



The Yukon Legislative Assembly

Number 67

3rd Session

26th Legislature

HANSARD

Wednesday, January 28, 1987 — 1:30 p.m.

Speaker: The Honourable Sam Johnston

Yukon Legislative Assembly

SPEAKER — Honourable Sam Johnston, MLA, Campbell

DEPUTY SPEAKER — Art Webster, MLA, Klondike

CABINET MINISTERS

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

GOVERNMENT PRIVATE MEMBERS

New Democratic Party

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|--------------|----------|
| Sam Johnston | Campbell |
| Norma Kasal | Old Crow |
| Art Webster | Klondike |

OPPOSITION MEMBERS

Progressive Conservative

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

Liberal

James McLachlan Faro

LEGISLATIVE STAFF

| | |
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| Clerk of the Assembly | Patrick L. Michael |
| Clerk Assistant (Legislative) | Missy Follwell |
| Clerk Assistant (Administrative) | Jane Steele |
| Sergeant-at-Arms | G.I. Cameron |
| Deputy Sergeant-at-Arms | Frank Ursich |
| Hansard Administrator | Dave Robertson |

⁰¹ **Whitehorse, Yukon**
Wednesday, January 28, 1987 — 1:30 p.m.

Speaker: I will call the House to order. We will proceed at this time with prayers.

Prayers

DAILY ROUTINE

Speaker: At this time we will turn to the Order Paper.
 Are there any Introduction of Visitors?
 Are there any Returns or Documents for Tabling?
 Are there any Reports of Committees?
 Are there any Petitions?
 Introduction of Bills?
 Are there any Notices of Motion for the Production of Papers?
 Are there any Notices of Motion?
 Are there any Statements by Ministers?

MINISTERIAL STATEMENTS

⁰² **Meeting with the hon. Joe Clark regarding Alaskan Sale "97" and "1002" Lands**

Hon. Mr. Penikett: I wish to report to the Legislature today on our government's recent meeting in Toronto with the hon. Joe Clark, federal Minister for External Affairs.

As you are aware, our Legislature recently expressed its concern on two matters of great concern to Yukoners: the Alaskan Sale 97 lands, offering possible oil leases in an area of the Beaufort Sea under jurisdictional dispute; and the Sale 1002 lands offering possible oil leases within the Arctic National Wildlife Refuge in an area of sensitivity to the Porcupine caribou herd. Our telex to Mr. Clark of December 8, 1986, expressing our concern, was acknowledged in a letter from Mr. Clark on December 30, inviting us to discuss matters further with him. This we did last Friday in Toronto.

Our meeting produced a better understanding between our governments of our respective concerns and of the importance and priority we attach to these issues.

On the Sale 97 lands, we learned from Mr. Clark that the United States government has put the exploration leases it intended to offer in the disputed area of the Beaufort Sea in escrow for an unspecified period of time. In effect, this indefinitely postpones the issuance of leases without abandoning their claim to the area under dispute. Mr. Clark indicated that, for the time being, this was a preferred position, offering the opportunity to carefully weigh future options for pursuing Canada's claims. Clearly, this does not resolve the issue, but the decision by the United States does allow our governments to consider the most opportune time and method for advancing our interest in the area.

Mr. Clark also committed the federal government to discussions between our governments over possible interventions on the Alaskan 1002 lands. Clearly, he recognizes the potential impacts development in the Arctic National Wildlife Refuge would have on the Porcupine caribou herd's calving grounds. We stressed to Mr. Clark our opposition to any development in the area that would negatively affect the herd's population and strongly urged the federal government to consider a similar position. It was our understanding from our meeting that the federal government would take a position on the matter after our officials have the opportunity to meet in Ottawa next week. Subsequently, they will make a representation to the United States government on that development.

In our discussions concerning an international treaty to protect the Porcupine caribou herd, Mr. Clark indicated his belief that a negotiated agreement would be preferable. Such an agreement would hold the same force in law without requiring further lengthy delays prior to congressional approval.

Both the Yukon and federal governments remain committed to the long-term health of the Porcupine caribou herd and the protection of

our mutual interests in the Beaufort Sea. We will continue to meet with one another, and with Alaskan officials, to ensure just that.

⁰³ **Mr. Phelps:** The problem with this Ministerial Statement, and some others, makes us, on this side, wonder why news that has already been disseminated throughout the Yukon and the media has to be regurgitated here.

We are in support of the position that has been taken by this government on the issue of Sale 97 Lands and the Alaskan 1002 lands. We are pleased to see that they have had these meetings, and we fully support these actions. With regard to the concept, a negotiated agreement would be preferable to trying to have a treaty ratified in the U.S. That is a position that we find acceptable. In fact, in previous years, we had active discussions with the Alaskan government to see whether even a lower level agreement might be put in place to delay a higher level agreement between the two nations — that is, an agreement between the territories and Alaska, or even Yukon, in order to get something in place to try to protect the calving grounds on the Alaskan side of the border.

Once again, we support the actions taken, and we are pleased to see that the government does see this as a priority.

⁰⁴ **Speaker:** This then brings us to Question Period. Are there any questions?

QUESTION PERIOD

Question re: Contract directives

Mr. Phelps: Yesterday in Question Period there were some questions raised about the manner in which tenders were put out for cutting timber with respect to the Watson Lake Forest Products situation. Yesterday, the Government Leader, in reply to a question of mine, said that he would be prepared to table the exemptions from the contract directives that were passed by Management Board.

I would first like to know when we are going to receive that information.

Hon. Mr. Penikett: I should be able to pull the necessary information together this week. I apologize for not having it today, but I just do not. I have been otherwise preoccupied this morning.

Mr. Phelps: I did not expect the Government Leader to do that work on his own. He has a staff.

The issue of urgency is here, and it is a topical issue. My concern, and I would like to ask the Government Leader to respond, is whether or not, prior to exempting the Yukon Development Corporation from the contract directives, the Management Board was satisfied that objective directives or criteria would be in place for tendering by that corporation.

Hon. Mr. Penikett: Let me answer the question in this way. The independence or semi-independence, however you want to describe it, of the Yukon Crown corporations from this government, whatever the administration, has been recognized for quite some time, in order to allow them to operate in a businesslike manner where necessary. As the Leader of the Official Opposition will know, the previous government in 1984 exempted its three Crown corporations, the Yukon Housing Corporation, the Yukon Liquor Corporation and the Workers' Compensation Board, from the regulations of the day, mainly for their own internal financial administration and for contract tendering.

The exemptions that are provided are, of course, not blanket exemptions, and I think it is clearly the government's wishes that the corporation will develop its own procedures over time. It cannot obviously do all of those overnight. This will ensure the public, who are its owners, that it will operate in a fair, businesslike and equitable manner.

⁰⁵ **Mr. Phelps:** I take it from the answer of the Government Leader that the government exempted the Corporation from the contract directives when there was an entire void with regard to procedures that would be utilized by the Corporation. Is that the case? Is the Government Leader saying that the Corporation was exempted and there was nothing in place of the directives to ensure fairness in dealing with the public?

Hon. Mr. Penikett: No. As the Member will recall from the debate on the legislation establishing the Yukon Development Corporation, the similar requirements of the *Public Service Commission Act*, the *Financial Administration Act* and others operate or govern activities of the Corporation.

We, in establishing the Corporation, are going to be, in the next period of time, much more explicit in the mandate that the Corporation will be given. Our expectation is that the Corporation will be developing its own rules and internal procedures. Those will be consistent with those that are in effect in the commercial environment of well run corporations and will enable it to function properly and serve the ends for which it was established.

Question re: Contract directives

Mr. Phelps: The Government Leader has not really met this issue head long. Perhaps it is of embarrassment to him and his colleagues. The issue is fairly simple and straightforward. The reason for contract regulations, or contract directives, is to ensure that there is objectivity in dealing with members of the public bidding on jobs that are funded by the public.

We are extremely concerned that all contractors be treated with fairness and with the same kind of criteria, regardless of their political affiliation or place of residence in the Yukon.

What was in place when they passed these regulations so quickly, exempting the Corporation, that would ensure that Yukon taxpayers — Yukon contractors — would be treated fairly when it came to tendering for projects that would be carried out with government money?

Hon. Mr. Penikett: I believe I indicated to the Member before that I would come back with specific answers. I believe I have also indicated that the corporations were not given a blanket exemption. The exemption that was extended to the Yukon Development Corporation was the same exemption that the three Crown corporations already in existence were extended by the previous government. That was done so that the Corporation could be activated quickly to deal with the crisis in Watson Lake.

I have no dispute with the Member's assertion that we will want the corporations to operate fairly and properly. The Crown corporations of the Yukon government, except in unusual circumstances, do offer public tenders, and they do treat people in a fair and business-like manner, and they do operate with proper independence from political interference, which is as all Members in the House would wish it.

Mr. Phelps: What happened here is that tender notices were published in the newspapers back in December. Anybody reading the tender notices in the newspapers would have to think that they emanated from the Yukon government. There is nothing in the tender notices themselves that would lead one to believe otherwise. We have a situation where contractors bid on these tenders.

Speaker: Order, please. Would the Member please get to the supplementary question.

Mr. Phelps: Does the Government Leader not think that these people were led astray when there were no ground rules in place as to how the tenders were to be treated, so that these people could waste a lot of money, have a low bid and yet not be accepted, there being no objective rules put into place as to why they would not be accepted.

Hon. Mr. Penikett: I do not accept the Member opposite's argument at all. I explained in this House before Christmas, and in a public meeting with the Watson Lake Chamber of Commerce before Christmas, the procedure this government intended to follow in order to expedite the work of getting the Crown Corporation functioning, getting the mill functioning and getting tenders issued so that people could get into the woods, as was necessary, quickly.

I told the House that the government was taking the initiative of putting out the tenders, and I told the House that it was our intention that the Yukon Development Corporation would be making the decision with respect to those tenders. We advertised the tenders for the logging on the Yukon and BC timber leases on December 24, 1986. This was done to expedite the bids and to allow the build up of the inventory logs as soon as possible. The Corporation was not legally in place — and I would have done it

earlier if it could have been done — until the proclamation of the Act on December 29. Once the Corporation was established and the Board appointed, we always made our intentions clear that it was going to be the Board that made the decisions about the tenders.

The tender documents made it quite clear that the low bid would not necessarily be accepted. The Board looked at the experience of the bidders in carrying out the logging operations and delivering the logs according to the quality and the time requirement.

Speaker: Order, please. Would the Member please conclude his answer.

Hon. Mr. Penikett: Of course, Mr. Speaker, but it was a very long question.

They wanted to look for assurances about local hiring, business opportunities and the track record of the individuals in carrying out these operations. They made their decisions according to proper business considerations, and I have no reason to second guess their decision.

Mr. Phelps: Does the Government Leader not realize that there are contractors in Watson Lake who feel they have been unfairly treated, who were told that the people who would be successful were already named prior to these tenders going out, and who had discussions on the phone with the Deputy Minister at some length? Does the Government Leader not understand that, and does he not share our concern that government tenders and Crown corporation tenders be put out in a way that has the appearance of fairness so this kind of thing does not happen in the future?

Hon. Mr. Penikett: I would obviously want to have now, and in the future, every appearance of fairness and also proper business practices. I do not accept the assertion of facts made by the Member opposite.

I know that the bids closed on January 15. I know that the Board went to Watson Lake on January 16. I know that the Board met the Community Advisory Group, which we established to give us local input and advice on questions surrounding the operation of the mill. They subsequently made their decisions about the issues of the tenders; they did not consult with me about them. They made the decisions, I believe fairly; they made the best decisions in the best interest of the operation, and of the community and I believe in the best interest of the people who were submitting tenders.

Question re: Dangerous goods

Mr. McLachlan: I have a question for the Minister of Community and Transportation Services.

I am wondering if the Minister can tell me specifically and the Legislature in general, if the Minister has instructed the Dangerous Goods Coordinator of the Government of the Yukon Territory to inspect the facility in Faro, which is, as we now understand, going to be there to hold and to handle the dangerous PCBs as well as the transportation mechanism by which those PCBs are supposedly to be transported to Faro?

Hon. Mr. McDonald: I am somewhat familiar with NCPC's proposal to store PCBs in that secure location in Faro. I would expect that the Dangerous Goods Coordinator would, irrespective of whether or not he has specific direction from me, be involved in the planning and ultimately the operations of that storage facility.

Mr. McLachlan: I would like the Minister to correct me if I am wrong, but it is my understanding that there are no fire-fighting detachments in the Yukon, and specifically in Whitehorse and Faro, who are equipped at the moment to handle the effects of a PCB fire. Is that the Minister's understanding as well?

Hon. Mr. McDonald: I am not sure what the capabilities of the Whitehorse firefighting department are. It is a rather sophisticated firefighting department. I can check on the capabilities on the firefighting department in Faro. I can assure the Member that if there is any concern whatsoever that a fire could happen, even in the remotest of possibilities, the Faro firefighting force would be trained in the handling of that eventuality.

Mr. McLachlan: I want to assure the Minister there is some concern about those people who are on a volunteer basis now having to upgrade their training significantly. Is the Minister willing to make the commitment here today, that the Department of Community and Transportation Services, through its Protective

Services Division; would be prepared to train or provide the extra training for firefighter capability firefighting squads in Faro to handle the possibilities of a PCB fire? May we expect that to happen soon, if this is to be a reality in Faro? Will he put the courses on soon?

Hon. Mr. McDonald: I can commit that the Department of Community and Transportation Services will provide for, or assure that, the training is undertaken for the firefighting force in Faro. I am sure that the Member will realize that, very soon, I would suspect there would be municipal elections in Faro. A date has not been set, but the municipality will be responsible for firefighting capabilities. We will assist in any way we can to ensure that any unusual circumstances that the community may face, as a result of this particular operation or anything else, can be met through proper training.

Question re: Yukon Housing Corporation, Elsa teacherage

Mr. Lang: I want to refer back to the question of contracting and contracts, and the principle that some projects are not being put out to public tender. Just to refresh Members' memories, I refer to the residence for teachers in Elsa, where \$100,000 of taxpayers' money was spent, but was not publicly tendered. United Keno Hill Mines took the contract and contracted with their particular contractor and, therefore, Yukon contractors did not get a chance to bid or tender on the project.

Are there any other projects such as this that have been done in this manner which, in conclusion, pre-empted or precluded Yukon contractors to publicly tender on projects of this kind?

Hon. Mr. Kimmerly: The question is a convoluted one. It implies that, in any answer, there is an acceptance of the preamble to the question.

I do not accept the preamble of the question. The contracting and the purchasing of this government follows rules that are well established. It has done so, it is doing so now, and it will continue.

Mr. Lang: The fact is, and it is fact, there is a \$100,000 project that was not tendered publicly vis-a-vis the policy directives so that all Yukon contractors could bid on the \$100,000 teachers' residence in the Community of Elsa. The government has admitted that. Are there any other projects that have been done in the past year in that manner that we are not aware of?

Hon. Mr. Kimmerly: The fact is that the government bought a house from the Elsa Mine. The fact is not that any contract directives have been violated in any way. The answer is that there are no projects that involved breaches of the contract directives.

Mr. Lang: I hope it was not the intention of the Minister to mislead the House. Is it not correct that the Government of Yukon, through the auspices of the Yukon Housing Corporation, granted United Keno Hill Mines \$100,000 to hire a contractor to build a teachers' residence for the Department of Education?

Hon. Mr. Kimmerly: The Member opposite ought to be asking the Minister responsible. The answer that I heard, and it is on the record here, is that the government has purchased a house. Actually, the Yukon Housing Corporation purchased a building, not the government proper. That is the fact. The way it was done is not in my Ministry.

Question re: Yukon Housing Corporation, Elsa teacherage

Mr. Lang: Could the Minister of Community and Transportation Services tell me if it is not correct that the Yukon Housing Corporation paid United Keno Hill Mine in the vicinity of \$100,000 to build a teachers' residence in that community on behalf of the Department of Education?

Hon. Mr. McDonald: Firstly, my title here is not the Minister responsible for Housing, but Minister responsible for the Yukon Housing Corporation. It is a technicality I am sure that could be missed by the Member for Porter Creek East.

The Yukon Housing Corporation, under the guidance of the Board of Directors, sought to purchase a house in Elsa. When they were told that the house could be had by the end of this calendar year for a certain price, they indicated that they would be prepared to buy it.

Mr. Lang: I do not know how I can make the question more

clear. Is it not correct that the United Keno Hill Mines had to build that house on behalf of the Yukon Housing Corporation in order to provide a house for the Department of Education? In other words, it was not strictly an acquisition, it was a contract to the United Keno Hill Mines to build that house.

Hon. Mr. McDonald: Firstly, the money has not been transferred. It is just a technicality that may or may not be important to Members opposite. The Housing Corporation did indicate that if the mine was to build a house or to offer any house by a certain time, they would purchase it.

Mr. Lang: What price was quoted by United Keno Hill Mines to the Yukon Housing Corporation in order to build the teacher residence required in the community of Elsa?

Hon. Mr. McDonald: I do not know. I will have to check on that detail.

Question re: Yukon Housing Corporation, Elsa teacherage

Mr. Lang: That does not surprise me.

Did the contractors throughout the territory, whether in Mayo, Dawson City, Whitehorse, Watson Lake, or anywhere else, through public notice, get the opportunity to bid on this publicly-funded dwelling?

Hon. Mr. McDonald: As I indicated a number of times in the Legislature, the Yukon Housing Corporation Board, in its considered opinion, facing time constraints to get the principal and principal's wife out of living in the library in the school, at a border season that was edging up against the winter weather, dealing with a situation where all the land is owned or leased by the mine, where the municipal services are owned or leased by the mine, facing a situation where they could not tender for a project themselves in any case on land that they did not control, sought to get a house in the fastest way possible to meet the needs of the Department of Education and the government.

In their considered opinion, they proceeded to try to secure a house. It is my understanding that they indicated to United Keno Hill Mines that if there was a house to be had, they would purchase it. The mine said that they would be prepared to build one and have it ready, if they could not find one themselves, and so that was agreed to.

Mr. Lang: The money that we are talking about was voted a year ago last November. The reason for that Capital vote was to put the necessary plans into action so that we could get our public tenders out. I want to clarify that.

Is it then not correct that the public tendering process, as per the contract directives, was not followed with respect to this particular project?

Hon. Mr. McDonald: As I have indicated some days ago, there were delays in the project that caused a decision to go ahead to be made at the end of the construction season. That was the reason why the situation was as it was.

With respect to the other matter, it is as it has been explained to me by the Board of the Directors exactly how the decision was determined.

Mr. Lang: We have expressed a great deal of concern about the question of policy directives being secret law, as opposed to open law, vis-a-vis the regulations, i.e., the decision for the directives that nobody knew about.

The Minister of Government Services has committed himself to putting the policy directives back into regulations. I believe the public statement was made approximately two months ago. Is the Minister going to meet the February 1st date, in order to have the law back in place as it should be?

Hon. Mr. Kimmerly: The innuendo about secret law is a joke and nothing more. It was interesting that, for the first time, this government consulted about the directives with contractors and, for the first time, published it in a booklet form for the public. Secret law is an absolute joke.

The date was not February 1st, it was February 28th. I have asked the drafters to prepare a draft for consultation and discussion with the Contractors Association at a meeting which, I believe, will occur February 4th. I may be wrong on the date, but we are well on schedule.

Question re: Young offenders facility

Mr. Phillips: With respect to 501 Taylor Street, can the Minister of Health and Human Resources tell the House if there are any youths presently in that facility? If so, how many?

Hon. Mrs. Joe: Yes, we do have five young people in that home now.

Mr. Phillips: Were the young people who were put into that home just moved from other homes in the Yukon to that home recently?

Hon. Mrs. Joe: We had some move from the Assessment Centre and some from 5030-5th Avenue.

Mr. Phillips: As the Minister knows, as well as the other Members on that side and the people of the area know, the use of this house has been under severe question, and has also been a question of appeal and is now going to be appealed. Why did the Minister proceed with all the renovations and actually move students into that house prior to hearing the appeal? The government is reluctant to move on other questions like overlap, but is very quick to move on something like this. If the appeal goes the other way, we could have spent an awful lot of taxpayers' money.

Hon. Mrs. Joe: We did not make these moves very quickly. We waited until after the appeal period from the decision of the Municipal Board was up before we did the renovations. We have not had anything in writing from the City, except what we have seen in the newspapers and heard on the radio, that there was going to be an appeal. While I was away last week an official from the City did come to my department and did suggest or recommend to us that we put a hold on the opening of 501 Taylor, but we already had the young people in it.

Question re: Education, Deputy Minister of

Mrs. Firth: My question is to the Government Leader regarding the Deputy Minister of Education.

Can the Government Leader tell us if he has made a decision regarding this position yet?

Hon. Mr. Penikett: No. I have nothing to add to the answers I gave last week, or two weeks ago.

Mrs. Firth: Can the Government Leader tell us if it is true that the Executive Assistant of the Minister of Education is one of the applicants or not?

Hon. Mr. Penikett: I am sure the Executive Assistant to the Minister of Education would be extremely flattered by the recommendation from the Member for Riverdale South, but I have to tell the Member — I probably should not do this as it is a violation of convention about discussing personnel matters, but let me share this with the Member — the Executive Assistant to the Minister of Education is not on the short list. He is not on the long list. He did not apply.

Mrs. Firth: I am glad to hear that. I did not need all the hilarious commentary with it, but it was a relevant question to be asked.

Can the Government Leader tell me how many applications there are or when he is going to be able to tell me how many applications there are, since we asked about it two weeks ago?

Hon. Mr. Penikett: I believe I told the Member it was several dozen. I believe I told her I would communicate in writing the exact number. I am sorry I just do not have it at my fingertips.

Question re: Economic Council, agricultural member

Mr. Brewster: My question is for the Government Leader.

Some time ago I asked the Government Leader if he would reconsider his decision to not include an agricultural representative on the Economic Council. I also asked if it were not true that agricultural matters had been raised at the Economic Council meetings, and yet agricultural representatives were not invited to attend these meetings. Can the Government Leader now verify if this is true?

Hon. Mr. Penikett: I believe I just recently answered the question, and I will not be able to add to the answer I gave the last time the Member asked the question. I have not had occasion, reason or the time to review the Economic Council minutes since

the last time the Member asked the question, so I am not sure that I can add anything.

Mr. Brewster: It is true, but it is quite apparent that the Minister cannot verify it, so I will accept that they were not there. Will the Government Leader give his assurance that in the future, if agricultural issues or matters that would have a direct impact on agriculture are put on the Economic Council agenda, that representatives of the agricultural industry will be able to attend?

Hon. Mr. Penikett: No, I cannot give that guarantee. I do not set the Council's agenda. I do not determine who they will invite to speak. It is no longer, as it was during the previous government, a creature of the Cabinet. They set their own agendas, they decide their own business, they decide who they are going to invite, and I do not intend to take that power away from them.

Mr. Brewster: It is quite apparent the way things are run in this government. In refusing to give the agriculture industry a seat on the Council, the Government Leader has stated that the industry has direct access to the government through the Agriculture Advisory Committee. Would the Government Leader not agree that comparing the two committees is a bit like comparing apples to oranges, especially in the view of the broader mandate of the Economic Council and the opportunity for inter-industry cooperation?

Hon. Mr. Penikett: I suppose the representation of the Member is that somehow we are denying access of the agriculture industry to this government. This is not the case. We are very interested in agricultural questions, and they have a direct line to the department that is responsible. The Agriculture Association, including its very vocal president, who I understand is very close to the Member opposite, is participating very heavily in the consultations that we are having with the government. That is how it should be, and we welcome it.

Question re: Placer mining

Mr. Nordling: On January 14 and 15, 1987, the Minister of Economic Development said there were negotiations going on between DIAND and the Department of Fisheries and Oceans regarding effluence standards for the placer mining industry and that his officials were in frequent contact with all of the parties to the discussions. Could the Minister update us on the status of these negotiations?

Hon. Mr. Penikett: I cannot, today. I have been extremely busy with other matters, and I confess that in meeting with Mr. McKnight last week, this was not one of the topics that we had for our short meeting. I will undertake to put the question to my officials and, if Question Period or some other forum permits in the next few days, provide an update if I can.

Mr. Nordling: In view of our strong economic interest in this matter, I think it is appropriate that the government take a position that can be noted in the negotiations. I wonder if the Government Leader will instruct his officials to investigate the possibility of taking a written position for the negotiations?

Hon. Mr. Penikett: I will take the representation as notice. I previously indicated why, when you are in discussions between the responsible two departments of the responsible government and discussions involving the affected parties, that I am not sure that anything is gained by us coming in as a third force and insisting on a particular resolution.

I will put the suggestion of the Member to my officials again and see if they think it has any wisdom.

Mr. Nordling: The Minister previously said that he would be helping to facilitate negotiations, that his department would be monitoring. He spoke about a watching brief. My concern is that we do take a position that can be noted in the negotiations. I am not asking that the Minister insist on anything. I am asking if the Minister will take the position, on behalf of the Yukon government, that can be noted by the Department of Fisheries and DIAND, so that it is clear to them what the Yukon government's position is.

Hon. Mr. Penikett: Let me reiterate what I have reiterated before: the position that was taken by this Legislature, and which we have conveyed to the responsible parties, is well known to the federal government. We have been kept abreast of the developments. I will take under consideration what the Member suggests. I

want to reiterate again that our first priority is to see a resolution to the matter. If, as they appeared to be before Christmas, the parties were quite close to an understanding, then I would encourage them to come to a conclusion. If more recent reports indicate something else, then different strategies would be in order.

Speaker: The time for Question Period has elapsed.

Question of Privilege

Hon. Mrs. Joe: I rise on a question of privilege. Yesterday, in this House, the Member for Kluane made a statement, and I read it from *Hansard*, dated January 27, page 517, where he said, "I missed part of this because I was on the phone with a woman. When you get on a phone with a woman, sometimes you cannot get off."

The Member for Kluane did make this statement. I realize it is sometimes very difficult to change attitudes in the Yukon, but this government, through the Women's Directorate, has been working to promote gender equality in this government. I want to go on record to say that I, and I think I speak for many other women in the Yukon, object to this offensive remark.

Mr. Brewster: I certainly would apologize to the young lady on the other side. If that is all we have to talk about in this Legislature, I am rather surprised.

Speaker: Obviously there is no question of privilege so we will proceed with Orders of the Day.

Motions, other than Government Motions.

ORDERS OF THE DAY

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Mr. Lang: The House Leaders have reached an agreement on the order in which the Motions Other Than Government Motions should be called. This agreement requires the unanimous consent of the House and I would, therefore, request unanimous consent to have the following motions called in the following order: No. 92, No. 88, No. 82, No. 60, No. 85, No. 86, No. 89, No. 90, No. 93, and No. 91.

Speaker: Is there unanimous consent.

All Members: Agreed.

Speaker: There is unanimous consent. Proceed.

Motion No. 92

Clerk: Item No. 9, standing in the name of Mr. Lang.

Speaker: Is the hon. Member prepared to proceed with item No. 9?

Mr. Lang: Yes, Mr. Speaker.

Speaker: It has been moved by the hon. Member for Whitehorse Porter Creek East THAT it is the opinion of this House that the Government of Yukon should continue with the policy of contracting the distribution of lottery tickets with Sports Yukon and the Yukon Arts Council.

Mr. Lang: As you can see, we asked for this particular resolution to be the first order of business for the purposes of private Members' Day. We see it as an important pressing issue with respect to the question of government policy and the intention of government with respect to a major area of financing for the area of sports and art. We want to raise the issue in the public forum primarily so that the government can bring its position forward in view of the fact that it had commissioned, through the Lottery Commission, a report entitled, "The Yukon Lottery Commission Operation Review, Final Report" dated November 3, 1986.

It is interesting to note that, as a Member of this Legislature with overall territorial responsibilities, I did not receive a copy of this document from the government; it was presented to me by a representative of one of the organizations to ensure that all Members of this House were acquainted with the issue and the proposal that had been brought forward to the government for the purposes of reviewing the operations of the Lottery Commission and how it is being distributed.

Just to refresh Members' memories, and also to bring some facts upon the table with respect to this particular issue, the present distribution and responsibility for the distribution is held by the Yukon Arts Council and Sports Yukon. This responsibility has been held for approximately four years. They have twice successfully bid and tendered for the right to administer this particular program. We presently have a very unique system in Yukon in the administration and distribution of lottery tickets. To my knowledge, nowhere else in Canada do we have a joint effort by the representative provincial body, the Arts Council, and that of the sports body, in our particular case, Sports Yukon, joined together to administer a program.

This, in itself, speaks well for Yukon in that it is bringing what is, at times, two competing interests together for the purposes of common cause. Both organizations are putting all their energies towards these particular projects in order to be successful so that they, in turn, can share the benefits, the profits, in order to have core funding for their umbrella organizations.

It has worked well. It has worked so well that the Government of the Yukon, now, through the auspices of the Lottery Commission, has started to analyze whether or not there is too much money and perhaps they should be administering the fund.

We have gone from 1983 where there was a gross amount of money brought in of \$854,248 to 1987, at year end, this joint venture will gross in the neighbourhood of \$3 million on lottery ticket sales. That is a major, major accomplishment. I think, fundamentally, we want to look at the essence of what we have here. We have two organizations that, in many respects, are different, but are working together in the best interests of the people they represent to ensure that they can get the necessary profits to benefit their constituents.

Now, we have a report before us that is suggesting a major philosophical policy change in respect to the essence of the administration of this program. The question is why? Who asked for it? Why is it necessary to make such a fundamental change? That is the question that we are bringing forward for debate today: why is the government proposing such a major significant shift in policy in respect to the distribution of these funds?

I want to centre on the responsibilities that these organizations take on, and are able to take on because they earn their own money, because, in good part, they are independent from government; they are not subjected to the political or bureaucratic whim of government because they have some independence because of the money they have coming to them through their own work.

Let us have a look at the Yukon Arts Council. I was very surprised to see and to learn of the number of programs that this particular umbrella organization is directly or indirectly involved with, and the number of people it represents throughout Yukon, rural and urban. They are in the process of providing an artists' directory primarily for the purposes of promoting the business interest of the people who have the talents and skills to provide a commodity to the travelling public, primarily the tourists.

That is, actively promoting the arts and crafts industry in Yukon at very minimal amount of cost to the taxpayers of the territory. They have an arts line; they are involved in the community calendar; they provide secretarial services for the organizations that they represent throughout the territory; they have a newsletter. That may not sound like much, but we all know the effort and the time it takes to send out information to your constituents or to the people you represent.

They are also involved in arts consulting; they are involved in consumer education. They are also providing a very important program within our education system: the program, Artists in the School, both rural and urban. There is no differentiation. That particular program is for all Yukoners. They are involved in the touring of various programs throughout the territory, which they help finance through the funds they get from the Lottery Commission. They are very proud of that. They travel throughout the territory and provide to the small communities at last exposure to some of the talent from other parts of the Yukon, as well as Canada, to all communities.

They are also involved in the Yukon Arts Council awards;

summer art school; artist of the month; research into art and tourism; cultural industries and heritage. They are involved in the drama festivals; seminar workshops; literary arts; visual arts; and the list goes on.

These organizations, with the people participating, in all the age categories in all the various organizations, number thousands of people within the territory. We are talking about an organization that is very representative of all Yukoners, rural and urban.

I want to turn for a minute to the Sports Yukon or, at one time, the Yukon Sports Federation. I think it is important to note the programs they are involved in, because I think it should be on the record. I think that we, as legislators, should thank that particular organization for the responsibility they take on which, if they do not take it on, the Government of Yukon would have to take on — in many cases, at a great deal more expense.

This particular organization provides the avenue for the Hall of Fame. Both urban and rural participation in this particular program is seen throughout the territory. In conjunction with that, there is an awards banquet. This year, for example, out of the funds allocated through the administration of the lottery, once all bills were paid, they were in a position to put forward \$9,000 to help that particular function and program to go forward, so that it could recognize, for example, Mr. Maichen from Watson Lake, and give that gentleman Yukon recognition for the work and the hours of dedication that he put in on behalf of the people of Watson Lake.

Along with that, they have the Super Sports Day; they have the Athlete of the Month award; community calendar services. There is also a very important contribution that they put on on our behalf, and the responsibilities that they take on, and that is the Arctic Winter Games. We have done it both ways over the years: through Sports Yukon and through government. I, for one, would like to see it go through Sports Yukon, because I think it is their responsibility, and not the government's.

I recognize there is a close tie-in between the administration of the Arctic Winter Games and the Government of Yukon, but I believe Sports Yukon has a major role to play in the organization of such an event.

There are numerous other responsibilities they take on. Their programs number up to approximately 20 programs that they are involved in, either directly or indirectly.

19 These organizations depend on Sports Yukon in many respects as their umbrella organization. One of the fundamental principles that allows them to take on the responsibilities that they have is the fact that they are independent. They are not beholden to government for financing. They raise their own money through a mechanism that was set up four years ago so this organization could become semi-autonomous and independent from government.

We have before us the possibility, which is becoming more and more evident, that would change a system that, in our estimation, is working and working well. We are not going to argue the principle that these organizations may need some fine tuning in their administration of the lotteries. We strongly believe that there should not be a fundamental policy change in how the distribution and the proceeds of these funds are allocated.

This document is flawed in many ways. I called a number of people who were said to have been consulted during the preparation of these recommendations. A number of these people said that they were not consulted at all. They do not understand why their names are on the list that we have here. We have a letter delivered to the government regarding the operation review, and it states very categorically that they had not been consulted until the document was presented as a *fait accompli*.

I refer Members to the process that we have undergone. We have a report that is recommending major fundamental changes in the administration of lotteries. We are concerned that these organizations, that over the last four years have put themselves into a position to be independent of government, will become beholden to government once again if the recommendations in this report are implemented. The concern this side has is that once again we will have the Arts Council competing with instead of working with Sports Yukon for the necessary finances to be able to proceed with their programs. Instead of a situation where we have a unique

opportunity to continue the working relationship between these two bodies, we will have a dog-eat-dog situation. Whoever knows the Minister, whoever knows the political arm of government the best will get the most money.

I do not think we want to see that. I do not think we want to put these organizations back into the situation, year after year, where they are subjected to the financial whims of the government. These organizations are independent now. They have proven, beyond a doubt, that they are capable of running this type of program profitably. Why the government would want to get involved and would want to interfere with that process, other than to make recommendations to streamline it, is beyond me.

20 There is another element to this particular question. Right now we are in a situation where we have an independent body that has been given a method of raising money if they do certain things. Conversely, it has provided the government with another argument or position that they could put forward dealing with these organizations, umbrella-wise, or individual organizations that they represent. What I mean by this is that they can say, "Look, if you want X dollars, you have a program in place which brings you proceeds. You have to raise X dollars in order for us to see that you are serious and we are prepared to become involved, directly or indirectly, with respect to what you want to accomplish."

If we take this method of financing away from them, we will not be in a position, as government, to put that argument to them. That argument will be lost because no matter what you are, you can only sell so many cookies. You can only have so many bake sales. We all know the communities, rural and urban, with respect to how many tickets can be sold until the market is saturated and nobody will buy any tickets if we have to go to raffles. What I am saying is that there are a lot of implications with respect to the changes recommended in the report the government has before it.

The other point I want to make refers specifically to an organization involved under the auspices of Sports Yukon, the Cross-Country Ski Association. Under the particular program involved, the Cross-Country Ski Association has taken on a number of responsibilities. One of them is the hiring of a professional coach. The proceeds from selling the lottery tickets involved has permitted them, because of the work, time and effort of the people involved with them, to have the necessary financing for such a program. It is based on their independence to earn money.

If we take this program away, what have we done? What have we done if we take the program away and say, "You will come to government and fit under our broad criteria for application year-by-year." It will take the independence from that organization. I will bet, because of the limited funds, and because of the precedent it would set if government would provide a professional coach for each and every sport involved, it would not fit under the criteria.

I can think of a number of other incidents that I will not go into at this time. It is important we look at that element as well as the overall responsibility of the umbrella organizations.

There is another factor involved here with respect to the report that has to be expressed as well. There are a number of older part-time people, in many cases, who make some money from selling these particular lottery tickets. The obvious direction of the report, in many cases, will negate that happening. We have to look at it from that perspective as well. In many cases it has given these people part-time employment and a social setting to meet people in.

The report talks about machines. We have one at the Mall, and there is a possibility of more machines coming in. We have to be careful that we do not lose the human side of the distribution of lottery tickets and the method by which we distribute. I raise that also as a concern in view of the recommendations made in the report.

21 I am looking forward to the comments of the government. I feel that this is a fundamental policy area that we, as legislators and politicians, have to address. I know that some organizations have asked for more time, if they are going to make changes and implement the policy that is before them. I cannot agree with that. There is a time when you stand up and say you either agree or disagree with the major policy changes before us. I am not calling

for another study. I am not calling for another \$50,000 of taxpayers' money to tell me whether or not I agree with the policy that is being addressed here today.

I hope the government can stand up and say they agree with the present policy that is in place, that they are prepared to publicly support that policy. I hope we are not looking at a situation where the government is going to come forward and say they need another \$50,000 for another study. I would prefer to give that \$50,000, if we have that much money and are capable of just issuing dollars in that sense, to the organizations involved and do something for the people we represent, as opposed to continuing to prop up the new industry in Yukon for consultants.

The motion has been drafted clearly and definitively to address the question of policy. I am looking forward to all Members' support.

Hon. Mr. McDonald: I do have a fair amount to say about this issue, even though I probably have only been closely involved with it for a mere week or so, though I have been kept informed about the evolution of this for some time.

I would like to speak to all Members from a different perspective on the same matter. Firstly, with respect to the Member for Porter Creek East's remarks, some of what the Member said I support wholeheartedly. Some of what the Member said is totally misleading and quite a unique view of this situation. It may have been the briefing he has received: I do not know. I do not think that his handle on the issue is as secure as he would believe.

Firstly, and I will get back to this later, I think it is important to state for the record that the responsibility for management of lotteries is in the hands of the Lottery Commission, not a contracting agent. The Lottery Commission, historically, when the operations were small, felt that it would be worthwhile, while they were finding their feet in the new regime — the green paper process — to contract out the service to a management agent. During the ensuing period, things have changed and have evolved.

²² Nevertheless, the responsibility for managing lotteries has been given to the Lottery Commission. Do not take that lightly. I hope that the Members will understand that this issue is not new to this Legislature. I have only been a Member for about four years, but I remember being in the House when the Member for Riverdale South brought forward two Acts. The Acts were the culmination of a very long process, commonly referred to as the green paper process, which took diverse opinions from recreation, parks, and sports interests from around the territory over a very long time and reflected that compromise into what ultimately were going to be the Acts, which came to House and were debated in this House. I presume that the Member for Porter Creek East supported them. At that time, the policy in the Acts clearly stated that the Yukon Lottery Commission would manage lotteries. That was the policy.

It was a policy of the day for the Lottery Commission to consider the contracting out while, in their opinion, the operations warranted it. Now, there is good reason to believe that the operations warrant a change. I will explain exactly why that might be.

First, I would like to respond to some of the things that the Member for Porter East said before I give a more structured view of the government's perspective in this matter. The Member stated that the system of contracting to the Sports Federation Arts Council has worked so well that ticket sales have grown and, therefore, the implication is that everybody wants to jump on the backs of the hard work of the people who have been selling the tickets. Clearly, there is a lot of volunteer effort going into selling tickets and to producing profits and to generating wealth for the recreation and arts community in this territory. There is no question about that.

There are other factors, as well, which have generated that wealth. There are the new machines that we have seen, which produce high volume and an immediate access to the lottery system, which have generated a great deal of wealth in the last year or two. There is a combination of the drive and ambition of the people who are selling the tickets, but also the technology that has generated the wealth. There is also an inclination on the part of our community to buy more tickets and, therefore, also generate more wealth. There is a combination of factors, not minimizing any one.

I think it would be totally unfair to say that people are simply jumping on the bandwagon here in order to acquire some share of the fruits of somebody else's labour. I think that would be unfair. I think that the people who are currently managing the contract would agree. I would hope that they would agree.

The Member also stated, and I will get back to this, that the contractors are working in the best interests of the people they represent. Very true. That is the way it should be in an operation as it exists today; that is the way it ought to be. However, I would remind all Members that not all persons in the territory, not all groups and organizations and sub-organizations have the opportunity or the right to sell tickets. Only the contracting agent has the right to distribute the tickets. So, not everybody is placed in the same position as the contracting agent. I think we ought to think about that for a moment, in the general concept of fairness, to think about what that actually means in terms of the distribution of the wealth that is generated from these lottery sales.

²³ The Member stated, as well, that this represents a major philosophical policy change, a fundamental change in policy. The policy established for the green paper process in this House through an Act of this Legislature stated that the Lottery Commission would be responsible for managing lotteries. That is the policy. There is no policy existing today that says that the management of the sales has to be contracted out. There is no policy that states that any particular agent has to be given the contract.

The Member made a point of calling our attention to the wording of this motion because he said that it was very deliberately worded. The Motion states that it is the opinion of this House that the Government of Yukon should continue with the policy of contracting the distribution of lottery tickets with Sports Yukon and the Yukon Arts Council.

That tells me that, in the Member's mind, not only should there be a policy that the distribution should be contracted out but, by policy, Sports Yukon and the Yukon Arts Council should get the contract. The tendering process would not be part of the policy, as the Member sees it, but this agent, albeit who is doing worthwhile work, should be given the contract. That is unfair. It was not even the policy a few years ago when it was decided by the Lottery Commission that they were going to contract the thing out in the first place.

There are other worthwhile groups that look to bid on the contract, and they are good groups, too. I think Softball Yukon bid on the contract. They did not get it, but they bid on it as well. It would be unfair by policy to state that an organization can bid but cannot be successful because it is our policy that Sports Yukon and the Arts Council will get the contract.

This is not a major philosophical policy change. The major philosophical determination was made in this Legislature. It stated clearly who was responsible for managing lotteries. We can hold all kinds of good feelings about the good work that a contracting agent does, but that does not negate what the policy statement has been, a policy that has been generated through thorough discussion in this territory and in this Legislature.

The Member stated that it is important that these groups be independent of government and that they not be subject to bureaucratic whim. He did carry it on a little too long and suggested that perhaps whoever knows the Minister will get the money. That is a little more than just ludicrous. He made it clear that in the contractors' minds they ought to be completely independent of government. Let us go back one step. Who is giving the right to sell lottery tickets in this fashion? If it is not the government, it is not the Act of this Legislature.

²⁴ We have already agreed in this Legislature who was responsible for managing lotteries. It is going to be the government through the Lottery Commission. It is not going to be just anybody. Without minimizing the very hard work that the Sports Federation Council has done in selling tickets, it is important to remember where the responsibilities lie, as determined by the public consultation process.

It is important that the character of the funding being suggested in this equation is not funding that will be transferred through the Rec Branch. It is transitional funding that will be transferred by the Lottery Commission, who is responsible, to the various groups in

an equitable fashion. Everybody gets treated the same way: the big organizations and the small organizations. People are treated the same way.

As a matter of policy, I would agree that having these organizations report for every last dime for any agent would be an onerous task, but I do not think that is what is being suggested, and I will get back to that, too.

The Member listed all the many good things that the Sports Council are doing and its independent organizations, and that is fine. I encourage those, too. I have participated in some of the activities, and I find that the work that they are doing as voluntary agencies is worth supporting. That is not the issue. That is a red herring. The implication that these things will end, or that the bureaucracy will have to assume them, is wrong.

The Member cajoles me to read the report. The report makes a variety of recommendations. The report makes a good case, in some respects, with respect to the operations of lotteries. The Lottery Commission has, in essence, adopted one direction that it suggested, but it does not mean that they are going to adopt all the directions that are suggested. In this particular case, the direction they have adopted is that they should assume the management of the operation and treat all groups in the territory — arts, sports fed, arts council and the like — fairly and equally, bearing in mind the needs of those organizations to fund the very worthwhile programs that they are undertaking.

Further to that, the suggestion that the bureaucracy is somehow going to have to pick up the bill is ludicrous. There is no substitute for volunteer labour. You have to encourage people in these organizations to put forward themselves as volunteers in order to make the system work. They should be encouraged to do that. With all due respect to the Rec Branch, running the operations out of the Rec Branch is not going to work. It is impractical and it is wrong. I agree it is philosophically wrong, but that is not even what is being suggested.

The Member brought to our attention the issue of machines and what might be referred to as the Liddite argument, that machines are going to take away the human element of selling tickets. I think that that is a worthwhile comment to make, and that has to be remembered by the Lottery Commission or by any management agency, whether it be Sport Fed, Arts Council, whether it be Rampart, whether it be Softball Yukon or whether it be the Lottery Commission itself, that that has to be an integral part and considered in the development of any policy with respect to the sale of tickets.

²⁵ I remind the Members that any of these organizations has to bear in mind that the machines we are talking about are, in part, responsible for the generation of massive amounts of funding that keep their organizations alive. Of the volunteer efforts they would like to expend, I am sure, they would prefer to expend those efforts in organizing all of the many things that the Member himself mentioned, instead of expending that valuable volunteer time simply selling tickets.

As I mentioned previously, there is no policy by the government that there must be a contract, or that it has to be awarded to any particular contractor. The Lottery Commission, under the *Lotteries Act*, is mandated to manage the sale of lottery tickets. They also act as the senior advisory body on recreational matters to the government. They are the premiere organization in that respect, as determined by the green paper process.

The other thing I will briefly mention again, so there is absolutely no mistake, is that in the government's view, in my view, Sports Yukon and the Arts Council are significant. They are important organizations in the territory. They contribute immeasurably to the sports/arts life of the territory. It is important that these organizations, like many other legitimate organizations in the sports and recreation community, be funded. That is important. It is important they have the resources to carry on all the many good programs that the Member mentions, which even with the funding would require, and hang on, the efforts of volunteers.

There is more than the volunteer effort in selling tickets, there is also the volunteer efforts in doing all the good things the Member mentioned. It is not the funding that ultimately drives those

significant efforts, it is the volunteerism that drives those efforts. The volunteerism, by anybody's standard, should be directed to the efforts to promote art and sport in the territory.

I have mentioned briefly the role of the contractor in this situation, but I would like to remind Members, and perhaps even Sport Yukon and the Yukon Arts Council, that their livelihood in terms of securing funding depends on their ability to win the contract. If they do not win the contract the funding dies. That is the way it works in business. Does that mean that so-and-so who wants pool time and is dependent on a certain process that has created expectation over the last four years that there should be pool time paid for out of a certain pot, that because they were not successful on the contract because another community organization got the contract, that somehow those people will be left in the lurch? That is unreasonable.

What the Lottery Commission is trying to do is provide some long-term guarantees to organizations such as that, through funding guidelines — long term guarantees — that those organizations can still be funded. They do not have to hang or die on whether or not they get the contract. Let us be frank, not everybody is going to get the contract. Just Sport Yukon and the Arts Council have the contract. Not everybody in the Yukon is in the same position.

I think it has to be clear, with respect to the general approach that the Lottery Commission is taking, that it is hardly a philosophical change or hardly a major fundamental change, it is a situation that was mandated by this Legislature in trying to speak to the issue of long-term funding for all of the good works that will still have to be done, in major part, by volunteers.

The Member shakes his head. Mr. Speaker, this is the reality out there.

²⁶ There has to be fairness for all organizations. I do not think that the Arts Council and Sports Yukon would dispute that. There should be fairness for all organizations, recognizing that those two organizations are larger than the others. They happen to have a wider mandate than some organizations. They are significant organizations, and we still have to recognize that. It is important to recognize, as well, that there are small organizations, and some small organizations that are not based in Whitehorse. There are some organizations that would love to have some opportunity at a funding arrangement that is fair and equitable. That is a reasonable goal, and that is what is being attempted here.

It has been said many times that the lottery system is becoming big business. We are talking about a lot of money directed to all of the sports in our community. We have to be sure that the operation is done fairly. I admit that with the right resources any good accounting can be adopted by anybody. It does not have to be the Lottery Commission that adopts a good accounting system. The Sports Federation or Joe's Diner, with the right resources, could provide a very good accounting system for a \$3 million system, if they have the resources to do it, and there can be full accountability to the public. And, there would have to be full accountability to the public because this method of generating revenue has been mandated by this Legislature. It is not a private business. It has been mandated by this Legislature. We are talking about it here, and the Member wants to change the policy from the policy that was developed and put into place by the Legislation.

The Lottery Commission is moving in a direction that is acceptable to this government. I do not think it is any secret that we will be voting against the Member's motion, with all due respect, and in recognition of all the good things he said about the various organizations. What is being offered here is significant and for the long term best interests of the entire recreation, arts and sports community in the territory.

They are offering long term security to those organizations that live and die on contract. They are offering short term security for the existing contractors while the funding guidelines are worked out. They are offering an even-handed, fair method of distributing funds so that there is the same chance for all to receive funds under the same conditions. They are offering to consult with the current contractors and everybody else on the development of funding guidelines that will meet the needs of all of the sports and arts community in the territory. If those needs are expressed in terms of

no strings attached funding or core funding, I am sure that they will respond.

²⁷ This matter has been studied for a fair amount of time. The problems have been identified and a solution has been suggested so that nobody loses in this equation. A number of problems are identified in the consultant's report. Maybe there are people who take issue with some of them. As I have indicated, the problems are sufficient to encourage the system to evolve to something better.

I can tell Members honestly that everyone I have met and discussed this with has felt that the changing conditions mandate the need to change the system. The question of how you do it and when you do it is the issue.

The Member for Porter Creek East does not think time is a factor. Time is a factor. I would agree with people — with the current contractors, for example — that time is a factor in terms of ensuring that long-term interests of these volunteer organizations are served.

What is being offered is transition funding so that there is no loss of revenue to those organizations until such time as the guidelines are developed and adopted. The guidelines are meant to address the need for core funding for those organizations.

As a result, I believe that this is a reasonable and responsible approach and ensures fairness to all sports and arts groups without compromising, in any way, the future of the existing contractors, in my view. It offers them long-term security; it offers fairness to all groups; and it offers the organizations the ability to concentrate their volunteer efforts on the health of the programs that they create and administer, still requiring an inordinate amount of volunteer time in order to make them work.

It is fair to say, and should be noted, that the change we are talking about is a change in the management structure, not a change to the retailer system, which would have to be evolved over time.

In conclusion, this is a change that is needed, in the name of fairness. I think it is a change that can be done painlessly to meet the needs of both the existing contractors and all other groups in the territory. It is one heck of a challenge to the body mandated by this Legislature, the Lottery Commission, to ensure that the whole system works and that the system is fair. I wish them Godspeed in that effort.

I would like to reassure, as I have before, the existing contractors — the people who won the last contract — that they will not be left out in the cold, that their needs will be addressed, that the needs of all the communities will be addressed and the system will be fair. If it is simply fair, we have gone a great distance to ensuring the future of this funding mechanism for the recreation community.

I would like to state one further time, in case this red herring will come up later in debate, the government has absolutely no intention whatsoever of securing this funding for its own purposes — absolutely no intention whatsoever of securing Lottery Commission funds, beyond that which exists today, for its own purposes. This is not a money-grab exercise.

The Member for Porter Creek East says, "Trust me." He assumes that the government, or the Lottery Commission, mandated by this Legislature — I think the Member was involved in that and might even have been involved in debate, but what was good for him over here is not good for him over there.

²⁸ The process that led to those pieces of legislation was developed by a wide community consensus. It was not simply negotiation between the Lottery Commission and its contractors, but by everybody, and it was stamped in this House with the seal of approval. The Member for Porter Creek East perhaps only approved through silence, but approved nevertheless.

Mr. McLachlan: I am not going to carry on as long as the previous two Members; I am going to come a little more directly to the point. I have no problem with the long list of groups, organizations and individuals that were enumerated by the Member for Porter Creek East. These groups devote a large amount of leisure and volunteer time for the development of community activities. I believe they are all very good groups and do an excellent job.

I do not believe that if the particular moves that are contemplated are adopted the Arts Council and Sports Yukon are going to find

themselves in a competitive mode for funds. Mr. Speaker, Mr. Minister, I thought that the awarding of the contract was up to the bid process. It has gone to private industry before; it could conceivably go again. It could wind up in the hands of Joe's Country Circus. Who knows?

There is no doubt in my mind that the revenue through the lotteries has increased significantly. It has tripled in the past three years. The public must be ensured that the monies that are generated by the sale of tickets are to be handled with the utmost proficiency and professionalism. Eventually, this will obviously lead to computerization of the whole distribution and sales process. I have a concern that the non-profit groups in the community who, at present, are generating funds through the sale of the tickets will eventually be eliminated as the computerization process takes place.

The Minister made remarks to the media this morning that the funding for these non-profit groups could continue on a grant basis, leaving the groups time to carry out their particular mandates. The issue is that of the control of the money. I appreciate and understand that there is a natural fear amongst groups when the control mediums are about to change. I can understand that, and I can sympathize with it.

No one likes the fund raising, but by these groups generating their own funds through the sale of the lottery tickets, they then have the total control over how much they generate, and more specifically, the concern over the total control over how they spend their money.

These vendor groups are obviously concerned about the controls and restrictions that are going to be imposed on their grant money if the recommendations of the report are accepted. I appreciate their concerns, but the issue is simply this: they can be assured that they will be able to continue their work and that this can be done by a process that is engendered by government. No commission, no board, no authorization of government will ever contemplate having control over the revenues that are of the order of \$3 million without the necessary type of bookkeeping and record keeping changes that are suggested and referred to in the consultant's report.

I find that there are several unanswered questions on this issue. This motion could receive my support if the changes that are recommended by the report were implemented and were in place.

²⁹ As the motion is presently worded and construed and contemplated, I cannot support it in its present form.

Mr. Webster: I do not know where to begin, except perhaps with the remarks made by the Member who proposed this motion that it was clearly and definitely worded.

When I first saw the motion I could not believe my eyes. I would like to repeat the motion as did the Minister: "That the Government of Yukon should continue with the policy of contracting the distribution of lottery tickets with Sports Yukon and the Yukon Arts Council". I do not want to bring back or renew the argument about the Government of the Yukon as opposed to the Yukon Lottery Commission, but the fact is, and we all know this, there is no policy.

With that in mind, it gives the implication that this particular contract should no longer be tendered out. This is the problem I had with the motion as it is written. As I said, I had a difficult time believing my eyes. I find it very ironic, when you go back in history of the Western Canada Lottery selling lottery tickets in the Yukon. The Member who proposed this motion was part of the government who opened it up to the tender process, for good reasons. I would like to take a few minutes to review this history because it is important to the motion we are discussing.

The Yukon Lottery Corporation came into the Yukon approximately around 1974 or 1975 when the whole concept of lotteries was pretty new. The Government of Yukon at that time reluctantly took it over. It was something new, and it did not catch on very quickly. There were small volumes of tickets and the end result was that the government lost money. They approached the Yukon Sports Federation to take it off their hands.

That was a very big decision for the Board of Directors of the Sports Federation at that time — we are talking about 1975 now — to make that big step that involved almost all of their savings to buy the first batch of tickets. They worked very hard to ensure that all

those tickets were sold in order to make back their money. In a brief period of time lotteries caught on and became more popular with the buoyant economy we had in the 1970s. It was starting to make money to the point that the Yukon Sports Federation had a fair-sized bank account. They looked to their mandate, that of supporting all their member-groups, and started to do something concrete to bring about some services and programs to serve their membership.

On July 1, 1977, they hired on an executive director on a trial basis who went to work for four months to introduce some new programs and some new services that would help their membership to make their role easier, or to promote their sport with greater efficiency.

In the next year, the popularity of lotteries grew; the bank account also grew, and more and more services and programs were introduced, such as the ones the Member for Porter Creek East mentioned earlier. It got to the point that in 1978 the Yukon Sports Federation had \$85,000 in their O&M Budget, as they were the sole distributor of lottery tickets in the Yukon.

That was quite a bit of money in those days. It enabled the Sports Federation to hire a full time executive director and a full time secretary. It introduced an awards program and an annual banquet. It brought up guest speakers, guest lecturers and put out a newsletter. It started a library for its member groups, et cetera. It organized the Arctic Winter Games. They were doing so much with a budget of \$85,000, a full time executive director and a volunteer Board of Directors of 12 members, who also worked very hard on some very highly visible projects, that they began to outshine the government's Department of Sport and Recreation.

We are dealing with a lot of money. A decision was made in early 1979 that the Yukon Sports Federation should no longer be entitled to this privilege of distributing the lottery tickets, and that, indeed, it should be reviewed and put out to the tender process. I had no problem with that. It was dealing with a lot of money then, and I imagine private enterprise was knocking on doors saying that they wanted a piece of the action. That is quite warranted.

The Yukon Sports Federation at the time was not given the opportunity to put a bid in that tender system. In its place, it was given some core funding from government in the amount of \$25,000. You can imagine what this did to the organization's vitality, its effectiveness, operating on an \$85,000 budget with a full time staff, then all of a sudden receiving \$25,000 core funding from the government. The government had subjected this volunteer organization to the financial whims of the government. It made them accountable to government. Then, of course, they had to let their executive director go. I know because I was the executive director, and the secretary became a part-time position. A lot of the programs and services were sacrificed.

I had no objection, at the time, to putting it out to the tender system, opening it up. That is why I find it kind of ironic now that this motion suggests that we stop that process, that we annually award it, on a long term basis, to Sports North and the Yukon Arts Council organizations. I have completely lost my train of thought.

Laughter

Mr. Phillips: We are on lotteries.

Mr. Webster: We were talking about how wonderful the government of the day was. We were talking about how wonderful it was that it was subjecting us to the whims of the bureaucracy and financial accountability, et cetera. This motion has obviously been brought forward by the Yukon Arts Council and Sports North because they are really concerned. They are concerned that history could repeat itself. They do not want to see this happen again, and we can all understand that. Right now Sports North and the Yukon Arts Council are operating on a budget of about \$60,000. They do not want the distribution of lottery tickets removed from their authority and be given core funding from the government. I can understand that. We can all understand that.

It is that fear that has brought this motion forward. They feel that the \$60,000 that Sports North is operating with now is not enough to fulfil their mandate in an effective manner. Naturally, they would like more money. The question here is security. They would like at least the present level of funding. They could do much more to fill

their mandate if given more money. That is the issue here: security. They know they have no security with the present system — the tendering system — which, I think, we all agree with. Two years from now, when this contract is up, they may not be awarded the contract again. What should we do?

Given the recent explosion in lottery sales, we are talking about a large amount of money. We are talking about potentially \$3 million next year with the sophistication involved in handling the tickets, distributing them, the security involved. I believe the distribution and management should be put in the hands of the Yukon Lottery Commission. I do not think that Sports North and the Yukon Arts Council are really against the consolidation of these functions with the Yukon Lottery Commission.

They know it is a big job doing this. It is going to get bigger. It is getting more sophisticated. Let us face it, we are going to get more computers into the Yukon. The accounting systems are going to have to become more sophisticated and cost more money to ensure that the money is being managed efficiently and properly, as the concern was raised by the Member for Faro.

What has to be done is that these two organizations, who are doing a very good job but are limited by the present levels of funding, should be granted, on an annual basis, a core amount of money. This is from the Yukon Lottery Commission; not from government. This is where serious negotiations have to be brought into effect. The Yukon Lottery Commission must sit down with both organizations to determine what is a fair level of funding for this year and what would be next year. It should not be any less than what they are presently receiving.

I think you would then see Sports North and the Yukon Arts Council being able to fulfill their mandate to increase membership, better service their membership to the betterment of all organizations in the Yukon.

Mrs. Firth: I was trying to make a decision about whether to speak to this motion or not. I feel that the sponsor of the motion presented the situation very clearly. After listening to the Members opposite, particularly the new Minister responsible for Recreation, I happen to have with me the Second Reading speech that was given in the Legislature at the time of the passage of the *Recreation Act* and the *Lotteries Act*.

I have been going through it and the Acts. I would like to have the House bear with me for a few minutes while I refresh their memories of the debate that took place in this Legislature on November 17, 1983.

Since the Minister has made so many references to it, I think you will find it very refreshing. Keep in mind that the former government was the government that "never consulted, that never went out and talked to the public, that never took into account the public opinion, the ones who never spoke to the people, ones who never listened". Those are the accusations from the side opposite. Let us keep that in mind when we hear what was said in the Legislature that day.

I was the sponsoring Minister at the time, and I know the Minister of Justice does not like me to make reference to when I used to be a Minister. I have been good, I have not been doing it, and he has to give me credit for that. I have been good; I have taken his lesson well, but unfortunately I have to make reference to it this time.

The new Act was introduced. I will quote from *Hansard*, page 746, November 17, 1983. "This act is the result of a very extensive public review over the last two years. Fifty-nine written briefs were received and summarized by a nine-member public review committee. A major seminar involved over 100 presentations of communities, sports and arts groups to discuss the review committee's summary. A Green Paper Committee was then struck to release the discussion paper. Over 20 public meetings were held to discuss the paper and bring about further consensus. Finally, the Green Paper Committee's report was completed, a copy of which I have already tabled.

Besides the hundreds of people who contributed to this major recreation review, I wish to acknowledge the dedicated efforts of three very special people who worked very hard to complete the

final Green Paper Committee report.

"They are: Glenda Johnson, community recreation representative, Don Galbraith, sports representative and Geri Walsh, arts representative. These three volunteers spent much time listening, discussing and helping resolve the direction this new act sets out. I would like to read from the Green Paper Committee report the forward which so well expresses the Green Paper Committee's view of the whole process.

"This report is a collective effort. It reflects months of time volunteered for debate, thinking and writing on the part, not only of the committee members, but also of the numerous people across the territory who have participated in the recreation review process. It also reflects months of work by the Recreation Branch as they pushed forward the review while continuing their regular responsibilities. The committee was established originally to develop a green paper or discussion document on recreation. Following the publication of the Killo Report, the work of the Recreation Review Committee and the monumental deliberations of the Recreation Review Seminar. This report represents our advice to the minister. It is neither a green paper nor a white paper, but a documentation of the direction in which we believe the government should move, given the public briefs, meetings and debates. We hope it will provide the foundation and focus for revised recreation legislation and guidance for recreational policy development and administration for several years to come.

"While our recommendations are unanimously endorsed by each member of the committee, we make no pretense that they will be equally acceptable to all segments of Yukon. There were many issues on which the various interest groups could not reach a consensus. In each of these cases we tried to determine the root problem, the real cause of everyone's concern, and arrive at a recommendation which addressed that concern. Whether all groups will agree that we have succeeded remains to be seen. Issues on which all groups reached agreement, we have simply reiterated the resulting resolutions.

"Our special thanks to Rick Butler of the Recreation Branch for his patience in teaching us all facets of the recreation business, his willingness to leave us alone when we needed to think things through for ourselves."

"The act I table today is a reflection of Yukoner's recreational needs. It will allow this government to capitalize on the initiative, enthusiasm, skills and plans of volunteers. The act forms a framework for increased future involvement of Yukoners in more creative, athletic and other recreational pursuits. It is important to note that this act, along with the regulations, policies and programs which will be finalized over the next few months, once the act is passed, responds basically to all the recreation-related recommendations made by the review. These new regulations, policies and programs will include: funding programs for community recreation, funding criteria and formulas for territorial sports, arts and special recreational development along with an integrated games policy to ensure that the Yukon Games, Arctic Winter Games, Canada Games and other multi-sport events meet Yukon's sports needs. The act defines recreation to include amateur sport, fitness, arts — including visual, performing, and literary activity — and outdoor recreation. It embraces all of these major leisure activities into one fully integrated package without precluding other social, intellectual or creative recreational activities. The act fulfills what all of the Yukon's communities desire..." This is very important and critical to the debate today. "The Act fulfills what all of Yukon's communities desire — to clarify the local community jurisdiction of recreation with that of the territorial groups, and to clarify the role of government as enabler or volunteer, not replacer or obstacle to their initiatives.

"This clarification paves the way for a larger mandate for more authority and resources at the local level, while still supporting important, complementary territorial services.

"With jurisdictions clear and firm, future policies and programs will be more effectively directed to those in charge, preventing overlap, duplication, over-centralization and inefficient use of resources. More funds and programs will be directed to the grass roots, to the volunteers who are the real strength in the recreation

movement.

"Territorial groups and communities can now work together, complementing each other in their respective aspects of recreation development. Yukon is too small and financial resources too limited for interest groups and communities to be competing amongst each other. The framework is now set for the equitable sharing of resources and a spirit of teamwork amongst all those involved."

The debate goes on for some time talking about the Recreation Advisory Committee, and so on. I do not think I have to read the whole second reading speech into the record. I think the pertinent areas have been covered, the areas that apply to the debate today. I suppose the thing that distresses me most about the government's intention to disagree with this motion is the Minister's attitude. This is the second time that I have seen this attitude displayed in the context of recreation.

The first time was at a public meeting with respect to the location of the arts centre. At that time, the Minister effectively said to the arts group that the arts centre will be built at the college, and you can either like or lump it, or whatever his words were. He is shaking his head, saying no, he did not say that, but that was the message and that was the message that people were left with after the meeting.

The message was, if you do not accept the arts centre up at the Yukon College site, you can go and lobby for all the money you want to build one downtown, but you will never get it because Whitehorse and the Yukon is not of the size that would warrant two arts facilities. That message is very clear. You either take it up there or you do not get an arts centre.

He was saying it again on the radio today. He was telling these groups that this is going to happen, and you are either going to have to live with it or that is too bad. For a party that so severely criticized this party for not consulting and not listening to the people, what conclusions are we to arrive at, other than this party, now that they are the government, are demonstrating that they are not prepared to listen, either? They are prepared to completely disregard that whole public consultative process, that we never did; we never consulted.

The Minister laughs. I hope he is paying attention to debate, because it is a very serious matter.

The question that we have to ask today is why this is being done. I believe this question has been put to the Minister by volunteers within the sports group and within the arts groups. Why is this happening? What is the logical justification? Can the Minister show the path of analysis for alternatives? There have been no answers. On the radio this morning, the Minister said that things were going to proceed, whether you like it or not.

The Minister gets up and talks on and on. I get the feeling he is saying, "trust me, trust us, and we will look after you, and there will be no losers in this exercise". I know how frustrating it must be for the Minister who is responsible for such tremendous amounts of money in Community and Transportation Services and the Department of Education. I know how Recreation must present some problems for him. One could say it is a pain in the neck. In some ways, I have some sympathy for the Minister. Having been the Minister of Recreation at one time, and recognizing the numbers of people you are dealing with and the diverse quality of the individuals you are dealing with, it is very difficult to come to a consensus when you have so many different opinions and different ideas.

You do not just throw your hands up in frustration and say you are going to do it. You have to be persistent. It is the Minister's responsibility to see that he arrives at a solution that is either perceived to be a consensus or a compromise that the people are prepared to live by.

I do not get the feeling that the Minister is prepared to do that at all. So I ask him again: why? Why do we have to do this?

The Minister has demonstrated in this House before his comfortableness with the government; how he feels comfortable with government; how big government does not bother him. I do not think that is the feeling of the public, and I certainly do not think it is the feeling of the groups involved here. These organizations in the public are very skeptical and cynical about politicians right now

and do not trust us. At many times they do not have a lot of confidence. This kind of unwillingness to discuss things and arrive at compromises just aids that feeling. It is not good for any of us. I do not like it because we went through such a healthy consultative process and arrived at compromises and consensus. It took a lot of long, hard work, tedious times, strained moments, arguments and frustrations. That is what we are here for and we earn a lot of money doing that. We have a responsibility to earn that money. If it requires a lot of hard work to earn that money, so be it.

The Minister's defence seems to be that the sports and arts group might not even get the contract next time. I believe the Member for Faro echoed that sentiment, and the Member for Klondike did also. That is not the point. The government is telling us today that they are not even going to tender it out so what kind of an argument is that? Nobody is going to get it; the government is going to get it. Some bureaucrat is going to administer it within the government.

The Minister looks very sad right now, and so he should. So he should. We had a lot of red-faced blustering about policy; how this side did not know what the policy was; how we were not familiar with what the policy was; how the debate in the Legislature, when the bill was passed, everyone agreed to this and this was the policy. Let us just look at the Act for a minute because the Act says, in Clause 14(1) of the *Public Lotteries Act*, "The Executive Council Member may, with the approval of the Commission, enter into agreements providing for the provision of services to the Commission respecting the conduct and management of public lotteries."

At the time of second reading in the Legislature in November of 1983, we debated this issue and the Minister of the day presented the position of the government as to why this clause was written this way.

³⁶ The Minister got up and briefly touched on accountability and how the government has to ultimately be responsible, and so on. On the other hand, he tries to bring forward the argument that it is the Lottery Commission that is totally responsible.

The reason that clause was put in there was so that the individuals on the Lottery Commission were not personally responsible, that the responsibility always came back to the government, to the Minister responsible. I want to refresh the Minister's memory, because he is telling us we are wrong. He is wrong, and he is the Minister of the day.

When we debated that in the Legislature, this is what was presented and, again, I am quoting from November 17, 1983, from *Hansard*, page 748. We were talking about the Lottery Commission. The Minister was saying that, "...The act's parameters are broad enough to include any other type of public lottery in which Yukon may wish to participate.

"The new act makes two major changes to the current *Lotteries Act*. Firstly, it fully clarifies the role of, and gives statutory recognition to, the Yukon Lottery Commission and the Executive Council Member with respect to the operations of public lotteries. In doing this, the act meets the new requirements of the *Financial Administration Act* and absolves personal liability of individual Yukon Lottery Commission members respecting agreements, contracts and other legal obligations of the Commission. Under the new act, the Commission remains with the authority to make decisions respecting the distribution of lottery profits. The Executive Council Member, however, will now act as signator on behalf of the Commission for all legal instruments."

That addresses the concern that we, on this side, have. I see you are indicating to me that I am running out of time. I see, Mr. Speaker, that you are indicating to me about my quoting from *Hansard*, and your point is well taken. I will not be quoting from *Hansard* any further, unnecessarily.

However, the Minister made what I thought was a rather smoky argument about policy and who had responsibility for what. I think we fully understood the meaning back in November, 1983, of how the Lottery Commission was going to administer its contracts and who was ultimately responsible and where it was accountable. We recognize that it is here in the Legislature where the Minister is accountable.

I am concerned about what the government is doing. I feel that it does represent a fundamental change. Even though the Minister

says no, the report that was commissioned also expresses that it represents a fundamental change. It represents a fundamental change in the principle of the whole *Lottery Commission Act* and the *Recreation Act* and the whole public process that was undertaken in those two Acts being tabled in the Legislature to delineate the responsibilities of the Yukon Lottery Commission.

³⁷ This is the change. The Minister is saying that it is now going to go back under the administration of the government. We are going to take it away. It does not matter who they are taking it away from. That is a moot argument. Right now they are taking it away from the sports and arts groups because they are the ones who presently have the contract. They are taking it away from anyone having the option to bid on it.

It goes back to that line in the second reading speech that talked about the principle of the Bill where it was to clarify the role of government as an enabler or volunteer, not replacer or obstacle. The Minister is doing an absolute turnaround to the wishes of the Yukoners represented in this whole process. Yukoners wanted government to be an enabler. They did not want government to be in charge of it. They did not want government to take the lead role.

I could say nasty things about how the Commission is doing so well that the government would like to get their hands on the revenue. It may be a coincidence that the \$3 million revenue from the Lottery Commission matches the \$3 million abolishing the medicare premiums. That could be said to be a coincidence. The Minister could say that. There are people saying that. The Minister says that I am encouraging it. I heard it out there, and I am bringing it to the Minister's attention. I am bringing it to the Minister's attention because he is obviously not listening to what people are saying to him. He is obviously not listening to what people on the street are saying, the volunteers who sell the tickets. He has to listen here. He has to listen.

I hear all this talk about what a big business this lottery is getting to be now. It is such big business that the government has to take it away from the sports and arts groups. It is almost as if the sports and arts groups are not capable of handling it anymore. That is not our position. We feel that they are and if they are not, there is some business out there who is, not the government. I fail to see how this government is going to make it operate any more efficiently than the sports and arts groups have been making it operate or the business that held it before that.

The government asks us to trust them and we will not lose out, that they guarantee this and that. I warn them that that is not good enough for the public. It is not good enough for these groups of people who fought so long and so hard to get to where they are today. These Members opposite, when they were in the Opposition, accused me of not being sincere in my efforts. They accused me of wanting to gerrymander the YRAC Committee, that I was going to make political appointments and that I wanted to have my way. The Minister of Health said that to me, that I wanted to have my way. That was not true. That was not true. I was representing the positions that the groups were bringing forward, that the green paper was bringing forward.

What is the Minister representing here? Whose position is he representing? He is not representing the sports and arts groups or the community's position. He is representing his own, his government's position. Big government is going to make the lotteries work much better. That will be the day. The Minister says that we will have to compliment these organizations, and he expresses platitudes and patronizing compliments. That is not good enough.

³⁸ They do not want that. They want to be listened to and they want to, in some way, feel that their interests are being heard and that the efforts of the years previous are not just being thrown out the window.

I feel they are. I feel like this government has come in and they have had to change every little thing they can get their hands on. Every little thing they can change, they go right after it.

The Minister of Justice had a little quote saying, "If it ain't broke, don't fix it." He is very flattered that he has been quoted. I have to say to you and to the Minister, "If it ain't broke, don't fix it."

I see the Minister has his head down, and so he should for shame. He cannot get up and say those nice things he has been saying and then say to the sports and arts group, "Sorry we are just going to go ahead and do it our way and the government is going to step in and take over."

I am very distressed to hear that he is going to vote against this motion, and that the government is going to vote against it. You cannot buy people off with pleasant comments and niceties. You are either for them or against them, and we know where this government stands and we know where this side of the House stands, and we are for them.

Mr. Brewster: I had not intended to get up and speak on this motion, but as the debate goes around I would like to take people back 25 or 30 years ago when this country was ruled by a Commissioner and we fought violently to get some money for sports. They finally agreed to give us 25 cents on every bottle of liquor. At that time the Kluane riding included Carmacks and right up to Pelly Crossing. This worked not too bad in those days — we worked it up to about \$4,000 and it was working quite good. In the Kluane area it got up to about \$8,000. I suspect in Whitehorse it would be proportionately higher. Everybody was fairly content with what was going on because that was a lot of money in those days.

When it got to the \$8,000 level in our area and whatever it was in Whitehorse at that time, they did just what they are doing now, the government decided to take it back because there was too much money there; we should not have that type of money.

I worked quite a long time with sports people and volunteer organizations. Money came out of their own pockets a great deal of the time when they traveled. I do not think any of us begrudged it and we enjoyed our time with the young people.

However, after they took it away, I can recall coming in here and being told to take the boys on a trip to Dawson and places like that and they would pay for it. I can recall the government turning around and sending the bill to the community club. The bureaucrats and the recreational director now had control and told you what to do, when to do it and how you would do it. They knew everything because they went out and got a great big education somewhere and they knew it all. They did not stand out on the ice from 5 o'clock in the afternoon until 11 or 12 a night, no, it was the guys who did not know anything, the guys who had to take money out of their own pocket or had to raise the money.

Then this Lottery Commission started up with the Sports Federation. There was very little of the grumbling that I find in the outlying communities now.

³⁹ They know that there is a lump sum of money that comes to the Haines Junction area. There is another committee that takes that money and redivides it. It is being done right in the town, so if they make a mistake they pay for it right in that town. They split all this money. Here we see \$3 million running around. I would not think that that would be to cover medicare we are losing. I do not think government does a thing like that. There are probably a few other things government needs that money for. I suggest that we leave this money with the organizations out there and keep it away from the politicians and the bureaucrats.

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

Mr. Lang: I begin by expressing the view that I believe the government has a responsibility to listen to all points of view.

In my opening remarks, I indicated there were a number of flaws in the report that we have before us. I want to briefly recount what they were. There is a list of names of individuals who the authors of this report have said they have consulted, and have left the impression that there is unanimous consensus that has been brought about by this consultation process.

The reality of this list is that there are a number of people who are upset with the fact that their organization and/or their own name has been incorporated into that list, because they do not believe that they were consulted in the manner that it appears this particular document would purport they had. That is number one.

The other point that I think has to be drawn to the attention of the House is that, in the consultation process, the two organizations that have joined together to administer and distribute the lottery tickets have stated in writing to the Minister of the day the following point: Sports Yukon and the Yukon Arts Council were not consulted during the review process, either as the contractor in the Lottery Yukon's distribution agreement or as umbrella organizations representing sports and arts organizations and their constituents throughout the territory.

We have a report that the Minister is giving his full weight and support to, knowing and having been alerted to the fact that the organizations directly responsible, who are on a contractual basis with the Lottery Commission, have not been consulted.

⁴⁰ I would have thought that the government, in receiving such correspondence and being alerted in a number of ways, would have reassessed this situation and would have asked what was going on. The government, once again, holus-bolus, because someone has written a report, is accepting it without even questioning it.

It is too bad the Minister of Government Services is leaving because I want to talk about contract, a contract where one signs on the dotted line. One party says that they will do certain things, and the other party says that they shall do certain things. Is it not interesting? We have a contract of 1986 signed by the Executive Council Member, Piers McDonald, to permit Sports Yukon and the Arts Council to distribute the lottery tickets under certain terms and conditions. It is witnessed. If I recall correctly, there was a press release on what a great day of cooperation this was for all the groups involved.

Now today, the Minister responsible is breaching that contract without giving us one good reason. Sure, he has the legal right to do it. It is just like the Minister of Justice breached the courtworker contract with Skookum Jim's. There were some political reasons for it. The Minister has the audacity to ask us to trust him. He is saying that his signature is worth nothing but that his words are worth a lot more. Is that what the Member for Klondike is voting for? The Member for Klondike outlined what happened in 1979. Upon reflection, I do not disagree with him that maybe it was not appropriate. At the same time, he goes against his own argument to hold up the government. Is that what the Member for Klondike was elected for — to have no convictions but to have the front bench tell him what to do? Is that what the MLA for Faro was elected for — to stand up here as the leader who has every right to bring forward an amendment if he does not like the motion before the House. He says it does not meet his aspirations.

I want to talk about the contract for a minute. A contract is between organizations or people. The government side, the Executive Council who is yawning, who thinks this if of no account, signed a three-year contract on behalf of the government for the distribution of lottery tickets.

⁴¹ Let us look at the situation. We have a non-profit organization that has successfully administered the proceeds of the lottery ticket distribution to the point that we are projecting a total revenue of over \$3 million when the year-end comes about. They have proven they can do the job. The Minister of Recreation stood up and said they did not have any problems. He tried to play both ends against the middle. They think they are doing a great job, but they need change, for the sake of change.

The Minister has a responsibility when he signs a document to adhere to it and, if he feels it should be broken, he has a responsibility to tell us why. He did not give one good reason in this House as to why that contract should be taken away from those organizations. I challenge any Member in this House and any member of the public to read *Hansard* tomorrow and try to find it.

They are doing such a good job that the government could do it better. The report is very clear with respect to the recommendations. The government can do better. The recommendation of a permanent Yukon Lottery Commission office and full-time staff should be established right now: more government. The Government Leader will stand up and say that is not more government because it does not reflect on the person years. It is under the Lottery Commission. It is separate and apart from government.

We have a system that is working, which has brought — at times

— competing interests together to manage and administer a program on behalf of this Legislature and the Lottery Commission. It is not unlike, to some degree, what is happening in Saskatchewan and the Northwest Territories. I have to ask the reason for it. Why? Why is it so important that the government, indirectly or directly, gets at that money?

The MLA for Klondike stood up and said the government can do it more efficiently. The public does not live the life any Member of this House does. They are not watching government every day, like this side is, with respect to the administration of government. I want to refresh all Members' and the media's memories on how well and efficiently this government manages money. They brought a Budget forward that called for a 960 square foot house in Stewart Crossing to cost \$180,000. That is good budgeting.

We have a Budget that we are going to debate tonight for \$40,000 for one community for three walls and a window. That is good budgeting. We will be able to bring back funds that lapse when it only costs \$30,000, but that is good budgeting. We have a situation where the government stood up and said, "trust me". They have stood up and said they will follow the contract directives and adhere to them. Yet, what do we have now? We have a young, reputable contractor down in Watson Lake who spent time, money and effort to put in the lowest tender, and he was not acceptable.

2 The government says, "Trust me, I will take care of you". We have a contract of \$100,000 of the taxpayers' money that Yukon contractors never got a chance to bid on. The public would not have known anything about it if the question had not been raised here. The government says, "trust me".

The government says, "trust me", when they sign a contract and the same Minister turns around with a year and, from my point of view, breaches the contract for no good reason, no good cause.

What we are seeing here is a situation where the Minister has said he did not want to have any losers. I submit to you we have a situation here where we are all losers. We are all losers from a number of points of view. I want to take your time for a few minutes to recount why.

First of all, the credibility and integrity of the government on this issue is questioned. It is questioned primarily from the fact that they had a contract and for no reason are withdrawing it. That puts a question on the House, the commitment that our Members have to their word and to their own personal integrities as MLAs.

We have a situation here where Sports Yukon and Yukon Arts Council are going to be losers. They are going to be losers from the point of view that they will have to become beholden to government. The MLA for Klondike says we will give, just like it is his money, just like it is Christmas time and he is Santa Claus, we will give them more money. We will give them some of Eric Nielson's money that he transferred to the Government of the Yukon Territory. I want to say to the MLA for Klondike, that Sports Yukon and the Arts Council are not asking for a present. They want to continue to provide a service to the general public. The harder they work with the people they represent, the more profits they will get and they will be able to implement their own programs without big brother telling them how, where or when, as the MLA for Kluane described what happened in that riding 25 years ago.

What is wrong with that? You should be embarrassed. I would be embarrassed too, I am telling you.

The other loser we have in this are the people of the territory. What I mean by the loser is that we have a report that once again recommends more direct government involvement because big brother can do it better. We are going to have increased staff. We are going to have another arm of government that is going to determine who is going to get what and when they are going to get it with respect to licensing. The responsibility, as far as the Minister of the day is concerned, is totally divested to a body set up by this Legislature, separate and apart.

Just to recall the speech that was given, he almost thought we should not even be discussing this issue.

3 It really was not in my mandate as the Member for Porter Creek East to discuss something that being done outside of this House through a body set up by the House. It is like the Yukon Development Corporation — why should I question the contract? It

is just taxpayers' money, but it does not matter.

The taxpayers are the losers on this again. There will be an increase in the staff. There will be an office, a car, a typewriter. Pretty soon, the government will have a big operation going. The other losers will be the sports and arts organizations. They will have to comply with criteria set out by government.

There is the example that I gave of the cross country ski coach. That organization could make its own decisions based on its ability to work, receive the remuneration, the number of hours, their volunteers and salesmen have been put into it. They did not ask for this change. None of these organizations asked for the change that is before us. That should be drawn to everybody's attention.

We will see a dramatic change in the responsibilities of organizations to organize their own financing. I refer the MLA for Faro, who is so knowledgeable on the subject that he would not put an amendment forward, to page 3 of a letter sent to the Minister, who perhaps did not read it either before he took the position he took. It states, "Moreover, the Lotteries Yukon Distribution Agreement has enabled many more volunteers to spend their time on actual activities and events because the business of managing lotteries distribution is handled by professional staff and requires only minimal volunteer effort." That is contrary to what the Minister responsible for recreation said about this leaving more time for people to work within their organizations.

The letter further says, — and I have no reason to doubt it; it has been put forward in good faith — "Given the changes proposed thus far to distribution-retailer agreements, sports and arts groups will again be directly and totally dependent upon the government and the business community. Volunteer time will have to be redirected to fundraising in the corporate and private sectors and to the government grant application process."

There is no question that that will happen. My colleague, the Member for Porter Creek West, talked about a territory of grants. Here we go again. It is who knows how to fill out the grant application, who knows who will depend on how much a group gets. It will not have anything to do with work. No, no, we do not want that. The MLA from Klondike can go to his riding and give. Is that what the people of the territory want? Or do they want organizations that are prepared to be self-sufficient, prepared to work for themselves? I do not believe the sports or the arts organizations want to be totally dependent on the whim of the Minister responsible for recreation who says, "Trust me".

4 He signs contracts, breaks them and then says, "trust me". I know they do not. I want to go on with this a little further.

That mob across the way never had the mandate; never during the election did they talk about a change to the Lottery Commission. They never went to the polls to ask the people of the territory what they thought. It is like the medicare. When there was time for a debate, the now Government Leader was not available to go and debate in front of the people of the territory to tell them what he was going to do with medicare.

These people have the audacity to think they have a broad mandate to do anything they want to whomever they want at anytime they want. I am here to tell you that you do not have that mandate. You have that mandate as long as my dear colleague, the MLA for Faro, hangs on here and says "yes, yes, yes". He must get awful tired of it. Sure, it is a steady paycheque, I am not going to argue with that. I recognize that, and a lot of other people in the public recognize it, too. There is a time when people have to stand up on conviction and say what they believe, not what they are told to say. I say it in all due respect to the MLA for Klondike and the MLA for Faro.

Fundamentally, there is a major change here, contrary to what the Minister of Recreation said. It states in the report that the Minister obviously has not read that "Yukon Lottery Commission members met in a one-day workshop on September 27 to discuss these findings and determine a course of action. Members unanimously decided that fundamental change was needed in the lottery organization."

The Minister of Recreation says, no, it is not a fundamental change. We should not even be discussing it in the House. We have a situation that, more than anything else, as an issue, reflects the

difference between the philosophy on that side of the floor and the philosophy on a good portion of the floor on this side.

We have a situation where the Minister of Recreation, in his own words, says he is very comfortable with government. He stands up and says, "trust me". This side, ideologically and philosophically, believe that the right of the individual is paramount to that of the government. Obviously, that side of the floor believes the exact opposite, that the public is there to serve the government, the government is not there to serve the public.

I want to conclude by saying to the side opposite that they have settled in very comfortably, but do not get too comfortable because the people of the territory are going to give you a message.

Speaker: Are you prepared for the question.

Some Members: Agreed.

Mr. Lang: Division.

Speaker: Division has been called. Mr. Clerk, will you please poll the House.

Hon. Mr. Penikett: Disagreed.

Hon. Mr. McDonald: Disagreed.

Hon. Mr. Porter: Disagreed.

Hon. Mrs. Joe: Disagreed.

Hon. Mr. Kimmerly: Disagreed.

Mr. Webster: Disagreed.

Ms. Kassi: Disagreed.

Mr. Phelps: Agreed.

Mr. Brewster: Agreed.

Mr. Lang: Agreed.

Mr. Nordling: Agreed.

Mrs. Firth: Agreed.

Mr. Phillips: Agreed.

Mr. McLachlan: Disagreed.

Mr. Clerk: Mr. Speaker, the results are six yea and eight nay.

Speaker: I declare the motion defeated.

Motion No. 92 negatived

Motion No. 88

Mr. Clerk: Item No. 5, standing in the name of Mr. Brewster.

Speaker: Is the hon. Member prepared to proceed with item No. 5?

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 Highway Superintendent (West) Office should be relocated to Destruction Bay.

Mr. Brewster: This motion accomplishes two things: It helps decentralize government at little cost; and should create administrative efficiency by putting the Superintendent (West) Office in the centre of the road system it administers.

With the present office being located in Whitehorse, I suspect it ends up being burdened with a lot of paperwork and road problems that affect the Whitehorse area only. If the office were relocated at Destruction Bay, the Superintendent would be able to cover the area faster and would be able to monitor road conditions during periods of winter storms or spring floods.

It should be recognized as well that the relocation would help one more small community to survive. Destruction Bay already has a sewer and water system, fire protection, school and two small businesses. The infrastructure is there so let us use it.

I recall years ago when the capital city of Yukon was changed from Dawson City to Whitehorse. The government moved out and Dawson City faced some very, very tough times. Gradually, however, the government discovered that not everything can be run from Whitehorse, that it makes good administrative sense to decentralize some services.

Look at Dawson City today. With the help of government, private enterprise and the dedication of the local people, Dawson City has not only survived, but has prospered. Accordingly, I will be looking across the floor for the support of my good friend from Klondike who has, himself, seen the benefit that a government presence can bring to a small community.

The Government of the Yukon, Parks Canada and other govern-

ment agencies have revitalized the Klondike capital and are to be congratulated for doing so. I would like to see Destruction Bay revitalized also.

During the 50's and 60's, Destruction Bay was the headquarters for Highways (West) Operations. The Superintendent's office was staffed, bookkeepers were located there, and so were nine highway maintenance personnel, seven workshop personnel, three motor-pool personnel and two transportation personnel. In addition, there was other support staff, including a cook house crew and a cleaning crew.

I am not calling for a repeat of the past. I realize that as the Yukon roads become better and better fewer personnel are required. That is a fact of life.

⁴⁵ As the Dawson City experience has shown, and as other small Yukon communities have shown, government can go far to help keep these communities going. Not everything can be run better out of Whitehorse. There are economies of scale that must be respected, but the balance is not always tipped in the favour of the larger communities.

This motion will help set the balance right for the Destruction Bay area. I call on all Members to support this motion.

Hon. Mr. McDonald: It is a joyous opportunity for me to be given the opportunity to speak again this afternoon. We have unfortunately lost our audience, but I think it is important that we discuss this item in some thoroughness. The government should get its position on the record.

I was not in government many years ago. As I have said in the Legislature before, I am comfortable with the concept of government. I realize the Members like to speak to the issue. Perhaps the Member for Mayo is comfortable with big government, big overwhelming government that is designed to crush the little guy. I see the Clerk at the table is nodding at that.

What I believe in is the right for representatives of the people to come together in an organization such as this and discuss and debate issues that are a common cause to everybody in the territory. There is a fundamental acceptance that government plays a part in our everyday lives.

It is not a belief in overwhelming, big government bashing the little guy on the head. That is not the purpose or the point that anybody was making. It is convenient rhetoric for Members on the other side of the House, primarily the Member for Porter Creek East, but they have all participated in the same double talk.

It was not very long ago that government decided that Destruction Bay did not really need to exist, and that perhaps Destruction Bay should be closed right down. It seems to me that if there was ever an insensitive position on the part of big government, it is exactly that. Who was in Cabinet in those days? The Member for Riverdale South says, "Not me." I am certain the Member for Kluane was not in that Cabinet. Let us see who was. I say quietly, and somewhat timidly, the Member for Porter Creek East was. For all of us left in here, shame on him.

I want to indicate to you that the government has no intention of ever shutting down Destruction Bay or the camp, or even threatening to do so.

⁴⁷ We realize the value, not only of the service that the people there provide, but we recognize that it is now a community. Its survival should be assured by government, not a big, overwhelming government that is going to control people's lives but by a government whose decisions are determined by this legislative council that makes a policy decision that we support communities such as this, including Destruction Bay.

It must be particularly painful for the Member for Kluane to come forward with this motion. As I understand it, the review was done a few years ago to consider relocating the superintendent, not to Destruction Bay but to Haines Junction. Lo and behold, there was also a study at that time that said it would not be practical so it was not done. There might have been some head knocking behind the scenes but we did not hear it in here. It was not aired for public consumption. It did not leak into the Legislature, but the issue was there, and I am sure the Member for Kluane was putting the case as honourably as he could for the people of Haines Junction and

Destruction Bay.

It is important that the Department of Community and Transportation Services ultimately relocates its services as much as possible outside of Whitehorse, closer to the people they serve and closer to the highway system that they serve. I am not convinced, other than the fact that the Member feels that Destruction Bay is the most needy community in his riding, from the argument that Destruction Bay is the best community either. For that reason, I am going to propose an amendment that, I am sure, will raise the ire of the Member for Kluane. In the interest of sound, public policy-making, it is necessary.

Amendment proposed

Hon. Mr. McDonald: I move THAT Motion No. 88 be amended by deleting the phrase "the Highway Superintendent (West) Office should be relocated to Destruction Bay" and substituting for it the following: "a review be conducted on the relocation of the Highway Superintendent (West) Office outside of Whitehorse."

I realize that an internal study was done by the department four years ago to relocate the superintendent to Haines Junction. The department and the Minister...

Speaker: Order, please. It has been moved by the Minister of Community and Transportation Services THAT Motion No. 88 be amended by deleting the phrase "the Highway Superintendent (West) Office should be relocated to Destruction Bay" and substituting for it the following: "a review be conducted on the relocation of the Highway Superintendent (West) Office outside of Whitehorse."

Hon. Mr. McDonald: I realize that four years ago there was a study conducted by the department to move the superintendent to Haines Junction. The finding was that the move would not be practical. I presume that the Minister of the day was convinced that that was the case. Nothing happened, nothing was made public and that was all. I think that in the general decentralization plans the government should conduct a review of these positions. There should be consideration to the relocating of positions out of Whitehorse.

⁴⁸ I will undertake, if Members are amenable, to not only conduct a review, I will also table it in this House. If it is not considered acceptable, then Members will have full opportunity to say so.

There are a number of issues at stake here. The Member for Kluane quite elegantly put the case for Destruction Bay and the case for the community services in Destruction Bay before the Legislature. The case for other communities in the Member's riding should be made. The blending of the administrative responsibilities of the superintendents' positions ought to be considered in that framework. For that reason, I am putting forward this amendment for people's consideration.

I think it will provide a heads-up approach to the issue. We are, of course, putting forth efforts to decentralize positions. We do make it very clear that it is not the interests of the government to threaten, in any way, the viability of Destruction Bay, irrespective of what the previous government may have considered doing. The vitality and health of that community is very important to this government and will continue to be. I know it is to the Member for Kluane. It is to the government as well.

Mr. Brewster: The Minister is quite correct when he said that I would disagree with this. Outside of Whitehorse, I guess Haines Junction is the next bureaucratic setup in the Yukon. Well over 80 percent of our people are civil servants. It is time we moved some of this out. National Parks has already seen this. I understand that they will be moving some people into Destruction Bay. The police are all settled at Haines Junction, yet the Minister of Justice tells me we need 3.4 or 3.6 policemen. We have four. I tried to get the other .6 or .4, whatever it is, to Destruction Bay and could not succeed. I just do not agree with this. All you are doing is just moving. That is very nice for them to be there. It is the most beautiful spot in the Yukon, yet they are only 100 miles from Whitehorse. Is the Minister making this decision for some civil

servant who may have to move and may have to be 170 miles from Whitehorse, instead of just 100 miles.

I would like to point that, between Destruction Bay and Haines Junction, the worst road is the Kluane Lake Road, along the lake, which blows in continually and they have to have people on it all the time. The highest pass on the Alaska Highway is Boutellier Summit, which is over on Kluane Lake. They also have to go over Bear Creek Summit. There are two summits they have to go over within 25 miles. The Bear Creek Summit is administered by Haines Junction; Boutellier Summit is administered by the bunch in Destruction Bay, plus they have to look after the lake.

You talk about decentralizing and trying to help small communities. This is just rhetoric and talk. It is not true. The statement was made by the Minister that people are not concerned about big government and big government being all in one place. I do not know where he lives or has travelled, but any place I go, including even among some civil servants, people are saying there is too much government concentrated in too many places. I certainly disagree with this amendment.

⁴⁹ **Speaker:** Are you prepared for the question on the amendment? Are you agreed?

Some Members: Disagreed.

Speaker: I think the nays have it. I declare the amendment defeated.

Some Members: Hooray!

Hon. Mr. Porter: Division.

Speaker: Division has been called.

It has been moved by the Minister of Community and Transportation Services that Motion No. 88 be amended by deleting the phrase, "the Highway Superintendent (West) Office should be relocated to Destruction Bay" and substituting for it the following: "a review be conducted on the relocation of Highway Superintendent (West) Office outside of Whitehorse."

Mr. Clerk, would you please poll the House.

Hon. Mr. Penikett: A very agreeable amendment.

Hon. Mr. McDonald: Agreed.

Hon. Mr. Porter: Agreed.

Hon. Mrs. Joe: Agreed.

Hon. Mr. Kimmerly: Agreed.

Mr. Webster: Agreed.

Ms. Kassi: Agreed.

Mr. Phelps: Disagreed.

Mr. Brewster: Disagreed.

Mr. Lang: Disagreed.

Mr. Nordling: Disagreed.

Mrs. Firth: Disagreed.

Mr. Phillips: Disagreed.

Mr. McLachlan: Disagreed.

Mr. Clerk: Mr. Speaker, the results are seven yea, seven nay.

Speaker: Our Standing Order 4(2) states: "In the case of an equality of votes, the Speaker shall have the casting vote..." In general, the principle I apply to amendments is that the decision should not be taken except by a majority, and that, where there is no majority, the main motion should be left in its existing form. It is, therefore, my duty to vote against the amendment, and I declare the amendment defeated.

Amendment negatived

Is there any further debate on the main motion?

Mr. McLachlan: I find it somewhat difficult at times on a particular motion of this nature, coming from the only community in the entire Yukon that has no government maintenance camp. However, we have in, the Liberal Party, expressed an indication for devolution and movement of a lot of this bureaucracy out of Whitehorse into rural Yukon. This motion, although it specifically designates where the Superintendent should go, I too, feel that we would like to get some control in the eastern side of the Yukon, out of Whitehorse, and a little more on the job site or in the immediate area.

I feel that the Member for Klondike has that in his riding and the

Member for Kluane may soon get it in his riding, but I would like to see the eastern side either controlled at Ross River, or as is a sore point in Faro, perhaps a little more government maintenance both in our area to the mine instead of stationing the entire camp at Little Salmon.

It is because of this feeling and this thought that on behalf of myself and my constituents I am supporting the motion as put forward by the Member for Kluane.

⁵⁰ **Mr. Phillips:** I rise today to support the motion that we have in front of us, which was presented by the Member for Kluane. I do commend the Member for bringing that motion forward. I would like to address the issue briefly from a standpoint of decentralization. We have heard many times from the government side about the talk of decentralization in the Yukon and the importance of decentralizing government.

The move of this position to Destruction Bay is not a major move in terms of numbers, but I can assure all Members of the House that for the people of Destruction Bay it is extremely significant. This move will not only bring more payroll and stability to the small community, but it will also probably bring in a family or two who will also get involved in the community, which can add to its well being.

I have spoken before on the need to decentralize, and possibly decentralize highway superintendents. It is extremely important because the job of these gentlemen is mainly to maintain a section of the highway. By living in the community, they can respond a lot quicker to the problems in the area. Some people may even argue that moving someone from that position into the community may present a communication problem with Whitehorse. If we ask people in the communities, they feel it works the other way. They feel there is a communication problem in getting their message across to the government in Whitehorse. If the people involved were working and living right in the communities, the problems would be addressed in a much more rapid and efficient manner. I am sure that the decisions made in those communities by the superintendents would reflect more the feelings of the people living on those sections of the highway.

I also encourage the Minister that, when he is looking at this position, he also look at Watson Lake. We have talked about this issue before in Question Period and at other times in the House. If one talks to the Town Council in Watson Lake and the representatives in the community, one would find that they are most supportive of moves such as this. It is a small move, it is not very expensive, and it is decentralization to a point. It will also add to the stability of the communities in question. I urge all Members to support this motion.

Hon. Mr. Penikett: I am pleased to enter the debate following the Member for Riverdale North and hearing his eloquent defence of relocating personnel to Burwash Landing. That was before he changed his mind to Destruction Bay.

I will be opposing this specific motion, not because I oppose the idea, but I have a great deal of problem with a motion in this House that specifies an individual in the government and a location to dispatch that individual to. It seems a kind of lousy way to conduct personnel policies and to manage a public service. This is unique in Legislatures in this country, being small, where matters that are administrative are discussed in great length. I have no problem discussing the policy. We support the policy of decentralization. It would be a great offence, though, if every Wednesday in this House we were to pick individuals in the public service we would like dispatched to Old Crow, Watson Lake, Burwash Landing or to a place where we thought they would more usefully spend their time. If there was someone I did not particularly like, I could come here with a motion to send them to whatever we thought was our particular gulag. I do not think that would be very appropriate at all. That would be irresponsible.

⁵¹ As a purely practical matter, the person who is designated in the motion to be moved to Destruction Bay is, as a principal part of his responsibilities, charged with the operation of the Skagway Road, which is a fair distance from Haines Junction. As a purely practical

matter, he may not be able to carry out those duties very well from Destruction Bay. That is presumably the reason that they have been in Whitehorse, heretofore.

I find it very ironic, as has been pointed out by the Minister of Community and Transportation Services, that this designation, Destruction Bay, should be identified by a Member of the Conservative Party. I have been in this House long enough to remember the time when a Conservative Minister of Municipal Affairs, or Community and Transportation Services, was initiating a measure to shut down Destruction Bay, to wipe it off the map, to pull all the government workers out of there. There is at least one Member present here who voted against the amendment a moment ago, who must have supported in Cabinet, as an act of solidarity, that decision, which was reversed after the appropriate public outcry, of which I was just a small voice.

The Member for Riverdale South is suggesting that I was a larger voice in the matter than my modesty would want me to confess. I concede that. Yes, I did have something to do with helping government to change their bad decision on that occasion. I thank the Member for Riverdale South for being so kind as to call the attention of the House to my contribution.

I would have been, and I think all Members of our side would have been, happy to support the amendment that was moved by my ministerial colleague, the Member for Mayo, because it was a much more reasonable proposition. We are committed to decentralization. We would have been prepared to look very seriously at relocating a superintendent and officials of this government to that region.

We would still be interested in looking at the most practical location. We would be prepared to consider either the suggestion of the Member for Riverdale North, which is Burwash Landing, which is no or very little government presence right now and would be entitled to have some territorial government presence. I support the Member on that.

The suggestion for Destruction Bay may have merit. I would say to the Member for Kluane, who is from Haines Junction, that I think we should seriously look at Haines Junction as a suitable location for relocating such personnel. He argues that because there are so many public employees already there that, somehow, they polluted the natural balance or corrupted the equilibrium in the community. I do not think that is the case. They are all nice people. I have met some of them. Even those who vote for him, I happen to know are fine ladies and gentlemen who deserve our support and our respect, even though they have not been getting much recently from the Members opposite — at least public servants generically.

If we are seriously going to look at this question, and I take it that it was a serious intervention from the Member for Kluane, we should open our minds, not just to the specific community of Destruction Bay, but to that whole region. We should seriously look at the possibility not only of Destruction Bay, but Burwash Landing, as suggested by the Member for Riverdale North, and Haines Junction.

By specifying an individual, by specifying a community, I think the Member for Kluane has made it difficult for the government to accept that proposition, to make what is essentially a managerial decision on the floor of this House. We absolutely support the principle of decentralization. We are prepared to advance the cause. If the Member would do the right thing now and ask that we adjourn debate on this motion, or withdraw the motion, I will give my undertaking that this government would look very carefully at relocating the appropriate high-level official to that region.

I think it would be a very bad precedent for us to come into this House and name an individual and name a community to which they should be sent on a motion of this House.

⁵² **Mr. Lang:** I just have a couple of comments. I was absent from the House for a couple of minutes and the Minister of Community and Transportation Services took a great deal of delight in making less than positive comments about me and my past service in government. I recognize the Minister is still smarting from the debate that was held earlier in view of the decision they took.

I want to make a comment on Destruction Bay so it is on the record. There was a decision made quite some time ago about the

possibility of relocating that particular camp. The Minister of the day did go to that community. There was an outcry primarily led not by the overpowering presence of the now Government Leader, but, in good part, by the MLA for Kluane. I want to put on the record that this is not an idea that has been brought out of the clear blue by the MLA for Kluane. It is an area that he has raised in numerous other arenas.

I want put on the record that the Government Leader stands up, just like he always does, and gives a very flowering speech about how he supports everything. He believes in motherhood, he believes in apple pie, and the Union Jack. For the record, there was a motion that was passed by this House unanimously last spring, I believe, almost a year ago, requesting the government to look into the prospect of decentralization within the various departments within government. Now, nine months or a year later, the Minister comes forward and says, "trust me".

We recognize that a lot of things that are done in this House are of no consequence once the House adjourns or prorogues. The government looks at it from that perspective. We see that; we are not new at being exposed to the government's arrogance and inability to realize this side is serious about the job it has been elected to do.

I also want on the record that this does not name an individual. It talks about an office, the prospects of an office being relocated to a certain area within the territory. Maybe it is time that there was some political decisions taken as opposed to the platitudes put forward by the side opposite where you will have another \$50,000 debit.

Mr. Webster: I rise to support the Member for Kluane in response to the words from the Member for Porter Creek East. Certainly none of his motions are insincere. They are very sincere and are not from out of the blue. He has worked on some of these ideas for a long time and a lot of them have merit. I just cannot understand why his own government, when he was a part of that government, did not respond to them. For example, the maintenance at Silver City, which is needed. For example, his feasibility study into a port at Tarr Inlet, and now moving these highway offices to Destruction Bay.

As I say, most of these do have merit, but I think that before we vote in favour of this motion, it requires some more detailed investigation to determine if this idea does indeed have merit, and we can vote in favour of it.

As for decentralization, you will get no argument from this side of the House, we are all in favour of it, wherever it is feasible and practical and improves services to rural Yukoners. I would suggest that this motion be given further investigation before concrete action be given to it.

⁵³ **Speaker:** The honourable Member will close debate if he now speaks. Does any other Member wish to be heard?

Hon. Mr. Kimmerly: I move that debate be now adjourned.

Speaker: It has been moved by the Minister of Justice that debate be now adjourned.

Speaker: I think the nays have it.

Division has been called.

Mr. Clerk, would you please poll the House?

Hon. Mr. Penikett: Agree.

Hon. Mr. McDonald: Agree.

Hon. Mr. Porter: Agree.

Hon. Mrs. Joe: Agree.

Hon. Mr. Kimmerly: Agree.

Mr. Webster: Agree.

Ms. Kassi: Agree.

Mr. Phelps: Disagree.

Mr. Brewster: Disagree.

Mr. Lang: Disagree.

Mr. Nordling: Disagree.

Mrs. Firth: Disagree.

Mr. Phillips: Disagree.

Mr. McLachlan: Disagree.

Mr. Clerk: Mr. Speaker, the results are 7 yea, 7 nay.

Speaker: The Speaker must vote to permit further debate; I vote against the motion.

Motion to adjourn debate defeated

⁵⁴

Mr. Brewster: I would like to thank the Government Leader for his little lecture and his jokes. He thinks it is quite a funny thing. I guess maybe that is what they teach you in politics somewhere where we could go to learn politics. I learned it in a back alley. I started fighting on this four or five years ago, and I am not ashamed to admit that there were plans looked at by the government that I was with — and I am still with them — but I won that one in the back alley at that time. I am quite prepared and not ashamed to stand up to it. If you think you were putting me on a spot with remarks about civil servants and I live in Haines Junction, yes, I live in Haines Junction. I am very proud to live in Haines Junction and am very proud of the people there. I also represent Kluane, and I have guts enough to back a few people if I irritate a big group. Maybe the Government Leader could look at some of this some time.

He made the rude statement that I named an individual. I did not. I named an office. I will recall when we debated the police motion here, nobody got excited when I designated police to go. It is just convenient when you pick up the rules and make them, and when you cannot, you forget them. This would not be a big cost. It would probably be one individual. I rather question that it may not even be an individual. Number one, if the superintendent now is looking after the Skagway Road, rest assured he is going to be a little too busy to ever get up to Beaver Creek, if we ever have a winter like we ordinarily have.

It would not cost much more than that. It would keep a little community going. As I said, I have no problems in the world in standing up and going right to Haines Junction and saying this. I am quite proud to represent everybody in my area, and I like things to be as fair as I can get them. I think the people in my area, including the civil servants up there, are fair enough minded and realize that it is Destruction Bay that needs help, not Haines Junction.

⁵⁵ **Speaker:** Are you prepared for the question?

Some Members: Division.

Speaker: Division has been called.

Mr. Clerk will you poll the House, please?

Hon. Mr. Penikett: Disagreed.

Hon. Mr. McDonald: Disagreed.

Hon. Mr. Porter: Disagreed.

Hon. Mrs. Joe: Disagreed.

Hon. Mr. Kimmerly: Disagreed.

Mr. Webster: Disagreed.

Ms. Kassi: Disagreed.

Mr. Phelps: Agreed.

Mr. Brewster: Agreed.

Mr. Lang: Agreed.

Mr. Nordling: Agreed.

Mrs. Firth: Agreed.

Mr. Phillips: Agreed.

Mr. McLachlan: Agreed.

Mr. Clerk: Mr. Speaker, the results are seven yea, seven nay.

Speaker: Our Standing Order 4(2) states that "In the case of equality of votes, the Speaker shall give a casting vote...". In general, the principle I apply to motions is that, where no further discussion is possible, decision should not be taken except by majority. It is, therefore, my duty to vote against the motion, and I declare the motion defeated.

Motion No. 88 negatived

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

Speaker: Is the hon. Member prepared to proceed with item No. 2?

⁵⁶ **Mr. McLachlan:** Next sitting day, Mr. Speaker.

Speaker: So ordered.

Clerk: Item number 1, standing in the name of Mr. Phelps.

Speaker: Is the hon. Member prepared to proceed with item number 1?

Mr. Phelps: May this be set aside, Mr. Speaker?

Speaker: So ordered.

Is it the wish of the House to resolve into Committee of the Whole?

Hon. Mr. Porter: Mr. Speaker, 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 Chair

COMMITTEE OF THE WHOLE

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

Hon. Mr. Porter: Given the time, I suggest that we recess until 7:30.

Chairman: We will now recess until 7:30 p.m.

Recess

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

Fourth Appropriation Act, 1986/87 — continued

Department of Justice

On Rural Court Facilities - Renovations

Hon. Mr. Kimmerly: I was asked several questions when we last discussed this item, which I did not have the specific information for. I now have that information.

The architectural assessment was budgeted at \$40,000 and the actual expenditure was \$20,450. That is the cost to the architects of the assessment. That expenditure was largely due to the travelling to all the communities and holding preliminary discussions with such people as the community clubs who own the buildings and assessing the community will and the like. It involved some costing of the various options, which is in the report, which I have sent over to Opposition.

The way the estimates were calculated was basically from the reports. They were calculated on the only basis that was available to actually arrive at a concrete figure. I will explain a bit about that in a moment.

⁰² The way the estimate for Carmacks, for example, was arrived at was the cost of a trailer. The proposal is in option A in the report on the various communities where court is held and where there is no suitable government building. The original plan was, except for Old Crow, to have a trailer installed with the existing building to contain at least two witness rooms and a judge's room. The trailers were costed at \$24,000 each; the set-up costs are \$6,000; the shipping of those trailers is \$7,000; the loading and unloading of the trailers is \$1,000.

There is a difference in the communities of Teslin, Carmacks and Carcross in the costs for installation, plumbing and electricity. That accounts for the differences. The total for Teslin was \$38,000; the total figure for Carmacks was \$40,000; and in Carcross the total figure was \$50,000.

I have explained how those estimates were arrived at, which is the specific question that I was asked. The estimates were arrived at on the basis of trailers because that was the only way, short of doing more expensive architectural work, in arriving at a concrete figure.

⁰³ The plan of the government is to use those figures as a guide, and I have explained how we have arrived at them. The government

priorities, as Members will all know, is to use local materials and local labour wherever possible. It is absolutely clear that although there was consultation with the community people who control these buildings, there has not been adequate consultation or, to put it another way, there must be significantly more consultation before any building is done.

I am informed that all the community organizations consulted were extremely pleased at the prospect of these improvements to their facilities. It is the plan of the government to now talk specifically with the various organizations about the specific buildings, about their particular desires, and to discuss the various options with the people who own the buildings. That is obviously the next step. I emphasize that that step has not occurred. It has not occurred because we need authority to spend the money.

That explains the particular information that I was asked about. I did not explain the question of Old Crow. On the question of Old Crow, the situation is also for a trailer. It was not costed in the report, but we obtained a quote from Trade North Construction for a 600 square foot trailer. It was \$70,000 for Old Crow. The difference in the Old Crow trailer and the others is that it was designed to possibly accommodate the court party to actually sleep and live there.

⁰⁴ The cost of shipping was estimated at \$30,000.

The government has not made a decision to install living quarters in Old Crow for the court party. We would much prefer to purchase accommodation from the private sector. The court party has experienced significant difficulties on the last two circuits. On one circuit the party was flown to Inuvik to sleep overnight, which I am sure all Members will recognize as a totally unacceptable situation as a long-term plan, both in terms of expense, but also, more importantly, in terms of the communication between the community and the court party.

The intention of the government is to discuss with, specifically, the band, and the community the best alternative for that area. That is the reason for that particular estimate.

I would reiterate that in light of the fact that we have spent \$6 million or \$7 million on the court facility in Whitehorse, it is perfectly appropriate to upgrade the facilities in rural Yukon. The concern is how to best, or most economically, achieve that. The principle, I think all Members agree, about adapting a building that is an already existing multi-use building is a far superior process than building courthouses in all the communities, although Dawson City and Watson Lake do have a courtroom in a government building.

⁰⁵ The estimates were made on the basis of the most concrete information that is available. We certainly would not be spending more money than that per community. It remains an option to either install a trailer or to renovate in some other way, which is beneficial both to the community and to the court facility. I believe that answers the questions I was asked.

Mr. Phillips: I thank the Minister for bringing that information back. I wish we had some of that information the other night. The debate may have been cut a little shorter. I am still left a little puzzled. I do agree with the Minister that we have to upgrade our rural court facilities. I also agree that the most economical way to do it is to add on to existing buildings like community centres.

I have some difficulty, however, with the way the Minister has presented the budget here in the House. He has just told the House that the quotes that he has are based on this report, which says they are going to use trailers. He has a budget of \$50,000 for a trailer for Carcross. Now, he is telling me that they want to use local hire and local materials as much as possible. That means that the trailer idea is out the window, because we all know that these trailers are almost self-contained. They can be put up alongside of the building and utilized that way. Therefore, very little local labour would be used by using a trailer.

I can go back to my business experience. If I went into a bank to get approval for a loan, and I told the bank manager that I need \$50,000 because here is the study that says I need a trailer and this is what it is going to cost, but when I get the money, I am not going to buy a trailer, I am going to build something else. Could the Minister tell us if that is standard budget procedure to plan one

thing and then build another that may cost a lot less? When the Minister explains why he did the budget this way, he could he tell us what exactly is going to be built, as well as a forecast of costs, in the communities.

Hon. Mr. Kimmerly: What we are going to build is interview rooms and rooms suitable for use by the court party. That is, in most cases, two interview rooms and a judge's retiring room, or a judge's office which, in effect, is a change room, in many cases.

In some of the communities — and it is identified in the report — that is done in the kitchen or in the washrooms of the building available. In some of the facilities, that is quite adequate. In some of the communities it is not adequate. The communities are slightly different, so the needs, or the accommodation, is known now. What is not known now is the price of that.

I understand the Member's question and his analogy to a bank is an interesting one. The reason why we cannot do it exactly that way is that it is not possible, under our present systems, to plan in one year and to build in the next year, unless we specifically vote planning money for one year and then specifically vote the estimates in the second year.

In this case, we see the need for rural facilities as urgent. We have perceived that, because we are going to do it, it is a good project in the public interest, we can also combine it with a winter works aim, or a winter works program. If we look at the context of the total Capital Budget and the larger-than-normal Budget, which is expended primarily in the summertime, it makes a lot of sense to try and build it over the winter. It certainly accommodates the employment needs in the small communities. It makes a lot of sense to maximize the employment in the communities. That is why it is not our preferred option to purchase trailers from the south and install them here. As the Member said, there is a small amount of local labour there.

In order to do work this winter, we need to use some figure as an estimate. We have estimated the only way that we can concretely know is actually getting the quotes for the trailers. It may be that, after consultation with, for example, the community of people in Carcross or Carmacks, that that is what they want.

⁰⁷ If it is, that is fine. However, that community consultation has to occur, and occur very well. Community consultation is greatly assisted if we have a maximum figure, something to go by. This budget can establish that. That is the reason we have based the estimates this way. It is really the only way to get a concrete figure. The only other alternative is to postpone the program, essentially, for a year.

Mr. Phillips: It is a feeble attempt at an explanation. I do not know if the Minister has done this, but I phoned a few contractors and asked them what a 16 X 16 or a 12 X 12 unit would cost, built throughout the Yukon. I do not accept the excuse of the Minister that he had to take this approach with trailers. They have all kinds of architects and people working within the government who are trained to do this. We are putting out project after project now that have rooms this size in them. I am sure somebody could give you a fairly rough estimate and a heck of a lot more accurate than we have here in five minutes, without designing a huge set of plans, and it could be within the ball park.

I would suggest to the Minister that we would be looking at somewhere between \$18,000 to \$25,000; \$30,000 at the most. I know of a building being built right now on the outside of an existing building that had to have architectural drawings and everything else done with it. It is 16 X 16 and has six windows, a sprinkler system, an inside door and an outside door, and is going to be done for less than \$30,000. It had to meet all the requirements. Why could the Minister's estimates not be closer to that reflection instead of \$40,000 or \$50,000 or \$100,000?

The Minister is spending taxpayers' money. He certainly would not do that if he were building on his own building. He would not accept a figure like that out of the blue and budget it. He would be laughed out of any bank in the country if he went in and said he was building one room on his house for \$40,000 or \$50,000.

Did the Minister not consult with his own people? When he looked at these figures, he must have been rather shocked, like we were. Did he not consult his own people in the architectural section

of the Yukon government and ask them if these figures were reasonable?

Hon. Mr. Kimmerly: In view of what we are looking at in terms of estimates for essentially three rooms, with washroom facilities in some cases, the estimates here and the estimates about the 16 X 16 addition for \$30,000 are approximately the same. The estimates here are arrived at by the concrete method that I have explained.

⁰⁸ The advice here is the professional advice that we have. I have all the sympathy in the world for the argument about the expenditure of the taxpayer's dollar. This debate, in one sense, is very useful because it raises these issues, and I think it is constructive, at least in that sense. These projects will be looked at. We are talking about tendering the projects, and the private sector will compete. If we can do it more cheaply, we will, and I will be pleased to say that the estimates were high if we can. If the Member is right, I will be pleased to report that the bids were lower, but we need some basis for budgeting, and this is it.

Mr. Phillips: In the debate the other night, the Minister mentioned that these witness rooms were only one room. Now he tells us that they are three rooms. Which is it? Is it one or three rooms that we are talking about?

Hon. Mr. Kimmerly: The estimates are for trailers that would normally accommodate three rooms and washroom facilities. In some of the cases, the washroom facilities are unnecessary. In some — I think in one or two — they are required. I admit that I was very inexact about the description I gave. I was extremely general. The reason for that is that community consultation, which must occur, has not yet happened. It has occurred in its preliminary stages, but the precision that is necessary has not occurred. It is impossible to be exact about the figures.

Mr. Phillips: The Minister was extremely general because he is telling us that the estimates are based on trailers now. The other day he told us that some of these units would be inside existing community halls, and that does not make much sense. Has the government ruled out using the trailers? If they do choose to use trailers, who pays for the heat, light and the O&M costs to the trailer?

⁰⁹ **Hon. Mr. Kimmerly:** The use of trailers is not ruled out. It is not the preferred option of the government, because it would not maximize local materials or local labour.

The question of O&M costs is one to discuss with the communities themselves. The government is not budgeting any money for O&M costs. There is a recommendation about janitors for some facilities, but we are not budgeting any money for that. That is not our proposal. It is the subject of consultation with the community clubs, and could only be adjusted in the rents that we would pay. I have been advised that the architect who did the study spoke to the owners of the buildings. In every single case, they were most pleased at the prospect of these improvements to their buildings.

The O&M costs of these community halls are going on, in any event. The people who own them are bearing the costs. They are very pleased to have court circuits there, as it is a source of income. In terms of their budgets, they make a profit. They rent the rooms and, if there is any adjustment in O&M costs necessary, it could only be in the rental of these rooms.

It is interesting that the court circuits have been increased. This is something that I am extremely pleased has occurred during my ministry, because there have been plans to increase the frequency of court circuits — plans announced publicly by the government of the day since 1978. I remember very well. The frequency of use has increased. The circuits will be, barring unforeseen circumstances, going to all the communities, including Old Crow, six times a year in the future, at least.

Mr. Phillips: The Minister has introduced a brand new concept of budget estimates, where he has now decided that we based it on a study we have that says we are going to put in trailers, but we are not going to put in trailers. We are going to do something altogether different. I find that rather confusing and an odd way to do it. It just is beyond me. The Minister knows it would not cost that much to build these rooms, yet he continues to use those estimates. He

brought his budget in here. The report was obviously written earlier in the summer, and he has had a long time to look at the report and possibly get other estimates if he felt they were not going to fit the bill.

I am just disappointed that the Minister has come in here and created all the confusion he has in the last couple of days with being virtually ill-prepared the other night, and then coming in today and finally clarifying where they are coming from. I hope the next time the Minister comes in with his budget that he will be a little more prepared to answer some of the questions.

Chairman: Is there anything further on the Department of Justice?

*Total Capital in the amount of \$5,529,000 agreed to
On Schedule A*

*Schedule A in the amount of \$7,247,000 agreed to
On Clause 2*

Clause 2 agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Porter: I move that the Chair now report Bill No. 18 out of Committee without amendment.

Chairman: It has been moved by the Government House Leader that the Chair now report Bill No. 18 out of Committee without amendment.

Motion agreed to

Bill No. 23 — An Act to Amend the Public Service Commission Act —

Chairman: Bill No. 23, *An Act to Amend the Public Service Commission Act.*

Hon. Mr. Penikett: I am anxious to begin talking about this Bill. I wonder if I may ask the indulgence of the Pages to bring a couple of chairs on to the floor beside me for some officials from the department who will be assisting me in making sure any questions that the Members opposite have are answered promptly and accurately.

I did speak to second reading of this Bill quite some time ago. I have almost forgotten when it was. I am willing to review the main principles of the Bill if that is the wish of the Members or we could just get into responding to the questions of the Members. I am in the hands of the Committee.

Mr. Lang: I would like to state a concern that I raised with the House Leader, and it has to do with the House business. I defend the government's right to put the House business in the order that they choose, but we had been cited to do the financial Bills that we thought were the priority of the government, and we were informed this morning that there was a change in business. I think it is important that it is noted for the record in view of the fact that the Chairman was directed on Monday with the order of business vis-a-vis the financial bill first and then this Bill next. Subsequently, we are in the situation where the capital appropriation for 1987/88 is delayed.

Chairman: Is there any further general debate?

Mr. Phelps: Are we waiting for some officials?

Hon. Mr. Penikett: I am not waiting, but I will be joined by a couple of officials from the department who will assist me on any detailed questions that the Members may have. I am waiting for them to arrive, but I do not want to hold up debate.

Mr. Phelps: Perhaps the Minister could start off by advising us whether the estimates have been made as to what it is going to cost to implement changes to the Bill.

Hon. Mr. Penikett: I will confirm this information when the witnesses from the department are with me, but I believe the estimates of providing benefits to the casuals — in other words making them auxiliaries and giving them benefits — can be quite significant and can be calculated. Of course, the Leader of the Official Opposition will understand that casuals have always been employed by the departments within the limits of their budget, so one impact may be that if a department like Community and Transportation Services may have had X number of casuals in a summer season, the increased wage cost could mean that they will

have X minus a certain number because of those financial controls still being in place. I will attempt to get an answer to the question.

Mrs. Firth: While the Minister is getting that cost figure, I would like to know if he could just refresh our memories as to the cost to implement the JES, the percentage increase, that the government had to look at for their budget.

Hon. Mr. Penikett: The adjustment on that, if my memory serves me correctly, was 3.6 percent of the payroll to achieve the JES change.

Mrs. Firth: I believe the Minister was talking, in his second reading speech, of an appeal system for classification. Could he elaborate on that for me somewhat?

Hon. Mr. Penikett: Yes. Auxiliaries will essentially have the same entitlement to appeal as the permanent employees, and I believe I am correct in saying that essentially they will have identical rights to the permanent employees in that respect.

Mr. Phelps: Under the explanatory note (e), to clarify restrictions on the political activities of public servants, I take it there is nothing really new there, it simply clarifies existing policy.

Hon. Mr. Penikett: It really makes the distinction very clear that from the day of the writ of the election, I believe from the moment of the writ of the election, that the leave must be taken. I think it also effectively removes the discretion that appears to be in the existing Act for the employer to give it or not.

¹² *On Clause 1*

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause 8

Clause 8 agreed to

On Clause 9

Clause 9 agreed to

On Clause 10

Mrs. Firth: Just before we go on, could the Minister explain why sections 21 and 22 are repealed?

Hon. Mr. Penikett: Yes. They were repealed because 21 and 22 define the parameters of the old classification system, not the new one that is in place now.

Clause 10 agreed to

On Clause 11

Clause 11 agreed to

On Clause 12

Clause 12 agreed to

On Clause 13

Clause 13 agreed to

On Clause 14

Clause 14 agreed to

On Clause 15

Clause 15 agreed to

On Clause 16

Clause 16 agreed to

On Clause 17

Clause 17 agreed to

On Clause 18

Clause 18 agreed to

On Clause 19

Clause 19 agreed to

¹³ *On Clause 20*

Clause 20 agreed to

On Clause 21

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On Clause 31

Mrs. Firth: On Clause 31, can the Minister tell us why this is subject to the regulations now. I understand that in the original clause it says, "The classification appeal boards shall consider the appeal and shall have the right subject to the regulations." Why is that changed?

Hon. Mr. Penikett: Looking ahead to Section 50, the appeal board authority will be governed by regulations that are not detailed in the Act. I could give the Member an example of the kind of regulations, such as the composition of the board, and the procedures by which they should operate in dealing with appeals and classifications.

The regulations are not drafted yet.

Mrs. Firth: When does the Minister anticipate that the regulations will be ready?

Hon. Mr. Penikett: They will be done by March 31, or at the end of this fiscal year.

Mrs. Firth: I would just like to clarify again what the regulations are going to contain. The Minister has said procedures and makeup of the board. Can he give me any general intent of what those regulations are going to include?

Hon. Mr. Penikett: For example, the method of the appointment of the chair is going to be done by regulation. Previously, under the old Act, it was the exclusive right of the Public Service Commission to appoint the chair. That was not, of course, entirely satisfactory to employee representatives, and I think there will be regulations now that provide for mutual consent to the chair of the appeals board.

Mrs. Firth: Are there going to be standard regulations that would be consistent with existing ones that apply to boards that exist in government now?

Hon. Mr. Penikett: Yes. The regulations we would be looking for would provide for sound administrative law and natural justice, and proper procedures and due process. I do not know the legal language, but that is the kind of standards we would be looking for.

Mrs. Firth: Will the regulations be containing any — punishments is the not the word I am looking for — directions or any standard procedures that the board may have to follow, that would be different than what we have now? Is there anything new or creative in the plans for the regulations?

Hon. Mr. Penikett: No. I do not think there will be anything exotic or unusual about these regulations, nor can I envision any penalties. This would simply provide for, like we would with any administrative tribunal, what the rules are for which they operate and standard procedures, what would constitute a quorum, the right to call witnesses. The right to representation is provided in this Bill, of an employee and so forth.

Clause 31 agreed to
On Clause 32
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On Clause 59

Mrs. Firth: Could the Minister tell us if this affirmative action clause is consistent with what other jurisdictions have?

Hon. Mr. Penikett: I cannot say how consistent it is with other jurisdictions except that it is simpler than most jurisdictions. Many jurisdictions have specific legislation that provides for affirmative action programs. We have established the Positive Employment Program under the *Public Service Commission Act*. The old Act does not provide specific provision for that. This clause will allow for specific provision for the one program that we now have, the Positive Employment Program.

Mrs. Firth: It is a very broad clause. I interpret it as meaning that the government could hire whomever they wanted for whatever reason they wanted. Am I giving too loose an interpretation to it?

Hon. Mr. Penikett: I do not think it as broad as the Member suggests. We have the Positive Employment Program that has been authorized by the House, which has a specific program content of six training positions and one trainer.

We are doing the policy work to deal with the question of the situation of women inside the public service, an inadequate number of whom are in the management ranks. We are trying to do very early work. We are involved in one consulting contract in a situation of handicapped people. This clause will allow us to provide a slightly clearer legislative framework for those programs and make it clear that they are permitted in this Act.

The specific programs will always have to come before the House

on a year to year basis because right now we have a very limited and very structurally simple program as compared with the federal government, which has very elaborate and very involved affirmative action programs, as do many of the provincial governments. Many of them, I believe, have established separate legislation to provide for their programs.

Mr. Phelps: The crux of the concern is that this can be seen as an enabling clause or a clause that does not prevent affirmative action programs. How does this House get a handle on programs as they are introduced by the Public Service Commission?

Hon. Mr. Penikett: The specific answer is that they must have budgetary expression and they must have authority in the House. The Positive Employment Program is the one program that we have in place now and did receive approval for from the House in the last O&M Budget for this year. That program is established and operating. As I indicated to the House, further research work would have to be done on where we go from here. I know there is one gentleman on contract right now who has specific knowledge and experience with the situation of handicapped people in the Yukon. He is analyzing our situation with respect to those barriers, visible or invisible.

The Positive Employment Program, which is governed to the six training positions for aboriginal people, is well underway. I would tell the House that it is in great demand. The demand has far exceeded my expectations. We have literally dozens and dozens of people coming and looking for the jobs. I am very pleased that the departments have responded by many of them requesting these training positions. The demand on that very limited and elementary program has been enormous.

Since we are amending the Act, this will provide specific authority to do it. To answer the Leader of the Official Opposition, if I may anticipate a question, at the point that we get the full-fledged programs, which are, at this stage, somewhat experimental, provide for handicapped people and conceivably more elaborate programs to promote women inside our public service, it may be opportune at some point for the Minister of the day to come forward in the House with specific legislation to deal with affirmative action programs.

It is my judgment that we are not ready at that point yet, because we are at the very early stages. We are taking the very first steps down this road.

Mr. Phelps: That is the kind of concern I was seeking. I am very loathe to allow a clause such as this to just go through with no control vested, or very little remaining, in the Legislature. With that assurance, I am prepared to clear the clause.

Mr. McLachlan: Who are disadvantaged individuals or groups, and who retains the sole right to define the group? It is a new clause, and there is no definition to accompany the addition of the new clauses.

Hon. Mr. Penikett: In terms of the program situation, at this point, it is not quite clear who we have defined as disadvantaged groups in the territory. We have agreed on the evidence that the aboriginal community is hugely under-represented in this public service, as compared with their numbers in the population at large. The first step we have taken in the six training positions approved in the Budget for the Positive Employment Program is to deal with that disadvantaged group.

We have also recognized that women are under-represented in the management ranks of the public service of this government and, even though we have not implemented specific measures yet, this government recognizes that measures will have to be taken to deal with that apparent disadvantage that women operate under with respect to the senior ranks of this government.

We recognize that there are, as in other parts of society, likely barriers to people with certain kinds of handicaps, whether visual impairment or hearing impairment or people who are in wheelchairs or suffering other handicaps, to employment in the public service in a situation where this is the largest employer in the territory. Those are three groups that I would describe as covered under the disadvantaged in this section.

Again, I would emphasize that we are in the very early days of developing such programs. The only specific program we have right

now is the one that has received the budget approval of the House. As I indicated to the Leader of the Official Opposition earlier, I think when we have done the policy work and the research work to the point where we are prepared to contemplate the range of programs that may be operating in some of the smaller provinces, because I do not think we could compete with Ontario or the federal government.

¹⁷ The legislation would specifically deal with this area and would more tightly define the groups referred to by the Member. I think this would be in order.

Mr. McLachlan: I accept the Minister's definition in the broader sense of what disadvantaged groups are, but the only reason I ask is that during the course of the human rights debates we have heard expressions about inadvertent discrimination against a group of Filipinos who may all be under the height of 5'2", or should the Yukon Territory someday be the recipient of a large group of Tamil refugees, a case could be made that they were disadvantaged. It opens the door for other interpretations of who gets in under what.

Hon. Mr. Penikett: I take the Member's point, but I do not believe there is any evidence of what Margaret Atwood calls "heightism", or overt racism based on visible minorities. I do not believe there is any colour discrimination in effect in the hiring of this government, nor do I believe we have any height regulations. The one we have is a mandatory retirement age, which is addressed in this Bill.

Chairman: Is it the wish of the Committee to recess?

Mrs. Firth: Just before we leave Clause 59, I know the positive employment program objective was to have the six positions. Does the government have any goals or objectives for the affirmative action programs for women in management positions, and for the handicapped, since they are working on those programs — any targets or goals?

Hon. Mr. Penikett: With respect to women, we are developing a data base. We are looking at the statistics with respect to the situation inside this building service as it compares, I expect, with history and with other jurisdictions. As I mentioned earlier, we have one contractor right now who is himself a handicapped person, a local resident who is doing some work, analyzing, I gather, the barriers that may exist for people in a situation similar to his, who live in this community and who may wish to seek work with an employer like us.

Mrs. Firth: What is the government's goal, time wise? When do they anticipate having these kinds of programs actively functioning?

Hon. Mr. Penikett: I am sorry that I cannot give a specific timeline because, as the Member opposite I know will understand, to do so is to in effect establish quotas. I do not believe that that is a sensible way to approach this problem. We have established, as I said, for aboriginal people, six training positions. When those people are trained and find themselves in permanent positions, new people will enter those training positions. Over time, therefore, we will increase the proportion of aboriginal people in the government towards the point where their numbers are more representative in the public service, in something like the numbers they represent in the population. That is our broad general goal.

I am not persuaded at this point that we should say we want to achieve that in five years, or six years, or three years, because my experience is that every public pronouncement of a goal like that, whether it has been made by federal Ministers of Indian Affairs, or mining companies with respect to their operations, has been very disappointing and has not been a self-fulfilling prophesy, but one prophesy that was doomed to failure.

Clause 59 agreed to

Chairman: We will now recess for 15 minutes.

Recess

¹⁸ **Chairman:** The Committee of the Whole will now come to order. We are on Bill No. 23, *An Act to Amend the Public Service Commission Act*.

On Clause 60

Clause 60 agreed to
On Clause 61
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On Clause 79

¹⁹ **Mr. McLachlan:** It is my understanding that one is only an official candidate on nomination day. This makes it much sooner — 10 or 12 days sooner, or six months, perhaps. Why is it upon nomination, rather than upon official nomination?

Hon. Mr. Penikett: If the person has been nominated prior to the issue of the writ, they can continue working. Previously, there may have been people who argued that someone should take leave or leave the government service once they had been nominated by their party. This makes clear that if a person has been nominated by their party in a formal nomination process, once the writ is issued they are a candidate for office. That is clear; there is an election going on.

However, if they are nominated after the writ, or they are running as an independent, it is clear that they must or will take leave from the time of the nomination day, or the time they are unavoidably in the race.

Clause 79 agreed to
On Clause 80
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²⁰ *On Clause 92*
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Clause 108 agreed to
On Clause 109
Clause 109 agreed to
On Clause 110
Clause 110 agreed to
On Clause 111
Clause 111 agreed to
Clause 1 agreed to
On Title

Title agreed to

Hon. Mr. Penikett: I move that you report Bill No. 23, *An Act to Amend the Public Service Commission Act*, without amendment.

Chairman: You have heard the question, are you agreed?

Some Members: Agreed.

Motion agreed to

²¹ **Bill No. 52 — An Act to Amend the Public Service Staff Relations Act**

Chairman: Bill No. 52, *An Act to Amend the Public Service Staff Relations Act*.

On Clause 1

Hon. Mr. Penikett: This is a companion piece to Bill No. 23. The *Public Service Commission Act* that we just dealt with recognizes that our auxiliary employees are entitled to rights and privileges similar to other employees, including the right to unionize. This Act specifically provides for that right. Language changes have been made to the definition of managerial and confidential exclusions because the current language is vague and ambiguous.

I hope — and this is to respond to a comment made by the Leader of the Official Opposition at second reading — that the amended

language provides a clear definition of the types of occupations that are to be excluded from the bargaining unit, thereby removing the ambiguity that existed in the present legislation. This Bill makes two essential changes. Auxiliaries are now to be included in this Act; they will have the right to unionize. And, there is a clearer definition of the occupations that are excluded from the bargaining unit as management or confidential exclusions.

Mr. Phelps: I am a little concerned about the second part of the objects of this Bill. By redefining the persons who are excluded from the application of the Act as managerial or confidential exclusions, we have broadened the ambit of the excluded classes. My question has to do with the *Access to Information Act* and the ramifications of these changes on the scope of the *Access to Information Act*.

I am referring, in talking about this concern, to Section 8 of the Act, but even more particularly to the judgement of the court case in the Supreme Court of the Yukon Territory in 1985 between Anthony Penikett, Petitioner and Miriam McTiernan, Respondent and Christopher Pearson, Respondent. I would like comments from the Government Leader as to whether or not he has sought opinion as to what impact this portion of the Bill could have on broadening the Cabinet-kind of exclusion by introducing a situation where many of these people who were formally working for the department now could be considered as not coming within that definition. Thus, they would be placed in a situation where their work would not fall under the ambit of the *Access to Information Act*.

Hon. Mr. Penikett: I remember the case the Leader of the Official Opposition describes extremely well, not only because I was the loser on that day in court, but also because it was one of the few days in my life I have ever been in court.

I seem to recall that the question as it relates to the enquiry of the Member opposite, was whether the Executive Council Office was a department, or the Cabinet. The court ruled — and I am using lay language here — that there was essentially Cabinet government in the Yukon; therefore, Cabinet documents enjoyed the same kind of privilege of confidentiality as did Cabinet documents in provinces.

However, as fresh as that experience may be in my mind, I do not believe it has any bearing on this matter. We did discuss this in meetings with the union and with the management. There are no additional people included as confidential exclusions as a result of this attempt to more precisely define what they are than there were before.

If it would add to the Leader of the Official Opposition's competence in my veracity on this point, I would be prepared to table a list of the confidential exclusions before and after at a later date.

Mr. Phelps: The difficulty we have is ascertaining the impact of this Bill, as I have already said, on the statute, particularly in view of the judgment that was rendered in the case cited that the Government Leader has such personal knowledge about, and in view of the language under section 8: I am trying to refresh my own memory about the problem.

The broadening down the ladder on policy creation is what is of concern. I take it that the Government Leader is saying that that is not the intention of any of the wording in the pertinent section of the Bill, clause 3?

Hon. Mr. Penikett: It is definitely not the intention. I will confirm our intentions on the question by providing for the Member opposite a list of the confidential exclusions as they exist now and as they will exist following the passage of this Act.

Mr. Lang: The question with respect to whether legal opinion was sought in the language that is put forward in the Bill has not been answered, vis-a-vis the intent intended by the legislation. That is important. The way we read the Bill, it appears to broaden it considerably to what it was previously.

Hon. Mr. Penikett: It does not broaden it, it does not include any more people, and while I understand maybe some apprehension at this point, I do not understand the specific concern. My colleague is, of course, looking again at Section 8 of the *Access to Information Act*, but it is not attempting to broaden the scope of that Act as an incidental consequence of this legislation. What it is

intending to do, as I said, is to make a clearer definition of the occupations that are now excluded from the bargaining unit and removing the ambiguity which now exists.

Mr. Lang: I do not know what would count as a legal opinion. I notice we are looking at the Minister of Justice, who was shaking his head. I also heard him give what he deemed to be a legal opinion. The question that was put was: in the drafting of the legislation was the implication to the *Access to Information Act* with respect to the confidentiality of information considered and, if so, was there a legal opinion sought to ensure that that was not going to impede the limited authority that is already vested there?

Hon. Mr. Penikett: In the Minister of Justice's view, it has no implications whatsoever to the *Access to Information Act*.

Mr. Lang: I asked if there was a legal opinion sought. Are we just taking the word of the Minister of Justice right now? My question was: in the formulation of the legislation, were the legal implications to the *Access to Information Act* considered? That was the only question I put.

Hon. Mr. Kimmerly: The answer is yes, in a very general sense, but there was no specific legal opinion sought. It was deemed totally unnecessary because the *Access to Information Act* speaks in terms of departments, not civil servants per se, or exclusions per se. The two issues are entirely unrelated.

Mrs. Firth: The old *Public Service Staff Relations Act* talks about managerial or confidential exclusions. Has the government expanded on the definition in the new amendments to this Bill referring to managerial or confidential capacity? Is that correct?

Hon. Mr. Penikett: We have attempted to make the definition more precise. There are no more people included than are now included. We have attempted to write into the Act who it is that is a managerial or confidential exclusion. When we sat down with a draft of the Act, we did so with representatives of the union and made sure that there was sufficient clarity on that issue.

Mrs. Firth: I do not want to get into this clause by clause, but I would like further broaden what my concern is. In Clause 2(3)(a), it is quite clear that it is the Order-In-Council. When I get to (c), where it explains about one who exercises managerial duties and responsibilities in relation to formulation, development and administration of policies and programs, am I incorrect in interpreting that that could mean a policy analyst or a director of policy and planning? Would that not be broadening and expanding on who could be a managerial or confidential exclusion?

Hon. Mr. Penikett: It could not be a policy analyst. This is a person who exercises managerial duties and responsibilities in relation to the formulation, development and administration of policies and programs. If the Clause said "exercise managerial duties or..." then the Member's question would be well put. It is clear, however, that they "exercise managerial duties and..." other responsibilities in relation to the formulation, development and administration of policies and programs.

Mrs. Firth: I do not understand the Minister. Could he clarify that for me?

Hon. Mr. Penikett: The Member referred to Clause 2(3)(c). Clause 2(3)(c) makes it quite clear that it is someone who is a manager and has these responsibilities in relation to the formulation, development and administration of policies and programs; in other words, not a manager or a policy analyst. It is a manager who has the responsibilities that are specified in the following line.

Mrs. Firth: The Minister is saying that one who has, or exercises, managerial duties and responsibilities in relation to the formulation, development and administration of policies and programs is not a policy analyst. That is not the job description for a policy analyst?

Hon. Mr. Penikett: It is not the job description of policy analysts; that is the job description of a manager.

Mr. Phelps: There are two kinds of things that are concerning us here. They have to do with the scope of the *Access to Information Act*. It seems to us, in reading clause 3 and 3(c) in particular, that one would have to go to a very low level of the government before one could have access to any documents that were prepared with the object of providing policy to Cabinet. The concern is that when one stepped away from the Executive Council

Members, you would have to go along much further down the trail before you would be able to have access to information under the *Access to Information Act*.

Hon. Mr. Penikett: With respect, I think the Leader of the Official Opposition is misinterpreting. Just because someone is a confidential exclusion — in other words, out of the union by virtue of the nature of their job — does not mean that every document they handle or deal with are necessarily confidential or refusible or inaccessible under the *Access to Information Act*.

I take it that the class of documents we are talking about, which arose out of the discussion on the case cited by the Member, are those documents which are properly Cabinet documents — in other words, those documents that are provided as advice to Cabinet. I would assume that a small fraction of documents handled by these people who, for the purposes of this Act, are excluded from the union, are of that category. In other words, they are accessible under the *Access to Information Act*. Just because someone is a confidential exclusion does not mean that the material they handle is inaccessible under the *Access to Information Act*.

²⁶ **Mrs. Firth:** Can the Minister tell us what position title (c) would refer to then, if it is not a policy analyst?

Hon. Mr. Penikett: This refers to any director.

Mrs. Firth: That was my concern. Is the Minister saying that that is already included in the confidential exclusions? This is my concern. I see that as an extension of the people who can be included under the confidential exclusions, the Director of Policy. So say the Director of Policy and Planning was working on a document and preparing material for the Deputy Minister, and that material is communicated to the Deputy Minister and the officials from the Director himself, or herself, and then went on to the Minister. I perceive, by my interpretation of the *Access to Information Act*, that that material would be accessible through the Archivist, but if it goes up to the Minister, and as a result of this clause 3(c), I now interpret that that information would no longer be accessible under the *Access to Information Act*.

Hon. Mr. Penikett: This does not change anything in the *Access to Information Act*. The rules about what is accessible under that Act are provided under that Act. This provides which people are not in the union. The Member knows full well that not every document that goes to a Cabinet Minister is closed to access from the public. There are many documents, such as consultant's reports, which may well be read by the Minister before they are made public. That is the normal course of things in many cases. There is no access refused to a citizen just because it goes from a director to a Deputy Minister to a Minister. Nothing in this Act changes that situation.

As I remember, the two broad categories under the *Access to Information Act* are confidential private information, and things that are properly Cabinet documents.

²⁷ **Mrs. Firth:** Maybe I should have the Minister explain to me what the interpretation of the term confidential exclusion is.

Hon. Mr. Penikett: Let us concentrate on what the word exclusion is. What they are excluded from is the union. They are excluded from the union because they are in a class of employees who, by the traditional ethic, could be compromised by union activity or by activity in the union with respect to their special duties to the Crown.

Mrs. Firth: We are talking about confidential capacity, which I would interpret as different than confidential exclusion. Am I incorrect?

Hon. Mr. Penikett: You are incorrect with respect to what we are talking about. Confidential capacity is one of the ways of defining those people who are excluded from the bargaining unit, which is what we are talking about.

Mrs. Firth: Let us start on the clause by clause.

On Clause 2

Mrs. Firth: In 2(3), I am trying to find if there is a definition of "confidential capacity". Is that term defined anywhere? I do not see it. Perhaps I am missing it.

²⁸ **Hon. Mr. Penikett:** It is an attempt to be self-defining. It would include a person who is employed in a confidential capacity to the Commissioner, for example, a Minister, Deputy Head or

Judge of the Supreme or Territorial Court, et cetera. It would normally include the secretaries to those people who have always been excluded from the bargaining unit. As we go further in the Bill, it may include executive assistants to them, and so on. In other words, it includes someone who has confidential capacity, someone who has access to all their private documents, someone who has access to their files, someone who does their typing, someone who does their filing. It would include, for most purposes in this small government, in this clause, the people who are their secretaries.

Mrs. Firth: That is not defined anywhere per se. It is not in the definitions of the Bill; it is not in the definitions of the present *Public Service Staff Relations Act*.

Hon. Mr. Penikett: I did not hear the question, but I have been advised by the Public Service Commission personnel here that the confidential capacity is something that is defined in labour law and is, from time-to-time, subject to appeals in other jurisdictions.

Mr. Phelps: On clause 3(c), I want to be on the record as registering my concern about any potential impact this has on the *Access to Information Act*. I am taking it very clearly that the intent of the government is that it has no bearing whatsoever.

Hon. Mr. Penikett: For the record, let me make it absolutely clear, no intent to have any impact on the *Access to Information Act* was intended or is intended. If it will satisfy the Member, I am quite happy to, as long as we are not impeding passage of this thing, have the Minister of Justice ask his justice officials to take a second look at the question. I do not accept the concern as it has been explained by the Members opposite.

²⁹ **Mr. McLachlan:** Is it still the Government Leader's intention to table a list of a total compendium of those who are employed in a confidential capacity, which will be a total sum of those who are not unionizable? Does that still stand?

Hon. Mr. Penikett: I am quite happy. We can do that for tomorrow. I will table a list of the confidential exclusions. It is not intended that the list should change, that we are either adding to it or subtracting from it by the passage of this Bill.

Chairman: Is there anything further on Clause 2(3)(c)?

Clause 2 agreed to

³⁰ *On Clause 3*

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause 8

Mrs. Firth: I wonder if we could adjourn debate before we clear the whole Bill, in light of the fact that the Minister is bringing back information tomorrow. Otherwise, we will close it off and will not be able to ask questions again until we go into Third Reading, where we would really not have an opportunity to ask questions.

Hon. Mr. Penikett: I have no objection to that procedure. I suppose we could just pick up debate at Clause 8 and, by consent, I will answer any questions that arise from the information that I provide.

Therefore, I would move that you report progress on Bill No. 52.
Bill No. 52 stood over.

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

Motion agreed to

Speaker resumes the Chair

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

Mr. Webster: Committee of the Whole has considered Bill No. 18, *Fourth Appropriation Act, 1986-87* and Bill No. 23, *An Act to Amend the Public Service Commission Act*, and directed me to report the same without amendment.

Further, the Committee has considered Bill No. 52, *An Act to Amend the Public Service Staff Relations Act*, 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 Members: Agreed.

Speaker: I declare that the report has carried.

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

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

Motion agreed to

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

The House adjourned at 9:29 p.m.

