



The Yukon Legislative Assembly

Number 85

3rd Session

26th Legislature

HANSARD

Monday, April 13, 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 Penikett	Whitehorse West	Government Leader. Minister responsible for: Executive Council Office; Finance; Economic Development; Mines and Small Business; Public Service Commission.
Hon. Dave Porter	Watson Lake	Government House Leader. Minister responsible for: Tourism; Renewable Resources.
Hon. Roger Kimmerly	Whitehorse South Centre	Minister responsible for: Justice; Government Services.
Hon. Piers McDonald	Mayo	Minister responsible for: Education; Community and Transportation Services.
Hon. Margaret Joe	Whitehorse North Centre	Minister responsible for: Health and Human Resources; Women's Directorate.

GOVERNMENT PRIVATE MEMBERS

New Democratic Party

Danny Joe	Tatchun
Sam Johnston	Campbell
Norma Kassl	Old Crow
Art Webster	Klondike

OPPOSITION MEMBERS

Progressive Conservative

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

Liberal

James McLachlan	Faro
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01 Whitehorse, Yukon

Monday, April 13, 1987 — 1:30 p.m.

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

Prayers

DAILY ROUTINE

Speaker: We will proceed at this time with the Order Paper.
Introduction of Visitors?
Are there any Returns or Documents for Tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Mr. McDonald: I have for tabling answers for question from the hon. Member for Faro respecting the eligibility of government staff leasing accommodation from the Yukon Housing Corporation for payment under the Energy Equalization Program, as well as two returns from the Department of Education with respect to the types of contracts and contract procedures used to provide funding to the Joint Commission on Indian Education and Training.

Speaker: Are there any Reports of Committees?
Are there any Petitions?
Are there any 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?

02 Hon. Mr. Penikett: I wonder if, just before you proceed to Ministerial Statements, I could have leave of the House to introduce three Bills?

Speaker: Is there unanimous consent?
All Hon. Members: Agreed.

INTRODUCTION OF BILLS

Bill No. 97: Introduction and First Reading

Hon. Mr. Penikett: I move that Bill No. 97, *An Act to Amend the Financial Administration Act*, be now read a first time.

Speaker: It has been moved by the hon. Government Leader that Bill No. 97, entitled *An Act to Amend the Financial Administration Act*, be now introduced and read a first time.

Motion agreed to

Bill No. 15: Introduction and First Reading

Hon. Mr. Penikett: I move that Bill No. 15, *An Act to Amend the Yukon Development Corporation Act*, be now read a first time.

Speaker: It has been moved by the hon. Government Leader that Bill No. 15, entitled *An Act to Amend the Yukon Development Corporation Act*, be now introduced and read a first time.

Motion agreed to

Bill No. 2: Introduction and First Reading

Hon. Mr. Penikett: I move that Bill No. 2, *An Act to Amend the Business Development Assistance Act*, be now read a first time.

Speaker: It has been moved by the hon. Government Leader that Bill No. 2, entitled *An Act to Amend the Business Development Assistance Act*, be now introduced and read a first time.

Motion agreed to

03 Native Child Welfare Initiatives

Hon. Mrs. Joe: I am pleased to inform the House of the initiatives that the department is making in the area of Native Child Welfare to promote greater involvement of Indian people in the planning and delivery of child welfare services to Indian children and their families.

It is encouraging to note that the numbers of Indian children in

care, as well as the percentage of children in care, who are Indian, have decreased over the past number of years. However, it still remains a fact that Indian children are significantly over-represented in the child protection and child-in-care services provided by my department. In order to work toward altering that fact, my department is undertaking several initiatives aimed at promoting greater involvement by members of the Indian community in the planning and delivery of family and children's services.

One initiative is the planned development of a Ministerial Advisory Council on Indian Child Welfare. It is my intention to appoint a number of Indian people to this Council and to give them a clear mandate to advise me and this government in matters related to Indian families and the welfare of Indian children. The Terms of Reference of this Council are presently being developed in consultation with the Council for Yukon Indians.

I believe this initiative will promote even greater interest by the native community in matters related to the care and well-being of Indian children.

Project funds have been budgeted within the 1987-88 Operating and Maintenance Budget of the department for the development of a collaborative initiative with Indian organizations for an enhanced promotion and recruitment of Indian homes for those native children for whom alternate care is sought. Innovative efforts in recruitment of Indian families for foster homes and adoptive homes will result in more positive and culturally-relevant placements for children whose original families are unable to adequately provide.

The interest being expressed by Yukon Indian people during the past year in having more influence on the delivery of family and children's services is being positively responded to by my department. The recent implementation of a Child Welfare Committee in Pelly Crossing in cooperation with the Selkirk Indian Band is an encouraging example of the department's initiatives in response to this interest by Indian people. On a community-by-community basis, options and initiatives for further involvement in services related to the welfare of Indian children will be pursued as part of the overall thrust in this area.

The department can be proud of the initiatives taken during the past couple of years to achieve greater cooperation with Indian Bands regarding services to Indian families. Much additional work is required to build on those developments to promote enhanced interest and involvement with the ultimate objective of dramatically diminishing the over-representation of Indian children within the clientele of the family and children's services programs.

04 Mrs. Firth: This is an initiative that the Government Leader mentioned in his budget presentation, the Ministerial Council on Indian Child Welfare. We will look forward to finding out some of the details as to how the Council is going to work and perhaps some of the precedents that we will be setting with this Council.

The only comment I want to make is that I feel that the Department can be proud of the initiatives that have been taken in the last three or four years, not just the last couple of years, because this has not been an initiative solely of this government, but also of the previous government.

Mr. McLachlan: I am pleased to have this opportunity to respond to the Ministerial Statement of this afternoon. The only idea I would like to throw out to the Minister in this regard is: where situations arise when there are not enough native homes available to take in the native children, I would not like to see the program restricted only on that basis.

In my riding there are parents of non-Indian ancestry who have Indian children and are doing very well in this program. If it meant not expanding the services simply for that reason, I would hate to see it fall by the wayside, and I would again like to ask the Minister for some assurance that in those situations where they have a proven track record that they be given some consideration in this area.

Speaker: This then brings us to the Question Period, are there any questions?

QUESTION PERIOD

Question re: Ross River Band road blockade

Mr. Phelps: I have a few questions about the Ross River Indian Band blockade. I would like Members of the Legislature and the public brought up-to-date on what is occurring there. The Government Leader had a meeting, apparently, with Mr. Lafave of Central Pacific on Friday morning. Perhaps he could tell us exactly what that meeting was about and what exactly happened as a result of that meeting.

Hon. Mr. Penikett: That meeting with Mr. Lafave was one of a number that I and officials of this government have been having in an attempt to assist the federal government in resolving this matter. The meeting with Mr. Lafave dealt with his circumstances, his situation; the implications for his company of the blockade, and the implications for his business and his prospects this coming season. I do not think it would be appropriate to get into financial details in the House, and I believe the Leader of the Official Opposition would not be asking for that. I gave Mr. Lafave a hearing and he outlined his situation to me. We went over some of the options from his point of view and I gave an undertaking to get back to him, which we will be doing periodically. I also hope that as the result of the intervention of our officials and others, if we can work out a resolution to the problem, we will be able to get back to him with some good news; if not, we will try to keep him up-to-date on the progress of our discussions.

Mr. Phelps: Could the Government Leader advise this House whether Mr. Lafave asked this government to straighten out the situation regarding the blockade of the territorial road, the tote road?

Hon. Mr. Penikett: Mr. Lafave may have been quoting the Leader of the Official Opposition in respect to one opinion about the road. We were able to reconfirm that we have contrary legal advice to that given by the Leader of the Official Opposition. I indicated to Mr. Lafave that we were taking a further look at the question, and that is in fact what we are doing.

Mr. Phelps: I wonder if the Government Leader could advise whether any of his officials have gone out to check exactly what road is being blockaded? That is to say, whether it is the road that shows on the map, the old tote road, or some new road that is now being constructed?

Hon. Mr. Penikett: It is my advice that the Department of Community and Transportation Services has done that, and I believe it has also been established that the land use permit under which Mr. Lafave was operating extended to the complete route that he required to get access to the site which he wishes to develop at McEvoy Lake.

Question re: Ross River Band road blockade

Mr. Phelps: Again with regard to the same situation, I am wondering if the Minister of Transportation Services could tell us if his officials have been out to visit the site, and again whether or not the road being blockaded is in fact the old tote road that was put in there many years ago during the Cyprus Anvil days.

Hon. Mr. McDonald: My information is that members of the Department have been at or near the scene a number of times. I do not know specifically who, from the highway camp at Ross River, has been at the site, but I can check on that piece of information for the Member.

With respect to the land use permit, it is my information that the land use permit extends for the entire corridor, which would include the old tote road, which presumably would have been constructed under a land use permit, as well.

Mr. Phelps: I would assume, and would like to know whether or not my assumption is correct, that officials from this government have checked into the old tote road and ascertained if it was paid for, in part at least, with public funds, and is a public road. Can the Minister advise whether or not they have checked into the background of that road?

Hon. Mr. McDonald: It is not considered a designated highway under which the enforcement provisions of the *Highways Act* would apply. The information that we have right now is simply

that there is a land use permit that is the only applicable document under which the operator, Mr. Lafave, is seeking access to his lease at McEvoy Lake.

Mr. Phelps: Is the Minister telling us that the tote road in question, which is being blockaded by the Ross River Indian Band, is not under the control or jurisdiction of the Government of Yukon pursuant to the *Yukon Act*?

Hon. Mr. McDonald: I just indicated that it is our information, through our legal advice, that the enforcement provisions under the *Highways Act*, which the Member was making reference to last week, and which I am making reference to right now, apply only to those roads that are designated by Order-in-Council.

Mr. Phelps: On a point of order.

To give the Minister the benefit of the doubt, but that is not the question I asked. I am wondering if the Minister would have the courtesy to answer the question of whether or not the tote road being blockaded is under the jurisdiction and control of this government?

Hon. Mr. Porter: On the Point of Order, I would submit that there is no Point of Order with respect to the Point of Order as raised by the Member, if the Member seeks further clarification with respect to the issue being discussed with the Minister, the point should be addressed as a new question.

Speaker: On the Point of Order, I find there is no Point of Order, but there is just a conflict.

Question re: Ross River Band road blockade

Mr. McLachlan: With respect to Friday morning's meeting, can the Government Leader advise if the issue of compensation for Mr. Lafave was brought up by himself at all during that meeting, in the event that time runs out on the contract?

Hon. Mr. Penikett: I am not sure that I am at liberty to be discussing the details of my conversation with Mr. Lafave, but I do not think there would be any harm in indicating to the House that that possibility was raised, but we did not talk about it or pursue it in any way.

Mr. McLachlan: Can the Government Leader advise if he does have a meeting scheduled this week with the Ross River Band Chief and Council?

Hon. Mr. Penikett: I do not, but officials of this government will be attempting to meet with the leadership of that group later this week.

Mr. McLachlan: During the Government Leader's first answer, he used the expression "intervention by our officials". Could the Government Leader expand on that? What does he mean by intervention? By what official?

Hon. Mr. Penikett: There are a number of people in this government from a number of departments who have been drawn into this question. The lead will be carried out, with respect to officials of this government, by our land claims negotiator, at this point.

Question re: Ross River Band road blockade

Mr. Phelps: With respect to the blockade, I am going to follow the very sage advice of the Government House Leader and ask a question once again so I can get an answer. As I recall, my question was that the Minister of Transportation and the government realize that the tote road being blockaded is under their jurisdiction and control pursuant to Section 46 of the *Yukon Act*. Do they not agree with that?

Hon. Mr. McDonald: My understanding of the *Yukon Act* is that it gives the Yukon territorial government the right to regulate the use of roads in the territory. Therefore, the Yukon government, through its expression of the *Highways Act*, regulates the use of roads. The roads must be designated by Cabinet before the government actually regulates them. The tote road is not a designated road.

Mr. Phelps: In the *Highways Act*, under the *Yukon Act*, we know that the tote road is under the jurisdiction of this government. Under the *Highways Act*, the clear definition of a territorial highway would make this tote road a territorial highway.

I am sure that this government knows that. I am also sure, in my

mind, that they know that they have an obligation to end the blockade, pursuant to Section 8, and uphold the existing laws in the territory.

Can the Minister tell us whether this government is prepared to table in this House any opinion that says that this tote road is not within the jurisdiction of this government?

Hon. Mr. McDonald: The legal opinion that the Member is presenting to the Legislature in Question Period is different from the legal opinion that I have been operating under. As I indicated last week, I am not going to get into the esoteric debate about whose legal opinion is correct. The legal opinion we have is that the road, under the appropriate provisions of the *Highways Act*, is not a designated road.

Mr. Phelps: That was not the question. It is a territorial road, a territorial highway, and section 8 clearly does apply to it. I want to know whether or not the Minister is telling me that the government or their legal advisor is saying that section 8 does not apply to the road being blockaded. Is that what he is telling the people of the Yukon?

Hon. Mr. Kimmerly: I will answer the question. What is occurring here is that the questions are assuming a legal opinion. That assumption is entirely erroneous. What we have here is a land use permit that gives a person a personal right to use land in a certain way — that is, to remove the trees and collect snow and build ice bridges and the like — and there are terms and conditions of the permit requiring the person to, by and large, put the land back into its original state. This is all federal Crown land, of course; there is no road at all.

Question re: Ross River Band road blockade

Mr. Phelps: I really do seem to be getting the run-around here because, on the one hand we have the Minister saying they have a legal opinion — which they will not table in the House, of course — and that the *Highways Act* does not apply to the road. I gather they are trying to say that the road that is being blockaded by the Ross River Indian Band is not under territorial jurisdiction. I challenge the government to table the legal opinion in this House, which states that either or both this road or tote trail is not within the jurisdiction and control of this government or that section 8 of the *Highways Act* does not apply to that road that is being blockaded.

Hon. Mr. Kimmerly: The rules of Question Period speak about legal opinions for very good reason. It is not advisable to be tabling opinions about which there is a distinct possibility of litigation in the courts. The situation here is that there is not a road in the common usage of the term "road", nor is there a road in the legal sense. There is a land use permit and the arguing about legal opinions in Question Period is completely non-productive.

Mr. Phelps: I thought that we saw this government coming forward with money — \$20,000 or \$40,000 — for the Regional Roads to Resources Program, and giving that to Central Pacific and Mr. Lafave to build that road, is that not what happened?

Hon. Mr. Kimmerly: That is, in a sense, a rhetorical question. Of course, the facts about funding are known and were answered on Thursday last, and on Wednesday last. The fact remains that the land in question is federal Crown land and is essentially wilderness. There is a land use permit to use it in a certain way. That does not constitute a road.

Mr. Phelps: I wonder if the Minister, in talking around and around in circles, would answer this question and answer it clearly.

Would he tell us in writing whether or not there exists a legal opinion that states that the road being blockaded does not fall within the ambit of Section 8 of the *Highways Act*? Does the Minister have a written legal opinion from somebody other than himself to that extent?

Hon. Mr. Penikett: As you know, is not permissible to ask for legal opinions during Question Period.

It is permissible to ask if we have obtained a legal opinion. I am about to answer that question, if the Members opposite will permit me to, and will stop their heckling and interruptions.

We have obtained a legal opinion from the Department of Justice that states unequivocally that this is not a road under the *Highways*

Act. What we are talking about is a land use permit on federal Crown land. That is the legal advice under which we have been operating. I earlier today indicated in Question Period that we are seeking to confirm that opinion, and we are doing that.

Question re: Klondike Highway

Mr. Lang: I have a question to the Minister of Community and Transportation Services about the Klondike Highway up between Carcross and Fraser, close to the border there. My first question should be: does this highway come under the jurisdiction of the Government of Yukon?

Hon. Mr. McDonald: I will assume that because the Member was the Minister of Highways for a number of years, the question is essentially a rhetorical one. The road itself is, of course, technically owned by the federal government. The Yukon government, under contract with the federal government, maintains the road.

Mr. Lang: I recognize that we really have to get down to the nitty gritty of it. I imagine, eventually, we will have to go to the United Nations to get a really straight answer with respect to who is in charge of these particular responsibilities. It is amazing. You get paid accordingly, yet you do not want to take the responsibility.

In view of the fact that there are major problems coming forward with respect to the maintenance of the highway between Carcross and Fraser and, in fact, it is breaking up very, very badly over the last couple of days, could the Minister let the House know whether or not the government is sending in more equipment and men to remedy the situation that is becoming worse and worse as days go on.

Hon. Mr. McDonald: During Estimates debate — perhaps not this time around during Estimates debate, because maybe it was forgotten, but during the debate in the past — I indicated in both Capital and O&M Estimates that the chipseal that was provided for the Carcross border section of the Klondike Highway was only put down on a very low-grade base. There was an expectation that it would be broken up. That expectation is coming to fruition for us. It is breaking up, because it was never meant for any kind of heavy truck traffic. We will do what is possible to ensure that the road is maintained to a satisfactory standard that has been accepted by the travelling public.

Mr. Lang: The Minister did not answer my question. Is the government sending in more equipment and men to remedy the situation as it exists today?

Hon. Mr. McDonald: I did not spend the weekend counting trucks going down the highway, but I will attempt to find out what the logistical arrangements are going to be for that particular stretch of road over the course of the next few days, and I will also attempt to find out whether more equipment is required to maintain the road to existing standards.

Question re: Klondike Highway

Mr. Lang: Is the government contemplating weight restrictions with respect to the road?

Hon. Mr. McDonald: This year, like every year, there is the suggestion that the test — the Benkelman Beam test — will require restrictions to be laid. I believe it is 100 percent now. I do not know whether it will be anything more than that in the future weeks. If the test requires there to be weight restrictions, as I said in the past, there will be weight restrictions.

Question re: Forestry devolution

Mr. Brewster: On April 1, 1987, the Minister of Indian Affairs and Northern Development, the hon. Bill McKnight, announced the passage of legislation permitting the transfer of forest and fire management from the federal to territorial control, clearing the way for Yukoners to negotiate a fast transfer agreement.

Can the Minister of Renewable Resources advise the House if the Yukon government has had any discussions or negotiations with the federal government in this respect?

Hon. Mr. Porter: Yes. As I understand it, the federal government abandoned the jurisdiction of forestry management, which makes it possible for simple agreement between ourselves to assume that responsibility. We have had preliminary discussions

with the officials in the Department of Northern Affairs.

Mr. Brewster: Since the Northwest Territories has already taken over a large portion of DIAND's forest management, can the Minister advise what priority this government has assigned to the transfer of this resource?

Hon. Mr. Porter: With respect to the priority as it relates to the Department of Renewable Resources, the transfer of forestry is ranked behind the transfer of fisheries.

Mr. Brewster: In view of the fact that the freshwater fisheries transfer negotiations are stalled, does this mean that forestry has the same situation coming up?

Hon. Mr. Porter: No, I would not automatically assume that because we have not achieved an agreement with respect to the transfer of fisheries, it in any way conveys a pessimistic view with respect to forestry transfer discussion. As I stated to the Member, we have had only preliminary discussions on this issue, so we would have to assess, further down the road when we get into more detail as to the specifics of the transfer discussions, as to whether or not it is going to be successful or take some time.

Question re: Porter Creek C Extension lot sale

Mr. Nordling: Last week I asked the Minister of Community and Transportation Services about the sale of lots in Porter Creek C Extension. The Minister said, "I believe they are being released very shortly", and also said he would check on the exact dates. Can the Minister tell us today, or give us an exact date?

Hon. Mr. McDonald: I cannot provide the Member with an exact date but I can simply state that, as the Member probably knows, under the orderly development of land policy there exists a provision that there will be an agreement from the local municipality on receipt of subdivisions within that municipality. At this time, no signed agreement has been struck with the City of Whitehorse. The City of Whitehorse apparently is requesting that there to be some testing of the water and sewer system as soon as possible, and that we have undertaken to do. Upon completion of those tests, we suspect that the said agreement will take place shortly and the lots will be released immediately.

Mr. Nordling: My supplementary was to ask the Minister whether an agreement had been signed with the City. Again, the Minister said he expects the agreement shortly. Can he give us any indication of what he means by "very shortly"?

Hon. Mr. McDonald: Well, "shortly" refers to the period right after the water and sewer tests are done. Clearly, it is therefore up to the Government of Yukon to sign the agreement. If it was only the Government of Yukon's signature that is required, then "shortly", I would say, would be within two days of the results of the water and sewer testing being done. Unfortunately, there is another government to deal with, and the City of Whitehorse, I would presume, because they have every desire to see the lots released as soon as possible, would sign it very quickly as well. We will make sure that the paper processing is done as quickly as possible so that, I would hope, within, let us say, a week of the water and sewer testing being completed and results known, the City of Whitehorse would sign the agreement.

¹² The tests, I would suspect, will be done as soon as spring break-up takes place, but I will check on that particular fact for the Member.

Mr. Nordling: I thank the Minister for his complete answer.

In answer to my question last week, the Minister also said that the general policy for lands selected within municipalities was to consult the municipality prior to the selection. What say will the municipality have in these community land selections?

Hon. Mr. McDonald: That is perhaps more a land claims issue. To my knowledge the municipalities are not full participants at the land claims table, so I would doubt whether they would have any final, final say. They will certainly impact heavily on YTG's position at the table, but, like all negotiations, they require negotiations. We cannot predict specifically what will come out at the end of the negotiations.

Question re: Grader fires

Mr. McLachlan: I have a question for the Minister of

Transportation Services. Can the Minister advise if the Department has as yet concluded its investigations into the fires that destroyed two graders some time in March?

Hon. Mr. McDonald: I do not know whether any formal conclusions have been drawn and put down on paper. I do know that there was an initial investigation, about which I was briefly informed, that indicated that both fires were of such a severe nature that, certainly, a fire extinguisher would not have been able to put them out. In one case, in fact, a loader was brought in and sand was dumped all over the grader to put the fire out. I can check for the Member but, at this time, I do not know whether any formal investigation has been concluded.

Mr. McLachlan: I asked the question because there will be a short period of time now when there are many more graders on the road. At \$150,000 a pop, even at government costs, I would hesitate to think that we want to suffer any more losses. Has the department any action plan, so to speak, to prevent any similar occurrences of this nature?

Hon. Mr. McDonald: I can assure Members that it is not the government's intention to knowingly allow graders to burn up on the highway. As I understand, the reason for the fire extinguishers being removed in the first place was that it was determined that the shaking motions of the equipment might make the extinguishers inoperable. To my knowledge, the extinguishers are in the graders presently, but whether they will remain there has yet to be determined.

It is my information, too, that some of the accidents that did take place were unknown to the operator because they were occurring outside of the operator's field of vision. In one case, at least, the grader proceeded down the road some distance with fire streaming out the back and the operator unaware of it.

¹³ **Mr. McLachlan:** The story about the vibration is one that is relatively new. The one that is most frequently the fact is that they appear to be vandalized. Anyone who has driven the Yukon highways can give credence to the fact that that is a possibility. What I cannot understand, if it is halfway true, is why these things were removed to prevent vandalization. I cannot see why a steel cabinet cannot be built within the grader that is on the same keychain as the keys that open the door and open the ignition. To remove a preventative safety source as a means of preventing vandalization, which is then related to the fire, is something I cannot understand. Does the Minister have any comments on the idea of vandalized extinguishers?

Hon. Mr. McDonald: If vandalism was the only reason for the initial decision only recently taken to remove the fire extinguishers from the graders, then I would agree with the Member's assumption that other remedial action could be taken to prevent people from easily removing those extinguishers after the operator had left the machine. I believe that there were more factors taken into account besides the simple worries about vandalism.

Response re: Government vehicles

Hon. Mr. Kimmerly: This is the most appropriate time to answer a question asked last week about transportation from the Member for Faro. He asked about the policy of allocating new vehicles in the rural areas. The policy is that it depends entirely on the warranty work, which is necessary, and on the potential repair work for vehicles. Consequently, the very new vehicles under warranty, and the very old vehicles, are generally in Whitehorse. The vehicles in their second to approximately their eighth year are generally in the communities.

Question re: Service contracts

Mrs. Firth: I guess the Minister cannot write his legislative responses like other Members do. With respect to service contracts, have all the change orders to contracts been included in the lists of service contracts that have been tabled in this Legislature?

Hon. Mr. Kimmerly: I will take that question as notice. Some are, but, in order to be absolutely accurate, I had better check.

¹⁴ **Mrs. Firth:** I think the Minister's answer that some are is probably correct, and some are not. For example, I notice that in the contract to Barry D. Stuart on September 13, 1985 for \$98,400

for professional services for land claims, there is nothing to indicate whether there has been a change order. I would like to know from the Minister how we are to know which ones have not got the change orders included. Because, when I compare it to other contracts, say that the communications advisor had, the change orders are all included in subsequent numerical order. I would like to ask the Minister if that is the case?

Hon. Mr. Kimmerly: That is exactly the same question first asked, with a little political embellishment on the question.

Mrs. Firth: There is no political embellishment. I would like to ask the Minister, then, if he will table contract S-5-2139 for 85-9-13 for Barry D. Stuart, \$98,400 and all accompanying change orders.

Hon. Mr. Kimmerly: I will follow the policy that was well publicized in the Ministerial Statement and the Minister responsible will be responsible for the information.

Question re: Service contracts

Mr. Phillips: I would like to, then, bring that question to the attention of the Minister responsible, the Government Leader. Regarding the written question I submitted on February 12th in *Hansard* on page 709, the question has to deal with the salary or fees paid to Mr. Barry Stuart, the chief land claims negotiator. Can the Government Leader give this House any idea on when he may expect an answer to that written question?

Hon. Mr. Penikett: Very soon. I have literally, I think, dozens and dozens of written questions that we have taken as notice. We are trying to get the answers to Members as quickly as we can.

Mr. Phillips: Thank you. I think it is the only written question on the Order Paper, and I think the Minister should glance at the Order Paper once in a while and he would see that.

I wonder if I might get the Government Leader to also expand the question to include any payments made to Mr. Stuart or his nominee? Can the Government Leader give us assurances that that will be included in the answer and that we could get an answer this spring?

Hon. Mr. Penikett: I am not sure it is in order to amend written questions by the procedure suggested by the new Member opposite. We have taken notice of dozens and dozens of questions — not only the ones filed on the Order Paper. We are in the process of getting answers to all the questions asked by hon. Members and will be getting them as soon as we can.

Mr. Phillips: It always amazes me how the Government Leader dodges and ducks all the questions that come in his direction. I will ask an oral question to the Minister, and we will forget about the written question. That will come as the Minister responds to that.

Will the Minister include any payments made to Mr. Stuart or his nominee? Could the Minister let us know about any payments that were made to Mr. Stuart or his nominee since he has been the land claims negotiator?

Hon. Mr. Penikett: I have already said that we will be providing the information requested by the Member. I am not sure what he means by his nominee. I am not sure that Mr. Stuart is a nominator for any office in this government. If the Member is asking questions about the other people who are working in the Land Claims Secretariat, I am quite happy to give that information. I am surprised he did not ask it when the Estimates were before the House.

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

ORDERS OF THE DAY

Speaker: Government Bills?

GOVERNMENT BILLS

Bill No. 63: Second Reading

Clerk: Second reading, Bill No. 63, standing in the name of the hon. Mr. McDonald.

Hon. Mr. McDonald: I move that Bill No. 63, entitled *An Act*

to Amend the Motor Vehicles Act, No. 2, be now read a second time.

Speaker: It has been moved by the Minister of Community and Transportation Services that Bill No. 63, entitled *An Act to Amend the Motor Vehicles Act, No. 2*, be now read a second time.

Hon. Mr. McDonald: The purpose of this Bill is to improve the visibility of motor vehicles when viewed from the front by requiring headlights to be on at all times for motor vehicles travelling on highways in the Yukon.

Studies of accident causes have shown that nearly 45 percent of road accidents are caused due to perception errors. Common among such errors is a driver's failure to see another vehicle or judge its speed. Lack of vehicle visibility is often cited as the primary contributing factor. Over the years, traffic safety researchers have studied and experimented with various methods of improving the visibility of a vehicle and reducing the perception error of a driver.

Throughout visibility experiments and studies, the use of front lighting was found to be the most effective method. This Bill, through regulation, will prescribe highways where this law will be mandatory and enforced. Headlights will not be required to be alight within municipalities or on highways where posted speed is 60 kilometres per hour or less.

The regulations will also prescribe possible options for modification of existing lighting systems and the use of separate lighting systems.

To inform the driving public of the new law, an extensive public awareness campaign is being developed that will include the use of posters and pamphlets and will require modifications and installation of approximately 100 highway signs throughout the territory.

Mr. Phillips: I am very pleased to see that the government has brought forth this legislation rather quickly. It is an indication that, when government finds that something may be popular, they can move quickly and make decisions.

I would like to say that I am very pleased to see that we are heading in this direction. I think it is going to show very clearly that we are going to save lives. I am very pleased to see this going ahead.

My only reservation is this: the other day when we received the press release, I noticed that my speech, almost word for word, was taken out of the press release. If I have learned anything in government over the short period I have been here, it is the way government works and the political ways it moves ahead. I am just a little disappointed.

The Opposition brought this motion forward. It was brought forth constructively. It was agreed upon by all Members of the House. I am disappointed in the Minister for not making the point that it was brought forward by other Members of the House and supported. He appears that, if it is popular, he will take all the credit for it; if it is not so popular, he will tell everybody it was the unanimous consent of the House, or he will blame Ottawa or blame somebody else.

I am very disappointed in the way it was brought forward, but am very pleased to see that the government is proceeding with this very important matter.

Mr. McLachlan: I would like to serve notice on the Minister that I would like some clarification now as to the meaning of the expression "designated highways". Because of a recent controversy of which we are all aware I am not exactly sure anymore what is a highway, what is a road and what is a tote trail.

There are a couple of controversial situations regarding the mining roads to the mine site at Faro and to the mine site at Mt. Skukum that are outside the area of public taxpayer maintenance. I am wondering if the Minister could bring back clarifications as to whether the jurisdiction of the RCMP and/or the Minister of Justice and/or the Department of Community and Transportation Services is going to apply on those roads or is not. Unfortunately, of course, danger is very prevalent on a lot of them. They are very dusty, and certainly we would like to see the headlight rules apply on them and be enforced, but we do not know who is going to carry it out. There is a grey area there, and I hope the Minister can bring back

clarification before the Second Reading debate.

Hon. Mr. Porter: I think that the Member should not look for the government to recognize the contributions that the Member makes to this Legislature. It was very obvious from the public, and for the record, that the Member did, in fact, raise the issue in the House by way of motion and received the unanimous consent of the House. As a matter of fact, with respect to the discussions that followed, it was recognized by myself, as the House Leader, in the discussions for upcoming legislation — and I stated it publicly — that in all probability the government would have no difficulty in implementing legislation pursuant to the motion brought forward by the Member. So, I think the Member's contributions, with respect to the Bill that is before this House, have been well recorded and well received and recognized by this side of the House.

Mr. Lang: I did not realize the House Leader played such an invaluable role with respect to presenting the legislation, and I want to make sure he gets the necessary credit. I am a little concerned, like my colleague from Faro, with respect to what roads or highways this would apply to throughout the territory. Probably we should have a motion that the Minister go to Ottawa and find out if this particular piece of legislation actually should apply to any of the roads in the territory, just so the people can be totally confused with respect to the jurisdiction that is concerned.

Hon. Mr. McDonald: I will not respond to the cynical, negative remarks from the Member for Porter Creek East.

I will simply state, for the edification for the member for Faro, that in the second reading speech I did indicate what roads would be designated or prescribed. "Designated" means, essentially, that Cabinet, by Order-in-Council, would prescribe certain highways or roadways as falling under the provisions of this amendment to the Act. Quite simply, on all roadways for which there is a speed limit greater than 60 kilometres an hour, this rule would apply.

With respect to the assumption of credit, which seems to the Member for Riverdale North's primary concern here, the credit is clearly the Member's. There has been no assumption at all to take responsibility as a government for this particular measure. We collectively take responsibility in this Legislature and the efforts that the Member has made through posing a motion before this House was the impetus that got the ball rolling in the first place, and that has been duly noted in the media.

¹⁷ As the Minister responsible in this government and Minister of the Crown, it is my responsibility to bring this forward, which will ultimately have a very direct impact on the public. It is not simply a motion debate, it will be a rule of law. So I take my responsibilities very seriously in that regard.

I am not sure exactly what the Member for Porter Creek East means, and I am not sure I really care. The issue here is clearly, I believe, to the public, that there will be new rules on the highways requiring daytime driving lights or running lights to reduce the number of accidents on the roads, and I hope that that is what the public remembers from the second reading speech.

Motion agreed to

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

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

Motion agreed to

COMMITTEE OF THE WHOLE

Chairman: I call the Committee of the Whole now to order. We will proceed with Bill No. 6, dealing with the Department of Education, following a fifteen minute recess.

Recess

¹⁸ **Chairman:** Committee of the Whole will now come to order.

We will proceed with Education, general debate.

Bill No. 6 — Second Appropriation Act, 1987-88 — continued

Department of Education

Hon. Mr. McDonald: As Members can see there is a modest increase over the Main Estimates of last year. The book of expenditures over last year's Main Estimates have been debated in Supplementary Estimates already over the course of last fall so there is nothing of magnitude to announce this year with respect to new initiatives.

I will take some time to compliment the Department, which has put together a very good, lean budget that maintains essentially the present levels of programming and some enhancements in critical areas. I will take note of them as I go through the budget.

I will announce the major items now. In Public Schools Branch, Members will note that the Department is broken down into the major branches of Public Schools, Advanced Education & Manpower, Libraries and Archives and Administration.

In the Public Schools Branch itself, there have been a number of enhancements that I believe will be well received. There will be an increase of \$45,000 for the Native Language Center to provide additional resources to the Native Language Center to develop a curriculum at the junior high level. That is meant to be an increase that would be subject to a three-year term.

There is a moderate increase of \$5,000 to the Student Support Programs to enhance or provide a focus on the visual and performing arts.

There will also be an increase of \$10,000 to enhance or support one-time major school projects. There is a necessary enhancement of \$34,000 to support the contract between the Town of Faro and the Department for the lease of the Faro gym in the existing Rec Center.

There is an increase of \$130,000 to hire aids for special handicapped students throughout the Yukon. There is an initiative this year to expand French immersion to grade seven in G.A. Jeckell. There will be enhancement of the French Second Language at the primary level. Members will note there were pilot projects last year that provided for, if my memory serves me correctly, core french in Watson Lake, Christ the King and Grey Mountain.

¹⁹ It will be extended to more schools this coming year. There will be an increase of \$10,300 to the Child Development Centre to assist them in funding their general operations for the provision of services to Yukon's preschool age special needs children. At the same time, as they are good administrators, the department has managed to hold the line on the numbers of teachers, the range of programs offered and the educational resource materials used in the schools. Members will take note that there has been a considerable elimination of outside travel to ensure that the department balances its budget.

In the Advanced Education and Manpower Branch, there have been some considerable initiatives to fund the major prongs of the Yukon Training Strategy, which has been tabled in the House in December. To aid in the enhancement of that training strategy, there is a \$230,000 dedication to the Career Services Program. There is approximately a \$200,000 increase to the grants under the Student Financial Assistance Program. There will be approximately \$93,000 more assistance toward the Yukon Training Allowance. There are other changes to reallocations to support the Yukon Training Opportunities Program and the Innovations Program.

Libraries and Archives is a much smaller branch. There are, nonetheless, good things happening there. Library hours are expanding in Haines Junction, Watson Lake and Elsa. The major initiative is that new library legislation is being prepared, which will formalize the existence of the community library boards and establish terms of reference for those boards and their relationship with the government.

Those are the major initiatives of note. Perhaps we could engage in general discussions now.

Mrs. Firth: I want to thank the Minister for giving me the advance copy of the comparable enrolment and staffing statistics of 1985-86 and 1986-87, so that I could have a look at the person

years and, particularly, the new person years that have been established within the department. I will be getting into some more specific questions as we proceed with the debate.

In a general sense, I would like to ask the Minister a few questions. The department is embarking on this major educational review. The working groups are in place now, and people are being asked for their input and so on. I know the Minister is anticipating that that review should be completed this budget year. I find that my assumption would be that the money identified for some of the implications of that major review and the whole review process itself would be in the area of Policy and Planning. Yet, there seems to be quite a marked decrease in the budget in the Policy and Planning area. I would like some comments from the Minister as to exactly what his plans are, what the total cost of the whole review is going to be, where the money for that review is going to come from, how much has already been spent, what they are anticipating spending and where I would find it in the Budget, if it is not in the Policy and Planning area?

Hon. Mr. McDonald: The figures that the Member was looking for would be found in the Policy Planning estimates, titled Special Projects, page 101. The reason for the reduction, essentially, is that the Joint Commission on Indian Education and Training would be ultimately completing its work, I would presume, by July — I really would hope by July. At the same time, the review of college governments would be complete, I would hope, by late this summer as well. So those are two major initiatives that would essentially be winding up around midsummer. Whatever initiatives are taken as a result of those two initiatives have not been accounted for at this time, because we simply do not know what the report will be.

There will be continuing work done on the *Education Act* review for the balance of the fiscal year. So the two major items that are contained in that \$366,000 are the balance of the funding for the Joint Commission on Indian Education and Training, which I believe is \$130,000, and the coordinators for the *Education Act* review and the funding for the entire process, which essentially would wrap up at the end of the calendar year, if not a little sooner — and an Act tabled, presumably, if things go as planned, this time next year.

Mrs. Firth: Then the Minister is telling us that the total cost for the education review is included in the Special Project line and that includes the costs of printing the information such as the package that was just published recently and provided to us, as well as travel costs? Perhaps if the Minister confirms that for me, he could tell me where the new *School Act* is going to be written? Will it be written by lawyers within the Department of Justice or will they be contracting it out to be drafted; and, if so, is the money identified here for the drafting of the new legislation, as well?

Hon. Mr. McDonald: Firstly, I must confess that I do not know if the cost of printing the package came out of this year's or last year's budget. I will check.

I believe that drafting instructions for the *Education Act* review would be prepared by the end of this calendar year, and that the Department of Justice would have sufficient time to undertake the drafting of the legislation. How much time would be dedicated to that would be a few months I believe.

That is essentially the breakdown. When we get to the line item I will break it down to the dollar if the Member wishes.

Mrs. Firth: I would like to know about the printing costs because it is relative information. I gather from what the Minister has said that the Department of Justice will be drafting the new *School Act* so there should not be any more costs involved in contracting that out. Could the Minister confirm that for me?

To get into a general sense about the review process, I understand from the pamphlet that the Minister has sent out to the home owner that people are going to be requested to participate. Can the Minister give me any idea of what kind of process it is going to be. Are there going to be public meetings at particular intervals in all communities, and particularly in Whitehorse? How many meetings will be held and in what locations? Is there an agenda set up yet?

Hon. Mr. McDonald: There is an agenda set. I do not have it with me, but it lists the times and dates of all community meetings.

I will get that information down directly. The plan of action is quite simply to undertake community meetings around the territory. I believe we have already held the first meeting in Old Crow. The plan is to juxtapose those meetings with meetings that would be held to support the Joint Commission on Indian Education and Training and their review. Clearly, no one wants confusion between the two processes. Effort and time have been spent to ensure that people are aware of the respective mandates of the two processes. The *Education Act* working group would travel the territory over the course of the month this next month or so to hold community meetings, including Whitehorse, and would accept formal written or verbal presentations. Members will report back to the government upon completion of those community visits.

Mrs. Firth: Will the Minister be attending the meetings in the communities?

Hon. Mr. McDonald: The plan was that the community group discussions would be undertaken by the working group. The working group would be charged with inciting the debate without any chance of what we might call partisan interference. If people felt concerned at all, they might not feel they could speak openly or freely about the system if the Minister were present. The best community consultation process design would be one where people would feel completely unencumbered and comfortable in the group discussion.

There was an attempt to ensure that there was an appropriate range of people in the working group who could incite discussions from the various constituency groups and communities in the territory, in Whitehorse and rural Yukon. I believe those people have the desire to do that.

As far as my participation is concerned, I believe that I could make myself available to some of the meetings. At this time, the steering committee, which is composed of various groups — and includes me, as well as the department officials — has not suggested that I personally attend.

Mrs. Firth: By making that representation, is the Minister recommending that MLAs do not attend as well, in order that the public not be intimidated by their presence?

Hon. Mr. McDonald: Absolutely not. If MLAs have the time, and especially in their home constituencies, they might feel it very appropriate to attend. That is a decision for each individual MLA to make, if they have the time and the inclination. The issues involved are incredibly important to the territory. I am sure individual MLAs are going to have thoughts of their own that they may even want to present to the working group. If that is their wish, I would encourage them to do that.

At this time, as I said, there is no plan for me to formally attend any of the sessions. If I can make the time, I would attend, but I would not do so in a high profile manner at all. I would encourage the working group, who are charged with seeking public input, to have the profile.

Mrs. Firth: My recommendation to the Minister would be that he attend the sessions. I think the public would perceive that in a positive light. I do not think they would be the least bit intimidated by the Minister being there. I think it would show much enthusiasm on his behalf of the tremendous undertaking that we are going to have with the full revision of the *School Act* in the territory. I give the Minister that recommendation. He can do with it what he wishes. I look forward to seeing him at the meetings.

I would like to move from the review process to a different topic, unless other Members have some questions about the overall review. I will allow them to proceed.

Mr. McLachlan: I have one question on the review process that I wanted to ask the Minister in general debate. An issue that has been pointed out to me is that I know we all like to have people who work in the system doing the analysis and review, but at times we get something called tunnel vision; you cannot see the forest for the trees. Or, as aptly put to me, they, meaning those doing the reviewing, may be responsible for the problems themselves. Even though the government at times takes a lot of flack for getting outside consultants, I wanted to ask the Minister about the process of outside consultation at a specific point in the departmental review to either review what has been reviewed by the reviewers or

to succinctly point out a problem that may exist before proceeding on a more formal and more lengthy procedure down the line. Does he have any thoughts on that idea of outside consultation as the review process moves along?

Hon. Mr. McDonald: Yes. The Member asks quite a broad, wide-ranging question, and I will try to be as succinct as possible. Clearly, there is every intention to try to generate a process that will end up in an *Education Act* that is created by Yukoners as much as possible. At the same time, there is obviously recognition that Yukoners, in the education system, may be considered inbred to a certain extent, if I can use that term lightly, and therefore may not be as imaginative about some of the alternatives that are available to our system as they might be. It is important not to have the tunnel vision that the Member speaks of, but to be prepared to accept new and innovative ideas from wherever they come. We certainly encourage that to happen, and there has been as much encouragement from me as I think can reasonably be expected to encourage that to happen.

With respect to the *Education Act* review itself, there are people — essentially contractors if you want to put it that way — who are providing the secretariat to the working group which is going to be going around the territory. That working group itself, of course, is made up of Yukoners — not departmental people but Yukoners nevertheless; people who are not departmental people in the administrative end of the department. There will be the president of the Teachers Association; there will be, I think, the president of the Principals and Vice Principals Association; there will be one person representing school committees, one person representing the education council and two people representing the CYI. They essentially form the working group itself. Their responsibility is to go out into the Yukon, having gone through the developmental process to date; they have discussed the issues through a think-tank forum, and they will be presenting those working group papers, which the Member is aware of to the public as a basis for discussion.

²⁴ At the same time, Departmental personnel will be encouraged to buy into this process as much as possible because, like it or not — and I happen to be one who likes it — there is going to have to be a delivery agent. The Department cannot be frozen out of the discussions. Those persons are going to have to be brought into this process because they will be the delivery agents. They must carry out the recommendations that are accepted by the political leaders and by the public. They are not insignificant players in this process.

At the same time, there is a desire to provide more innovative ideas to the system. I am aware of the criticism that sometimes Departmental personnel are accused of being not as imaginative or open to new ideas as they could be.

If I can put it lightly, I think that it is a bit of a bum rap, because many of these people are quite imaginative and innovative in their own right and do expose themselves to new ideas as they come, through encouragement by the government. There has also been the initiative in the past to bring in people to shake up the system a bit. Members will perhaps remember the existence of a person who came up from the south who was a bit of an avant-garde innovator who did shake the system up and got people thinking. Many of the ideas, as new and exciting as they seemed to be, found themselves incorporated into the training strategy itself. So there is a conscious attempt not to demonstrate tunnel vision.

At the same time, we have had to balance that off with a desire to have an Act created by Yukoners. One of the problems with the existing *Schools Act* is that it was created entirely by a contractor, and we have been living with the consequences ever since. There is a time now for developing an Act which is based essentially on as much community consensus as we can find.

There will be differences of opinion. When I was in opposition and travelled with the Opposition Task Force, I was exposed to a wide variety of opinion on how the school system should be run. We will have to accept that there will be differences of view.

To the extent that we can find community consensus we should, and we should abide by it to the extent that we can.

²⁵ **Mrs. Firth:** With respect to some of the person years within the department, I will leave the specific questions until we get to the specific programs, as I have the breakdown of the person year

distribution. In a general sense, and within the department generally, can the Minister tell me how many positions he has vacant within the department and the position titles?

Hon. Mr. McDonald: I will try to pull those up for the Member. While that information is being sought, let me just give the Members an indication of the schedule of task force public hearings.

As I mentioned, Old Crow had a visitation of two days on April 6. On May 4, there will be a trip to last three-and-a-half to four days, in which there will be meetings in Dawson City, Elsa and Pelly Crossing. On May 11, there will be one day in Carcross, and one day in Teslin. On May 19, 20 and 21, there will be three evenings in Whitehorse. On May 25, there will be a trip lasting four days, which will include meetings in Beaver Creek, Destruction Bay, Burwash and Haines Junction. Starting on June 1, there will be meetings in Whitehorse on the 1st and on the 2nd. There will also be meetings in Mayo on the 3rd. On June 8, there are scheduled meetings in Carmacks, Faro, Ross River and Watson Lake over a period of five days. There will also be another five full days in Whitehorse, starting June 15. The details of that will come forward. I will provide a breakdown on that and send it to the Members.

The option paper package was not paid for until this year's budget, but under last year's budget. As I said, the Department of Justice will be technically drafting the *Education Act*.

There are 21 permanent and term positions currently vacant in the entire department.

Mrs. Firth: Did I hear the Minister correctly, to say that there are 21 vacant positions, term and permanent?

Hon. Mr. McDonald: Yes.

Mrs. Firth: Can the Minister tell me which permanent positions are vacant and how long they have been vacant?

²⁶ **Hon. Mr. McDonald:** There is a secretary position in Administration that has been vacant since February 26th. In the Administration, as well, there has been a heating system technician position vacant in May — the fellow is apparently retiring. There were two custodial workers — I do not know how long they have been vacant. There is a librarian position in Libraries; it does not say when that vacancy occurred, but I can find out if the Member wishes. There is an Education Computing Consultant, which has now been filled — I am sorry. There is a Special Education Consultant and a Child Psychologist — a Coordinator, Assessment and Counselling, which we will call Child Psychologist for the time being. I do not know when those vacancies occurred but the recruitment actions for those positions are closing this week. There are two Regional Superintendents: the Regional Superintendent III has never been filled, as Members will probably know, and the person who is filling the position of Regional Superintendent II is leaving at the end of this year. There is a French Language Instructor in the adult program. There is a position in the Learning Resources Centre — that is a permanent position. In Yukon College, there is a Special Education Consultant, Business Management and Band Management Instructors. Those are term positions. There is a Librarian, an Itinerant Instructor position, a Manager of Financial Administration, a Coordinator, University Transfer, the Registrar, an instructor in Academic Development — a term position — and a Coordinator of Learning Resources. Did that add up to 21?

²⁷ **Mrs. Firth:** It is probably getting pretty close to it. I am concerned, from representations I have had made to me about the vacancy of the coordinator of child assessment, or what the Minister refers to as the child psychologist, in the Special Education vacancy. I believe they have been vacant for some time. I am talking about the positions that were previously filled by Barb Ballard and Doug Barber. I have the two correct positions.

I have had very strong representation made to me, particularly about the educational assessment, because of the inability to have specialized testing done, such as psychometric testing, that children are having to be put on waiting lists and they wait four months to go and have the test done, and are then put on another waiting list for another eight months. Referrals are not taken. There are some special needs problems. When does the Minister anticipate filling this particular position?

The Special Education positions prompts me to ask a question about the viability and the life of the Challenge Program. I think that position desperately needs to be filled if that program is going to continue to survive. Those are two representations I have had brought forward to me in several instances. They both raise a concern with me, as well as with the parents who brought them to my attention.

Hon. Mr. McDonald: I am reminded that there is a deputy minister position vacant at the present time, as well.

On the question the Member put with respect to the Challenge Program, there is every intent to continue with the program for gifted students. One of the reasons why filling the positions has taken as long as it has is that they have been redefined and the job descriptions have been rewritten to allow for the assessment function to be performed by one person — the work that had been done by two people for the gifted program and some special needs to be done by one person. The rationale for that is that the gifted program is now off the ground and does not require a full time person to continue it at the administrative level.

On the special needs side, there is an analysis being done of the department's procedures for handling special needs students. That analysis would assist any person filling what had been Doug Barber's position in doing the job.

We have the two old positions being redefined to the two new positions, one of them to include child psychologist, which, as the Member will remember, is the position that the annual School Committee Conference had been asking for for years. The school committees, quite rightly, are concerned that proper and professional assessment of students with special needs be undertaken by the department. The department is anxious to fill that need through the redefinition of those particular jobs in question.

I regret that it has taken as long as it has, but I would hope that the people could be in place shortly.

Mrs. Firth: I know there are some children who have been waiting a very long time for this. Their parents are concerned that they are effectively going to miss a whole year of school, so I hope the department will be taking into account those who have been on the waiting list the longest period of time and maybe something can be done to accommodate them. I will come forward in the form of a letter to the Minister when the position is filled with specific constituents who have this concern, depending on how long that individual will have to wait.

I am pleased to get a reassurance from the Minister that the Challenge program is going to carry on and is not in any danger of being lost in the rewriting of job descriptions and so on.

I would like to ask the Minister also if the costs for any capital projects have been built into this O&M Budget. We went through quite a lengthy Capital Budget debate on projects for the Minister's Capital Budget. We talked some about O&M costs that would be incurred with new schools and the college and so on. I would like to know if any of those costs have been built into this new budget?

Hon. Mr. McDonald: Yes, some costs have been built into the budget, and I will explain briefly where they are. In this past year, the department has undertaken child assessments in the time-honoured way without the assistance or aid of a psychologist or a person qualified to do the assessments. It does not mean that the assessments are not done; it simply means that they are not done locally or done by a local person.

Yes, costs are built into the O&M Budget, to an extent. As Members will remember, the costs of operating the Nisutlin Campus for the College were rolled into the budget. That would include everything from heat and light and all associated costs incurred as a result of the opening of the dormitory and classrooms. There was the offsetting of the closing of the food services facility at the old college site, because it was deemed that two food facilities at the college were not needed.

As I mentioned at the beginning, the cost of the Faro Rec Center arrangement has been rolled into the budget. The costs associated with a new college have not been, because we have not moved into the new college, nor have we finally determined what those costs might be. We will not move into the college in this fiscal year. The cost of the new college will be made available shortly I am sure.

Some rough drafts have been done, and I would hope to be psychologically preparing the Legislature for those costs as soon as I can.

Those are the only major O&M costs that would be driven by Capital expenditures that I can think of. If I think of anything else, I will let the Member know.

Mrs. Firth: I was anticipating getting an answer from the Minister in a general sense as to how much money in this budget may have been specifically identified as an increase for O&M costs for capital projects. When you think of the projects that have gone on just recently, like the additions to the Carcross School, the addition to the Grey Mountain Primary School for the activity room and the College and the potential of the Dawson City addition or new school or whatever they are going to have in Dawson — and I believe Watson Lake are looking at a new school — it would be rather interesting to know if there was a certain percentage built into the budget or if it is just minor projects that have had some identification made.

I was kind of looking for a general comment as to whether there was, in a general sense, a specific amount of increase noted in the budget specifically for O&M costs for capital projects?

Hon. Mr. McDonald: I do know that there is a rule of thumb, if I am not mistaken, that for every hundred dollars spent in capital, there is an O&M cost associated with those dollars. I believe it is a dollar, but I am not sure. I think it is fair to say that, in the budgeting done here, department officials have been as precise as possible in estimating the costs that they project in a fiscal year for the capital items. Certainly, there will be no volcanic eruption in the department because they have forgotten to provide for heating of the Grey Mountain auxiliary room. I think it is fair to say that those things have been taken into account.

I could perhaps provide a listing of some of those. There will be additions and subtractions; of course, as you retrofit, you bring down O&M costs. I do not want to put the department to a great deal of trouble to provide that, and I am not saying the Member is asking for it. Maybe if there is a ballpark figure we could offer, I can let the Member know.

Mrs. Firth: I think my question has probably been answered, that there was not really an analysis done by the department to say that they were going to be building those new schools and that two percent has been built in for new O&M costs. I think, from the Minister's answer, I can gather that that probably was not done; it will show up in future budgets. I do not want any great detailed analysis of what the O&M costs are. We will find out sooner or later.

Costs of education is an interesting question. I think students and parents and teachers find it very easy to say that a new school is needed here and a new something here, and then they are outraged when the O&M budget comes forward and more money goes to O&M costs for physical facilities and less towards program costs. Sometimes it helps in the total realization of the cost of education today, and some of the high-tech facilities that we really do build in the Yukon Territory. As the Minister of Justice has agreed, there are quite often times when we overbuild. Sometimes it helps to bring the realization to the forefront that maybe we should take a second look at what we are doing.

³⁰ This has been confirmed by the expression on the face of the Member for Porter Creek East, who is astonished at education costs.

In a general sense, the Minister has briefly touched on some new initiatives in the Department of Education. I believe they were very sparse about the student support programs and more money for special aids for special handicapped students. Are they just those items that he mentioned, or are there any other new initiatives that the department is embarking on?

Hon. Mr. McDonald: In the last year, there have been some new initiatives in the area of busing, which have not gone unnoticed by the people in rural Yukon and by the Whitehorse School Busing Committee. The items that I provided for that increase would not show up as an increase for next year, but is an increase to the budget.

Those are the initiatives of special note. There has been a \$4,000

increase funding for French monitors. They will get \$3,000 per year. We are projecting to give them \$4,000 per year — of course, there are four French monitors — so we can keep up pace with the NWT.

There will be \$4,000 to support in-territory travel for special events in the area of culture and sports for the students in the dormitory in Whitehorse. That has been a long-standing request. In the area of public schools, I admit that we did not do something as dramatic as add 15 or 20 teachers to the system or present a whole new program for all schools or anything of that sort. I think that these initiatives are going to be well-received by the public, even though they are not large dollar amounts.

Mrs. Firth: I am not accusing the Minister of lacking ingenuity or creativity, or anything like that. I just wanted to know if there was anything new and astonishing that he had to announce. I will leave the busing questions until we get to the busing line. I have noticed quite a substantial increase — an 11 percent change — as the budget is indicating. We will have some specific questions to ask when we get to that line item.

I have heard a fair number of comments from business people and the public over the last weekend and the last week or so about the Department being out on a bit of a spending spree to spend the dollars in their budget before the year end.

³¹ I know that it is not uncommon, and that this happens on an annual basis. It seems to be extremely exciting this year because there seems to be a lot of money to be spent, and I have had all kinds of concerns brought forward to me about people going into businesses with a shopping list and picking things off the shelf and saying, "So and so has always needed one of these and I guess we can get him one now."

Three students in the French class at Jeckell apparently were taken on a helicopter ride to show them the sights of the city so they could use that money.

I would like to know what kind of direction was given to the Department when it came to achieving their previous O&M expenditures. Does he have any comments about the concern I have just raised.

Hon. Mr. McDonald: I will have to request details with respect to some of the suggestions she has just made. It is not the policy of the government to encourage people to spend public money lightly. It is certainly not the policy to go on spending sprees, however beneficial that might be for local retailers. The funding that we provide the Department is meant to be spent to meet the real needs of the public. It is not meant to be an over- or under-expenditure. I am not aware of the details of the helicopter trip, but I will certainly make myself aware.

Sometimes there is an impression that a spending spree is going on and sometimes it is well thought out. I have heard it before, not in this particular department; for this particular year, but during my period as an MLA in the House. I do not believe that any government that I know of would encourage it as a matter of policy. There are times, however, when certain things are meant to be done in a particular budget year and quite often people might leave some of those tasks to the end of the budget year and then rush to get them completed so that things that had been anticipated to be purchased would be purchased within that fiscal year. They might be purchased near the end because people have left the purchase until late and it may have every appearance of a haphazard spending spree and may not be one.

If, as the Member suggests, there are people out there who are simply looking for good ways to spend money, that is not my policy, or the government's policy, and I doubt that that would be the policy of the senior administrators in the department either.

³² **Mrs. Firth:** I am not raising the issue in the context that the Minister specifically issued it as a policy directive to go out and spend the money. However, the Minister knows how government works and I, myself, have heard him raise this question in the Legislature as an MLA. He knows what the problem is; I know he does. Instead of me bringing forward all the facts for the Minister, I would like to raise it as an issue because it is something that has been raised by many people, and my colleagues have had representations made to them as well; every day we hear these

stories and it does not bode well of government spending. It makes it very difficult to explain later, when maybe we do not have quite as much money, why at one time we did and the next time we do not. I think for the Minister to maybe go back to his department and have a look at the amount of spending that has occurred within the last month or so, compared to other years, I think he may find that there is quite a noticeable increase, because, if people are talking about it out on the street, it must be there. It cannot just not be happening. So, I just raise it and bring it to the Minister's attention because I think it is something that should be looked into, and I know the Minister agrees with me and will probably look into it.

In a general sense, I do not have many more questions other than to say to the Minister that when he gave me the comparable enrolment and staffing figures, he has included rural and urban elementary and urban high school, there are no rural high school figures. I know we do have some rural high school students; I wonder if he could give us some figures for that?

Hon. Mr. McDonald: I take the Member's point. We have simply rolled all primary and secondary students into the rural enrolments. What I could probably do here is break out the secondary school grades as well. It has simply made it easier to create these numbers for Whitehorse because, of course, there are schools that are dedicated to the primary grades and to the secondary grades; and in rural Yukon, more often than not, apart from Watson Lake, the elementary and secondary schools are rolled into one. That is probably why it was done in this fashion. If the Member is interested in getting a breakout of the enrolments for just secondary students in the rural high schools, I can do that.

³³ **Mrs. Firth:** I get the enrolment on a regular basis from the department. I was concerned because it was not included in here, and that brought my attention to it immediately. I would like to get some ideas from the Minister as to how he feels about the viability of the high school programs in the community. In Watson Lake and Dawson City where the numbers of students participating in those programs are higher that the viability of the program is much stronger. The communities of Teslin and Carmacks are down to bare bones students, if some of them have any. I guess the Minister is going to stand up and say that the education review will be looking at that, but I would like some indication if it is still the intention of this government to pursue providing those kinds of services to the communities.

Hon. Mr. McDonald: As much as we conceivably can, we will. That is the preferred option. There are obvious limitations to that. I do not want to suggest that there are no limitations.

As the Member would know in her role as a Minister of Education, there have been times when the public in a particular community have demanded that the high school grades be incorporated into the school and, when considerable effort has been made to incorporate those grades into the school, it turns out that the parents still send their students to Whitehorse, which makes it even more questionable as to whether or not the rural high school program should be carried out in that particular school. You need a minimum number of teachers, irrespective of the number of students, to teach the senior grades. There are more teachers required who have certain dedicated skills in the senior grades than they do in the elementary grades.

On first principles though, I can say quite confidently that it is the government's intention, as much as it conceivably can, to provide a full range of grades to rural communities and as much of a varied programming as possible within the general financial limitations of the department.

There are certain high schools, as the Member mentioned — Teslin and Carmacks being the two most prominent, and perhaps Ross River as well — where we are talking about the existence of various grades, grades 11 and 12 primarily. In the other high schools in rural Yukon, there is a life and death struggle every year for certain programs, depending on what options the children decide to take. Quite often, if it is shown that there is only one or two people interested in a particular program that requires a specialized skill, it is more appropriate to drop that program for that year, because it requires a specialized teacher to teach it.

Every year, there is quite a marvelous balancing act done by the

department to try to get teachers with a wide variety of skills, in order to provide an education program for a high school. Ideally, you do not just get a grade 11 or 12 biology teacher. You have to find a biology teacher who can also teach grade 9 chemistry, is good at organizing the local basketball team and can teach phys ed and home economics at the same time. You have to be able to do that in order to carry out the full range of programming in those schools. It is an absolute necessity.

³⁴ You cannot have the dedicated people as you can afford to have in a school like F.H. Collins, for example. On first principle, I would say it is our policy to try, wherever possible, to provide a full range of programs for full years in the rural high schools, recognizing there are financial limitations that we simply have to live with.

Mrs. Firth: I do not have any further general questions for the Minister and unless other Members do I am prepared to move to the line-by-line debate.

Mr. McLachlan: The Member for Riverdale South has some specific questions about the busing. I have some general ones that I would like to pursue.

The Minister has had a pet project in some recent years in breaking up the school busing contract into smaller units enabling smaller businesses to be able to bid on them.

With the department's move towards a minimum of \$10 million worth of insurance per bus unit, does that now mean we are seeing the end of this initiative on the part of the Minister?

Hon. Mr. McDonald: As the Member correctly points out, there is a problem with respect to the reduction of the level of insurance that we carry on buses. The problem is in the sense that parents and school committees feel it necessary that \$10 million be provided for school buses. The smaller contractor just getting started has difficulty finding \$10 million let alone being able to afford the premiums.

What we have done is to indicate that we are not prepared to compromise on \$10 million insurance, because there is a general feeling that even \$10 million would not be very much if, God forbid, there was a catastrophe with a school bus. There is every desire to ensure that the insurance carried will cover at least projected costs should there be an accident.

We have not varied our stance. We would like to encourage local contractors where possible to pick up the business in a rural community. It appears quite obviously that the availability and cost of insurance for small contractors whose only business would be dedicated to school busing would be impossible to afford. I think for the time being, if there are not established contractors in the business in the rural communities, contractors whose businesses would encompass more than simply the school busing, then there really is not very much opportunity that I can see at this time to breaking down the bids to encourage local contractors to get the business. We do have such contractors in some communities who are capable of carrying the insurance and who have the experience. Their ability to bid on the contracts will be quite good. We will undertake in the future that when the busing contracts come open for bid that we would entertain bids from individual communities on individual runs.

³⁵ **Mr. McLachlan:** I guess I have some concern as to where the initiative or where the push is coming from for the figure of \$10 million. I see a school committee not able to settle on one or two or eight or six, so the figure grabbed is ten, because it is nice, it is easy, it is simple, it is round. Can the Minister advise if decisions to move in that direction are being made with the input of the Department of Justice lawyers as to the level of liability, property damage and passenger hazards, or whether the \$10 million is just a figure that is picked from the air. What is the basis for that figure?

Hon. Mr. McDonald: We get our information primarily from the Department of Government Services, who have the expertise in the government with respect to the acquisition and provision of insurance. It is generally figured that a \$10 million figure, albeit round, is necessary and comparatively acceptable as a figure to run with. The Member himself has some understanding of the business that I do not have, and if the Member wants to make representation and to make some good arguments to suggest that it should be lower

or higher, then I would consider him as a bit of an expert. But at the present time, the school committees that probably are not composed of experts but nevertheless have strong feelings about the matter and certainly have got an interest in it, have indicated that they feel that \$10 million is an acceptable minimum for insurance and they are not overly receptive to a reduction in that minimum. I think they would love to see an increase, as it would make them feel even more secure than they are now. They are not prepared at this time, to my knowledge, and we have canvassed them, to accept any reduction in that minimum level.

Chairman: Before we proceed with the first program, we will recess for fifteen minutes.

Recess

³⁶ **Chairman:** Committee of the Whole will now come to order. We will begin with Finance and Administration, general debate.

On Finance and Administration

Hon. Mr. McDonald: As people are gathering their thoughts, maybe I will provide some information.

In Administration, the decrease of \$55,000 in the 1986-87 was due to the severance payout of the Deputy Minister, which is offset somewhat by the maternity leave for the Director of Finance and Administration in 1986-87.

That is the reason for the change.

Mrs. Firth: What is the 1.90 person year? Is it term person years, according to the paper that the Minister gave me, but it did not indicate what it is for.

For the Minister's information, none of the person years indicate what they are for. I will be asking him about all of them.

³⁷ **Hon. Mr. McDonald:** This increase is the conversion of auxilliary personnel to term status for the custodial workers at Robert Service School for the 24 hour fire watch. That is because they will not be required after the construction of the Robert Service School, but they had been auxilliaries and now they are terms.

On Administration

Mrs. Firth: Perhaps the Minister could tell us what the 16 percent reduction is — the Minister has already given the answer, my colleague is just reminding me.

Is this the line that the unexpended salary dollars for the Deputy Minister would be. Since that position has been unfilled for such a length of time should there not be more than 16 percent of the funds turned back?

Hon. Mr. McDonald: The Acting Deputy Minister's salary ought to come out of this branch. When we get to Advanced Education and Manpower you will find there is an acting position for the ADM for that and you will follow it down the line to find where unexpended salary dollars would be. In this particular branch the Acting Deputy Minister would be paid out of this section here.

Mrs. Firth: If that is the case I would conclude that because there was such a large payout to the former Deputy Minister then there should be an overexpenditure. I am not sure the Minister understands what he is saying.

Hon. Mr. McDonald: What is happening is that in 1986/87 the payout occurred, so there was a kind of balloon payment, and if Members look on page 99 they will see the existence of that. It went from \$281,000 to \$340,000 in 1986/87 Forecast. Because there is no need for that payout in 1987/88, we dropped back down to historic levels again.

Administration in the amount of \$285,000 agreed to

On Finance/Personnel

Finance/Personnel in the amount of \$295,000 agreed to

On Facilities/Transportation

³⁸ **Mrs. Firth:** On the supplementary information sheet, the 1987-88 estimates for busing is up considerably from the previous year, yet facilities and transportation, as indicated by this, is a two percent decrease in expenditure. Can the Minister explain that inconsistency?

Hon. Mr. McDonald: I will give the Member an indication of how the figures have netted out. There will be increased busing costs, but in this coming year there is a decrease in custodial

services; there will be no summer students, for example, for major clean-ups. There will be a reduction in auxiliary staff hired to assist the regular custodial crews. There is a significant reduction in travel. There is some reduction in Yukon travel and that will be absorbed by capital projects, because any travel would be charged against the capital project itself and would be a capital expenditure in a sense. That would be offset essentially by the increased busing costs, but even with increased busing costs, there still would be a net reduction of \$85,000. The increased busing costs essentially are for full years of the buses that were provided last year. Teslin and the Burwash buses, which were provided late in the year, would now show up as a full year's expenditure.

Mrs. Firth: This is my concern. The Minister has talked about custodial services going down and no summer students for clean-up, reduction of travel, and has commented that the net reduction would be \$85,000, which is a two percent reduction, I am concluding, in the overall budget. Yet the percentage change in the busing contract is for an 11 percent increase according to the supplementary information. The difference between the 1986-87 numbers and the 1987-88 is \$176,500. I just do not see how the figures can be compared. They seem too far apart, too extreme.

Hon. Mr. McDonald: The 1986-87 forecast shows an increase in the busing expenditure already, because there were buses that were brought on in this last fiscal year. There is also an increase projected for the general contract. There is going to be a small increase. It has not been negotiated yet, so I cannot say what it will be. It will be nominal.

Added to that nominal increase in the busing contract, there would be the expression of the costs of the buses that were added late into the school year last year for the period fully from September through to the end of the fiscal year. That would be added in.

There have been reductions in other areas that still show a net reduction of \$85,000. There has been the elimination of non-Yukon travel and a very significant reduction in Yukon travel itself, and a reduction in auxiliary staff hired to assist the regular custodial workers.

Mrs. Firth: In order to get the figure that I have between the two busing amounts — between the \$1.6 million and \$1.4 million, approximately — that 11 percent change that is indicated, and the net reduction of \$85,000 that the Minister talks about for the custodial services, et cetera, means that he has to be picking up \$261,000 somewhere else. Can he tell us where that \$261,000 will be coming from?

Hon. Mr. McDonald: I suppose it will be coming from the custodial services. What had happened this past year was that a lot of effort was put into providing custodial services. Much of it is being cut out, because it is not considered to be essential to departmental activity. The figures that the Member mentions are correct.

Mrs. Firth: I would like to know exactly what those custodial services are that are being cut out. Could the Minister give us a list of them, besides the summer student cleanup?

Hon. Mr. McDonald: I will undertake to bring the figure back. It was essentially the reduction of a major cleanup, and the elimination of auxiliary or special assistants for the permanent janitors in all the school systems around the territory. It would be a little bit here and a little bit there in all the schools. I can provide the list of what that would cut out for each school around the territory for the Member.

Mrs. Firth: Just to make sure we are talking about the same thing, is the summer student clean-up program when the students cleaned up the areas within the municipalities, for the municipalities?

Hon. Mr. McDonald: No, the program the Member refers to is a volunteer program assisted by the Community Services Branch, which provides a nominal sum for garbage bags and that is about the extent of their assistance. This is another program — I will have to find out exactly how much it was worth — which paid students to do general clean-up.

Mrs. Firth: I would like that, because I am of the impression that they are the same program. I suppose I could ask the Minister

questions in Question Period about it when he brings back the information, but I would like some more information on the custodial services and particularly the summer student clean-up program. I find it quite remarkable that we are going to save \$261,000 as a result of that.

When it comes to the busing contract, I have gone through the service contracts that the Minister of Government Services provided for us. The totals I get from those service contracts do not come anywhere near to the \$1.4 million that is in the Minister's budget here. Perhaps he could elaborate on what he talked about regarding the new initiative in the area of busing?

Hon. Mr. McDonald: My understanding is that the Diversified contract should be in that list of contracts. If it is not there, it should be there. With respect to the new initiatives, I announced last year that we would be adding two buses to Whitehorse in September and then in November another bus was added to the Whitehorse system. At the same time, the Burwash-Destruction Bay bus was added as well as a Johnson's Crossing-Teslin bus. Those are the new initiatives in busing to which I was referring.

Mrs. Firth: The initial large contract is in the service contract for a million-point-something; I do not have my contract volume here with me, but there are two additions to it: one in the area of about \$63,000 and another one for forty-some thousand, and that is all that is indicated in the service contracts for Diversified for busing. So I am saying to the Minister that this number does not coincide with the service contract totals that I have.

I would like to know how many students we are busing in the territory, particularly for the outlying areas, the two new areas the Minister just mentioned and for the Mayo-Stewart area and so on; and whether we are still sending one of the 14-passenger buses or whatever they are with a few students in them, or is it a 30-passenger bus on the Mayo-Stewart run with a few passengers in it? To what capacity are we utilizing the buses?

Hon. Mr. McDonald: With respect to the contracts themselves, the contracts and the change orders should be in the list. It would be a serious oversight if they were not. The contracts do run from September to June and not the end of the fiscal year. All contracts and change orders should be in that book.

The buses that are provided for our various bus routes are meant to coincide with the number of students. If you only require seating for fourteen students then you get the smallest bus available. That would usually be a 22 passenger bus. It is something that looks like a crew cab. Not the one we are familiar with, but the kind I am familiar with for taking mine workers to work. It is a small mini-van type bus. It is only in the Whitehorse area where there are large numbers of students where the 72 passenger buses would be on the road. We generally try to ensure that buses of appropriate size support a fairly small number of students between rural centers.

Mrs. Firth: I believe we talked about this last budget debate and the Minister was going to get back to me with the busing capacities and the numbers of students that were being bused in the various areas. If he is prepared to make that commitment again, and this time get back to me, I would appreciate it. I would like a general idea of the numbers of students who are being bused in the outlying areas to make some comparisons.

I understand that because parents have some latitude in determining whether their children go to one junior high school or another — and I am talking about Jeckell Junior High or Porter Creek Junior High — sometimes children are being bused across Whitehorse to the other school. Is the Minister aware that it is occurring occasionally, frequently or rarely, that someone living within the vicinity of Jeckell has their children registered in Porter Creek, and vice versa? Is the Minister aware that they are being bused across town?

Hon. Mr. McDonald: I will commit to provide student busing numbers as they would exist at any given time to the Member. I will make sure that is done. I would remind the Member, as I have said in justification for the initiative in the first place, that student numbers are very small but the service means a great deal to the residents of those communities for which it is small. There has to be recognition that there should be some security of service over a number of years and not simply have the government turn off the

tap as soon as figures drop below a particular artificial level. That brings a tremendous amount of insecurity to the small communities and has the power to determine whether or not certain communities will be populated. That is the argument that I made when I was in opposition, and that is the argument that I make now.

42 There are small communities like Stewart Crossing and like Burwash that do have very small numbers of students, but I would confidently defend the expenditures that we are making in providing busing services for those communities.

With respect to the busing of students who live in Whitehorse outside catchments areas, my understanding is that it is only in exceptional circumstances where busing would be allowed for students outside attendance areas for a particular school area in which they resided. There are a number of reasons for providing this special provision that I can think of off the top of my head. Generally speaking, it is not something the department encourages. It is not something that is budgeted for, in the sense that the busing committees and the department budgets for busing costs for students who live outside a particular catchment area, or who live in a particular catchment area to transfer to another school. We generally use, as the first priority, the transfer of students from one district in Whitehorse to a particular program that is not offered within that catchment area outside the kilometre limit. That is the general rule of thumb. If the Member thinks that there is something untoward happening, I would be interested in hearing about it.

Mrs. Firth: I am just asking the Minister for information. I am not criticizing his programs. I am just asking if he can provide me with the information about the busing, and is he aware of any situations occurring rarely, frequently or occasionally with respect to students being bused across town when there is a junior high school within their school area. I look forward to getting a list from the Minister about the busing populations. When I have them, perhaps I can make some comparisons and make some comments about them then.

What is the Minister anticipating the percentage increase will be for the total cost of busing for this year, or is that something that he cannot reveal at this time? It is usually two or three percent, something within that area. Is it anticipated to be similar to that?

Hon. Mr. McDonald: We are in negotiations at the present time. I know the Member understands.

Mr. McLachlan: In the facilities part of this discussion, can the Minister advise if the Department of Education school equipment that is coming out of the dismantled school in Faro is being sold off or is being returned to the department at inventory cost?

Hon. Mr. McDonald: The equipment that is salvageable from the Faro gym is currently owned by the department. It does not have to be sold to the department. The department is going to salvage whatever it needs in the foreseeable future, and whatever it can economically recover. The balance would be sold off in some manner appropriate to the circumstances. It would either be auctioned or provided to the contractor who is demolishing the structure as part of the incentive package, or whatever.

43 **Mr. McLachlan:** I just wanted to get some assurance from the Minister that, before the equipment is returned to Whitehorse or disposed of, whatever, it can be used by the school in the new gymnasium that the town of Faro has, before dumping it.

Hon. Mr. McDonald: I am not sure I caught the question — I apologise. But, for the Faro gym, the department will be salvaging whatever it possibly can salvage and the Board of Survey, and ultimately Management Board, will decide what to do with the balance.

Facilities/Transportation in the amount of \$4,468,000 agreed to On Policy and Planning

Mrs. Firth: I just have a couple of questions outstanding about the Joint Commission on Indian Education and Training. The Minister said that this budget included approximately \$130,000 more. Is that in addition to what we have already approved, the \$370,000-plus?

Hon. Mr. McDonald: Of the Special Projects line item, there is \$130,000 shown that would be the expenditure for the balance of the Commission's work in this fiscal year.

Mrs. Firth: We approved last year quite a substantial amount of money for the Commission's work and it was up to four hundred and some thousand dollars. I can appreciate that may be going down with the removal of the individual who had been seconded and we needed the extra dollars to compensate for that salary, so we go back to the original figure, the \$376,000 or whatever, for the Commission. I just want to know if this \$130,000 is in addition to that?

Hon. Mr. McDonald: One thing we did not anticipate at the beginning of this exercise — there are a number of things we did not anticipate at the beginning as Members know — was that the Commission would be running well past the end of the fiscal year. O&M dollars lapsed and there has to be an expenditure in this year. There is no attempt to enhance the expenditures, certainly in any significant way. The funds that were allocated for the Commission initially are the funds that the Commission has to work with. Up until the time the new Commissioners took over, there was a certain amount of money expended. I believe I indicated to the House at that time that there remained about \$255,000, or something in that neighbourhood, for the remaining expenditure. The funds that are represented here are simply those that had been anticipated to be spent in the last fiscal year, but now will have to be spent in the new year because of the delays that we all recognize are being now faced.

44 **Mrs. Firth:** There are no lapsed funds in the Supplementary for the Commission. I want to know how much is going to be spent on the Joint Commission. If the Minister spends \$.5 million, so he spends \$.5 million. I want some idea of what is being spent on it, and is this in addition to it so we are now looking at a cost of probably pretty close to \$.5 for the Joint Commission?

Hon. Mr. McDonald: I indicated that when the new Commission took over that there would be \$255,000 remaining in the budget. If I am mistaken I will let Members know. That is what the new Commission had and has to spend to complete its task. It is going to straddle one fiscal year-end so account will have to be taken of that in the new budget. Nevertheless the new Commission has the \$255,000. That is the budget they have been given and that is all they are going to have to spend.

Mrs. Firth: What is this \$135,000 for then? Is that part of the \$255,000? I am having difficulty with this figure. Is the \$135,000 in addition to what has already been voted for the Joint Commission on Indian Education and Training? We have already voted \$300,000 and some, which includes the \$255,000 that is left over, so what is this \$130,000 for?

Hon. Mr. McDonald: As of two weeks ago we hit the end of the fiscal year. Without the actual voting of the money in the Legislature the money lapses and you have to get vote authority. Normally in an O&M Budget you do not go through a revote in the sense you do for the Capital Budget.

The Member asks if this is part of the \$255,000, and that is what I have been saying. It is essentially a kind of revote. There is going to be \$255,000 and that is it. We have come to the end of the fiscal year and the money lapses and we have to vote it again.

Mrs. Firth: Is that going to show up in a supplementary that will come forward where those lapsed funds will be listed as \$255,000 and \$130,000 of it will be shown as a revote in a supplementary that is going to be brought forward?

Hon. Mr. McDonald: Unused funds will show up in the supplementary. Money that is going to be voted here will cover the cost of the Commission.

Mrs. Firth: When will that show up in the supplementary?

Hon. Mr. McDonald: When the year-end supplementary comes forward, probably in the fall, we will see final accounting.

45 **Mrs. Firth:** Another question that I had asked the Minister earlier in the general debate was if he could give me a total cost of the review process. He did not supply me with that information.

Hon. Mr. McDonald: The total cost of the review process — *Education Act and College Act review* — is \$174,000. The *College Act* review will terminate with the implementation of a *College Act*, I would hope, in the fall of this year. There will be continuing obligations in the *Education Act* review over the course of the year.

Mrs. Firth: The last question I have is with respect to the three

term positions. What are those?

Hon. Mr. McDonald: Those term positions are the positions associated with the *Education Act* review. They would be two facilitators plus a secretary-researcher to support the *Education Act* review process.

Mrs. Firth: How long are they for?

Hon. Mr. McDonald: Those terms last until March 31, 1988, the end of this fiscal year.

Mrs. Firth: Could the Minister tell us where the salary dollars are for those positions?

Hon. Mr. McDonald: They are located under Special Projects.

Chairman: Is there any further general debate?

Mr. McLachlan: I wanted the Minister to advise if the bulk of the \$366,000 is all for the Joint Commission on Indian Education and Training, or is there anything else the Minister can tell us is in line for the coming year under Special Projects?

Hon. Mr. McDonald: The only things that we have under this section are the balance of the work for the Commission, the *Education Act* and the College Governments Projects, the latter of which is the one I said would culminate late this summer.

Mrs. Firth: The amount of salary dollars for the three term positions would be the remaining money left in Special Projects. Is it \$62,000? Can the Minister be more specific about the salary dollars allocated to each term position? It seems like a small amount.

Hon. Mr. McDonald: It is projected that salary dollars for Policy Planning Special Projects would be \$106,300. Under Special Projects, \$130,000 would be the transfer for the question on Indian Education. The balance of \$129,700 would be for other support services toward the *Education Act* process.

Mrs. Firth: We are going to fall short about \$34,000 on the cost of the Education review from the previous figure that the Minister gave us.

Hon. Mr. McDonald: The Member wanted to know how much of the review would be undertaken in total. What I was giving was the figures for the fiscal year starting April 1. That is what we anticipate spending over the course of this year.

Perhaps the Member believes that the \$174,000 figure that I gave was, in some way, a total figure for everything that is happening in the *Education Act* and college governance review. That was a figure for the 1986-87 forecast. The figure for this coming year would include the salary dollars for the two facilitators, one secretary-researcher for a total of \$106,000, plus a variety of other projects, including all eight in the *Education Act* review process.

If the Member wants me to go through the list of all the other \$129,000 in Special Projects in aid of the *Education Act* review, I can do that.

Mrs. Firth: This is the problem. I do not think I have created it. I think the Minister has created it. When I initially asked for the total cost of the review, the Minister said \$174,000. I was trying to find out the salary dollars under Special Projects. I took that \$174,000, and added to it the \$130,000 for the Joint Commission on Indian Education and Training. I then subtracted those two figures from the \$366,000, which left us with \$62,000 for salary dollars.

Now, the Minister is telling me the salary dollars are \$106,300, that the review has \$130,000 here, so that brings it up to \$236,300 so far for the education review. Then, the Commission has \$130,000. I hope he can see where there is an inconsistency in the figures. It comes to the cost of the education review. If I understand what the Minister is saying, the projected costs of the review could be \$174,000, and they have identified the \$130,000 and perhaps they are going to be looking for more funds. Is that what the Minister is saying?

Hon. Mr. McDonald: I guess I misspoke myself. I thought that what the Member was asking was the total for 1986-87. The total for 1986-87 was \$174,000. If we are going to total up the total cost for the *Education Act* review, plus the college governance review, because I do not have it broken down between the two, it would be the \$174,000 for 1986-87, plus \$106,000 for 1987-88 personnel cost, plus \$129,000 under the Other item, for a total of \$410,000 overall.

Mrs. Firth: We have spent the \$174,000, is that what the Minister is saying? Does it include both the Public Schools Review and the Yukon College and the *College Act*, and the total cost of all the review processes is going to be \$410,000? How much more money is the Minister going to need after we approve these funds?

Hon. Mr. McDonald: I realize that there are some Members, perhaps the Member for Riverdale North, who thinks it is a useless exercise or a waste of money. I do not share that view.

Mr. Phillips: On a Point of Order, the Member is making reference to what I think. That is out of order. I do not think I have spoken on this issue as yet.

Hon. Mr. McDonald: The Member does not have a point of order. If the Member wishes to speak and clarify or make any position on any matter with respect to education he is perfectly entitled to. I certainly would not prevent him from doing so in this Legislature. He hardly has a point of order.

Mrs. Firth: Whether it be a point of order or not it is really not appropriate for the Minister to make comments about what other Members are doing at the time of the budget debate or what they may be thinking. I could stand up and say that the Members opposite are thinking all kinds of things. I would not do that as a Member, and I do not think it is appropriate that we enter into that kind of debate.

Hon. Mr. McDonald: If Members want to interrupt me during debate, then they are perfectly entitled to just say so. They do not have to have a frivolous point of order to do that, especially when there is no point of order.

The \$134,000 I had indicated has been spent. There is the funding for the two facilitators, a secretary/researcher, and for the *Education Act* review for the balance of this year. There are funds for such things as the work of the working group travelling around the territory, et cetera, and the cost of publishing materials, all that sort of thing, which is incorporated in to the \$129,000 that I spoke of in the Other category, towards the total of just over \$400,000. This is for both processes of College governance and the *Education Act* review.

Mrs. Firth: Can the Minister just tell us what the per diems are for the individuals on the working groups?

Hon. Mr. McDonald: I believe it is \$175 per day, if I am not mistaken. I will check it to be sure.

Mrs. Firth: I imagine that amount would be considerably less than the employees who are also on the working groups, if you were to take into account — I realize they do not receive a per diem but they still do receive their salary for the job they have, say you have a vice principal or a teacher or a principal on the committee — and I would conclude that that per diem would be considerably less. Is that an accurate conclusion to come to?

Hon. Mr. McDonald: I remember there was some discussion about that. I believe it would count as less than the per diem rate for, say, a principal, or at least the principal who is on the working group. It was recognized, of course, that the normal per diem for working committees of this sort is \$100 per day and has been so for some time. There was some effort to try to raise that, given that people would have to dedicate a lot of their time or a long period of time, which is not an easy thing for people in the private sector to do. So we raised it to what we could afford, essentially within this budget, for the entire education review, and determined that \$175 was what we could afford, recognizing the costs that the private sector would have to incur.

Mrs. Firth: I guess it is quite an inequity because, for the private individual who would be leaving a business, it could be more to them per day than even what the principal or vice principal would be getting. I guess the Minister is going to have to take a look at the inequity he has created, which is inconsistent with his government's philosophy of everyone being equal.

Hon. Mr. McDonald: We are all born equal and people do things to that sense of inequity from the time you are born until the day you die. The problem, I think, as the Member mentioned, is something that is not specific to this task force; it is endemic to the entire system. There are government employees who put time in to boards and committees and are not paid a per diem, and they get a good deal more on a per day basis than the \$100, even, that is

normally provided to boards and committees. We felt we went some considerable distance to rationalize the system, to make it more equitable by increasing the figure to \$175 per day, in recognition of the costs that would be incurred by somebody who came out and wanted to make the time and had to leave a job in the private sector. We felt we have gone some distance for that; to regularize it for all boards and committees will be a major task and I would venture to guess an expensive one, as well. But we do feel we have gone some distance and \$175 is certainly more than normal. It may not be quite enough to make it perfectly equitable, but it is certainly a step in the right direction.

On General

General in the amount of \$110,000 agreed to

On Special Projects

Special Projects in the amount of \$366,000 agreed to

Mr. McLachlan: Could the Minister just enumerate briefly the other payment of \$147,000 before we clear the \$476,000?

Hon. Mr. McDonald: I will find it in a second. That primarily referred to the \$129,000 support for the *Education Act* review.

There is a \$17,000 figure in general. I will find that out in a minute. That includes the employee travel within the Yukon, \$1,500; outside of Yukon, \$2,500; contract services, \$10,000 — that is to develop a special education program; program materials, generally books, periodicals, et cetera, \$1,000; telephone, \$2,200. In support for the *Education Act* review and college review, there is travel in the Yukon for the facilitators, \$7,800; travel to the communities by the task force members, almost \$17,000; travel by the Education Council representatives to Whitehorse for special council meeting to discuss the new *Education Act*, \$3,000; travel by out-of-Whitehorse participants of the college government conference, scheduled for the fall of 1987 — that is 25 people — \$6,400; travel for community representatives to Whitehorse for a training session on the development of the *Education Act* prior to the community visits by the task force has occurred, \$8,000 — that is 20 people; travel outside the Yukon for specialists to participate in the discussions leading up to the college governance options, \$3,500; honoraria that we just spoke of, of various sorts, \$23,900; contract services, \$33,900 — that is broken out in the following way: \$15,000 for the determination of various college structures, government structures and options; some advisory services for revisions to the White Paper and drafting instructions for the legislation on college governance; and \$1,500 to train community liaison people in their preparation work for the *Education Act* task force tour. There is projected to be a reception, \$6,000, for participants at the college governance conference.

⁵⁰ Advertising overall is projected at \$11,700; Materials \$12,800; and Telephone \$1,000. That should add up to \$129,000.

Policy and Planning in the amount of \$476,000 agreed to

On Public Schools

Mrs. Firth: Could the Minister tell us what this infinitesimal amount of a person year is, this .58 of a term position?

Hon. Mr. McDonald: That is the funding associated with the Native Language Curriculum Development person.

Mrs. Firth: Can the Minister tell us what the 20 percent change in Administration is for? We can go the line-by-line.

On Administration

Hon. Mr. McDonald: The Members will note that in 1985-86 it was \$1,064,000 and jumped dramatically to 1986-87. Then it went back down again to 1987-88. What happened in 1986-87 is that there was more monies spent in advertisement and recruitment of teachers, largely because we were opening one particular high school in the territory, Faro. There was also the secondment of Bob Sharp to the Administrative Unit and of Wolf Reidl to Land Claims, of which the salary dollars were expended through this branch. Then it drops back down again this year to historic levels.

Last year there were a considerable numbers of hires undertaken. There were at least five principals hired that I know of: Teslin, Ross River, Pelly, Dawson and certainly Mayo. That was primarily the reason for the rise from 1985-86 to 1986-87 and back down to 1987-88.

⁵¹ **Mrs. Firth:** On the position of the principal at the school in Haines Junction, Wolf Reidl, the Minister mentioned, is that

position no longer a secondment? It would seem that Mr. Reidl has received a promotion within the Land Claims Secretariat as he is now the assistant land claims negotiator, according to the report by the responsible Minister. Are we getting his salary dollars back in the position? Is he no longer going to fill that position? What is the status?

Hon. Mr. McDonald: At the present time, the person in question is still on secondment from the Department, and for that reason the salary dollars would still be paid here. There is still the requirement, of course, to fill the position of a principal in Haines Junction and we are doing that as well, irrespective of whether or not Mr. Reidl goes back into Haines Junction. The position is still a secondment and the salary dollars would still come out of this section.

Mrs. Firth: That means that the Department of Education is paying the salary dollars twice for a principal at that school, and I do not like that. I would rather the land claims secretariat pay the secondment salary, particularly in light of the fact it is longer than what had been anticipated. I think we could far better use the dollars, whether they be forty, fifty, or sixty thousand dollars, in the Department of Education and the Land Claims Secretariat could pay its own bills. I would like to know if the Minister has made that representation to the Minister responsible?

Hon. Mr. McDonald: The position was and is considered to be a secondment to land claims from this department, and in this particular case the funds are found under the budget of the Department of Education, presuming that of course Mr. Reidl will return when his duties are finished with the Land Claims Secretariat. There is also a recognition, too, that Mr. Reidl will take to the Land Claims Secretariat some expertise in education, which would be considered very important and appropriate during the land claims discussions. So, as salaries go, there will be entirely a one-sided equation, certainly — the Department of Education and the government will receive good services with respect to this initiative. When Mr. Reidl returns to the Department of Education, if and when he returns, then the salary dollars will be used to support perhaps education programming proper, in classroom programming. Right now, Mr. Reidl is bringing to the Land Claims Secretariat expertise in education, which will be valuable for the future of education in the territory and valuable to land claims discussions.

⁵² **Mrs. Firth:** I just want to make one last representation. I think the money should be in Education and that land claims again should be paying their own bill. I will make that representation to the Minister of land claims. Mr. Reidl may not return to Education, and how long are we going to let this go on? Education needs their money. I will follow up on that for the Minister.

Mr. McLachlan: Can the Minister advise if the salaries for the Regional Superintendents are paid out of the Administration Line?

Hon. Mr. McDonald: I believe they are paid out of Public Schools.

Mr. McLachlan: Has the Public Service Commission short-listed a list for the Regional Superintendent for the north end of the Yukon yet? What is the status of the hiring of that position?

Hon. Mr. McDonald: I believe at least one interview has taken place. They are going to be completing interviews shortly. There are, I understand, certified local candidates for the position, both regional II and regional III. We hope that the decisions can be made shortly so perhaps the regionals could perhaps even participate in some, if not all, of the developmental work for next school season.

Mrs. Firth: I just want to make the representation that we had to have this funding for the Regional Superintendent's job. It was going to be headquartered in Mayo, Yukon Territory. It has been a long time, and the job has not been filled. We are going to lose another Regional Superintendent. We have two critical positions that are not filled in the area of Special Education, and we do not have a Deputy Minister of Education. The Minister better start rattling some chains or whatever he has to do to get some of these positions filled. I do not think the Yukon public deserves to have that kind of educational service where these positions are left for six, seven and eight months at a time without being filled. I know all the other Members of the House who this applies to are

listening. They are going to rush right out and get some Deputy Ministers hired and some Special Education personnel hired and some superintendents hired so the communities can be served.

Hon. Mr. McDonald: I am not going to explain the situation for the Deputy Minister. It is up to the Government Leader to respond to questions of that nature.

With respect to the superintendents, it is not as though there are two vacancies existing now. There is a person filling the regional superintendent II position, and a very competent individual. That person will be retiring; therefore, we are conducting interviews now so that the new person can step in as soon as the person who is currently in the job steps out.

With respect to the regional superintendent III, the effort was made last year to fill the position. Candidates were brought into the territory. Candidates visited the community in question, visited Mayo and visited Dawson and even tried to get into Faro. Weather did not permit it. This was to get some sense of the region they would be servicing. The candidates both declined to take the job. There was still a desire to get a local person, if possible, to fill the superintendent III position. There was also a recognition that it is often difficult to find good qualified persons in the middle of a school year to assume a job in the middle of a school year. The decision was made to re-advertise the job and to try to get someone in place in time for the next school year. That is exactly what we are doing.

On the question of superintendents, there has been no dragging of feet. There has been every reasonable effort made to try to fill the jobs.

With respect to the special education and the child assessment position, every reasonable effort is being made to fill those jobs with good competent people. There was a rewriting of job descriptions to better reflect the desires of the parents and the school committees, and to meet the needs as they evolved. If there are certified applicants for those jobs, there will be people found to fill them.

On Administration

Administration in the amount of \$1,118,000 agreed to
On Program Delivery

Mr. McLachlan: Does the \$20,089,000 include French Immersion for Faro in 1987-88?

Hon. Mr. McDonald: Firstly, there are no French programs contained under Program Delivery. They are contained under French Language. Secondly, I am not sure whether it would include French Immersion in Faro at all. It is not something I am familiar with. I am aware that the school committee did ask for a review of French Immersion for Faro last year. I will seek an update on that review.

Program Delivery in the amount of \$20,089,000 agreed to
On Program Support

Program Support in the amount of \$2,047,000 agreed to
On French Language

French Language in the amount of \$921,000 agreed to
Public Schools in the amount of \$24,175,000 agreed to
On Libraries and Archives

Chairman: We will move on to Libraries and Archives, on page 111. Is there any general debate?

On Administration

Administration in the amount of \$136,000 agreed to
On Technical Services

Technical Services in the amount of \$235,000 agreed to
On Public Library Services

Mr. McLachlan: There was an effort being made by the department to recruit additional help for the library in Faro. There is only one person covering the whole area of library services. Can the Minister advise if there has been any success in that department?

Hon. Mr. McDonald: I do not know, but I will seek the answer by this evening for the Member.

Public Schools in the amount of \$24,175,000 agreed to
On Libraries and Archives

On Yukon Archives

Yukon Archives in the amount of \$360,000 agreed to

Libraries and Archives in the total amount of \$1,310,000 agreed to

On Advanced Education and Manpower *On Administration*

Mrs. Firth: Can the Minister tell us what the increase is for?

Hon. Mr. McDonald: The major increase is in the area of students grants and training allowances. The bad news is that it cost us more; the good news is that our students are doing better at universities and colleges. As Members will know, the grant is tied to the success that they have at the university or college; the higher the mark the greater the grant. The good news is that they are doing better; the bad news is that it is costing us more.

There is also a full year for Project Wordpower grant as well to \$83,000. I think it was \$50,000 last year.

Mrs. Firth: Does that include the new Innovations Program, and can the Minister tell us how much funding is included for that program? On page 126 where we have Grants, Contributions and Others, Innovative Projects \$85,000, is that the same as the Innovations Program?

Hon. Mr. McDonald: That is correct. It is incorporated under Manpower Development.

Mr. McLachlan: Can the Minister advise if a formal agreement has been signed between the department and Curragh Resources for the commencement of apprentice training in Faro, or is it still in negotiation stages?

Hon. Mr. McDonald: I understand that Curragh will be indenturing, I think, eleven apprentices shortly. I realize that indenturing was a long time coming, but they have indicated they are going to make at least that commitment to the territory and to that training program.

Mrs. Firth: I wanted to ask the Minister some questions about the statistics pages and some of the supplementary information, and I would like some direction from the Chairman. Does he want me to proceed with those questions now, before we clear this line, or can I do it at the end of the vote as well? I have some specific questions about some of the pages dealing with the statistics.

Chairman: I think it would be appropriate to proceed with them now, as questions.

Mrs. Firth: I thank you for your direction. I will proceed to page 118 and ask the Minister if he could tell me, on page 118, when we look at Manpower Consultative Services: in the text, there is a comment made about Indian Band management workers and how the program has been used by them; yet, when they talk about the number of consultations, they do not include Band consultations. Is that in the figure of 15 at the top of the number of employer consultations, or are the Band ones included in that total figure?

Hon. Mr. McDonald: Yes, the designation "employer" is just a generic term for all employers including Indian bands.

Chairman: The time now being five-thirty, we will recess to seven-thirty.

Recess

Chairman: Committee of the Whole will come to order.

INTRODUCTION OF VISITORS

Mrs. Firth: Before we start back into the budget debate tonight, I would like to take this opportunity to introduce some visitors we have in the Legislative Assembly this evening.

We have a group called the Pathfinders of the Yukon Girl Guides Council. They are a group of young women, ages 12 to 15 years old. They are from the Whitehorse area only. I would like to introduce them by name.

They are: Daile Hoffman, Lydia Pan, Christy Gates, Colleen Richardson, Andrea Hoyt, Heather Robertson, Tara Towriss and Moriah Whitley. Also accompanying them are their group leaders, Carol Cameron and Darlene Hoffman.

The purpose of the visit to the Legislative Assembly is for the

Pathfinders to observe a community activity. Then, when they have finished their observations here this evening, they will be evaluating the observations they have made and discussing the same.

I take great pleasure in introducing these energetic young women, and I would encourage all Members to welcome them this evening.

Hon. Mr. McDonald: I am sure we will be on our best behaviour, at least until they leave.

In response to the question from the Member for Faro when we left off, with respect to library services, the library board in Faro will be funded at pre-closed down level, meaning that the historic level of funding will be provided to the particular library board. The money has been sent to them already, the \$16,000.

Mrs. Firth: When we left the debate before we adjourned for dinner, I had started asking the Minister some questions about the statistics before we proceeded through the particular line items in the Advanced Education and Manpower debate. I would like to follow up with that and move back to page 118. Under Special ARDA, there is a statement that the emphasis on Special ARDA Program in 1986-87 seemed to lean towards capital funding. However, the startup capital will likely be followed in the 1987-88 year with additional training funding as projects become established.

What kind of projects are they referring to?

Hon. Mr. McDonald: This is just an indication of the kinds of training activity that would take place under the Special ARDA Program. The funding is not incorporated within this budget at all; it is within the budget of the Department of Economic Development. There is a training side to Special ARDA projects. This supplementary information here is to indicate the amount of training that we anticipate takes place.

The projects will be anything that ARDA would fund. For example, if there was funding of a cafe within that project, there would be a training component that would encourage the major players within that enterprise to be trained to a certain level. It only refers to a training component of the existing ARDA allocations under Economic Development.

Mrs. Firth: I thank the Minister for his answer. I would like to move to page 119. The interior system mechanic, gasfitter and appliance repair trades have been added, and the Curragh Resources apprentices will be coming on line. Can the Minister tell us approximately how many we are talking about and the dollar amount, or is that identified in one of the line items that we will be going back to in, say, Manpower Development? Will the Minister be able to give me a specific amount in that line item?

Hon. Mr. McDonald: I could to the extent that I can, if it does obfuscate things too much. As I mentioned, the number of apprentices for Curragh Resources was information I had only because it was specifically asked for. We do not fund the apprenticeship program for apprentices themselves. It is federally funded. We do provide some assistance towards apprenticeship training, of course, through the Apprenticeship Incentive Marketing Program, and through the in-house apprenticeship program for the 20-plus apprentices we have within the government.

Apart from that, we only monitor apprenticeships as they come through; we certify them ourselves, but we do not provide funding beyond AIM and the in-house apprenticeship program. The schooling itself is, of course, funded by the federal government and other costs are covered by respective employers.

Mrs. Firth: I will wait then and ask further questions in the line items.

Last year the Minister made the comments that they were going to look at secretaries and gasfitters being added to the list of designated occupations. Has that been done?

Hon. Mr. McDonald: Did the Member say secretaries and gasfitters? There must have been some mistake about secretaries. I am not aware of the job of secretary being a journeyman trade, but it may have been a typo or something.

The gasfitter trade has been designated as a trade. In fact, we have turned out some graduates from the course, which I mentioned during debate on the *Gas Burning Devices Act*.

Mrs. Firth: In the Minister's 1986-87 Budget of last year

1986-87, on page 106 it says we anticipate adding in the 1986-87 year the occupations of secretary and gasfitter to the list of occupations designated as having apprenticeship and journeyman certificates in the Yukon. I am just following up to see if that has been done. Perhaps the Minister could bring me back an answer about the secretaries.

On page 119 in this Budget, there is a comment in the text about a significant influx of new trainees to the in-house apprentice training program. Can the Minister tell me if there has been any change made to the way those trainees are chosen, or are they going to be chosen in the same way they have been in the past years?

Hon. Mr. McDonald: There is no change anticipated.

Mrs. Firth: Last year in the Budget, the Minister's department referred to certified nursing assistants and retrofitters being issued certification here. I know the Minister of Consumer and Corporate Affairs has brought legislation forward to accommodate the certified nursing assistants. What about the retrofitters? They were also going to offer local hairdresser practical exams in the Yukon. Can the Minister tell us if those two comments that were made in last year's Budget have been fulfilled?

Hon. Mr. McDonald: Yes, I believe so. I am afraid I do not possess it off the top of my head. Hairdressing has been designated and retrofitting has not been designated as a trade, but a provisional certificate has been provided for within the Department's guidelines.

Mrs. Firth: I would also like the Minister to give us a bit of information about the Innovations Program. I know when this was announced, the details of the program had not been set out, such as the criteria for application, just what the whole program involved, whether it was a grant based on what, or for whom. Can the Minister give us any more detail about the program at this time?

Hon. Mr. McDonald: I wish I could. Unfortunately, at the present time, the program guidelines have not yet seen the surface of my desk. No guidelines have been finally approved.

With respect to this program, I am sure the Member knows what the program is intended to do, generally speaking. There is a stream in the Canadian job strategy that is meant to encourage and accept new innovations in training methods. We, in the Yukon, are not going to necessarily model ourselves after that program, but encourage new training initiatives to come forward according to guidelines which, as I say, are not finalized, to allow for more innovative training schemes that are true training schemes, and not simply subsidy programs or proposals, to come forward and to be seriously considered for support.

I do not have the guidelines yet, but the general intent of the program is to accept new ideas.

Mrs. Firth: I would like the Minister to give us the commitment that we will get those when they are available. It is kind of awkward for us to have to approve \$85,000 for this program when the Minister cannot give us any details of the program that we are being asked to approve. For the sake of \$85,000, we will not hold up the Minister's entire budget, but I would appreciate having some indication of the guidelines of the program.

With respect to manpower training and the demand for the usage of the technical updating courses in the coming year, last year when the unemployment statistics were very high, there was a lot of demand and a lot of usage for the courses. The Government Leader has been expounding on how the unemployment rates are much lower this year at nine percent, yet the Department of Education Manpower is still predicting that there is going to be a tremendous demand for these trades updating courses.

In fact, they are predicting an increase in usage compared to last year. It has gone up from 120 participants to 150 participants. Can the Minister explain why that would happen if the unemployment figures are down? I would conclude from that analysis that there should be less of a demand for the trades courses offered.

Hon. Mr. McDonald: The 1986-87 Estimates were somewhat off. If the Member wants to look at page 120, the information is that the forecast for this year will show a somewhat higher level of participation in these courses than even what we are projecting for next year. Clearly, there was a tremendous demand for these courses in the past year, shown by the level of participation,

because people were anxious to take advantage of the upswing in the economy. There is no hard and fast methodology that would help us determine specifically what we could expect, but we would anticipate there would still be some demand for retraining this coming year as people try to accommodate new technology as it comes onstream. I think it is fair to say that it is a rough, ballpark figure. There is no scientific method that would specifically detail what we could expect. It is an assumption that we would have more or less the same or a little less than what we had this past year, according to our forecast levels.

Mrs. Firth: In that case, it really is not an accurate measure of utilization to tie it to something like unemployment figures, if what the Minister is saying is correct as to the ballpark figure. When I look at the statistical rationalization as to why there is more or less utilization or why we have to put more money into this area, tying it to unemployment statistics is not really what the text should contain. It would more fairly represent the issue if the text said something more in line with what the Minister just said, and did not tie the usage of this program so closely with what the unemployment rates were in the territory.

Hon. Mr. McDonald: There may be some justification for expressing that view. The justification this year does not mention specifically unemployment figures. Certainly, there would be different reasons as to why people would want to update their skills and retraining. Quite obviously, during periods of high unemployment, people prefer to train rather than sit it out on unemployment insurance; they would prefer to go to school. There are times when there are no jobs available and they will engage in educational pursuits because that is certainly much more interesting and holds out more hope for the future than sitting around doing nothing.

When the economy is doing better, people seek training for other reasons. They seek training and retraining to be able to take advantage of new trends in the economy, or perhaps seek a change in career pattern. So, there may be different reasons for the retraining projections, but because we are dealing with such small numbers in the territory, it is very difficult to get a statistical analysis done that one can refer to with confidence. That is part of the problem we are facing here.

Mrs. Firth: I take it that the Minister will consider the suggestion I have made, and we will look forward to reviewing the text that is presented next year.

I want to move on to the statistics in the Employment Development Programs and the news release that was presented at an opportune moment when we just happened to be debating the Education budget today. All of a sudden there were two news releases made, helping the media out with their homework, giving them some good things to say about the Minister's budget.

I find an inconsistency, however, with the career development on page 121. The press release talks about two new programs. One is the program that is going to help place under-employed and unemployed in Yukon government and private sector jobs, the Yukon Training Opportunities Program. The other is the Career Services Program, but I do not find anything in the statistical information in the budget about the Career Services Program, which is the counseling for anyone seeking a career change.

On page 121, the apprentice incentive marketing program seems to be one that is new. I have not seen it in previous budgets, so perhaps the Minister could clarify that inconsistency for us.

Hon. Mr. McDonald: I would have to take some time to review that. I have not got the press release in front of me, but if I can beg leave to review the situation as she puts it, I can perhaps provide an answer, or at least an explanation as to why there seems to be a discrepancy.

The Apprentice Incentive Marketing program was introduced last year to encourage the private sector to take on apprentices through a very modest financial incentive. That is fully subscribed to presently, and it appears to be working reasonably well, although I am sure we will have a program analysis done, which can suggest improvements, if that is possible.

I do not know why the Career Services Program is not in the supplementary information. It was certainly designed for the creation of this narrative. I will look for that, and if it is not in here,

I will find out why it is not in here. Certainly that was one of the major initiatives that was announced in the training strategy and is something that we have indicated that we are prepared to seek funding for, because it is certainly a need that has been identified by the Yukon public. It is something we would like to satisfy.

Mrs. Firth: I would appreciate that. I see career development; I see all kinds of reference made to that, but I really cannot find anything in the Budget text that refers to the program listed in this press release, talking about the establishment of the storefront office and the mobile unit. Perhaps the Minister can expand on it when we get into the line-by-line items. It seems kind of ironic that a press release would be issued by the communications advisor or the Public Affairs Bureau, and yet there is nothing in the Budget describing this program. I am of the opinion that the press release is to be consistent with what is in the Budget, if it is released at the time we are debating the Budget.

I look forward to the Minister coming back with a response to that in some detail as to why there is that inconsistency. I would also like to ask the Minister about the computer camp. Is that not going to continue this summer?

Hon. Mr. McDonald: Yes, it will continue. I have a possible explanation for the Career Services Program and why that might not be in the information with respect to Manpower Programs, which imply a transfer of funding to the private sector, or training programs, per se. It is simply that it is a service to be provided to the public and not a program in the classic sense. It does not explain why there is no reference to it at all in the supplementary information, and I will find out why that happens to be. In terms of development programs, it may be that the Career Services Program is not considered to be a program in the same sense.

The Member mentions the computer camp. She may have been looking at the Youth Venture Capital Program, in terms of the project here. The Youth Venture Capital Program has received very little uptake in the last couple of years. There was one inquiry last year for the whole year.

There is a desire if youth wished to seek access to venture capital for a particular project to see to it that that avenue is open to them. There would be funds made available to youth, either through the Innovations Program or under the old information provided under the Youth Venture Capital Program, if there was uptake. At the current time, we do not anticipate there to be any. If there is uptake, people will still be satisfied through the department, either through Innovations or through the old material under the Youth Venture Capital Program.

Mrs. Firth: I would like to ask the Minister how actively they promote the Youth Venture Capital Program. This was a program that was established by the previous government. We had some definite ideas about promoting the program so that it would be utilized. I am not surprised at all to see that it is not being utilized, because I think the government is probably falling down in the area of promotion. Could the Minister tell me if they are actively promoting it?

Hon. Mr. McDonald: The Member may remember that last year we had what I think was a very aggressive campaign to advertise programs that were available. We advertised not only the Canada/Yukon employment programs, but also those which were simply the purview view of the Yukon government. The Member will remember a Work Yukon logo and a series of pamphlets that were put out under the Work Yukon logo that were used to advertise those programs. Those were made available to employers and schools at various times to encourage people to take advantage of these programs. There was no attempt to downplay the existence of any one program. We wanted to have a very good and accurate view as to the uptake.

One of the unfortunate things that did happen is that people did pursue funding under the Canada/Yukon Programs and were disappointed by the time lags in the approval process for project funding, and the narrowing of the guidelines for those programs for access to those programs. There was an attempt to make available information on the existence of programs and the guidelines of the programs in a very coherent and easily understood way. Nevertheless the uptake on a number of them was less than satisfactory.

The Member will remember that we introduced the Youth Employment and Training Program last year, which was to dedicate resources and training funds essentially to those high school and post-secondary graduates who wanted to pursue training in their field of study. I do not think we had any uptake at all in the program. That was an unfortunate thing. It certainly filled an obvious gap in what was available, but nevertheless there was next to nothing in response.

We do not have unlimited dollars. I know the Member can appreciate that. We have to be able to, with alacrity and agility, direct those funds to the areas where there is uptake and where real training takes place. I realize in the case of the Youth Venture Capital Program, the dollars we are talking about are very little. I indicated to the department that if there is any uptake in the future, or if anyone comes along with a proposal, that the Innovation program should be made available to take care of them. Or if they can qualify under the Youth Venture Capital Program guidelines, that they should be taken care of as well.

We really have to direct the available funding in the areas where not only training takes place, but where there is uptake, because there is not a lot of room for movement or mistakes in this area. We have to do the best we can to target our money in the best possible way.

On Administration

Mrs. Firth: Is that 16 percent increase due to person year increase and salary dollars?

Hon. Mr. McDonald: This 16 percent increase was largely for the additional student grants and training allowances and for the increase to the Project Wordpower grant.

As I have mentioned, the students grants were climbing because students in colleges and universities were doing better, which meant that they would be entitled to the full amount of the grant. On the training allowances side, the federal government is cutting back considerably in the area of training allowances, and people are coming to the Yukon government to make up the difference, or rather, not to make up the difference in total dollar amounts because our training allowances were lower than the federal government's, but to come to us for some financial assistance. We are going to do our best to pick up the slack.

Administration in the amount of \$2,058,000 agreed to

On Research and Planning

Research and Planning in the amount of \$147,000 agreed to
On Manpower Development

Hon. Mr. McDonald: The new programs that we speak of are going to be incorporated into this line item. The three new programs — Career Services, Innovations and Training Opportunities — are anticipated to go ahead this year for the first time.

The Member wanted some information on the Career Services Program. That is the program that will provide career counselling and information to Yukon residents. When we did a review of the development of the training strategy, it was made fairly clear that what Manpower Canada offered and what the career counsellors in the schools offered was far short of what public expectation was, and did not provide the kind of career counselling information that was needed for the general populace and was not significant enough information to be fully satisfactory to the public school system. So, we decided to amalgamate the career services for the public and that which is offered through public schools into a single career counselling program. That would be offered in Whitehorse through a downtown office and in rural Yukon through a mobile service that would travel through the communities.

Another thing that we are expecting is more complete use of programs that were introduced last year, such as the Small Business Training Program, which was not fully subscribed, but we anticipate that it will be in this year. Quite often, the programs do need some time to find their feet and to be known. We anticipate there will be more initiatives taken on the Small Business Training Program.

There is also anticipated to be a greater use of the Challenge '87 Program. That is the Canada-Yukon Summer Program for youth employment.

¹⁰ We anticipate, as well, that we will hopefully be taking the

computer camp to rural communities. So those things together account for the increase.

Mrs. Firth: Can the Minister tell me how much money has been identified for the Career Services Program and for the Yukon Opportunities Program? They are the only ones that I cannot find listed under the contributions on page 126. I have the Yukon Opportunities Program at \$16,000, but I do not have the one on page 126 for Career Services. How much are we going to be identifying for that program?

Hon. Mr. McDonald: The Career Services Program would be \$230,000. I am not sure what the Member is referring to with respect to the Yukon Opportunities Program at \$16,000.

Does she mean 16 participants? Is the Member asking for the number of participants or the dollar amount?

Mrs. Firth: I would like the dollar amount, I think that 16 represents participants.

Hon. Mr. McDonald: It is budgeted at \$250,000 for the Yukon Training Opportunities Program. The Career Services Program is at \$230,000.

Mrs. Firth: I am just doing a quick calculation.

Manpower and Development in the amount of \$2,498,000 agreed to

On Yukon College

Mrs. Firth: Perhaps the Minister could quickly update us as to what phase we are at in the construction of Yukon College?

Hon. Mr. McDonald: There are a number of things to consider in the construction. There is one full year of internal construction to the building to be undertaken. The scheduled opening date is still September of 1988, so we anticipate people could start vacating the old Yukon College this time next year and start moving up to the new site. The transfer will have to take place over a couple of months at least.

I suppose this is the time that we might briefly discuss Arts Canada North, but it is not really an educational item or expenditure; it is really Capital so I hesitate to say anymore.

¹² With respect to the College governance issue, there is still a hope that we can provide a *College Act* in the fall; if not in the fall, because of time constraints, it will certainly be in the spring, but definitely in time for the opening of the new college. That is about it.

Mrs. Firth: Before we pass this last item, perhaps the Minister could tell us what the 16 percent increase in the personnel under Allotments represents?

Hon. Mr. McDonald: First of all, they are general salary increases, of course. This is the entire branch. We are talking about higher salaries for the 20 in-house apprentices. The increase for the Yukon College, just in additional person years, was \$388,000. One salary is transferred from Professional Services in Other, which had been in this branch, to the salary of the Coordinator of the University Transfer Program. That person is no longer an employee of the University of British Columbia, but is, in fact, an employee of the Yukon College.

Mrs. Firth: Of that amount, the Minister has mentioned \$388,000 just in salary dollars. What does the other amount represent — close to another \$400,000.

Hon. Mr. McDonald: If the Members will forgive me just for one moment, I will try to break it out the best I can.

Mrs. Firth: I am going to want to know what the nine percent increase in Other is, as well, under Allotments. Nine percent of the \$2 million is a fairly significant amount of money, as well.

Hon. Mr. McDonald: I will try to get a breakdown of the \$183,000. There is going to be the development of advertising and materials for new projects; the Training Opportunities Program; the Innovative Program; the Career Services Program. There will also be some funds required for the move to take the Computer Camp to some rural Yukon communities. I will try to get a breakdown if I can.

¹³ **Mrs. Firth:** Between these two programs — the Career Services and the Opportunities Program — we have almost \$500,000. Is the Minister saying that there is more money identified in the personnel allotments for those programs?

Hon. Mr. McDonald: We have all of Administration, all of

Manpower Development and Yukon College here. The only way I can respond to this question, according to my notes, if we are going to lump the whole thing together, is for me to go through the thing section by section and identify the detail. I do not have it broken down in any general way. The reason for the general allocation here is so that people can see some trends.

If there is a request for the detail of the 16 percent, I will have to go through the detail, section by section. I do not mind doing that, I will just have to get some direction.

Mrs. Firth: I am asking at the end, because once we approve Yukon College, then the whole Budget is essentially finished. I would like to get to that stage just as much as the Minister would, but we are talking about a difference of about \$1 million, just in personnel and Other under Allotments. I would like a breakdown. That is a lot of money, \$1 million extra funding for this year's Budget — 25 percent extra funding under Allotments. I realize it covers all four of those activities in Advanced Education and Manpower. If the Minister could break it down and tell us what it is for, I think all Members of the House would appreciate that.

Hon. Mr. McDonald: It is going to take some time. I will have to go through this thing, section by section, because I do not have it broken down. It is beyond the information I have given with respect to the increase for the Yukon Training Opportunities Program, an increase for the Career Services Program, the increase for the Innovations Program, plus the other initiatives that we have taken. I do not have the breakdown to explain these particular figures in and of themselves. I will have to go through the entire Branch, one by one.

I will not be able to identify where the increase would be. I will have to go through each expenditure as we go.

Mrs. Firth: Perhaps the Minister could give it to us in writing, an undertaking to provide that information. The problem I have is that we just went through the line item Manpower Development where there was a \$600,000 difference in Manpower Development. The Minister listed the Career Services Program at \$230,000; the Opportunities Program at \$250,000; Project Wordpower, I see on page 126, is \$83,000; Innovative Projects is \$85,000, and we arrived at a total that was close to \$600,000. Now we come to this Personnel and Allotments of another \$1 million and the Minister is saying that that is included in there too. I would like some further explanation of that. If the Minister would give us a commitment to get back to us with a detailed breakdown of that extra \$1 million under Allotments for Personnel and Other, I am prepared to finish the budget, unless any other Members have objections.

Hon. Mr. McDonald: I can give a breakdown, given time, of the Other, and the reallocations involved if the Member wishes.

Yukon College in the amount of \$6,026,000 agreed to
Advanced Education and Manpower in the total amount of \$10,729,000 agreed to

On Revenues and Recoveries

Chairman: Are there any comments on Revenues and Recoveries?

Mrs. Firth: On Revenue Recoveries, what is the status of the Secretary of State funding French Language programs in the provinces and territories? I would like to know if there is any future to their funding, or are we going to be looking at funding the French programs that we are establishing in the Yukon Territory in the future? Perhaps the Minister could update us on that?

Hon. Mr. McDonald: I just had a meeting with Mr. Crombie a few weeks ago. The indication I got from him was that there would be no change in the status quo with respect to the existing funding levels. There was no detailed discussion about enhancements to the funding levels; none were proposed by me at that time. The federal Minister, at least, seemed quite confident that the agreement was sound and supportable. He did not indicate to me in any way that it was finite. That is, I know, an ongoing concern with any type of program, as the Minister of Justice could attest to. At this time, I am sure and there is every indication that there are no signals on the federal front to cut off the funding in any way. On the other hand, of course, I got no commitment that it would be continued beyond the existing protocol.

Chairman: Any comments on the grants, contributions?

Department of Education in the amount of \$41,158,000 agreed to

Chairman: Before we move on to the next department, which will be the Department of Finance, we will recess for 15 minutes.

Recess

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

On Department of Finance

Chairman: General debate?

Hon. Mr. Penikett: To the Opposition Leader, I confess that I will be brief.

The Department of Finance plans to employ 47 full time people this fiscal year and to make expenditures of \$2,539,000 to accomplish its departmental and program objectives. There is an increase projected of two person years over the previous year. Estimates of revenues and recoveries to be collected by the Department of Finance amount to \$32,830,000. This includes income taxes, tobacco taxes, commodity taxes and various other miscellaneous sources of income. This figure also reflects the reduction of the departmental revenues as a result of the transfer of the responsibility for the collection of property taxes to the Department of Community and Transportation Services.

The Department's goals for 1987-88 include the conclusion of negotiations with Canada for renewal of formula financing; review of the accounts receivable system; full operational efficiency of accounts payable and commitment systems; revision of the Financial Administration Manual; and further development of a program evaluation process.

If I may, I would like to briefly talk about the Departmental objectives and the achievements of the Department in the last year before submitting myself to questions. The Departmental objectives are to ensure that the financial resources of the government and of the Yukon are planned, utilized and controlled in a manner that meets the priorities of the government and complies with the statutes.

The major achievements of the Department in the last fiscal year include initiation of a government-wide program evaluation process and an evaluation of the first six programs; the final stages of the installation of on-line accounts; the payable system and the commitment system; completion of installation of the computer system for the property tax system; revision of format for the capital budget; new banking arrangements for Faro and Mayo, and new banking arrangements with the Bank of Commerce; provision of a cash delivery and pick-up system by private sector contractor; and other changes include the transfer of the administration of property taxes to Community and Transportation Services, the transfer of Workers' Compensation Board supplementary benefits from Justice to Finance.

With those few introductory remarks, I will sit down and welcome questions.

Mr. Phelps: What does the government plan with respect to banking, such as whether to extend the service to other communities?

Hon. Mr. Penikett: We are studying that matter, still. I should advise the Member that there is some considerable surprise, even admiration, in other rural areas in the country that we were able to get an agreement with the Bank of Commerce, which was as satisfactory as it was. The general trend of the country is a retreat of chartered banks from rural communities. The minimum size community that the banks will now enter has increased considerably. I think it is now up to 5,000 people before a bank will go in and open a branch.

There has been a convention, I understand, among the chartered banks that a bank will try not to be the last to leave. In other words, if there are two banks there and one closes, the one that is left will try to stay, because there has been political reaction to their closing down.

One of the functions of the increasing centralization, computer-

ization and the electrification of banking services is that the way the banks operate means that many of the things that were formally done in a branch bank — services and activities and functions — are now performed at head offices. It is very hard for a branch bank in a small community to show a profit. If the branch does not show a profit, the willingness of the institution to stay in the community is very small.

The options we are still pursuing are the ones I previously indicated. We now have 80 percent of the communities, with 95 percent of the population, receiving some banking service. There continues to be a serious situation in places like Old Crow, where occasionally that community runs out of cash. I have heard stories about a form of scrip being issued by the co-op. There have been problems in places like Beaver Creek and elsewhere. For those communities, we are pursuing an idea developed in Alberta of the agency treasury branch system, which operates quite like the old post office branches that operated in country stores or general stores, where a local business operates as an agent for, in our case, the Department of Finance, and offers minimal financial services — I guess deposits and chequing — and access to loan forms, but not actually doing lending itself.

As we understand it, the treasury branch system in Alberta spent many years in that state, before it evolved to the highly sophisticated financial institution it is today.

¹⁸ In any case, the economics of that proposal are still not at all clear, and we will not be taking any steps to establish such a system until we have completed a very careful review of the program and its possibilities. That will be ongoing for another few months.

Mr. Phelps: The issuing of scrip would not be new to the territory, as the Government Leader knows. Taylor and Drury had their own money for years and it was quite a lucrative business for them, because when they finally tried to call it all in, a lot of it had been lost or kept as souvenirs, so they did quite well.

The Government Leader spoke about the transfer of administration of property taxes to Community and Transportation Services. Could he elaborate on where that process is?

Hon. Mr. Penikett: I previously described this. We were centralizing both the assessment and collection processes under one department. We had a choice either to take it all to Finance or to Community and Transportation Services, and Community and Transportation Services won the debate and the person year that was associated with this activity in Finance went to Community Transportation Services.

Mr. McLachlan: With interest rates falling, which is good in some aspects, what steps are being taken by the Department to try to place its money effectively at a higher rate and hold on to it before it disappears another half or quarter point? Does the Minister have any comments on that?

Hon. Mr. Penikett: As I previously told the House, we have one person dedicated to this task. It is true that interest rates are down and the amount of money we will have to invest is down. The person involved, basically, does his job as any other person who is placing money in a short-term investment. He works through his contacts in the various financial houses with whom we deal, and he tries to get the best deal for the people of the Yukon that he can.

Mr. McLachlan: In respect to the banking contract, the bank processes the normal charges against all its customers — I am thinking in the Faro/Mayo situation because they are the newest — even though the government is funding almost the total cost of their visits to those communities. They suffer not for doing that. Is the revenue they accrue from those accounts given as a credit back to the government?

Hon. Mr. Penikett: The arrangement we have with the Bank of Commerce in effect covers a large part of their operating costs in Mayo and Faro. The revenues that they retain from the normal provision of services is one that we would expect them to do from a business. I think the taxpayers elsewhere in the territory would have a great deal of problem if they thought that not only had we subsidized the establishment or the renewal of banking services there, but were in fact making such an attractive arrangement for the bank that they were able to cut or reduce the normal range of charges they were making to customers for all their services.

¹⁹ **Mr. Phelps:** I was just getting into the revenue side. The interest on loans and investments is down somewhat, partly because of the reduced surplus, and partly because of interest rates. I am wondering whether or not there is some concern with regard to interest rates rising. In the market generally, there seems to be an indication that we are in for a period of inflation and rising interest rates. Is this the advice that the government is getting from their advisors, and is that going to have any bearing on investment strategy on the part of the government?

Hon. Mr. Penikett: I do not think it is likely to have that much influence on our strategy. It could increase the revenues. I must say that the recent advice we are getting is not about rises. In fact, this was not advice to me in my capacity as Government Leader, but as a home owner with a mortgage, that if I were a betting man, I might be wise to only take a one year renewal on my mortgage this year, because there is every likelihood that the rates might be reduced marginally in the next year.

Mr. Phelps: You have to be very careful, because all of a sudden you see the stock market tumbling somewhat because of the American dollar weakness. There is a very real fear in the minds of many that inflation will be returning and rates will be going up. Are the long term investments locked into interest rates to any extent?

Hon. Mr. Penikett: We have very little in the way of what you call long term investments. Most of it is relatively short term. A lot of it is overnight, 24 or 48 hours. Much of it is on that kind of term.

Mr. Phelps: I have a question in general debate. I am trying to reconcile on page 128 where you have gone from the Main Estimates of \$33,751,000 down to \$32,830,000. That shows a loss of \$3,200,000 on the revenue side. The figures do not seem to add up.

Hon. Mr. Penikett: Perhaps we could let the treasurers try to make them add up while we go on to another question.

Mr. McLachlan: Could the Government Leader explain why it takes so long for the final income tax figures for people who paid in the 1985 taxation year? Why does it take up to two years for the finalization of those figures to come to the Yukon? Does it cause any problems to our accounting system?

²⁰ **Hon. Mr. Penikett:** I do not know all the reasons. It is just that that is the experience. It takes two years before they have a final figure. We get adjustments. The numbers come from the federal government. We do not get a final figure for two years.

On Treasury

Chairman: We are on Treasury, page 131, general debate?

Hon. Mr. Penikett: I am not sure I need to describe the objectives of the Treasury programs, as they are laid out in the Budget book. As Members will note, there is a slight change in the total. There is an increase for administration as a result of the consolidation of travel expenditures for the entire department to this activity. The increase of person years is the net result of the approval of two person years — one for the Management Board Secretariat and one for Administration, and the transfer of the one person year to Community and Transportation Services for the Property Tax Program.

On Administration

Mr. Phelps: What is the reason for the increase of 32 percent?

Hon. Mr. Penikett: The increase for Administration is the result of the consolidation of travel expenditures for the entire department into this activity, rather than doing it by individual line.

Administration in the amount of \$278,000 agreed to

On Financial Operations and Revenue Services

Financial Operations and Revenue Services in the amount of \$1,198,000 agreed to

On Budgets and Fiscal Relations

Mr. McLachlan: On Revenue Services, does the Department of Finance still administer the old Conditional Sales Agreements for land? If so, do we have a large number of them still outstanding? I can remember it being very prevalent in the early days of Faro.

Hon. Mr. Penikett: I believe that any sales agreements for land are administered in Community and Transportation Services.

²¹ *Budgets and Fiscal Relations in the amount of \$447,000 agreed to*

On Management Board Secretariat

Management Board Secretariat in the amount of \$289,000 agreed to

Treasury in the total amount of \$2,212,000 agreed to

On Workers' Compensation

On Supplementary Pension

Supplementary Pension in the total amount of \$327,000 agreed to

Workers' Compensation in the amount of \$327,000 agreed to

On Revenues and Recoveries

On Revenue

Revenue in the amount of \$32,830 agreed to

On Recoveries

Recoveries in the amount of nil agreed to

Revenues and Recoveries in the amount of \$32,830 agreed to

On Program

On Accounting Adjustments

Accounting Adjustments in the amount of \$1 agreed to

On Allowance for Bad Debts

Allowance for Bad Debts in the amount of \$1 agreed to

Program in the total of \$2,539,000 agreed to

Mr. Phelps: There is a question that has not been answered yet in respect to the \$3,200,000 figure showing the change in revenue.

Hon. Mr. Penikett: Can I take the question as notice? Even with the most talented help available in this entire government I cannot give a quick answer to that question. I will take it as notice, I think we can give an answer for tomorrow. I do not know if there is a typo or what the error is.

Mr. Phelps: It probably looks like some good news for the government and his most talented help available.

Mr. McLachlan: On the fuel oil tax, the revenue figures raised from gasoline sales are down by one-fifth of a million dollars. Why is it predicted to drop so much?

Hon. Mr. Penikett: Because we have had a greater than expected demand. Under the fuel oil reductions that we brought in during the summer of 1985, there have been far more people taking advantage of that program than we had originally calculated.

Mr. McLachlan: The question was not about the fuel oil reductions being diesel fuel, it was about a gasoline tax reduction in revenue.

Hon. Mr. Penikett: The same thing applies for off-road use, whether it is for gasoline or for diesel. If it is for off-road use, that is what the program is for: placer miners, forestry or farming — the program covers both.

Mr. Lang: How are you enforcing it so that the particular tax breaks that were presented to the House in 1985 are not abused? What process are you going through with respect to ensuring that people who should not be getting the subsidy are not taking advantage of it?

Hon. Mr. Penikett: The way we control this is much the way every other province or jurisdiction do. We audit the distributors and do vet the claims very carefully. There have been claims rejected under the program.

Mr. Lang: I was always under the impression that if one used coloured gas to be able to follow up to ensure that if there were abuses, you could follow it up. Is that what is done here? If it is not, how many provinces just strictly go through the claims and try to vet them through reputation of the individuals applying?

Hon. Mr. Penikett: It is not a question of the reputation of the individual applying. We have looked at the question of going to purple gas or coloured gas but, at this point, the volumes have not justified the conversion or the establishment of that. In the long term growth of the territory, that may be the way we have to go. It is judged not to be economic at this point to use that method.

Chairman: Anything further for the Department of Finance?

Department of Finance in the amount of \$2,539,000 agreed to

On Department of Government Services

Chairman: General debate?

Hon. Mr. Kimmerly: There is a typographical error. It is misleading unless you know the answer. On page 151, the person year establishment numbers at the bottom of the page are not accurate. The indeterminate is listed as 56; it should be 59. The term are listed as three and should be one. The total is listed as 59

and should be 60.

If you do the necessary additions, you will find that the total for the department is correctly stated here. The totals are not changed. Previously, it did not add up, and now it does.

There is very little change in this department this year from last year. I will go through first some organizational changes that do not change the dollar figures, and then talk briefly about the increased expenditures and the way we have dealt with primarily office space and also insurance as a continuing issue.

²³ The department is now advertising for an Assistant Deputy Minister. That competition is underway. We are expecting to be interviewing this week or next, except for that position. That is not a new person year.

There used to be a policy and planning analyst. That job is becoming an Assistant Deputy Minister in order to divide the administrative work, especially for the Deputy Minister, and to efficiently plan to the personnel of the department.

The other reorganizations are as follows: three of the accounting clerks who were in administration have been transferred to Public Works. These people were involved exclusively in accounting for the projects of Public Works, and it is seen as administratively more convenient to place them in the same offices as the Department of Public Works, as their day to day work is on exactly the same projects.

The Contract Administration Branch has been moved to Supply Services from Administration. This is because, under the new Business Incentive Policy, the policies for Service Supply and Contract Administration are the same and it appeared logically consistent to the managers that the purchasing and the contract administration work in close proximity to each other, as there are logical similarities in those jobs.

The custodial services, which were under Administration, are now in Public Works. The reason for that is that the custodial servicing or the janitors are the first line of maintenance on buildings. The complaints or requests for action frequently come from janitors to the building maintenance people. The coordination necessary for proper preventative maintenance on buildings is easier done if the custodial people and the building maintenance people work together, so that reorganization has occurred. All of those do not involve any new person years at all. It is simply moving branches around, or activities around within the branches.

²⁴ There is an increase of one term person year in Systems and Computing Services. This is a product specialist and is required to maintain a level of service in support of the capital invested for the electronic work stations that we now have. The statistics for new electronic work stations have increased dramatically over the last two years and that position was seen as necessary.

The overall increase is a seven percent increase, approximately, and it is primarily, I would say almost exclusively, the result of increased expenses for buildings. Last year, the O&M expenses for the Philipsen Building were for part of the year. This year they are for the full year and there is an increase for the Justice Centre. We have also added the old Territorial Administration Building, which increases our operating expenses for buildings.

There is also an increase, as has been commented upon in Question Period and elsewhere, on the lease of office space in the private sector, primarily in Whitehorse. At the appropriate line, I will give a list of all the locations and the amounts for each location, but there is an increase there that has already been commented upon.

There are increases as well for postal rates and general office equipment. The overall goal or the overall objective of the Department in this next year is going to be to accentuate or to improve the service delivery spirit, if you will, or morale of the public officials in the Department. There is almost a conflict or a dichotomy between the two functions of the Department. One is to be a service to all of the other departments, and the other is to be a centralizing and control agency. The departments do not like the control, although Management Board does, and we are planning to emphasize the service delivery aspect, especially in the next year.

²⁵ Other than that, there are very few changes. I will respond to questions as we go through the Budget.

Mr. Lang: We have had a fair debate on this going through the Capital Main Estimates. I was speaking to a colleague of mine this evening, and I guess the question should not be put to the Minister of what buildings the government has rented and where they are located. Perhaps an easier question for the Minister to answer would be which buildings we have not rented and where they are located. I do not mean to be facetious with that comment. When one goes through Whitehorse, predominantly, government is present everywhere you turn around.

I think it is going to be a legacy of this government when it is finished. I am not going to go on a tirade this evening, but I feel it should be said for the record that the public is going to find themselves serving the government, not the government serving the public, and I think that is a very unfortunate turn of events. In conjunction with that is the philosophy that will pervade the lives of every individual throughout the Yukon that the government will do it on our behalf. Unfortunately, when that type of philosophy becomes so prevalent in our society, we relinquish the few freedoms that we have because somebody else is then in control of your future, to the extent that they are calling the shots. That is obviously going to be the end result.

I have some sympathy for the Minister of Government Services, because I understand how the government works. He is the one in charge of getting space and, in most cases, his other colleagues are in charge of spending. Yet, he has to stand up and defend to the public why it is so essential that these particular services be rendered in one manner or another through the public service.

The other area that I want to mention is the question of playing with words. I enjoyed the Minister's observation that the new Assistant Deputy Minister position really was not a new position; it was a policy advisor position. I am not prepared to comment on it at this time, but I would make the observation that I would suggest there is probably a \$20,000 difference between the two positions — maybe \$30,000 — depending on what takes place. If he had that information at his fingertips, he probably would have told Members in the House, but he obviously forgot.

The other observation I would make as far as the Budget is concerned, and I notice there has been no great public announcement, is that the government has made the decision to insure their own property.

²⁶ I gather that decision was made in June of 1986. The implication of that is that you may save \$100,000 or whatever the amount is, but what you have to understand in that decision that obviously was not given any ink for the purpose of the budget, — or the fact that there was an extra \$100,000 that you could move somewhere else — the implication is the i.e. Old Crow school that was insured. I believe we did get approximately \$2 million back from the insurance companies for that fire.

If that happens again we will, of course, have to find it in our own resources, which goes back to the concern that was brought forward from this side with respect to the question of financing of the government and wearing down the surplus. That is where those monies would accrue to if you have a disaster such as this building burning down, or the school in Faro burns down, or something like that. I am making this observation for the record because the Minister obviously forgot to mention the implication of that in his opening comments.

The other area of concern is the playing around of contracts. I am not going to get into a great deal of debate on that this evening. We have a number of concerns on the concept of the value added incentive policy that the Minister is attempting to bring forward. I really do not understand the government in many concepts of putting themselves wide open for criticism in this area. I do not think it is healthy for the public, nor is it healthy for the government, but that is a political decision that that side has to make.

I have a few questions as we go through the budget. I will be fairly short because, as the Minister said, there are no real major changes in the programs being brought forward. I will leave it to line-to-line before I get into it.

Mr. McLachlan: In the insurance field, I am wondering why the number of vehicles is so high and the amount of money for auto

insurance is so low. \$1 million divided by 200 vehicles is somewhere in the amount of \$500 a vehicle, unless insurance coverage for those vehicles is covered somewhere else under a blanket policy. Can the Minister advise?

²⁷ **Hon. Mr. Kimmerly:** We insure our own vehicles, as far as our own loss might go. The insurance for vehicles is for potential liability claims. I should say about insurance that it was not a question of reallocating money. Members will notice that, since 1984-85, the price of the total insurance package has increased from a little more than a quarter million to \$450,000 — to almost half a million dollars. It is a question of what insurance we are able to manage. We made a decision about buildings, that it is economic, especially for the newer buildings, to self-insure. That is, the major liability is in this building and the Philipsen Building. We have decided to maintain insurance on the F.H. Collins School. The possibility of a large repair bill, or a total destruction, of the Philipsen Building and this are remarkably small, and the buildings are built to a fire code, and the like, that makes that risk bearable or desirable, I would suggest.

I would also say that that was a decision of the Management Board. It should not be taken as a decision for all time.

²⁸ The things to weigh are the possibility, or the likelihood, of damage. We decided to maintain insurance on F.H. Collins because of that and the cash position of the government, in that while we are in a relatively healthy cash position, it is a better time to bear some risk and save the premiums than at other times. With respect to car insurance for damage to our own cars, the decision to self-insure was made a long time ago. It may have been as long as 10 years ago; I am not sure.

Mr. Lang: The comments with respect to property insurance were interesting; because we have a few bucks in the bank we do not have to insure anything. The argument is going to be, when we have spent it all, we will not have any money to pay for the insurance. It does not make a lot of sense. When you know what has happened in the past with respect to schools, especially, in this town alone, you have Whitehorse Elementary School, which has had at least three fires that I know of, and the Porter Creek School was burned right down to the ground. I believe there was another fire in one of the other schools as well, but do not know which one it was. Then, if you go beyond the city limits with respect to the question of fire and using fire as an example, you have Old Crow as one, Mayo as another, and I believe there was one in Watson Lake, years ago.

When you are dealing with today's dollars, with respect to these particular facilities, just in total replacement cost, it would run about \$20 million.

²⁹ What would be the premiums to adequately protect ourselves if a school such as the Whitehorse Elementary or the Junior Secondary in Porter Creek or Jack Hulland were to burn down?

Hon. Mr. Kimmerly: The figures on individual buildings are available. The total figure was approximately \$100,000; it was just over that for last year. If we make it to June 1987, we will have saved \$100,000, but that is not a good way to look at insurance. They are extremely serious questions and we had a cost analysis done on it all, and the decision was reached to self-insure up to certain limits. The major tragedies would be the larger buildings. The likelihood of a very expensive loss in the two major buildings here is pretty well exclusively by earthquake or flood and you can insure for earthquake here but not for flood on the floodplane. So the decision was responsibly reached, I would suggest.

³⁰ **Mr. Lang:** I do not understand this. The only building that is now insured is the F.H. Collins School. All other buildings would be under the classification of self-insured, which means if they burned down, the taxpayer would have to pay the total replacement cost. Is that not correct?

Hon. Mr. Kimmerly: Yes, that is correct.

Mr. Lang: Where do I find the F.H. Collins School in this policy on insurance? Which caption does it come under?

Hon. Mr. Kimmerly: I will find that and provide it under Insurance.

Mr. Lang: We are saving \$100,000. We have all these properties throughout the territory that, at one time or another,

could be subject to fire, especially. Does he honestly believe that this effort to save \$100,000 is a wise decision on behalf of the people we represent?

Hon. Mr. Kimmerly: Yes, obviously. I was part of the body that made it. I will supply, in writing, the insurance costs for F.H. Collins.

Mr. Lang: In view of the hour, I move that we report progress on Bill No. 6.

Motion agreed to

Mr. Lang: In my capacity as Opposition House Leader, I move that Mr. Speaker do now resume the Chair.

Motion agreed to

Speaker resumes the Chair

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

Mr. Webster: The Committee of the Whole has considered Bill No. 6, entitled *Second Appropriation Act, 1987-88*, and directs me to report progress on same.

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

Some Members: Agreed.

Speaker: I declare the report carried.

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

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

Motion agreed to

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

The House adjourned at 9:28 p.m.

The following Legislative Returns were tabled April 13, 1987:

87-3-61

Eligibility of government staff leasing accommodation from Yukon Housing Corporation for payments under Energy Equalization Program (McDonald)

Oral, Hansard, p. 8

87-3-62

Contracts and other matters pertaining to the Joint Commission on Indian Education and Training (McDonald)

Oral, Hansard, pp. 66 & 67; pp. 50 & 66