from the health care premiums. So, at the end of this year, your surplus will be down to \$45 million roughly. Of that, \$18.5 million is land held, \$1 million is the loan to the British Yukon Navigation, and \$14.2 million is long term receivables. This really talks in terms of current assets, when I went to school, of roughly \$12 million and possibly what comes back from the land held for sale, and so on. It cannot be a tremendous amount over the \$33 million that is held up in long-term assets if you count land as such.

I am really trying to get a picture of how this government thinks it can continue without running out of cash or at least running the surplus down and actually borrowing against long-term assets.

**Hon. Mr. Penikett:** That is not what we are contemplating. The original Five Year Capital Plan that we talked about was a reduction in capital spending to the point where the run-down infrastructure was replaced. I cannot, with respect, get into our projections about revenue increases next year. The Members will be able to anticipate what the probable implications of formula financing are. I cannot get into it in great detail without being guilty of speculative budget leaks about the O&M Budget, which we will present in the spring.

I am going to say, as I said last year, when alarm was raised about the condition of the territory's treasury, that we are not in danger of putting ourselves into a deficit. We have a healthy surplus. Last year, it was a \$41 million surplus. The surplus that we go into this budget debate with is \$62 million plus. I have a reasonably good idea in my own mind now about where we are going with the O&M expenditures and the revenue situation for the coming year. I can just say that alarm on this score is not warranted.

In view of the hour, I might, by popular demand, report progress on Bill No. 7.

*so Motion agreed to*

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

*Motion agreed to*

*Speaker resumes the Chair*

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

**Mr. Webster:** The Committee of the Whole has considered Bill No. 7, entitled *First Appropriation Act, 1987-88*, and directed me to report progress on same.

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

**Some Hon. Members:** Agreed.

**Speaker:** I declare that the report has carried.

The time now being 9:30, this House now stands adjourned until 1:30 p.m. tomorrow.

*The House adjourned at 9:30 p.m.*

**The following Sessional Paper was tabled December 10, 1986:**

86-3-79

Proposed amendment to the Constitution of Canada concerning property rights, adopted November 27, 1986, by Legislative Assembly of Ontario (Speaker - Johnston)

**The following Legislative Return was tabled December 10, 1986:**

86-3-18

Contract let for cultural survey (Porter)

Oral, Hansard, Page 137