



The Yukon Legislative Assembly

Number 31

9th Session

23rd Legislature

Debates & Proceedings

Tuesday, February 28, 1978

Speaker: The Honourable Donald Taylor



The Yukon Legislative Assembly

Volume 21

Debates & Proceedings

Monday, February 24, 1978

Whitehorse, Yukon Territory

February 28, 1977

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

Prayers

Mr. Speaker: We will proceed at this time with the Order Paper. Are there any documents for tabling? The Honourable Minister of Education?

ROUTINE PROCEEDINGS

TABLING OF DOCUMENTS

Hon. Mr. Lang: Mr. Speaker, I have for tabling a report on the impact and closure of the Clinton Creek Mine in Dawson City, Yukon Territory.

Mr. Speaker: Are there any further documents for tabling this morning? Are there any Reports of Committees? The Honourable Member from Mayo?

REPORTS OF COMMITTEES

Mr. McIntyre: Mr. Speaker, I have the honour to present the Seventh Report of the Standing Committee on Rules, Elections and Privileges.

The Report of the Committee on Rules, Elections and Privileges to the Yukon Legislative Assembly.

Your Committee has had under consideration the Bill for *Legislative Assembly Ordinance* and has been in correspondence with the Minister of Indian Affairs and Northern Development on its content. It is felt that certain provisions of the Bill, particularly those relating to conflict of interest and disqualification are of great importance and to ensure the independence and integrity of Members of the Assembly, and it is essential that these be legislated during the life of this Assembly.

There are other aspects of the Bill which, although only giving legal recognition of an existing state of affairs, have become the subject of a counter-productive political argument with the Federal Government and have escalated beyond their immediate importance. This has also taken attention away from the main importance of the Bill.

Your Committee therefore recommends the following:

- (1) That the Bill not be proceeded with during the present Session.
- (2) That your Committee be instructed at the commencement of the next session:
 - (a) to take the Bill under further consideration,
 - (b) to review the questions raised on the conflict of interest and disqualification sections during the 1978 First Session,
 - (c) to redraft the Bill in such a way that the conflict of interest and disqualification sections may be passed into law before the prorogation of the 1978 First Session,
 - (d) to proceed with all possible speed so that the sponsor of the Bill may introduce it in revised form no later than the fifth week of the 1978 First Session.

Mr. Speaker: Are there any further Reports of Committees?

Petitions? Introduction of Bills?

Are there any Notices of Motion for the Production of Papers? Notices of Motion or Resolution?

The Honourable Member from Pelly River.

NOTICE OF MOTION

Mr. McCall: Yes, Mr. Speaker, I would like to give Notice of Motion, with reference to green papers.

Mr. Speaker: Are there any further Notices of Motion or Resolution?

Are there any Statements by Ministers?

This then brings us to the Question Period. Have you any questions?

The Honourable Minister of Education.

QUESTION PERIOD

Hon. Mr. Lang: Mr. Speaker, I have for tabling an answer to an oral question asked by the Honourable Member from Hootalinqua, concerning qualifications for Custodial Worker I.

Mr. Speaker: The Honourable Minister of Renewable Resources.

Hon. Mr. Hibberd: Mr. Speaker, I have for tabling Legislative Return in response to Written Question Number 44, asked by Mrs. Watson on February 21st, concerning the *Building Standards Ordinance*.

Mr. Speaker: The Honourable Minister of Highways and Public Works.

Hon. Mr. McKinnon: Mr. Speaker, I have for tabling today the answers to a question from Mr. McCall, concerning the Capital Assistance Program, and a question from Mrs. Watson, concerning the reactivation of the refinery in Haines Junction, and a question from Mr. Fleming, concerning government contracts.

Mr. Speaker: The Honourable Member from Pelly River.

Question re: Taxation Assessment Notices

Mr. McCall: Thank you, Mr. Speaker. I have a question for the Minister for Local Government. In view of the fact that the statement made yesterday dealing with the assessment notices and taking into consideration that the 1967 assessment was approximately 13 mills and the 1976 assessment is approximately 67 mills in Whitehorse, I was wondering if the Minister could advise me whether this particular mill rate for school taxation in all the municipalities, would this effect the private businesses in each municipality, as it affects the private home owner?

Mr. Speaker: The Honourable Minister of Highways and Public Works.

Hon. Mr. McKinnon: I am sorry, Mr. Speaker, I have to admit that I don't understand the question. I wonder if I could have it clarified, Mr. Speaker.

Mr. McCall: Supplementary, Mr. Speaker, what I am trying to ask is, will the mill rate be reduced for private businesses as it is for the homeowners?

Mr. Speaker: The Honourable Minister of Highways and Public Works.

Hon. Mr. McKinnon: Yes, Mr. Speaker.

Mr. Speaker: The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: I have a question on the assessments. Already, since the announcement by the Minister yesterday, I personally have received five telephone calls expressing some concern and the question this morning is: what would the Territorial position or Territorial responsibility be as the assessors and carrying out of the assessment if in fact there are a number of appeals made and there is a substantial decrease in the dollar value that is projected to date? In other words, what I am saying, Mr. Speaker, is that the market

value, the assessments were to be based on a market value of 1976 and it appears that the assessments by just the number of calls that I have got, were based on actual market values of 1977/78, which makes a rather substantial increase from 1976. What would the liability of YTG be in this case if there is a substantial decrease?

Mr. Speaker: The Honourable Minister of Highways and Public Works?

Hon. Mr. McKinnon: Mr. Speaker, the assessments on all land was done at 1976 fair market value pricing. Mr. Speaker, in the respect of industrial and commercial lands, as you know, we follow, in the improvement section, the Alberta Assessment Manual and we follow very closely on market value of land, the terms and conditions as set out by the Legislation, and also the Alberta assessors. We had, during the whole course of the assessment, experts from Alberta into Whitehorse evaluating the work that was being done and checking the work that was being done by the assessors locally. We have no reason to believe, Mr. Speaker, from the report of the Inspectors of assessors in Alberta that the fair market value of property which we have to, by law, assess on were not followed during the assessment revision.

Of course, any assessment is a subjective analysis following well defined rules of assessment. That is why, Mr. Speaker, the Court of Revision is available to people who do not feel that their revised assessment is accurate. It is not abnormal, Mr. Speaker, in a general assessment for as many as 10 per cent of the people affected to apply to a Court of Revision, particularly we could see this in the Whitehorse area with the dramatic escalation of the assessments.

We are satisfied, Mr. Speaker, and I think, and I would be surprised if the Court of Revision did not bear this out, that the assessment was done on the terms and conditions as laid out in the *Taxation Ordinance* and in the test methods of assessment checked by professionals all the way along the line.

Question re: Pipeline Bill

Mr. Speaker: The Honourable Member from Klondike.

Mr. Berger: Yes, Mr. Speaker, a question for the Minister responsible for pipeline matters. The House of Parliament is in committee stage on the pipeline bill, and my question, Mr. Speaker, is who will represent the Yukon at those hearings, will it be an elected member, or will it be an appointed member from the Federal Government.

Mr. Speaker: The Honourable Minister of Highways and Public Works.

The Hon. Mr. McKinnon: Mr. Speaker, I have been requested by the Secretary to the Parliamentary Committee to appear before that Standing Committee next Tuesday afternoon at 3:30 p.m. Mr. Chairman, I was going to beg the indulgence of the House to be able to be away from my desk in this house during the period of time that it was necessary to appear before that Committee, and, Mr. Speaker, I would like to meet with the Caucus of the Whole, if it is possible, to be able to present the elected members' concerns on the pipeline legislation to the Parliamentary Committee if we so can arrange, Mr. Speaker.

Mr. Speaker: The Honourable Member from Ogilvie.

Question re: Boundary Highway Maintenance/Dawson Ferry Service

Ms Millard: Mr. Speaker, a question directed to the Minister of Highways and Public Works: in the study which was tabled this morning, *The Impact of the closure of the Clinton Creek Mine on Dawson City, Yukon Territory*, it states that seven and a half man years would be eliminated through curtailment of maintenance on the Boundary Highway as an all-year truck highway, the elimination of the ice bridge and

skyline operations and the reduction of services on the ferry. This was in speaking with the Director and the Assistant Territorial Engineer of the Department of Highways and Public Works.

Since I have been assured in this House that all efforts would be made to keep maintenance on that highway up to the level that it is, and particularly that the ferry should be operating at the level it is, I wonder if I could have the comments of the Minister, since this was written six months ago.

Mr. Speaker: The Honourable Minister of Highways and Public Works.

Hon. Mr. McKinnon: Mr. Speaker, with the closure of the Clinton Creek Mine, it's going to be very difficult to justify to the Yukon taxpayers, the same level of maintenance on that highway and the skyline operation continuing, and, Mr. Speaker, the same level of ferry service.

Many of those services were primarily for the transportation of ore from the Clinton Creek Mine to Skagway, Alaska. With the removal of that necessity, the transportation of that ore, I think that it would not be in the interest of the Yukon taxpayer to be paying the same level of operation and maintenance and services for the roads, ferries, skyline, in that area, Mr. Speaker.

Mr. Speaker: The Honourable Member from Ogilvie.

Ms Millard: Thank you, Mr. Speaker, just supplementary to that then: does the Minister not feel that the increase in tourism over the past ten years warrants at least 24-hour service on the ferry at Dawson, in the summer time?

Mr. Speaker: The Honourable Minister of Highways and Public Works.

Hon. Mr. McKinnon: Mr. Speaker, I would hope that organizations such as the KVA could persuade the Department of Tourism, in that area, at least for the time period that most of the activities are happening in Dawson City to pressure this Government to provide for 24-hour service, during that period of time. The Department of Highways and Public Works, naturally, is looking for the best, efficient use of taxpayers' dollars and if it can be proven that tourism using that ferry during the time that the tourist activities are in full swing in Dawson City, then I would hope to think that the policy could be of this Government, for that time period, to keep that ferry operation in on a 24-hour basis, during that period of time, Mr. Speaker.

Mr. Speaker: The Honourable Member from Hootalinqua.

Question re: Income Tax Rebates

Mr. Fleming: Yes, Mr. Speaker, a question to the Minister of Consumer Affairs, or, possibly, Mr. Commissioner, I don't know just which one may answer, in the field of taxation. It's time again for us to file income tax reports and so forth and there are certainly some concern as to some the business people that are filing returns for people and taking a percentage of that monies and buying, in other words sometimes buying the actual money that is returned from them, from Canada, to them.

There is, I think in the Provinces, some 15 per cent that they are allowed to charge and only 15 per cent. I am just wondering if I could have the answer whether that was the Provincial law, or is that a Federal law and does it apply in the Yukon?

Mr. Speaker: The Honourable Minister of Corporate and Consumer Affairs?

Hon. Mr. Hibberd: Mr. Speaker, to my knowledge, the law that the Member is referring to is Provincial law. The situation in the Territory is that we are monitoring the situation. I have no more knowledge at the present time than that.

Mr. Speaker: The Honourable Member from Hootalinqua?

Mr. Fleming; Supplementary, Mr. Speaker, I would presume, am I correct in presuming that the Minister is going to look into the matter and possibly crack down a little and bring something forth that we may have that type of law too against people that might just take other people?

Mr. Speaker: The Honourable Minister of Consumer and Corporate Affairs?

Hon. Mr. Hibberd: Mr. Speaker, the purpose of monitoring, of course, is to see if there is any severe effects on the consumer. As yet, there has been not too much evidence that this is occurring, but it is certainly something that we are aware of and must continue to be concerned about. If there is evidence that it is being abused, indeed we will have to do something about it.

Mr. Speaker: The Honourable Member from Kluane?

Question re: Planning Council/Selection of Lands

Mrs. Watson: Yes, Mr. Speaker, I have a question for the Minister of Local Government. In view of the fact that the Commissioner stated in the Legislative Return that documents one to four inclusive of the Planning Council, Yukon Indian Claim, have been approved by all parties, including YTG, and in view of the fact that the Planning Council portion document number four states that, and I quote: "There shall be provision for Planning Council to identify specific community lands which may require protection in advance of the final settlements. Recommendation for withdrawal may be then made to the Minister," not the Prime Minister, to the Minister, "by the Planning Council for possible selection and inclusion in the final settlement."

My question, Mr. Speaker, would the Minister provide this House with a list of all lands which the Planning Council has identified as specific community lands which may require protection and which the Planning Council has recommended to the Minister to be withdrawn for possible selection by beneficiaries to the claim?

Mr. Speaker: The Honourable Minister of Highways and Public Works?

Hon. Mr. McKinnon: I cannot, Mr. Speaker, because no such lands have been identified at this time.

Mr. Speaker: Are there any further questions? The Honourable Member from Klondike?

Question re: Government Leader

Mr. Berger: Yes, Mr. Speaker, I don't know who to address this question to at the present time, but I hope that the answer received from this question will reveal whoever I am addressing it to. We all remember the whirl of passionate speeches made in the Reply to the Throne Speech last fall in this House, and the government was condemned for the lack of leadership, but lo and behold, the Christmas season still brings miracles. We now have a majority on the Government side of the House, but we are still in the dark on the leadership of this majority of this House. By playing the game of elimination, Mr. Speaker, we know that it can't be one of the three Members of the established government. We also know, Mr. Speaker, that it cannot be the Honourable Member from Watson Lake, because some of these miracles work the other way.

My question, Mr. Speaker, is there are still two members left and would the real leader please rise in this House to reveal himself to this House?

Mr. Speaker: I would have to rule that question out of order for obvious reasons. Have you any further questions? The Honourable Member from Ogilvie?

Question re: Constitutional Plan for Yukon

Ms Millard: Mr. Speaker, a question for Mr. Commissioner. I have standing on the Order Paper a question of December 12th concerning the Economic Research and Plan-

ning Unit who were studying the constitutional position of the Yukon Territorial Government. I am wondering when we are going to see that constitutional plan and where is it at at this moment, and when am I going to get an answer to the question?

Mr. Speaker: Mr. Commissioner.

Mr. Commissioner: Mr. Speaker, the study was a study commissioned by the Land Claim administration, which, of course, the Honourable Member is correct, is part of, for administrative purposes, part of the Economic Research and Planning Unit. It is a contract work that is being done by Dr. David Elliott, Carlton University, who has been under contract to us for specific needs over a number of years.

The document is in its final stages of completion. It is in the hands now of the administration. The Executive Committee will be looking at it and reviewing it and I am hopeful that it will be available for this House before the Session is over.

Mr. Speaker: The Honourable Member from Ogilvie.

Ms Millard: Supplementary to that, Mr. Speaker, since we do have a Standing Committee on Constitutional Development for the Yukon, why were they not consulted in the making of this plan?

Mr. Speaker: To whom is that question addressed?

Ms Millard: Again to Mr. Commissioner.

Mr. Speaker: Mr. Commissioner.

Mr. Commissioner: Mr. Speaker, there is no plan. This is an analysis of the position, the constitutional position of the Yukon Territory today. There is no attempt to develop a plan. That legitimately is the responsibility of the Standing Committee, under the current terms of reference.

Mr. Speaker: Are there any further questions? The Honourable Member from Hootalinqua.

Question Re: Teslin L.I.D. Land Development of Lots

Mr. Fleming: Yes, Mr. Speaker, a question for the Minister of Local Government concerning the area that is now being surveyed and checked out for small holdings in the Teslin L.I.D. and there are forty or fifty lots that are being proposed, there are 14 this summer, something to that effect. My concern is that it is fairly close to the pipeline corridor and I am wondering if the Minister could assure me that that land is not within what they have frozen for that corridor and that after we obtain lots this summer that somebody won't come along and say, "No, you are too close and we have to take back the title," or whatever.

Mr. Speaker: The Honourable Minister of Highways and Public Works.

Hon. Mr. McKinnon: I will check that out for the Honourable Member, Mr. Speaker.

Mr. Speaker: The Honourable Member from Kluane?

Mrs. Watson: Yes, Mr. Speaker, on a Point of Privilege, I had submitted a written question to the Minister of Local Government and I would request a written reply regardless if it is only one word.

Mr. Speaker: Which question would the Honourable Member be referring to?

Mrs. Watson: Mr. Speaker, on a Point of Privilege, the one written question that I submitted this morning.

Hon. Mr. McKinnon: On a Point of Privilege, Mr. Speaker, I did not know that the Honourable Member had prefaced her question saying that it was a written question. I would be more than happy to bring a written answer back to the Honourable Member.

Mr. Speaker: Are there any further questions?

The Honourable Member from Mayo?

Mr. McIntyre: Mr. Speaker, before we proceed to Orders of the Day, I seek the consent of the House to revert to Notices of Motion and Resolution so I may give Notice of Motion to concur on the Standing Committee's Seventh Report.

Mr. Speaker: Is the House agreed?

Some Members: Agreed.

Mr. Speaker: Are there any opposed?

The Honourable Member, continue please.

Mr. McIntyre: Mr. Speaker, I give Notice of Motion regarding concurrence of the Seventh Report of the Standing Committee of Rules, Elections and Privileges.

Mr. Speaker: We will now proceed to Orders of the Day under Motions for the Production of Papers.

MOTIONS FOR THE PRODUCTION OF PAPERS

Madam Clerk: Item Number 1, standing in the name of the Honourable Member, Mrs. Watson.

Mr. Speaker: Is the Honourable Member prepared to proceed with the Motion for the Production of Papers, Number One.

Mrs. Watson: Yes, Mr. Speaker, I would call question on the motion.

Mr. Speaker: It has been moved by the Honourable Member from Kluane, seconded by the Honourable Member from Ogilvie, THAT the Government table its organizational chart defining:

- (1) the various departments and branches,
- (2) the director or deputy head of each department and branch,
- (3) the departmental responsibility of each member of the Executive Committee.

Motion agreed to

Madam Clerk: Item 2, standing in the name of the Honourable Member, Ms Millard.

Mr. Speaker: Is the Honourable Member prepared to proceed with Item 2?

Ms Millard: Yes, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Ogilvie, seconded by the Honourable Member from Kluane, THAT the Science Council of Canada Report Number 26, (August 1977) "Northward Looking-A Strategy and a Science Policy for Northern Development" be tabled in the House.

Motion agreed to

Madam Clerk: Item 3, standing in the name of the Honourable Member, Mrs. Watson.

Mr. Speaker: Is the Honourable Member prepared to discuss Item 3?

Mrs. Watson: Yes, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Kluane, seconded by the Honourable Member from Hootalinqua, THAT the Government of Yukon table the Selection process and Land Selection criteria adopted by the Planning Council of the Yukon Indian Claim for the selection of Yukon lands by the Yukon Indian claim beneficiaries.

The Motion is nondebatable.

Hon. Mr. McKinnon: Mr. Speaker, may I rise on a Question of Privilege?

Mr. Speaker: Proceed.

Hon. Mr. McKinnon: I know the motion is not debatable, but my Question of Privilege is that I know of no land selection criteria or selection process that has been adopted by the

Planning Council of the Yukon Indian Land Claim. It would be totally impossible for this Government to table a non-existent document, Mr. Speaker.

Motion agreed to

Mr. Speaker: We will now proceed to Motions and Resolutions.

MOTIONS

Madam Clerk: The first Motion, standing in the name of the Honourable Member, Mr. Fleming.

Mr. Speaker: Is the Honourable Member prepared to discuss Item 1?

Mr. Fleming: Yes, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Hootalinqua, seconded by the Honourable Member from Kluane, THAT the Yukon Outfitters' brief of 1978 pertaining to the harvesting of grizzly bear, Dall sheep and goat be moved into Committee of the Whole for discussion.

The Honourable Member for Hootalinqua?

Mr. Fleming: Yes, Mr. Speaker, in bringing this to the attention of the Committee, I would read part of the brief from the first page:

"First of all we must address ourselves to legislation passed at the 1977 Spring Session of the Yukon Legislative Assembly, and again at the 1977 Fall Session of the Legislature.

The formation of the Advisory Council discussed proposed changes to the Game Regulations, prior to regulation. This is regulation changes being made and put into effect.

This Association appealed to the Legislative Assembly and asked for the Members of Legislature to pass legislation for the formation of the Advisory Council, because changes in regulations could be made that would have a serious and possibly detrimental effect on the outfitting industry. Also, we would not be aware of the changes until after they were made.

Such was the fact, with the regulations pertaining to removing the wolverine from the big game animal list and closing of taking this prize trophy by sports hunters. We were told by Game Branch officials that this regulation change was not based on any biological population data, and only by request from the Trappers Association. We were only able to stop this regulation for the interim by a last minute request to the Commissioner of the Yukon Territory.

Also, the same holds true with the regulations that change wolf seasons and opposed the closure from April 1st to July 31st, thus not allowing for the taking of wolves in conjunction with the spring bear hunting.

We were not informed of this change in regulation and found out only when the hunting regulations were available for the 1977-1978 season, when we questioned personnel of the Game Branch in private meetings and at our 1977 Fall meeting in November, they did not know why the closure was put in and it was several weeks before we received a written reply from the Director.

This Association has been given verbal commitment by the Legislative Assembly that no changes in regulations would be forthcoming until such time as the Advisory Council is formed. It appears that the Territorial Government is not prepared to form the Advisory Council until such time as the Land Claims in the Yukon have reached an agreement in principle. We agree with this philosophy."

That's as far as I need to go, Mr. Speaker. I have some doubts as to how soon the land claims may be implemented and, due to the fact that there has been some talk of regulations coming forth changing the trophy fees for grizzly bears, which is one of the reasons that I have brought this to the attention of the Assembly. There have been two, in my area,

because I don't have very many there in the hunting and game guiding area, but there have been the two close to Teslin, have approached me and were a little worried that this might happen and that the price of the trophy may go so high that it would endanger their livelihood to some extent.

We know that the grizzly bear is not that plentiful. There is only one grizzly bear allowed per hunter, per lifetime, I think it is, so therefore I felt, too, and so do they, that rather than raise the trophy fee so much, that if you just control the hunting of grizzly when that time became apparent there was a shortage of them, rather than just raise the fees to cause that shortage. Because anytime you do raise a fee that is possibly too much, you may just stop one hunter from coming into the Territory and probably spending \$2,000 or \$3,000, he may not even get a grizzly, but if you do raise the fee, you do change their attitude towards coming here to hunt and the fee, I don't think means that much to the Government either.

I think a better way of controlling it is to make sure that you do get all the data you need on the grizzly bear and it becomes a shortage then put a stop to the hunting in those areas or possibly all over the Yukon, but not by raising the trophy fees. This is our concern then, Mr. Speaker.

Mr. Speaker: The Honourable Minister of Consumer and Corporate Affairs?

Hon. Mr. Hibberd: Mr. Speaker, if this is to be moved into Committee I will be making most of my comments regarding what has been raised at that time, but I would like to raise a couple of points.

First of all, the representation that was made by the Outfitters' Association was some time ago. Since then there has been considerable communication between the Game Branch and the Outfitters and there has been a change in the stance of the Outfitters towards this situation as far as Regulations are concerned. They feel that there should be changes in Regulations, they should go ahead before the Land Claims are settled. They are concerned that the Advisory Council is in place and that it should be having rule in changing those Regulations.

They are indeed concerned about the control of grizzly bear hunting, but their concern is, I think, more one of cooperation than it was in the past. They realize that there is unlimited harvest that can be placed on the animal, and there are various methods that are being explored as to limit the harvesting of that animal and this, which you refer to is only one of them, one of them that they have actually considered fairly at this time.

Mr. Speaker: Is there any further debate?

Motion agreed to

Madam Clerk: Item 1, adjourned debate, Mr. McIntyre.

Mr. McIntyre: Stand.

Mr. Speaker: So ordered.

Madam Clerk: Item 2, adjourned debate, Mr. Lengerke.

Mr. Lengerke: Stand.

Mr. Speaker: So ordered.

The Honourable Member from Pelly River?

Mr. McCall: Thank you, Mr. Speaker. Mr. Speaker, I would like to ask unanimous consent of the House that the Standing Order 34 be waived in order that the motion which I gave notice this morning be dealt in the House forthwith.

Mr. Speaker: Is the House agreed?

Some Members: Agreed.

Mr. Speaker: Are there any contrary? Proceed.

Mr. McCall: Thank you, Mr. Speaker. It is moved by myself, seconded by Mr. Berger, that the Green Papers on Home-

Manufacturing in the Yukon; Land, its Development and Disbursement; Decentralization of YTG Offices; Housing Strategy for Pipeline Impact; and Rent Stabilization be referred to the Committee of the Whole for consideration.

Mr. Speaker: This is seconded by?

Mr. McCall: Mr. Berger, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Pelly River, seconded by the Honourable Member from Klondike, that the Green Papers on Home Manufacturing in Yukon; Land, its Development and Disbursement; Decentralization of YTG Offices; Housing Strategy for Pipeline Impact; and Rent Stabilization be referred to the Committee of the Whole for consideration.

Is there any discussion?

Motion agreed to

Mr. Speaker: We will now proceed to Public Bills.

PUBLIC BILLS

Madam Clerk: Third reading, Bill 3, *An Ordinance to Amend the Municipal Ordinance*, Mr. McKinnon.

Mr. Speaker: Is the Honourable Minister prepared to proceed with Bill Number 3?

Hon. Mr. McKinnon: Yes, Mr. Speaker. I would move, seconded by the Honourable Member from Whitehorse West, that the amendments to Bill Number 3, *An Ordinance to Amend the Municipal Ordinance*, be now read a first and second time.

Mr. Speaker: It has been moved by the Honourable Minister of Highways and Public Works, seconded by the Honourable Minister of Human Resources, that the amendments to Bill Number 3 be now read a first and second time.

Motion agreed to

Mr. Speaker: When shall the Bill be read for the third time?

Bill No. 3: Third Reading

Hon. Mr. McKinnon: Now, Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse West, that Bill Number 3, *An Ordinance to Amend the Municipal Ordinance*, be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Highways and Public Works, seconded by the Honourable Minister of Human Resources, that Bill Number 3 be now read a third time.

Motion agreed to

Mr. Speaker: Are you prepared to adopt the title to the Bill?

Hon. Mr. McKinnon: Yes, Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse West, that Bill Number 3 do not pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Highways and Public Works, seconded by the Honourable Minister of Human Resources, that Bill Number 3 do not pass and that the title be as on the Order Paper.

Motion agreed to

Madam Clerk: Third reading Bill 4, *An Ordinance to Amend the Local Improvement District Ordinance*, Mr. McKinnon.

Mr. Speaker: The Honourable Minister of Highways and Public Works.

Amendments to Bill No. 4: First and second reading

Hon. Mr. McKinnon: Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse West, that the amendment to Bill Number 4, *An Ordinance to Amend the Local Improvement District Ordinance*, be now read a first and second time.

Mr. Speaker: It has been moved by the Honourable Minister of Highways and Public Works, seconded by the Honourable Minister of Human Resources, that the amendments to Bill Number 4 be now read a first and second time.

Motion agreed to

Bill No. 4: Third reading

Mr. Speaker: When shall the Bill be read for the third time?

Hon. Mr. McKinnon: Now, Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse West, that Bill Number 4, *An Ordinance to Amend the Local Improvement District Ordinance*, be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Highways and Public Works, seconded by the Honourable Minister of Human Resources, that Bill Number 4 be now read a third time.

Motion agreed to

Mr. Speaker: Are you prepared to adopt a title to the Bill?

Hon. Mr. McKinnon: Yes, Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse West, that Bill Number 4 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Highways and Public Works, seconded by the Honourable Minister of Human Resources, that Bill Number 4 do now pass and that the title be as on the Order Paper.

Motion agreed to

Amendments to Bill Number 10: First and Second Reading:

Madam Clerk: Bill Number 10, *Elections Ordinance, 1977*, Mr. Lang.

Mr. Speaker: The Honourable Minister of Education?

Hon. Mr. Lang: Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse North Centre, that the amendments to Bill Number 10, *Elections Ordinance, 1977* be now read a first and second time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Minister of Highways and Public Works, that the amendments to Bill Number 10 be now read a first and second time.

Motion agreed to

Mr. Speaker: When shall the Bill be read for the third time?

Bill Number 10: Third Reading

Hon. Mr. Lang: Now, Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse North Centre, that Bill Number 10, *Elections Ordinance, 1977* be now read a third time.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Minister of Highways and Public Works, that Bill Number 10 be now read a third time.

The Honourable Member from Klondike?

Mr. Berger: Yes, Mr. Speaker, I have to rise to vote against this Bill for the simple reason as said before already, I am against Section 4.(2) where we are empowering the Commissioner to establish a Board. Mr. Speaker, I still think it is wrong, we should have taken on the responsibility ourselves to

be responsible people in this House to appoint people to the Board. This power could be misused as I stated before, and I still think so. We have no assurance in the Yukon through the *Yukon Act* that the Commissioner has to consult the Executive Committee. He does not have to and this is one of the major reasons. I have strictly nothing against any other section of the Bill except this one particular part 4.(2), Mr. Speaker.

Mr. Speaker: Is there any further debate?

The Honourable Member from Kluane?

Mrs. Watson: Yes, Mr. Speaker, very briefly, I too would support the position that the Honourable Member from Klondike is taking. I feel that it is important enough to warrant opposition to the Bill. The rest of the Bill is quite good, it is something that the Yukon needs, but the very essence, the very core of the Bill requires some reconsideration. For this reason, I will be opposing it.

Mr. Speaker: The Honourable Minister of Education?

Hon. Mr. Lang: Mr. Speaker, I am disappointed to hear the comments by the Members, because I think we covered this particular area of the Bill in Committee. I think that it is fair to say, Mr. Speaker, that the appointments will be made by the Executive Committee and you have my fair assurance on that matter.

At the same time, Mr. Speaker, these Members that have raised and have stood up and spoke to the third reading of the Bill, I would expect to see some recommendations for names that possibly could be considered for appointment to that Board. I would like to see that we get a list of names here in the very near future. Time is of the essence and the Board will have to be appointed in the very near future.

At the same time, Mr. Speaker, I think it is fair to say that acknowledgement must go to the Clerk of the Assembly as well as Mr. MacDonald and Mr. Clegg from Alberta who have worked so hard over the last year and a half to get this Bill in the final form that we see it today. I think it is going to suit the needs of the Yukon, I think it is going to be a very viable piece of legislation which will stand well as far as the elections that are going to be run in the near future in the Yukon.

With those remarks, Mr. Speaker, I will sit down, but at the same time, I am expecting to see a list of names very shortly.

Mr. Speaker: The Honourable Member from Pelly River?

Mr. McCall: Thank you, Mr. Speaker.

I tend to differ with the Minister's remarks. No matter what was said in Committee, it went on notice by the Minister, who has taken the onus as being the sponsor of this Bill on behalf of the Government.

I tend to agree with the Honourable Member from Klondike that no matter what commitments the Minister may make, that dealing with the establishment of any board under this particular piece of Legislation, the onus and decision will be left to the Commissioner of the day, whether the Minister screams at the top of his voice or not. No matter how we provide lists of names, I do not like this particular section of the Bill and I will be voting against it, Mr. Speaker.

Mr. Speaker: Is there any further debate? The Honourable Member from Hootalinqua.

Mr. Fleming: Yes, Mr. Speaker, I rise on the same principle as the Honourable Members from Pelly, Kluane and from Dawson.

We fight for some principles in a Bill that we need here very badly and that we feel is opposed, is opposing the people of the Territory. And when we don't get co-operation for a change such as this, and I don't think that any Member that really is responsible to his people and to his constituents can stand up and change his mind. We don't get those and there's one more

Bill that was before this House, in principle, the same thing, the *Motor Vehicles Ordinance*, which we needed badly. But when those changes are not forthcoming that are really fought hard for, then I still stand by my convictions. I will be voting against the Bill.

Mr. Speaker: Is there any further debate? The Honourable Minister of Highways and Public Works.

Hon. Mr. McKinnon: Mr. Speaker, naturally I will be supporting the *Elections Ordinance*. It's good legislation. It repatriates the responsibility of this Legislative Assembly, taking, once again, the responsibility which they are capable of handling for running elections to this Assembly.

Mr. Speaker, with all of the good portions within the *Elections Ordinance* and all the work that is done, I find it difficult that Honourable Members could not support that principle tying themselves to a game of constitutional one-up-manship. They well know and they know it as well as anybody in the Yukon, that under the terms of the *Yukon Act*, Section 3, the Governor-in-Council may appoint for the Territory a Chief Executive Officer to be styled and known as the Commissioner of the Yukon Territory.

And Section 4: "That the Commissioner shall administer the Government of the Territory under instructions from time to time given him by the Governor-in-Council or the Minister."

There it is, Mr. Speaker, in a nutshell. The elected Members of the Executive Committee don't like it and have said often they don't. We know that the other Members don't, but that is the constitutional position and the facts of life in the Yukon at this time and, Mr. Speaker, be so irresponsible as to be playing constitutional games, when the Honourable Members well know that that is the position of the Yukon Territory and as the Chief Executive Officer of the Territory mention in the *Yukon Act*, that that must be mentioned, not the Minister, not the Executive Committee, which are not part of the constitutional make-up of the *Yukon Act* at the present time.

Mr. Speaker, it is fine to say that we don't like things as they are, but one must accept the reality of the moment and when the Members of the Executive Committee get accused to playing constitutional games, when we are dealing with the bread and butter issues that the people of the Yukon need, Mr. Speaker, and then to see this type of non support for a Bill on a constitutional issue that they know we cannot change by this Legislation. Mr. Speaker, in agreeing to all other aspects of the Legislation, I just find that, Mr. Speaker, with all the work that has been done, just a bit irresponsible from the Honourable Members who are not going to support this much needed Legislation which allows us to work within the parameters of the constitution to bring constitutional reform to the Yukon to bring the elections back to the Yukon Territory.

Mr. Speaker, I just cannot agree with them on the point that they are raising and, Mr. Speaker, they know better than that.

Mr. Speaker: The Honourable Member from Klondike?

Mr. Berger: Mr. Speaker, I never accused any one of the Executive Committee. My point was that I don't trust the Commissioner's office. I have never accused anybody on the Executive Committee of playing a political game Mr. Speaker.

Mr. Speaker: Order please, I cannot find that the Honourable Member has a Question of Privilege for the reasons stated a few days ago that allegations of fact between two members do not constitute a Question of Privilege.

The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Yes, Mr. Speaker, I will be supporting the Bill. I think it certainly is a positive step in Yukon's development and I could certainly say that I recognize some of the

problems some of the members are having with this certain section and I appreciate it. But I just think that sometimes taking that approach is not too meaningful, because I think our efforts should be directed more to changing the *Yukon Act* and taking some positive measures that way, because we all know we have a situation we have to live with today, and unless we change that one very important piece of writing, then I think we are going to be playing a losing game for a long time.

Mr. Speaker: The Honourable Minister of Human Resources?

Hon. Mrs. Whyard: Mr. Speaker, I think that all members are agreed on one fact and that is we hope that this is the last session and perhaps the last election where there will be such a position as an appointed Commissioner, nobody is going to argue that one.

I see no point in opposing a good piece of legislation which is advancing us down the path of constitutional development because of a policy which we all realize is impossible to change at this time.

I think that all Honourable Members should realize also that when they get into party politics, which I understand most of them are willing to do in the forthcoming Territorial election, Mr. Speaker, then the whole pattern changes with such appointments and you will find that as in provinces, the Chief Electoral Officer is named by an all-party committee. This is what we are trying to achieve, Mr. Speaker, as we move slowly but firmly toward autonomy in this country.

When we get into party politics, Mr. Speaker, then the Members of the Board will be chosen by a committee of party leaders and all of these matters will be open to decisions and input of elected members of those parties. But today, it is beyond our possibilities and authority to make this change and I see no real point in delaying the passage of an ordinance which all Members wanted, which all Members now have before them and in which the future control of our own elections is insured.

Thank you, Mr. Speaker.

Mr. Speaker: The Honourable Member from Ogilvie.

Ms Millard: Mr. Speaker, I'll be brief. I'll just say that the Government just lost my vote, because I agree that 95 per cent of this Bill is excellent and I would hate to see it not pass, however, I certainly don't agree that the only way we can change things in this Legislature is to wait for great gifts from Ottawa. I think we can change things right here and we tried to change them in the Bill and they weren't accepted.

Now, if that isn't a democratic process, I don't know what is. We have to use that method and that's all we, on this side, it seems to be divided in half except for one, that's all that we are trying to say, is that, okay, let's work this out together and get to a solution. But when all our solutions are being just thrown out, then the Government loses my vote.

Mr. Speaker: I'm afraid that the Honourable Member from Pelly River has already spoken on this debate and I might say that the Honourable Member from Klondike has, as well, and it would not be permissible for the Members to speak again at this time.

The Honourable Minister of Consumer and Corporate Affairs.

Hon. Mr. Hibberd: Mr. Speaker, I find it rather disturbing that the Honourable Members are taking the attitude that they haven't received input into this Bill and I would like to point out to them that during the passage of a Bill very recently, we had to deal with 94 amendments, which were floor amendments, Mr. Speaker. They were brought forth by the Members of this House and were received by the Government and were incorporated into the Legislation.

Now, if they are not getting any input, what is that, Mr. Speaker. They certainly are having their input, their amendments are being incorporated. There are times when they simply can't be incorporated.

I think that they should take their kudos, they've done very well, they've had lots of changes. They should be proud of this.

The problem also remains, Mr. Speaker, that we are dealing with an *Elections Ordinance* to run our own elections. The difficulties that the Members seem to be getting into is that we are not dealing with the *Yukon Act*. The *Yukon Act* is the stumbling block that is before us and we all know that that's beyond our capability to alter.

It's a reality that we have to face. I think the very fact that we're bringing forth a Bill of this nature, that, I might add, was considered a good bill by the Members opposite when we were debating it in the Fall, I think that we should be proud that we have the opportunity to make this advancement constitutionally, as far as we can within the framework of the *Yukon Act*, which is beyond our jurisdiction.

Mr. Speaker: Division has been called. Madam Clerk, would you kindly poll the House.

Hon. Mr. McKinnon: Agreed.

Hon. Mrs. Whyard: Agreed.

Hon. Mr. Lang: Agreed.

Hon. Mr. Hibberd: Agreed.

Mr. McIntyre: Agreed.

Mr. Berger: Disagree.

Mr. Fleming: Disagree.

Ms Millard: Disagree.

Mr. McCall: Disagree.

Mrs. Watson: Disagree.

Mr. Lengerke: Agree.

Madam Clerk: Mr. Speaker, the results of division on Bill 10 are: 6-yea, 5-nay.

Mr. Speaker: I must then declare that the motion is carried.

Motion agreed to

Mr. Speaker: Are you prepared to adopt the title to the Bill? The Honourable Minister of Education?

Hon. Mr. Lang: Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse North Centre that Bill Number 10 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Minister of Highways and Public Works, that Bill Number 10 do now pass and that the title be as on the Order Paper.

Motion agreed to

Mr. Speaker: The Honourable Member from Pelly River?

Mr. McCall: Thank you, Mr. Speaker, I would move that Mr. Speaker do now leave the Chair and the House resolve into Committee of the Whole.

Mr. Fleming: I second that.

Mr. Speaker: It has been moved by the Honourable Member from Pelly River, seconded by the Honourable Member from Hootalinqua, that Mr. Speaker do now leave the Chair and that the House resolve into the Committee of the Whole.

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Mr. Chairman: I call the Committee to order. The first Green Paper we will be discussing this morning will be the Land, Its Development and Disbursement.

I will now call a brief recess.

Recess

Mr. Chairman: I call Committee to order.

There has been a change in our scheduling and we'll now proceed to discuss the green paper on Gambling in the Yukon.

Mr. Lengerke:

Mr. Lengerke: Yes, Mr. Chairman, I would just like to make a few remarks with respect to the report, which was appended to the green paper. I think everybody is familiar with the impact study that was done.

I understand now that there has been an updated version and there has been some changes to it, just bringing in some further statistics, but I would just like to say in general, Mr. Chairman, that the report itself I think was very well done. Certainly they went into a lot of detail with respect to what motivates people to gamble and results of this and this type of thing.

I cannot fault the people who did the report in any shape or form, other than that I would have, personally, looked a little further in the role of Dawson City, at using the gambling situation, certainly, to strengthen the tourist business. I would have looked to really setting up a model if you would increase facilities at Dawson, and airport facilities and providing tours and this type of thing, a real promotional type of strategy in the first place. What the results or what the impact of gambling would be.

The study appears to have taken the present situation in Dawson, the number of tourists that do come into Dawson now, without any really accelerated or new approach to bringing in more people, but, as I say, generally I think the conclusions reached are quite good. I commend them, I think there's been a lot of good work gone into it, a lot of good research and I think they've certainly concluded quite satisfactorily, the alternatives to this.

Mr. Chairman: Mr. Berger?

Mr. Berger: Thank you, Mr. Chairman. I am generally pleased with the report, except in a couple of things and I would like to point out those things. One of them especially, the crime increase because of gambling activity in Dawson. I mean crime increased in Dawson for other reasons that the gambling alone, especially on a seasonal basis. We have an increase in population in Dawson, we have kids coming back from school which are outside of Dawson for eight months or ten months of the year, and I personally feel that living in Dawson for many, many years that there is absolutely nothing to do with the gambling activity in Dawson. This is the only point that I really disagree with in the report.

The other thing, Mr. Chairman, I think it is not really strongly enough emphasized in this report that gambling should not expand in the whole Yukon Territory. Gambling should only stay in Dawson City, because we would really defeat the purpose of trying to create a tourist attraction. We are facing in Dawson, especially since the closure of the Clinton Creek Mine, we are taking away another resource in that particular area, so our concentration has to be strictly on the gambling, on the attraction and adding more attraction to the tourists in Dawson.

The other thing is, under expansion of gambling in Dawson, I think this should be left alone. This should not be interfered with by the government. It should be left to the people who are

presently are operating the gambling casino. If they feel because of increasing tourist traffic that it warrants an expansion of gambling activity in Dawson, it should be up to them. If necessary, if the government wants to control the timing, it should be strictly on the advice of those people to extend the season in Dawson. If they feel that the casino in Dawson needs to be expanded, again it should be left up to those people. They are controlling the whole thing all summer long, they are the ones that are running the activities in Dawson, and it should be just left to them to advise the government or advise the Dawson City Council on what they are planning on doing.

It should not be interfered by government activity, Mr. Chairman.

Mr. Chairman: Mr. Fleming.

Mr. Fleming: Yes, Mr. Chairman, I have to agree wholeheartedly with the Honourable Member from Dawson. I see the same problems if we came to the conclusion that we wanted gambling all over the Yukon. I think it would be a disastrous affair before we got finished, if we turned it loose. I have to agree with this report in the sense that it has been very well done and I agree with most everything here.

But, I think we should make sure that we do not go into a process where the Yukon is considered a place for just gamblers to come up here, anywhere, all over. I feel, as the Member does, that Dawson City is our area and I live far away from there, on the other end. I don't think we care for that gambling in our district.

Dawson City is the tourist attraction, one of the main ones for the Yukon. It is there now, a certain amount of gambling. I think that that could probably be enlarged and, as the Member said, by the persons involved, not too much by the Government. I think Government just allowing them to do so will be enough. From there on, I think they're quite capable of taking care of themselves.

I think the tourist industry would be affected more adversely if we had it all over the Yukon, you know, and not just in Dawson City. When it's just there, it is a tourist attraction to this Territory and I think that they will, you know, many, many, many more of them come maybe for that certain element. They like to gamble a little and be here, but if it is for the whole Yukon, you get an entirely different picture of the gambling game and the big circles and the big money and I don't really believe that this is the place for it.

Mr. Chairman: Any further discussion? Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, I have to agree completely with the Honourable Member from Hootalinqua. I have a personal bias against expansion of any kind of gambling in the Yukon and I may be alone in that approach, in this House.

But everytime I turn the corner, on to that highway to Dawson City and see that large sign saying "Dawson City-Gambling", in letters four feet high, I get mad, because I know that that is not why people are going to see Dawson City. Dawson City is the jewel in the tourism crown of this Territory and it has historic significance for this Territory that no other area has, except, perhaps, Robert Campbell's first settlement in Francis Lake. And I hope some day that will be recognized, Mr. Chairman, in the position in which it should be.

But to type Dawson as a gambling town is not my idea of the right way to approach tourism and the right way to attract people to the Klondike. I had some small connection with the tourism business for several years in this country, Mr. Chairman, and I know from facts that the majority of people who come to see this country are not coming to gamble, nor are they coming to get drunk.

The majority of people who come up that Highway or fly in,

here on charter groups are middle-aged, solid citizens who have saved their money for this trip to come and see the real Klondike and the history of this country.

They don't need any additional opportunities to gamble. In fact, Mr. Chairman, most of them are a little leary of going in there and losing some bucks if they did save to come spend here on other things. I am happy about this report, it has upheld most of my opinions on the subject, but even if it didn't, I could not approve any extension of gambling throughout the Territory.

Mr. Chairman: Ms Millard?

Ms Millard: Just briefly, Mr. Chairman, I too agree with the report. I think it is well done, one of the few well done reports we have been able to receive. It has been discussed with the Klondike Visitors Association and they too are quite in agreement. They had parts in writing the report.

I think it does bring up a very important aspect though of tourism. While we are dealing with gambling as a particular item, we should not forget that government could play a very vital role in tourism as a whole. I feel it is time that this Government has developed a policy on tourism and a very active aggressive stance in trying to establish a secondary industry in tourism in Yukon. I don't think this is being done. I think that we are getting lost again in the trees and forgetting the forest by getting worried about whether gambling should expand or not.

We should be worrying about how should we treat this secondary industry as a viable industry in Yukon as a whole policy for all government departments, not for simply the Department of Tourism or Department of Game, but however you are going to make this a vital industry in the Yukon. I know that that is KVA's attitude is that although they seem to pick out pieces of things and get lost in those little directions. I think maybe the government should try to meld that all together and make a good tourism policy for the Yukon, particularly since we cannot rely on a boom and bust situation with places like Clinton Creek closing down, a pipeline that will only give us benefits, if it ever does give us benefits, for only a short time. We have to start thinking in terms of long term benefits of tourism in the Yukon.

Mr. Chairman: Yes, Mrs. Watson?

Mrs. Watson: Yes, Mr. Chairman, I am not an authority on gambling at all, I loathe gambling. However, I do feel that in Dawson City, while it may not be one of the attractions of Dawson, I certainly think it is a complement to tourism in Dawson City and it has made Dawson capable financially to do some of the things to promote tourism in their community that they would not have been able to do. I was very happy to see that they ruled out the gambling for Whitehorse, either on a seasonal or full term operation, because I think we all recognize the dangers that could possibly have accrued to the Territory on that.

I don't completely agree with the Honourable Member from Klondike when he says that the extending of the gambling operation in Dawson City should be the decision of the local people. I think that it should be the decision of the local people to a certain degree, but somewhere along the line I think government does have to be involved. If they decide to go on it for six months or eight months, I think that there should be some controls where this type of permission would have to be approved by the Territorial Government. If you are looking at an extra week or two, that's a different matter.

We cannot completely rule out Number 5, "To develop a seasonal or year-round operation in a small Yukon town."

I'm not suggesting that from the point of view of at the present time, but I think it's something that may be kept in the back of our minds or in the minds of the Government, the

minds of the people of the Territory, that we have some small towns in the Yukon Territory who, economically, are a disaster area. And, hopefully, with some of these projects coming in, naturally the Yukon will not be the same again, after these projects are completed. Some of these communities will have a more substantial economic base. But it may be that in order to provide some basis for the town, and probably, again, to complement tourism, not necessarily, the Government may want to look at developing a seasonal operation in another small Yukon town.

Otherwise, Mr. Chairman, I would support the position taking in the green paper completely.

Mr. Chairman: Any further discussion? Yes, Mr. Berger.

Mr. Berger: Yes, Mr. Chairman, one thing I would like to point out that I can't recall reading in the report, last fall when it first came up, but it is the licencing of the gambling casino in Dawson. At the present time, the gambling casino is operating on a year-to-year basis and you really can't plan ahead properly.

An operation like this really needs to be required, because right now it is running close to half a million dollars and this is where the government really interferes in it, where it expects a propaganda operation in Dawson City when people cannot properly plan ahead, because they cannot know at the present time whether they are going to be licenced next year. Yet we are talking about, as I pointed out, pretty close to half a million dollars and that budget has grown from year to year.

It does have an important input in the town by employing people there, giving them employment, and I don't care what your report says, the money is going to stay in town, maybe generated by 65 per cent in town, but again, it gives employment to people and therefore it is very, very important that an operation like this can plan ahead say for five years or ten years.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Yes, Mr. Chairman, I just have a few other comments. As the mover of that particular motion and getting it into action as far as the report is concerned, I felt at that time, and I still do, that the use of the gambling situation, the unique gambling situation in Yukon could have well and I think to some degree still can and will at some future date, provide a very viable tool in the strengthening of the tourist industry. As Members have pointed out, certainly that is to a degree what makes Dawson go and I well realize and I well appreciate that not all people go to Dawson to gamble. Certainly the Minister of Health made a very good point there and she knows well, having been a long time resident in Yukon just, exactly why people do go to Dawson.

I, some place along the line, envision certainly some very good revenues accruing to the Territory if in fact the gambling base, say at Dawson, was expanded. You can't realistically make predictions and come up with pro forma statements just on the basis of one casino alone. This is, as I said in my earlier remarks, I am a bit disappointed in the report that it didn't go to set up some models of really establishing a larger base for gambling type activities in Dawson.

I think then they would have seen that the financial returns would have been something else and I was really interested in promoting the spin-offs of an industry such as this. The spin-offs, in fact, are like the Member from Ogilvie said, are other areas of the tourist industry, in other words more accommodations, more historic site development, more tours, this kind of thing would come from it. But as I say, I think it is an excellent frame work, an excellent base, data that we have now established. I think too it certainly satisfies me in some degree that I know now what the attitudes of a lot of people are with respect to gambling in Yukon.

I think, if nothing else, the purpose, the exercise that we have gone through has been worthwhile in that regard.

Mr. Chairman: Any further discussion? Yes, Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I did not go into the details of the report as they affect the figures, which involve workers in our branch of Social Welfare and those statistics are evident to all Members. Therefore I didn't feel any need to underline them, but of course that is another concern for my department. I would like to remind all Members, however, Mr. Chairman, this report was done because of a resolution and passed through this House on this specific subject and the people who did this study were not asked to enlarge in other areas of tourism and I know that they will in future studies, but I would just like to make it clear that it was no fault on their part. This report was set on exactly the subject they were asked to do it on.

One other thing, Mr. Chairman, is that any legalized gambling in the Yukon in Dawson or elsewhere, requires a change in the *Criminal Code of Canada*, which we must all keep in mind, in that it was a very special occasion which prompted the changing of that code to permit legalized gambling in Dawson City for a particular festival, and has been on-going ever since.

I think that if we are thinking at all in terms of enlarging gambling or asking to have it legalized in other areas, you must also consider the requirement to get that change in effect in a federal statute.

Mr. Chairman: Any further discussion? We will now consider discussion of gambling in the Yukon closed and we'll recess until 1:30.

Recess

Mr. Chairman: Please come to order.

The green paper we are about to discuss in Committee is the green paper on Housing Strategy for Pipeline Impact. Any discussion? Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, you will recall this was tabled last Session. We haven't had an opportunity of discussing the paper.

I would like to make a few opening remarks, in respect to the paper. I would first like to begin by commending the work of the Yukon Housing Corporation and the administration of the Housing Corporation and the work that they have done. It's been a lot of work and I think that they've come up with some various policy directions that the Housing Corporation can take in this particular area, as we feel it's going to be a very important area that will affect how we handle the pipeline prior to construction and during construction.

The basic policy behind this paper, Mr. Chairman, is the fact that the Government is supporting the concept of the private sector. We are looking to the private sector to supply the needs, one way or the other, of the housing that will be necessary for the pipeline and, after pipeline, for the permanent jobs that will be created, whether it is directly on the pipeline or working on the pipeline, or the service industries that will be connected to that.

I should point out that the paper is divided into various strategies that could be employed. I should point out, Mr. Chairman, that we have not put a dollar figure to any of these various strategies outlined because we really don't know what's going to happen at the present time.

Once a direction in a particular area has been decided upon, then it would go through the normal channels, whether it be legislation or through appropriation or whatever through this Legislature at one time or another.

It should be pointed out that the figures that we have used are very subjective. They've been taken from the Foothills analysis and through the Economic Planning Unit, trying to come up with a multiplier effect how it would effect the various communities.

At the same time, Mr. Chairman, the paper for the North Highway reflects in a very general way what we envisage the Shakwak Valley Project could do, for example, with the community of Haines Junction, along with the parks. We've put an arbitrary figure of, say, 25 homes for that particular area. As it turns out, Mr. Chairman, we didn't have the results of the environmental impact study that was done on the Shakwak Valley and my officials looking at it overall, it appears to be that we may be in the ball park for that particular area. But it's going to take more study and it's going to have to be reflected in here.

At the same time, I think for the North Highway, while I'm delving on the Shakwak Valley, is that the conscious decision has been made for the construction of the Shakwak Valley Project that it will be there to complement the construction of the pipeline, rather than conflict with it so therefore, rather than seeing, in the various areas affected, such as Haines Junction, you may not be seeing a boom and a bust situation, you may see just a progression of homes that are necessary during the total construction, so in other words, where the pipeline is being constructed over a two to three year period, the Shakwak Valley project may be just carrying on with engineering and feasibility studies as opposed to actual construction.

Subsequently, the housing needs that are in the community for the pipeline will be met at that time and then would carry on for the Shakwak Valley Project.

It is my understanding, or we are hoping at any rate, that there may be some contracts let this coming spring for the Shakwak Valley Project close to Haines Junction, and this all depends, of course—it is an international agreement, and the way I understand it, it depends on when the Government of the United States accepts the environmental studies that have been done.

The various strategies outlined, Mr. Chairman, go strictly to the private sector, to the building of a speculative manner to the point where the Housing Corporation would begin possibly a small subdivision to encourage, to show to the people that a speculative market is available in these various communities. I think this was aptly demonstrated in the AHOP units that were built in Riverdale. Prior to that, the Homebuilders were not interested in that project. The Yukon Housing Corporation went ahead, built a number of units, and the demand was there and now the Homebuilders have taken over the lead role in that particular area, which is the way it should be.

I think the major role that we envisage with this Paper is the Yukon Housing Corporation taking a higher profile than what they have in the past. To use them as the Government's agent in this area, along with Local Government in the development of land, to get with the municipalities and the private sector and the Foothills Company to ensure that the necessary buildings are going to take place. It is going to be a lot more work for the Housing Corporation, but I have had discussions with them and they appear to be prepared to take the forefront in responsibility in this area.

At the same time, Mr. Chairman, it should be pointed out in the paper it states that we are going to get out and discuss the paper with various communities, we have had the opportunity of discussing the Paper in general terms with Haines Junction as well as Teslin. I didn't get an opportunity to attend those meetings, but I did attend one in Watson Lake, the L.I.D. there, and we were favourably received, and they are glad to know that there is somebody that they can go to and their

government that represents them, to be the monitoring agent, and if they have a problem we are prepared to help. A lot is going to depend on the timing of the pipeline. It is my understanding that it was announced today that we may see a year or two delay in the pipeline, according to the news. So, it all has to do with timing.

The other point, Mr. Chairman, is what finances are going to be available to us and on what terms the financing is going to be available to us.

Mr. Chairman, with those remarks, I would like to ask Mr. Keith Schneider to perhaps come as a witness, if there is any technical questions on the paper.

Mr. Chairman: All right.

Yes, Mr. Taylor.

Hon. Mr. Taylor: Yes, Mr. Chairman, while we await the witness, I did have one concern and I would hope that the administration would give a lot of consideration to and that is the fact that we do not make the mistake in any planning of housing developments within the Territory, that we made in the past and that would be the permitting of compounding.

I think many Honourable Members will remember that there was a period in time when the CN Telecommunications people were compounded in one quarter of a development where the RCMP, even to this day and in some communities are compounded in another area. I hope that in any consideration given to the proposals in the green paper in meeting the pipeline impacts, that this is given a lot of consideration, because I think it does cause problems in a community.

In other words, that no compounding be permitted, that any groups or like-minded groups are scattered throughout the community.

Thank you, Mr. Chairman.

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, the Honourable Member has raised a very important point and for an example, the Housing Corporation has already had some discussions with the Foothills representatives and we're looking to getting them together, as well, for an example, in Beaver Creek, getting the various federal agents that are involved in Beaver Creek to look at their staff complement and the increases it could possibly come about and try to meld them together so that there is a common plan for an area.

Now, as I say, it's going to take a lot of organizing and it's going to take a lot of consultation with the various parties involved in order to achieve that, but our major aim is to attempt to do that, because I agree with you, I don't think that one part of the community should be segregated from the other. I think that we want to look at homogenized communities and the only way we're going to do it is if one particular agency takes the lead role to try to get these parties together to attempt to come up with a common plan.

It's going to mean getting local government, the Housing Corporation, as I said earlier, as well as the Applicant and the other federal agencies together around a table and decide just exactly what's supposed to happen.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Yes, Mr. Chairman, I'm a bit concerned with one of the statements by the Minister, when he's saying that the Yukon Housing Corporation is to take a leading role or work on a much higher profile. I would like to get a little more explanation from the Minister on that.

I'm concerned that it shouldn't be the Yukon Housing Corporation is the one that initiates things and develops the policies, but it should be the Government. I realize that Yukon Housing is part of the Government of Yukon, but I think it

should be coming through and from members of Government and not a corporation.

I'm really wondering, I'm concerned here in Strategy A, that you say "The Yukon Housing Corporation take a lead role by initiating a co-ordinated planning process in each community directly affected by the pipeline".

I don't think that, in my own personal view, is really the role that should be had. I think that we should be encouraging the municipalities and the likes of those organizations to be taking a leading role in initiating planning processes.

Certainly they should be able to use the tool of the Yukon Housing Corporation as a tool of last resort, because if you are sincere in what you are saying, that you are going to have private enterprise really lead the role, I think that is what you have to try and encourage in the fullest way.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, perhaps I was misunderstood. The vehicle for the Government here, the contact point as we envisage it, will be through the Housing Corporation. It is vital to us that the communities be involved initially. That is why we have gone to the communities to say, "This is available to you and we are prepared to help." I should point out that any major policy decisions go through the Executive and subsequently are ratified here in some manner. Subsequently, it is going to be the elected Members in the final analysis in making the decision.

But the vehicle is there in place and I can't see going about and creating another one within Government at the present time. We are trying to do it within the finances we have, and at the same time, we are attempting to initiate with the communities, we are trying to get them to say, look, what do you need? We are prepared to help, we are prepared to provide the expertise, and if necessary, the direction of wherever they want to go.

But I think that we have a responsibility, the people in this Legislature as well as the Housing Corporation to take the overall umbrella responsibility so that we ensure that the right hand knows what the left hand is doing. In other words, when I refer to say Beaver Creek with the Federal interest up there, whether it be Customs or RCMP, there has got to be some agency in the Government that is pulling these together around a table, to see what is necessary.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I can agree with some agency pulling government together within each community. But I am just wondering what the role of the Housing Corporation is with regard to the private sector. I read these papers, Mr. Chairman, and they were required to be done. The Government had to come forward with some type of strategy. But, Mr. Chairman, these papers are almost misleading. They are done in all sincerity, but they are misleading. When I look at the one component that is required for a housing strategy and that is land. If you haven't got land you can't stack them one on top of the other. Now, we are just looking, you are talking about a housing strategy for Beaver Creek. You say that there are three, six dwelling units available now and I tell you, there are three surveyed lots available now in Beaver Creek. In order to build you need two because you have to put your septic tank on one of them. Three. And we are looking at a requirement of a possibility of thirty houses. How can Beaver Creek plan?

We haven't any hope, as far as I can see, of getting more land. This is where all our attention should be focused.

Look at Teslin: they have one square mile. They can't go very much further on one square mile. I look at Haines Junction, they have 55 acres. There is no way they can accommodate 85 houses, no way.

Hon. Mr. Lang: Point of Order.

Mrs. Watson: Mr.— Oh, Mr. Chairman.

Hon. Mr. Lang: A point of order.

Mr. Chairman: Yes, Mr. Lang, what's your point of order?

Hon. Mr. Lang: Mr. Chairman, the point is that we have a land development paper in Committee that is to be discussed. I fully realize the problem with the land, but I am not prepared to take responsibility for it because I'm not the Federal Government.

The Minister is coming and we will get the opportunity of speaking to him and put forth the needs that we need for these various communities.

Mrs. Watson: Point of Order, Mr. Chairman, what is the Point of Order?

Mr. Chairman, may I continue?

Mr. Chairman: Yes, continue.

Mrs. Watson: Mr. Chairman, I am talking about a real situation. I don't care whose fault it is—

Hon. Mrs. Whyard: Talk about housing.

Mr. Chairman: Order, please.

Mrs. Watson: What's the use of talking about housing if you can't deliver and all we're doing is frustrating people.

I prefaced my remarks by saying I understand the Government had to do this type of survey, but let's not mislead the people. In Whitehorse you've got 240 square miles you can roll, you can roll. In Teslin, you can't roll, Beaver Creek you can't roll, Haines Junction you can't roll, and I'm sure, in Watson Lake, you can only roll so far and you've hit the limit of the land that's available.

I just cannot go to these communities that are in my area and say, you are going to need 30 houses, you are going to need 85 houses in Haines Junction, because all hell let's loose, and I mean it, because people are saying just don't come to us and tell us how many people will want to live here, because we can't provide housing or the land for the people that are here now.

This is the point that I'm making. It's fine to say that the Yukon Housing Corporation should take some leadership in the housing. Fine, but this is premature until the Territorial Government can come before the people of this Territory and say, yes, 80 houses are going to be made available, are required, we will be able to get the land for them.

Because, Mr. Chairman, the thing that is going to happen, the very thing that the Honourable Member from Watson Lake was saying don't let happen, but until we get that land thing cracked, the only agency that could get land, that's been able to get Crown land, was National Parks. They got five acres for the administration building last year.

The only people who are going to get land in Haines Junction or Beaver Creek, when land is run out of, is the RCMP. The federal agency will get a few surveyed lots for what they want.

This is what is going to happen. Northern Health, when we need more nurses, when we need larger health centres. They are going to. They will apply because they are a government agency, they will get the land, not the Territorial Government, unless we crack it and that is the first thing that we have to do, because I am prepared to go, the situation is so bad, to DPW and say the Shawkak Project is coming through there, will you please apply for a subdivision, develop it, sell it, so at least we have something available.

That is where our energy should be today.

Mr. Chairman: Ms Millard?

Ms Millard: Yes, Mr. Chairman, I can only agree with the speaker before me that it is all very fine to have nice little

plans on paper, but what have we got in reality? My concern is not only with land, but with the financing. How far has discussion with the CMHC and chartered banks gone? Can we have some indication that this is a possibility?

I would like to ask our witness that, but first I would like to mention that I feel that some of these ideas are very good, and I think they could be applied to other communities other than just the pipeline route. We have had several discussions with the Housing Corporation in Dawson. We formed a housing committee through the City, which I believe is still in existence, and through that we were trying to initiate a co-ordinated planning process which is the first item on here with the Housing Corporation throughout the Territory so that we have some idea of where we are at now and what has to be done in the future. It can be done for Old Crow as well as for Dawson and a lot of other communities that have a great housing need. We may be getting lost again on being led off into the bushes by the pipeline carrot and having a solution for the pipeline route, but not for the rest of the Territory.

I think it should be considered for the whole Territory. First, of course, we need the real basic things like land and financing. I wonder if I could ask our witness how far have discussions gone in these issues?

Mr. Chairman: Yes, Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, I should point out that I recall very vividly where the Government was lambasted for approximately a month, the fact that they hadn't come up with various strategies to handle the pipeline. Now before you, you have a paper which outlines the various options and strategies that could be followed to try to resolve some of the situations as they develop. As far as approaching CMHC at the present time to see about the financial aspect of making monies available to the individual who wants to build, we haven't approached them at the present time. The idea is to bring the paper here to have it discussed and then subsequently we can move on from there.

A lot of these things, it should be pointed out, are being done, already to a small degree. For an example, on page 12, it states: "In the past, Yukon Housing Corporation has been involved in issuing and undertaking to lease a portion of units in proposed apartment buildings." Well, this has taken place in Haines Junction. What we are saying is that we are looking over this policy that has already been developed in the Housing Corporation over all the pipeline route and even could be used in Dawson, for that matter, depending on the demand of the people in these areas.

The idea is to demonstrate to you the various policies and strategies that could be used to circumvent the problems that would be confronting us. At the same time, in respect to the land situation, Mr. Chairman, I fully understand it. I don't know what more my honourable colleague, the Minister in charge of Local Government can do? I am sure that the Honourable Member from Kluane will be speaking to the Minister on Friday in person. All we can do is make our representation. I am sorry, I have no jurisdiction in that particular area, I fully realize we need land to develop the housing and that is why it would have been more applicable to be discussing the Land Development Paper prior to this one. This is the way we had it organized, but unfortunately that could not come to pass.

I do think that the Housing Corporation has done a very good job in this area trying to develop overall policy strategies to follow with the communities trying to figure out how we are going to cope with the situation. What I want to hear from Members here is what areas do you think that are wrong or should be modified or whatever, I just want to get a feeling of how Members feel about the various strategies outlined in the Paper.

Mr. Chairman: Yes, Mr. Lengerke.

Mr. Lengerke: Yes, Mr. Chairman, I don't totally agree with the Minister in the approach in the paper, but I must certainly concur that, you know, we do need strategies, we do need a formula, we do need some methods put down on paper that we can use. I think I say this in opposition, certainly, to the Member from Kluane who gets up and says that we need land and I can't agree anymore with her than exactly that. That is the question, that is the question of the day and has been and will be until we resolve that problem.

But all too often we certainly have got up and I've been one myself that has criticized the Government for not having some kind of plan or an inventory or whatever. So I do think that we should get off that particular hook and let's carry on here and see if we can make something worthwhile of the strategy in the paper that's before us.

The Minister did make, I think he made a statement, anyway, and he can correct me if I'm wrong, but he was suggesting that the Housing Corporation would be the vehicle for monitoring and enforcing some of this Legislation and I'm just really wondering, I don't know if I agree with that in total or not. I think it's fine for the Housing Corporation to be part of a subsidized housing program and to offer these types of programs in conjunction with CMHC, but I think it's really strictly a Government role away from the Yukon Housing Corporation to be the enforcer.

I may have been wrong in the interpretation, but I would like to hear some more comments from the Minister.

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, I don't recall at all in my statements using the word "enforcement". There is no indication in this paper that we're going to be enforcing any legislation. What we're looking at is that with the Housing Corporation Legislation the way it is now and the Corporation being a body which has representatives from all over the Territory, and I might add, some very capable people, that this can give us an insight for the vehicle that can be used by the Government to attempt to get the communities and the private sector together to get on with the problem.

All I can say is, hopefully, I would like to think that maybe on Friday the Minister will give us some land and then, subsequently, we can proceed, but, that's his decision, not ours, to make.

Mr. Chairman: Mr. Berger.

Mr. Berger: Yes, Mr. Chairman, I have two particular points I would like to make to the paper.

The one is on page 11 and this "The Yukon Housing Corporation, under Strategy A, will initiate negotiations with CMHC and chartered banks in regard to extending mortgage amounts" and so on.

I disagree with it, with the point where it's saying what's wrong with Foothills picking up some of the costs? What's wrong with the pipeline company picking up some direct costs in high-risk housing.

If you go a little further down, it says "The coming period of major economic expansion is going to bring a number of opportunities to make profit, but, it will also bring short term risks. Where those risks appear to be unacceptable," and I presume unacceptable to the private enterprises, "the government is going to have to play a direct role and manifest its confidence in the long term economic viability of the Territory."

Why? Why should the Government, and, directly, the taxpayers of the Yukon pick up those risks, which are created by private enterprise again? Why should not those private enterprise who stand to make a multi-billion dollar profit off a

pipeline project be not directly responsible for those risks? Why should they not be made to pick up all the costs of housing?

Lots of that housing won't be needed after the three-year pipeline project is done. A lot of those communities are going to face the problem of what are we going to do with empty housing.

My question, Mr. Chairman, is why is there no negotiation going on right now with Foothills and other companies directly involved in the gas transportation.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, I think the Honourable Member has misunderstood the contents of this Paper. We are not going to be building houses for Foothills. That is their responsibility. We are trying to work with them. Where there is a spin-off in the service industries to those communities that do get a large influx of permanent employees over the duration of the pipeline after it has been constructed, we are looking at trying to meet those needs, whether it be, for an example, I use the AHOP program, which was used in Riverdale, which the Homebuilders took off on after they found that it was successful. It should be pointed out with CMHC right now, their levels aren't high enough to meet the needs of an individual or a builder to build a home. We are going to have to be discussing with them, seeing whether or not they are prepared to raise those limits so that money can be available. Right now the equity that an individual, the way I understand it and possibly Mr. Schneider can elaborate, the way I understand it is that the level is set in such a manner that an individual has to put in a major equity now, even if he is building his own home in order to be able to build his own house. So we are going to have to be talking and seeing whether or not they will raise the levels. Maybe Mr. Schneider could comment on this particular area.

Mr. Chairman: Mr. Schneider?

Mr. Schneider: Mr. Chairman, in times of rapidly escalating housing prices, both in existing and new construction housing market, it has always been somewhat of a tradition with Central Mortgage and Housing to hold their lending values down in an attempt not to inflate the spiral of housing costs. I am told by a banker that this is occurring in fact today in Whitehorse to the point that many banks are relying on conventional mortgages, high ratio conventional mortgages which have a high risk to the lender of course, and consequently a good many of the mortgages now being processed by the chartered banks are now going on a conventional basis, and CMHC as a lending activity in terms of loan insurance has reduced accordingly.

This is an area, as we have indicated in the Strategy Paper, is one that we would want to monitor during a period of rapid economic expansion to ensure that people who may have substantial incomes still have the opportunity to get into the home ownership market, because if they are not accommodated in that market, there is a very real possibility that they may then slip into the rental market and distort that market and create some problems in that area.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, in reply to the Minister's statement, I do understand fully well where the pressure is going to come for housing in all the communities along the pipeline. It is going to be directly caused by the pipeline, the building of the pipeline. Nobody can tell me that it is not a fact. In other words, the community is going to be faced with an increased need of housing. Sure the Foothills Pipe Line Company are directly going to house their own workers, but there are going to be other sorts of people show up in those communities, directly influenced by the pipeline construction.

Those are direct influences on even the housing market. It is just as simple as that.

Mr. Chairman: Ms Millard.

Ms Millard: Mr. Chairman, I'm still curious if the Minister would comment on the applicability of some of these ideas to other communities. I think there is room for thought there.

Also, I'm wondering if someone could comment on just exactly what would be the relationship between a private enterprise and the Housing Corporation. Has any thought been given to some kind of structure in that, because I find that a very difficult area all the time, where Government and private enterprise are trying to work together on one problem. Sometimes they don't work and I'm wondering if some thought has been given to the structure that would implement the recommendations under, for instance, Number 3, undertake programs to assist and encourage the construction of housing, construct new apartment accommodations and to work with Foothills on projects, an adequate supply of temporary accommodation, how is the Government going to fit into that situation?

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, as I said earlier, there has already been, there has been preliminary discussions with Foothills on what they are envisaging as their needs and we're attempting to complement the strategy with them so that everybody knows what they're doing.

At the same time, it is my intention to be meeting with the Mayor and the City Council of Whitehorse to discuss this, as we did with the L.I.D.'s of Watson Lake, Teslin and Haines Junction, at the same time, hoping to meet with the home builders within Whitehorse, in this area.

It is in a very preliminary stage at the present time, and I'm sure that there will be a structure that will be set up so that it will be on an on-going basis for discussions with the private sector to see where we are going.

Mr. Chairman: Mr. Fleming.

Mr. Fleming: Yes, Mr. Chairman. Some how or other to never seem to agree with too many green papers from the Government and, not inferring anything on Yukon Housing Corporation, but I find the policies of the Yukon Housing Corporation don't fit in with the plans I would like to see for the Yukon Territory either.

So, therefore, I think we should start, not with this green paper we have here, although I suppose I am obliged to speak on it, more or less, but I'll be speaking more or less towards a policy.

I think the first thing you want to remember is that Foothills Pipe Line, as far as I am concerned, should be responsible for their housing. I don't think we have to worry too much about that situation of their 22 homes in Teslin or in Carmacks or wherever. It doesn't make any difference. That responsibility, I think, should be told to them by this Government that it is their responsibility. That's one of the first things.

As the Member behind me has said, land is the big situation there again, because they must have a place to put them if they're going to be able to build them. Then that situation is pretty well cleared up. I don't think Yukon Housing Corporation need to build houses to rent to them or get involved with it in any way, shape or form and I'll give you my reasons because Yukon Housing Corporation have been building houses for a good many years and we started out building homes, \$30 thousand homes for people who didn't have money to pay for them and pay the rent which was needed in this Territory.

We then went to building \$50,000 homes and we are now subsidizing every one of those homes, even by people who are drawing good wages. That is absolutely true.

Hon. Mr. Lang: Mr. Chairman, that is absolutely incorrect.

Mr. Fleming: A \$50,000 home and a person paying \$254 a month is not paying the mortgage on that home and I will defy anybody to prove otherwise. That home has to be subsidized, even if that person is drawing \$30,000 a year. If he is living in that home, it is subsidized somewhere along the line.

This is something I think we should look into and the government should be looking into, the type of home you build for the type of people you are going to put in that home, which has never been really done. A person drawing \$20,000 a year and living in a tent, and then is going to move into a home, does not need to live in a \$50,000 home. I don't live in a \$50,000 home, and therefore it is not subsidized, and I think it may be a laughing matter to them, that is why they don't really check into these things. It is not a laughing matter to me. A person that doesn't have the money and is put in a home that is far beyond what he has ever lived in before can't afford to pay for it, those are the basic facts of life. Therefore, let's build him a home he can afford. We can build cheaper homes. There are all sorts of different grades of homes, but we seem to be going along, there has just got to be a home built for \$50,000, put somebody in it whether he can afford it or not. I don't agree with it. I think we should see that there are different levels.

As the Member from Watson Lake has said in the no compounding area, I have to agree with him to that extent, but again, the same principle applies there, you have got to be very careful. If you are going to build \$50,000 homes there, you are going to have that class of people in those homes normally. So you have to be careful there.

The problem that I see here today is that we never had any land availability for people to build homes, therefore, there were no homes built, therefore the price of homes are twice as high as they should be, the price of land is twice as high as it should be, and as long as we go along with that concept we will always be there. I say turn it loose to some private enterprise and I say make land available and that's the first thing. How we do it, I don't ask the Minister here to do it today or anything, I know the situation he is in, but I still say we have got to get at that first and get it done. If we can't get land, then I say we had better not go trying to build any homes where there is no land to build them on. Let's get with the first things first.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, the various comments that have been made up to now are very confusing. One minute we are being told that we are not supposed to be working with Foothills to attempt to see what kind of a housing development we could have in a community, depending on what the community wants; and then at the same time, we are being accused of putting houses off to the side as a compound.

All we're trying to do, through this green paper, Mr. Chairman, is to attempt to come up with some various strategies and policies that we can be looking at and following with the communities and the private sector to mitigate the problems that will be confronting us within the next couple of years, depending on the timeframe of the pipeline.

I also want to say, Mr. Chairman, in respect to the housing that was built prior to my being in the Executive, that possibly in some areas there was some mistakes made, but I am sure that they were made honestly. But I do, Mr. Chairman, resent anybody stating that somebody is in a house and not paying the rent comparable to what he or she should be paying according to their income, because that is a total and absolutely irresponsible statement.

Mr. Fleming: I never said—.

Hon. Mr. Lang: You did say.

Mr. Fleming: I never said, Mr. Chairman, they weren't paying according to what they could pay. I am saying that we are building homes now and those people, and I'm saying \$254, in that range, in some instances, where people are drawing, say, \$20,000 a year. Okay, they are paying more than that, but they're not paying the total of that mortgage so, therefore, even though those people have that type of wage, we are subsidizing those homes. In other words, the middle class now is being subsidized and, as we build the houses and they cost more money, it could happen even with a person drawing \$30,000 a year.

As for the remark that was made that Foothills, that was an issue by itself. What I was speaking of after that was the housing in the Yukon, for Yukon people and residents, people who will be coming in on pipelines.

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, I would like to refer to Mr. Schneider, the General Manager of the Housing Corporation, to explain how the houses that we do have under the auspices of the Housing Corporation are rented out to the various people that need the housing in the outlying communities, and in Whitehorse for that matter, so that the Honourable Member from Hootalinqua fully understands. I think it was explained one time before, Mr. Chairman.

Mr. Chairman: Mr. Schneider.

Mr. Schneider: Mr. Chairman, subsidized housing throughout the Yukon is rented out to people on a basis of rent geared to their income. This is a graduated scale.

What it means, in effect, is that anyone earning over \$1,100, I believe, a month, pays 30 per cent of their income. Therefore, a person earning \$20,000 would be paying \$6,000 worth, \$6,000 rent. That, if you work that back, will carry a sizable mortgage and probably would finance a \$50,000 house, if that, in fact, was being built by us.

Hon. Mr. Lang: Mr. Chairman.

Mr. Chairman: Yes, Mr. Lang.

Hon. Mr. Lang: I just want to make one more comment, that if the housing is being abused and the Honourable Member knows of particular cases, he should be coming to me and the Housing Corporation to let us know, because I think that that type of allegation reflects on some people that are making, utilizing the housing that need them.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: I have a question for the Minister, or the witness in this case. Say there is 25 per cent of the wages or of the person's income, is this in all cases of rental homes, the homes that are under the Yukon Housing Corporation, such as the homes in Carcross, Teslin, in all instances? Is it set by the wages or by income?

Mr. Schneider: Mr. Chairman, with the exception of staff housing, which is on a comparative market rents, all public housing is leased or rented on a rent geared to income table. Incomes less than \$1,100 a month pay on a graduated scale. It cuts off, I believe, at \$1,100 a month where 30 per cent comes into effect, and anyone earning greater than that is paying in effect 30 per cent of their income for fully serviced accommodation.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Mr. Chairman, I will quote a couple of houses in Carcross that are being rented now, by the Department of Public Works, one of them. I would ask if that house is being rented under that auspices that you say, 25 per cent or is there a rent for that house which is 264 or 254, a certain price for that home, regardless of that person's income.

Mr. Chairman: Mr. Schneider?

Mr. Schneider: Mr. Chairman, the houses referred to, I believe, by the Honourable Member are staff housing units and they do not come under the rent geared to income scale. We have a comparative market rent established for those particular units, and an individual who pays that comparative market rent is also responsible for the costs of their own utilities. There are two different programs and two different approaches.

Mr. Fleming: Yes, Mr. Chairman, just to clarify the matter now, Mr. Chairman, that I was not trying to say that somebody wasn't paying his share or anything like that. I am just saying that that home and if they want to quote how much is being paid for that home, we are subsidizing that home and the person that is in it. In this case it may be a friend of mine, but he knows who he is. We are subsidizing a home where a person is working and drawing about \$20,000 a year and we subsidize homes for him. There is no problem if that is the way we want to do things, okay, if you wish to subsidize homes to people that are drawing \$30,000 a year, go ahead; but the fact is that we are doing it.

Mrs. Watson: Mr. Chairman, I think the Honourable Member might have a good point and I am not going to pursue it any further, but when you take the cost of a house and the mortgage payments, plus the utility costs, plus the normal insurance that the private owner would have to have, plus the taxes that the private owner would have to have, plus the upkeep and maintenance costs, this changes the picture of the cost of operating that home quite extensively and I also think that when it is based on salary, I think there is some factors written into it such as the number of children in the family, the age of the person who is applying for it, the rental; these are factors which affect the rent structure too.

So the Honourable Member from Hootalinqua could be very, very correct in the fact that these people, that they are in fact being subsidized and the point he is trying to make is why do we have to have that expensive houses?

Mr. Chairman, I stood up here and I prefaced my remarks by talking about land availability and I prefaced my remarks by saying I understand why this type of work had to be done. I prefaced that, twice. This is the third time, please take note.

Mr. Chairman, the basic factor of land availability is there, we can't ignore it. I agree with some of the statements that are here, I agree with strategy (b) on residential planning on the discussion with the City of Whitehorse, the possibility of a conversion program.

I think this is a good strategy. The Housing Corporation initiates it with the City of Whitehorse. If the City of Whitehorse isn't interested, I'm sure that the Housing, or I hope that the Housing Corporation would not pursue it any further.

If they can provide them assistance in this regard, this is fine. But in Strategy A, I would hope, and this is the point I was trying to make, "That the Yukon Housing Corporation take a lead role by initiating a co-ordinated planning process in each community".

You can't do that by going to the community. Your co-ordinated planning process should be carried on with the federal government and all government agencies that will be using that community. Once you have got your co-ordinated planning process resolved with that group, then you go to your community and talk your housing strategy.

Once you've got RCMP committed to go along with the housing in a developed area that YTG chooses, great. Once you've got Environment Canada, all of these things, once you've got the land, then go to the community and discuss a planning process of whether it should be for private enterprise, whether the Government should provide the housing,

whether Foothills should provide the housing, with the information regarding the financing. I couldn't agree more.

But as I said before, all you do, if you try to involve your communities in a planning process now when they know you can't deliver the goods, that all you do is frustrate them.

Mr. Chairman, I would also agree with Strategy C, and again, with the City of Whitehorse. As I said before, these things can roll with the City of Whitehorse, fine. The Yukon Housing Corporation play quite a role and if the City of Whitehorse is not interested, I would certainly like more information regarding the financing and not for the proposed financing, with the various options for financing.

I don't understand some of them and I would like to have a little more information made available to us because I don't particularly understand this concept of financing your housing, but, where you say "the delivering of housing where the private sector is unable to provide speculative housing in Haines Junction and Watson Lake, the Yukon Housing Corporation undertake programs to assist".

Well, the private sector can't plan, and the Yukon Housing Corporation can't plan either.

I would also agree with the Members who represent areas that are not in communities that are along the pipeline route, that this strategy I would hope would apply to all communities in the Territory.

The one thing that I have here where it says "Housing Strategy for Pipeline Impact", we have the Shakwak Project, a ten-year project, while it is not going to conflict with the pipeline, it's still going to be in the area for that ten years and it's going to be in the area while the pipeline is in the area, in the general North Highway area. That makes the situation even more an emergency situation.

I am very pleased that the Housing Corporation has done some strategy work for housing for the Territory. I think they're going to have to do a lot more after things fall into place a little more. In fact, they could do it now for the North Highway. It's needed badly because of the Shakwak Project and it is scheduled to begin this year.

This is a very sad thing that the Housing Corporation should be putting their attention on that area now and they can't. There is no use. Mr. Chairman, they have worked on it, we have needed the Housing Corporation to work on it, and they have worked on the Rent Stabilization, which is good, the paper before us. But I would like to have quite a bit more information on the type of financing that they are proposing to do with some of this housing.

Mr. Chairman: Ms Millard?

Ms Millard: Thank you, Mr. Chairman. My question seems to get lost in the shuffle here. I will ask it again, for the third time. Is there some possibility of the better parts of this paper, which are coming out, to be applied to other communities other than the pipeline route?

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, I can't see any reason why they would not be applied. Of course the Honourable Member from Klwane has alluded to the financial aspects of the housing and attempting to meet the needs wherever they exist. This is a case of negotiations and attempting to find out where the financial matters are going to stand. But I cannot see any problem with looking at the other communities. For an example, with the concept of an apartment block, the Housing Corporation has had active discussions in the area of Faro where YTG is looking at maybe taking two or three apartments and some other people in Faro taking the remainder of an apartment block, and subsequently that would give an entrepreneur, guarantee him, some revenues back on his investment. I can't

see any reason, Mr. Chairman, possibly Mr. Schneider could elaborate a little further.

Mr. Chairman: Mr. Schneider?

Mr. Schneider: Thank you, there are definitely areas in this Strategy Paper that could be applied to other communities and that was our intent too, although this Paper, of course, doesn't spell that out. The complementary strategies, for example could apply to other communities. That is where we would continue to assess and monitor the need for additional housing under the rent supplement scheme, and the Minister referred to that in terms of encouraging an entrepreneur to build an apartment in a community, other than a pipeline corridor, where we would lease over a stipulated period of time, a number of units, along with other people who might be interested in a long term lease, therefore making it a fairly attractive investment for the private sector.

In fact, Strategy B, the complementary strategy has already, to a certain extent, been extended to the outlying communities and it represents a considerable change in the Housing Corporation's thrust. What we are saying in that strategy is that if a community wishes to have more subsidized public housing in their community, the L.I.D. is going to have to come forward and indicate by resolution, by whatever form, that need and support that need and we will act on it from that point of view, rather than what happened in the past where we would simply go into the community after assessing the need and build the housing. Now this may involve, in certain communities possibly some financial participation. So all the way through, there are parts of this that could apply to other communities.

May I also say that our relation to the private sector in terms of this paper is one of facilitating a process and that is what we mean when we discuss taking a lead role, simply to bring together the people that are involved in the supply of housing in the private sector. That, of course, is your building trades, your mortgage lenders, and the L.I.D.'s, all the people and agencies involved in providing housing.

That's the only role that we see ourselves taking and, in the event that that doesn't, for various reasons, provide the needed housing, then we may have to take a more direct role, but that, of course, is clearly a last resort and I hope we've indicated that in the paper.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Yes, Mr. Chairman. I think some of the comments were already made that I wanted to make, but I would like to just say that I realize that, as the Member from Kluane said, land is number one and then the next consideration is certainly the cost of the housing or the type of construction.

Then there's two other factors that really enter in the formula and that is the down payment and the rent and the payments that people have to make. I think this certainly has a great bearing on the type of programs that we provide.

I see in the paper here, the Rent Supplement Program is seen as the main vehicle and it's mentioned a couple of times. I'm wondering is this really the policy of the Government?

I would expect and I would ask maybe on a broader sense, has the Government really made any approaches to Central Mortgage and Housing and have thought about, say, using the monies that are now and, I haven't got that paper before me, I have no idea how many dollars are expended in the rent supplement program, but what if you took those resources, those financial resources, what if you took the resources of the cost of operating the Yukon Housing Corporation, the total dollars, the total budget and you approached the federal government to see if, in fact, we could come up with some kind of, I would say, a mortgage subsidization program?

Because I think that if we could have lower mortgage rates in the country, and I'm probably saying this one a broader basis, this would be the way to go and I think there could be some strategy developed, in particular for the north country.

Has this type of approach been used? Have you been talking about it? I'm sure Mr. Schneider might be able to remark on this. Is there a way of using our pipeline situation. We've talked of Heritage Fund. Is there a way of using this?

We should be talking of that type of a situation, to get better mortgage rates available to our people in the North.

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, I refer that question to Mr. Schneider, if he could explain fully the rents supplements program and then, subsequently, the northern mortgage rate that's available here.

Mr. Chairman: Mr. Schneider.

Mr. Schneider: Thank you. The Rent Supplement Program, Mr. Chairman, is a program where we lease apartment units from the private sector and the private sector, that is the owner of the apartment, charges us the market rent. The individual going in under the Rent Supplement, pays rent geared to his income, which, in most cases, is less than the market rate.

The difference between what the individual pays and the market rental rate is cost-shared between ourselves and CMHC on a fifty-fifty basis. That, really, is the gist of the Rent Supplement Program.

We think it has wider application in communities outside of Whitehorse for, particularly, senior citizens, single parent families, a host of people who couldn't afford home ownership and can't afford the going market rate.

Now in lower mortgage rates, interest rates, that is an area that while we haven't had any specific discussions with CMHC or Federal authorities, whoever they may be in this case, is something that we would probably pursue under the strategy having to do with money and mortgage lending. If it was the wishes of the government and they had monies available from whatever sources, then a mortgage program which would provide preferred interest rates to Yukoners and possibly based on a period of residency and a number of other factors could be made available.

We have the capability to develop the program if it was the wish of the government, and these are many of the things, I am sure that we will have to look at in the coming months and years.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, it has been a long time in the reply, but I have to bring this up to get what the Honourable Member from Hootalinqua mentioned before in this rent. If the Minister recalls, it was early in November when I asked a question in this House about rents in Dawson and the Minister replied to me he cannot give this information out in public. I had the same reason to ask as the Honourable Member from Hootalinqua mentioned. There were cases where the whole thing was misused. The whole rent structure didn't make any sense because people who worked for a living paid twice as much and some cases a little more than that even, and then the guy who was renting such a house was in business at the time as a matter of fact.

This didn't make any sense to me, but the Minister said to me at the time, "Sorry I can't give you the information, that is secret."

The other thing I wanted to point out too was to ask a question, and the question seems to be disappearing in this Committee right now. My question was, are there any negotiations going on right now with Foothills directly to offset some of the

costs of housing, which Yukon Housing may have to build along the pipeline route? The other point I would like to make, Mr. Chairman, is either this Yukon Housing Corporation goes into the housing market wholeheartedly, and gets the wholehearted support from everybody, or we might as well forget about it. Why pick up the high risk housing in this Territory. Why pick up housing which the private sector refuses to go into, because the Yukon Housing Corporation is going to be condemned for it forever. Look at the Government housing, listen to the people talking. Everywhere you go, Yukon Housing Corporation housing is no good for anything. Why should the government pick up those risk things? Why shouldn't the government go into good paying housing propositions too and compete directly with the private sector, why come up with a hard-hearted approach, "Well we may go into housing or we may not go into housing." You either go in it or forget about it.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, I think quite obviously we don't share the same philosophies. It is my contention that we should be doing everything we can to encourage the private sector to do the building and wherever possible attempting to encourage people to own their own homes.

So that we're not in the position where, in some cases, having to put in programs that could possibly be abused.

Mr. Chairman, and I think that this reflects this is that we're going to be getting together with the private sector and attempting to see what they're prepared to do and try to make various options available to them so that they go in to the building of housing where we see that there is going to be a need. Otherwise, in the final analysis, we know that everything comes back to Government.

If a problem arises in a community, if the private sector doesn't take care of it, then it's the Government's fault. That's the general trend today, in 1978, throughout North America.

What we're trying to do is get some organization so that the private sector does know that the Government is interested in what's happening in the communities and we're prepared to provide expertise and this type of thing to ensure that when they invest that they will get a return on their money and that, at the same time, they're fulfilling a need that the Government doesn't have to fulfill.

There are some areas that the private sector may be discouraged or may not feel that are good investments and there may be a temporary need which we may need to have to take care of. We don't know. We're looking into the future and I realize it's a very subjective area when you're looking into the future, two or three years down the road, but we're attempting to do that.

I'm not saying here that myself or the Housing Corporation has a crystal ball, but we're attempting to do some planning, as all Members asked here, approximately six months ago. They said that they expected the Government to be taking a lead role and in some areas we are going to have to.

But at the same time, I think that obviously the Member Klondike and I don't have the same philosophy. I believe in the private sector. I think that they're capable. I think in most cases they will accomplish what is requested of them.

I think that if we're working with Foothills and they're working with the private sector as well as ourselves, I think that we can complement the necessary buildings in the outlying communities where, at the present time, it doesn't look that speculative to the private sector, that it can be encouraged and it will come about.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, I wonder if I could ask a

couple of questions of Mr. Schneider? The Honourable Minister talks too much and you don't quite get the answer and I would like a specific answer on the financing.

Hon. Mrs. Whyard: Look who's talking about talking too much.

Mrs. Watson: And says nothing, so, Mr. Chairman, may I ask him?

Mr. Chairman: Continue.

Mrs. Watson: I would like to know whether Mr. Schneider has any idea of how much mortgage monies were available in the Yukon last year, or this last completed year and they would probably be through the banks in Whitehorse, and what you think will be required over the next three or four years for mortgage money within the Yukon to meet the housing needs.

Another question, also, will there be a danger that the demands for financing of the large entrepreneur for apartment blocks might sort of take the bulk of the financing so that the single family dwelling won't be there and also the same thing, that the bulk of the financing, the threat to accommodate the pipeline impact will sort of push the other communities so that the financing won't be available for the type of housing that should be an on-going thing in other communities.

Too many?

Hon. Mrs. Whyard: How many questions is that?

Mr. Chairman: Mr. Schneider.

Mr. Schneider: Mr. Chairman, I don't have any figures on last year's mortgage financing that was available through the chartered banks or CMHC directly. That information, I suppose, is available and would be contained in probably housing statistics available through CMHC.

But we could probably work it backwards and just take the building permits that were issued and take an average cost of \$50,000 or \$60,000, which would give you a fair indication of the amount of money that was available for housing.

With reference to the question of apartments that they in fact may capitalize most of the mortgage money available, and therefore we could possibly see shortfalls of mortgage money in other areas, this is one of the things that we, of course, would want to monitor very closely to see if these things in fact do develop, and if they do then we would be pushing the private lenders and CMHC for additional money.

A copy of the Green Paper, for your information, was sent to CMHC and we would hope, of course, to have some discussions with them on the availability of mortgage money in both direct and insured and NHA funds. Another approach that we would probably take, is that we would periodically meet with the lenders and the building industry to get a better idea of what is taking place in the marketplace and when it is both in the short and long term in order to identify any areas that may give us some difficulty and take appropriate action at that time or develop programs in order to circumvent any difficulties.

I think that there would be no great difficulty in terms of residential mortgage financing. The banks are very active in that area and you may recall years ago they weren't. Through the efforts of the former Assistant Commissioner, he twisted a few wrists and so forth and the money has been flowing ever since and I don't see any shortfall in mortgage money. In fact, the conversation I had with one of the local bankers at noon today indicated that they are very active and will continue to be active. But some of the things we have to look out for are higher interest rates and things of that nature that may in fact prevent some people who are earning substantial wages from getting proper funding, yes.

Mrs. Watson: Mr. Chairman, a supplementary, a few years ago there was a second mortgage program that the

Federal Government and the Territorial Government, I believe, or the Federal Government provided for the Territory buildings. I wonder if this is being investigated, or whether in fact this was a good scheme. Wasn't it the one where you had \$1,000 forgiven and the people were very anxious to get this. Is this type of thing being pursued too?

Mr. Chairman: Mr. Schneider?

Mr. Schneider: Mr. Chairman, I believe what is being referred to is the Yukon Second Mortgage which is provided through the Department of Treasury currently. My understanding of that program is that it was implemented because there was a shortfall between what the banks were lending in terms of NHA insured mortgage and really what the market was at. People were sort of being strapped, and I have indicated in my previous comments that that type of situation could develop in the future and that we should be watching that rather closely and maybe looking at that program in terms of expanding it, making it more attractive for Yukoners, there is a host of things you can do when it comes to the financing of a house, but that program, since the banks have become more active and are currently involved in conventional mortgages, which they weren't about two years ago, means that they can now lend to higher limits and consequently I think the take up of the Yukon second mortgage isn't as great as it was in previous years.

Mr. Chairman: Mr. McCall?

Mr. McCall: Thank you, Mr. Chairman. I have listened to the discussions with some amusement, some of the remarks that the Minister has been stating and various Members of the Committee. I find it rather amusing and interesting that it reminds me of a long playing record and it is completely and totally worn out.

All you do is get a lot of static and scratching and you don't get true sound.

Hon. Mrs. Whyard: Clean out your ears.

Mr. McCall: There's been reference made to high-risk land being non-available, housing and the types of housing, who should be involved whether it be private enterprise as opposed to government involvement and we have an agency which is called the Yukon Housing Corporation, which is somewhere along the lines involved and we get the run around when individuals are asking questions which are relevant to the concerns that each of us have in each of the communities.

There was reference made to an apartment building in the Town of Faro, being my home town, which is not a new episode in this whole mishmash mess. This was on the books right back in 1973, by Yukon Housing Corporation and money was budgetted and made available and it never did get off the ground, simply because somebody got their feet stuck in the concrete.

We're back at it again in 1978, when the interest on mortgage money is extreme, if that's the word to use, Mr. Chairman. I know there has been many questions that this Committee asked today and the days gone by, about the availability of land and every time we get the negative answers back from people who are representing various agencies, like Yukon Housing. They always seem to be able to find very easily a crutch on which to lean on and then point the finger and say, well, no, that's not my problem, that's the federal government or some other occurrence which restricts the movement of availability of land.

I think Mr. Berger pointed out a point about the Foothills Pipeline and the shortfalls which are now surfacing, which the taxpayer in the Yukon is going to be made to pick up some of the costs, houses that supposedly are available to government employees.

I often wonder, sometimes, how this Government of ours in

the Yukon functions, because if it is to set an example, I don't think it's really setting a good one, when we have a Yukon Housing Corporation that prefers to cater to people in need, that is homes and the establishing of subdivisions in such places as Whitehorse, rely on the entrepreneur to establish, shall we say, housing in the communities as well, in a non-competitive type of situation.

We hear the Minister mention that he would not like to see the Government really compete with private enterprise or get involved where they are the better of the two as far as setting a good example in the construction of homes and making available subdivisions or property.

So, I wonder, really, just what we're doing with Yukon Housing Corporation. Maybe we should scrap the whole idea and maybe use that as the factor for further study, like the green paper suggests, the alternatives and ideas which are not new. What has happened in the last ten years? Is this going to enable us to do further studies for the next ten years where mortgage money or capital investments are not going to be available?

I recall not very long ago, Mr. Chairman, where a certain functioning body or agency of this government had lots in Faro for quite some years. Now the costs of those lots have just gone right out of sight, yet when the government agency put in those lots or established those lots for the purposes of building homes, they were at a very low price, very competitive at that point in time, but now they have tripled in costs. Is that part of the strategy of the government by presenting us with green papers to use as a pacifier, not really take any notice of communities' problems and frustrations and the general need that housing is needful in various areas.

I often wonder, Mr. Chairman, whether it is really necessary, because I can sit and joke all day as well. I don't think perhaps, with all due respect, any of the Ministers really realize some of the problems that a person has in the Yukon today trying to acquire one, a lot or a piece of land or a home and the cost to establish that home. All situations are not the same. We have heard about the type of rental system we have and the suggested areas where people or individuals are ripping off the government. I often wonder just how serious the government really is in their housing needs and what is needed in the Yukon. Perhaps we are all responsible for that, we are using the pipeline as a crutch for many explanations as to why things are not going to be done. I don't know, but I think the way we are going, I see no reason why green papers such as the one being discussed now should be even brought into the House, I think it should be a form of legislation. You have had lots of time. A lot of these items in the Green Paper are not new. I don't like to see input after the fact.

Hon. Mrs. Whyard: He is the one who doesn't want Legislation without input.

Mr. McCall: I don't like to see input after the fact.

Hon. Mrs. Whyard: We are asking for input. Let's hear your ideas.

Mr. McCall: As I said, Mr. Chairman, I have already put forward one idea which probably will be going into later on today, which is probably going to kick back right in your face as to a leading role. Today any agency for the government takes a leading role, it will probably be a first, because they usually come in when it is too late to try and pick up the pieces and put them together.

If you want the input now, what has been happening for the last three or some years that Members of this Committee have been around and they have been voicing their concerns in many different ways on many different problems dealing with housing? What have you done about those concerns? Is that part of the Green Paper? I am assuming it is. Now you are still insisting upon input. I don't like to see window dressing when

there is nothing in the store, and when there is nothing in the store, don't talk and don't ask for input, because that is a ludicrous way of operating.

If you are presenting a green paper, then you should be very forward in your thinking. Thank you, Mr. Chairman.

Mr. Chairman: Yes, Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, I would just like to make a few comments.

It is so easy to criticize. I never got much chance to be on the other side since the time I've been here and I seem to recall that this particular green paper was tabled here approximately three months ago and I don't see anything of any constructive answers to this paper coming from the Honourable Member from Pelly.

I do disagree with the Honourable Member, though, that I think there are Members in this House that have either purchased or built their own homes, paying for their own operation and maintenance of those homes and they know what the costs are to them, on a daily basis, which I don't think the Honourable Member realizes.

I think that the Honourable Member is in an area that he has totally forgotten about or has never ever known throughout his whole working career. So, I would say to the Honourable Member that there are people here concerned about the people paying the bills. This is why the paper has been designed in such a way that the private sector is take the responsibilities so that we don't have to put great amounts of taxpayers' money into the area where there has to be housing developed.

I think, at the same time, Mr. Chairman, that the Housing Corporation, mistakes have been made in the past, honest mistakes, I'm sure, but, at the same time, I think that it has fulfilled a need in many of these communities, where, for an example, the witness has referred to a widow who is left with children and senior citizens and this kind of thing. I think it has fulfilled a need that I believe we have an obligation to attempt to fulfill.

So, Mr. Chairman, with those remarks, I don't know what more can be said about the paper. There doesn't seem to be anything of any constructive criticism coming across the floor. I'm not sure where we should proceed from here.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Yes, I think I must have missed something when the Member from Pelly was speaking, I really did. I would just like to ask him if he was a storekeeper, what would he have in the store and how would he accomplish getting those things in the store. I think I would like to know that.

Before I sit down though, I'd just like to also make the comment that while the paper on the housing strategy leaves many questions, and I think this was this was the idea of presenting it. It does give us some alternatives. It does give us some flexibility and just with that I commend the Government, or the people that provided the paper on that basis.

As I say, I think there's many other alternates to it and it's certainly up to us. It's our responsibility as individuals, if we so feel and feel that we're the experts, that we should be presenting those alternates to you.

But, maybe the Member from Pelly could tell me, really, if, as I say, what would he have in that store and how would he get it.

Mr. Chairman: Mr. Berger.

Mr. Berger: Yes, Mr. Chairman. I only waited for half an hour to ask the Minister to provide an answer to my statement.

Hon. Mrs. Whyard: I can't hear you.

Mr. Berger: Well, somebody said to wash his ears, so should somebody else.

My question is, Mr. Chairman, how many housing units were sold, because he talked about the people owning houses. How many housing units were sold on the rental purchase plan, which this Government supposedly has?

Hon. Mr. Lang: Mr. Chairman, I don't have the numbers offhand. I know that there's a number that are under negotiations for sale.

Maybe Mr. Schneider could respond to that question.

Mr. Chairman: Mr. Schneider.

Mr. Schneider: This is just off the top of my head. In fact, we just did a table. I requested that a table be done on the number of units that are being sold and I can't remember the exact number but I remember a figure of probably in the area of three quarters of a million dollars of sales have taken place under rental purchase housing, sales here in Whitehorse, Watson Lake, and Haines Junction, although in Watson Lake and Haines Junction, they may be in process but they are not completed yet.

I have had an indication that an individual in Dawson City is interested possibly in purchasing, and I would hope that this would be repeated in other Yukon communities.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, this is just one of the things that the witness has said that I brought up before. I find that when you are very critical of the government and wish to criticize them, they aren't listening after that if you want to explain or be helpful, even in explaining for them. If you criticize them a little they immediately back off and say, "Ooh, we don't want to listen to the rest of your story anyway." But I think from criticism many times, the government and the Yukon Housing Corporation and Flo, if she wishes to listen, may learn a lot of things and find out that we could be helpful.

As the witness has just said, there are some homes that are being sold and my point before was that if, in planning, you plan to meet the demand first, of course, in what the people need, and then also meet what they can pay, and then go beyond that and meet what they are accustomed to having and what they live in and not build a castle for a beggar. This is the point I was trying to make. Look at the situation and try to see if there is somewhere you can't come up with homes that fit that lower class people, second class, up to first rate, rather than just build homes, put people in it, and you have, as I said before, a \$50,000 home with a beggar living in it, and it has to be subsidized somewhere.

As an example, and I must give this example again I think which was folly, is in the Carcross area where there are a couple of homes built now and I am criticizing again, but just listen to it and maybe don't let it happen again, where two or three or four log homes were built and I don't think this was taken into effect of what type of home they need there, what wasn't looked at at all is the planning, planning must have come from somebody, I don't know where, but his ideas are out of this world and I have to say that. Those homes could have been built much cheaper with a little planning, and just looking and saying what do the people have to have to live in. Do they need a house that is built with corners all over the place with chunks sticking out here and there.

These things are the things to look at. This class of people, probably I am very right in saying this, because I have talked to them there, would like just a home. It is modern enough, but plain. It doesn't need to be \$50,000. They could afford to buy that home maybe. I would hope that they would look into this situation a little bit better than they have in the past.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, I think the Honourable

Member has raised a good point and I think that for an example with the first homes built under the Rural and Remote, I think the Housing Corporation has learned a lot of things and those opinions that you have expressed will be taken into account. I think they can learn a lot from it, but at the same time, I think it should be understood, Mr. Chairman, that homes, even if they are log, do cost a lot of money. There is no way that there is a free lunch anymore, I will tell you, because the cost of building materials and that are just raised astronomically and the costs are the same to government as they are to private individuals building their own home, which probably the Honourable Member from Pelly would like to comment on.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I'll be very brief. I just want to make two points and one is that the Yukon Housing Corporation, unfortunately, in the opinion of some Members, is not in the business of building houses to sell to the general public. That is not its responsibility. Its responsibility is to be in the field of providing housing for people who cannot compete in an economic market to obtain such housing and there will always be people who need that kind of assistance from a government corporation or agency.

There is no way that the Yukon Housing Corporation should be competing with private enterprise in the provision of housing for sale in this country. That's my first point, Mr. Chairman.

My second is that there is another paper in Committee, before the Members of this House, regarding land and the provision of land and there is a paper here before us, at the moment, regarding housing and policies for housing and every Member of this Committee knows why we are considering housing instead of land first.

My final point, Mr. Chairman, is that if this Government waited until the door we've been beating upon for so long finally opens, which it will very soon, I am sure, Mr. Chairman, and we find that land and it's available to us know, we would be the butt of ridicule in this House if we did not have a housing project proposal ready before that day. So don't ask me to wait until the land is available before we start to plan how we're going to use it.

Mr. Chairman: Ms Millard.

Ms Millard: Mr. Chairman, I think a lot of times we're getting away from the principle that's in the green paper and getting on to things that should be brought up in the budget, as far as I'm concerned.

But I do have a motion, just to sum things up. Moved by myself and seconded by Mr. Lengerke, that the green paper on Housing Strategy for Pipeline Impact, be approved in principle and taken back for further elaboration in the area of land availability, financing and a further clarification of the role of Yukon Housing Corporation in relation to the planning process at the municipal level.

Mr. Chairman: Mr. Berger.

Mr. Berger: I still have had one of my questions not answered and I'm going to ask the witness, Mr. Chairman, is there any negotiation going on at the present time with Foothills to pick up some of the costs of the required housing needs along the pipeline route.

I have another question, Mr. Chairman, has Yukon Housing Corporation earmarked any funding at all out of the \$200 million loan set aside by the federal government through Foothills for housing needs.

Mr. Chairman: Mr. Lang, would you care to answer those two questions?

Hon. Mr. Lang: Mr. Chairman, at the present time, it is

our understanding that Foothills will be providing the financing or building the homes that are necessary for their employees and we are assuming that that is their responsibility.

The second question, about the \$200 million, Mr. Chairman, I don't even think the Prime Minister of Canada could answer you right now. We don't even know what the terms and the conditions are of the money that is available. You know that the Pipeline Legislation is being discussed in Ottawa and we do have a member of the Executive Committee that has been called down as a witness to discuss the Legislation, so, therefore, Mr. Chairman, the second question we cannot answer at the present time. Until we find out what terms and the conditions would be put for the money that would be available, we couldn't even make a decision whether or not we're prepared to borrow. We may be prepared to do without.

Mr. Chairman: We have a motion before the House.

Moved by Eleanor Millard, seconded by W. Lengerke, that the Green Paper on Housing Strategy for Pipeline Impacts be approved in principle and taken back for further elaboration in the areas of land availability, financing, and a further clarification of the role of Yukon Housing Corporation in relation to the planning process at the municipal level.

While the Members are considering that motion, I will declare a recess and when you come back we will call question on the motion.

Recess

Mr. Chairman: Will the Committee come to order please. The resolution before the Committee was moved by Eleanor Millard, seconded by W. F. Lengerke, that the Green Paper on Housing Strategy for Pipeline Impacts be approved in principle and taken back for further elaboration in the areas of land availability, financing, and a further clarification of the role of Yukon Housing Corporation in relation to the planning process at the municipal level.

Any discussion? Yes, Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, in speaking to the Resolution, I would like some clarification. It says "elaboration on the areas of land availability, financing, and a further clarification of the role of Yukon Housing Corporation". As I pointed out in my opening remarks to the Green Paper that these were general policies and strategies outlined and that any course of action that was decided, the decision was made by the Government to proceed with is that it would have to come through this Legislature whether it be by a policy paper, whether it be by financial appropriation or whether it be by legislation. I would like to point out that the Yukon Housing Corporation is not the agency responsible for the availability of land and I think that, as we stated earlier, there is a Green Paper on Land Availability to Members here and I would like some clarification why that is in there as well as the role of the Yukon Housing Corporation?

Mr. Chairman: Ms Millard?

Ms Millard: Yes, Mr. Chairman, I have put in the words "further elaboration" because I thought they were nice and general so that the Minister could act in whatever way he felt in bringing us back further information on land availability and financing, not that it may be associated directly with the Housing Corporation, but certainly the questions that have been brought up have been dealing with whether or not those basic things are being worked upon and we would like to know, just a report in the budget session or something of what further steps have been taken in those areas and certainly the clarification of the role of the Housing Corporation in relation to the planning process. Those things should be being clarified at the Executive Committee level at this point, I would think.

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Well, Mr. Chairman, I have no problem reporting back to the House as things develop, as long as that's the understanding to the Members of the House on the contents of this resolution.

I can't promise when I would be reporting back, but once things develop I'd be prepared to bring back a report to the Members to inform them what is developing.

Mr. Chairman: Any further discussion.

Motion agreed to

Mr. Chairman: That concludes our discussion on this green paper and we'll proceed now to a discussion of the Home Manufacturing in the Yukon.

Mr. McCall: Thank you, Mr. Chairman.

I have a lot of reservations dealing with this particular green paper, I've been waiting so long for it to come into Committee.

As probably most Members already know, I was the initial sponsor for the first study to be done and completed, which is very impressive from my point of view, displaying the point that the home manufacturing industries were very viable in the Yukon.

Then I further presented the motion or resolution to enhance that first initial study, which the green paper is the result thereof. But I am a little disappointed because, as we talked on the previous green paper dealing with housing and the impending pipeline construction, for the last couple of years, since the initial study was done, we've been in a position where the Government as they already stated through the witness this afternoon, could play a leading role in the establishing of a home manufacturing industry.

But that's not what the green paper is suggesting, Mr. Chairman. In the initial motion or resolution, it was suggested that further information on promotion is required and seemingly this is all that we've got from the Government, which is a green paper.

It also suggested in the motion, detailed analysis of the marketing and examination of various financial aspects. This summary, which is attached to the green paper, was taken out of the initial study, which was done a year or so back.

It goes on further in the green paper, "Furthermore, the existing manufacturers in western Canada are not likely to provide the necessary initiative". When you're in a competitive market like modular home manufacturing or mobile home manufacturing, I suppose one wouldn't expect any initiative to come from an industry south of the border.

It further goes on, "they are already supplying much of the market, which we have already stated, if the project is to succeed", or should I say, proceed, "the local business community must provide the initiative." I don't believe that they should provide the initiative when we, a moment ago discussed the previous Green Paper dealing along the same line which is housing, land and that sort of thing when on one hand, the Government is saying that they would take a leading role, which I would term as an initiative, in a direction of construction of homes, et cetera, et cetera.

I was wondering if the Minister for Education could assist me here, whether or not there has been any in depth discussions dealing with the establishment of this industry with the private sector in order to establish an initiative of encouragement, not any financial commitments from the Government.

It goes on to mention that Foothills Pipe Lines has already agreed to purchase locally those products that can be supplied at competitive prices. We have lost approximately two years since the first study was completed. I was wondering again, maybe reiterating my first question, I know the Green Paper was presented by the Assistant Commissioner, what initiative

has the Government taken in meeting with private enterprise because I have already met with him myself to encourage the establishment of a modular home manufacturing base here in the Yukon? That is my first question, Mr. Chairman.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, obviously the Honourable Member has misunderstood the debate that went on in the previous paper that was presented to the Members. The point of the paper that was discussed previously is that we are relying on the private sector in most cases to take the initiative. What we are trying to do is to point out to the private sector what is necessary and what can be done, and I think that the Honourable Member has misunderstood the position of the Government in that particular paper.

We are doing everything we can to encourage the public sector to take the initiative for the necessary housing that will be needed in the oncoming five years, if you like. Therefore, it flows and it is complementary to this Paper that we feel the private sector, if there is a viable market for home manufacturing, that they should be taking the initiative. Now, as the Honourable Member pointed out, and I will reiterate, this Paper is not mine. It happens to be the Assistant Commissioner's, Mr. Bell's. I don't know whether or not he had any discussions with the private sector. All I know is that the paper was prepared and it would appear from our vantage point that it could possibly be viable for the private sector to enter into that particular area of construction.

The Honourable Member who has said that he has spoken to the private sector possibly could afford these people that are interested in that area with a copy of the home manufacturing paper so that they can analyze it and see whether or not it is to their benefit to go in to it so the second question that the Honourable Member has asked, I cannot answer him as to whether or not there has been discussions in this particular area.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Mr. Chairman, as the sponsor of the motion, too, and certainly I can concur with the Member from Pelly on this. We've discussed the possibility of home manufacturing in Yukon many times and I'm wondering, I realize that the Minister has just said that he's not the sponsor of this particular paper, but has the Government really done any promoting in this manner? Have they identified this as an investment opportunity, as an opportunity for a local people to get into? Have they done this by actually having some meetings or putting out some promotional material on this basis?

Has the Government, possibly, rather than even meeting with some of the private contractors in private enterprise, but I would think that this is an area that possibly the native people could get into and start a home manufacturing process, because there are monies available, under their various programs, to do this.

These are the kinds of areas that we'd like to know if the Government has taken some positive approaches.

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, I find myself in a difficult position in discussing a paper that wasn't drawn up through my various portfolios.

All I can reiterate is that to my knowledge, no. I'm sure that the Government could take it upon themselves to send copies of the assessment to the various people in the construction business to let them know that a study has been done.

From there, I would suggest that the initiative should be coming from the private sector, if they're interested in this particular area.

Mr. Chairman: Mr. McCall.

Mr. McCall: I am just wondering if it would be at all possi-

ble to have Mr. Bell in attendance, because Mr. Bell, apparently, was the person responsible for this green paper, instead of the Minister being put in a position where he cannot answer the questions for clarification. I think it would be appropriate that Mr. Bell be in attendance as a witness, with the Committee's consent, of course.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Mr. Chairman, the other point is that certainly it says here that the conclusions are that "home manufacturing in Yukon could be economically viable and socially desirable" and I'm glad to see that kind of conclusion has been reached.

The other thing, of course, is that we said how is this going to be the integral part of the planning of Yukon's economic and social future? Does the Government view this as something that they should be promoting hard and fast and getting on with the job, because there are job creation possibilities with this. There's a lot of spin-offs.

I think these are the kind of answers we've got to get.

Mr. Chairman: Yes, Mr. Taylor.

Hon. Mr. Taylor: Mr. Chairman, as was I believe stated by the Honourable Member from Whitehorse Riverdale, that this is a question that has been looked at on many, many occasions over the years.

It seems to me that one point has always been made, certainly in my research in the question with people who are building and developing pre-cut homes outside, and these double-wide units and this type of thing and when they were approached with the question they said, simply, that they didn't find it viable for their type of operations. They didn't find that it would be viable in the Yukon because of the high costs of importing the materials it would take to construct these things to any reasonable standard or acceptable stan-

we talk about job creation, but even I notice among the native people that any of the construction I have seen so far is done by non-natives under contract, I believe, through the Federal Department of Indian and Northern Affairs. Obviously those departments don't find it viable.

I have often thought that log cabins and log buildings must be viable here because it seems to me that is the bulk of the building and the material costs, I would think, for other materials such as wiring and spikes wouldn't be all that bad, but perhaps if we are talking about that type of construction, perhaps we have got something, I don't know. I believe the Vocational School have been doing some type of program on log buildings. But I just threw that in because that is the question that is always thrown at me as a problem when we are talking about the economics of the thing.

I know I have raised the question on many occasions because of the forest products industry in my constituency and there are three or four sawmills, three sawmills anyway going down there and always they come up with this answer, it is just not viable.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, I have a different opinion than the Honourable Member from Watson Lake, in this sense, that the manufacturers are naturally not going to say from outside that it would be viable in the Yukon, because they are looking for the Yukon market. However, there is a fact that the Yukon market I think is not probably large enough at the time to be really, if you are thinking about it, a little bit leary.

The other one is the part of labour and so forth. I don't think there's a point there at all because it doesn't matter where you are, things cost just as much to build them if they can bring them in or do them here, the labour doesn't change. Another

thing that doesn't change is the cost of the product to be brought into this country. If you are going to bring a window and a door into this country from Vancouver, it costs so much money to get it here, if that it can be built here cheaper and it should be really, when you consider freight and everything on that, it should be able to be built here cheaper.

The labour doesn't really matter, you are going to have the labour in any case to build homes. I see this project as viable, but I feel that up to now, the market is just being a little doubtful and people aren't really willing to jump into something where they feel they might not have a sale in time, because it is quite a venture to put maybe half a million dollars into something and not know whether you are going to be able to continue forever and ever. I think that possibly with the pipeline coming and everything you will find somebody looking into this type of thing, and I cannot see in any way why it isn't viable, because I have built homes myself, worked in the industry, and when you can sit down and cut up a bunch of buildings and not change your saw and not move from one area to another, there has got to be a savings of \$4,000 or \$5,000 in any home that is built today in labour itself, there has got to be a saving because when you consider that every contractor that builds a house, moves his material, his saws and everything there to cut that material up and gets a different man to do it and some of them cut it by hand and every other way, the plant is organized to go through and if you watch them, and I have watched them years ago in Edmonton when they first started there, I was there and was going through those plants looking at them, man, when you start putting them through like that, there is just no way that you don't save.

I think that it is a viable in the Yukon, myself.

As far as the paper is concerned, I think that the Member in his motion wanted to find out what the economic impact would be and I think that would be not the building of them, but what would come in regards to labour and so forth, the money that would be involved in building here and, of course, the savings.

Naturally, there would be less labour, but not to the extent, I don't think, that one would off-set the other. I'm sure that what you would save in labour, you would gain back with the amount that you could put out and produce for the Territory.

They speak of 30 per cent here on quite a large plant. I find that hard to believe. Are we building? I would ask the Minister, are we building 450 homes a year in the Territory right now?

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, once again I'd like to point out that I'm not the author of this paper. I don't have the statistics off hand. It would appear that in 1977, as by the outline here, you're looking at about 300 units throughout the Territory by the permanent dwellings.

I think the question, basically, here that some Members are asking is that should the Government be putting more money in this area for home manufacturing and I personally believe that the private sector, if there is a dollar to be made in it, will be taking the initiative in going into it, if they are aware of this study.

I think it is very important, Mr. Chairman, that it states that a home manufacturing plant located in Yukon could be economically viable.

Now, there was an attempt, if my memory serves me correctly here, approximately two or three years ago, to go into the home manufacturing in a business in Whitehorse, which was not successful for whatever reasons, I'm not sure, but I think that now it's up to the private sector to evaluate the situation and see whether it's worthwhile going into that area of construction. I don't think it's up to the Government.

Mr. Chairman: Mr. Berger.

Mr. Berger: Yes, Mr. Chairman, in answer to the question the Minister raised with the home manufacturing plant that was proposed, I think, in the Territory a couple of years ago, three or four years ago. I think the reason it went down is the question I'm going to ask.

Is the Government prepared, is Yukon Housing Corporation prepared to give a home manufacturing plant preferential treatment? I think this is really, I should ask this question in this House. It's not that Government should invest money in a home manufacturing plant or anything like this, but would the Yukon Housing Corporation and in return the Yukon Territorial Government be prepared to give a Yukon home manufacturing plan preferential treatment. And this is not answered in the green paper, Mr. Chairman.

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, I think it is fair to say that the Yukon Housing Corporation, for that matter any government agency here, attempts to deal locally, but at the same time they have to compare the financial quotes that are given to the government. Therefore, I would not be prepared to commit this Government to preferential treatment to anyone, unless it was competitive with the market. Otherwise, I think we would be doing a great disservice to the taxpayers' dollars.

Mr. Chairman: Mr. Taylor?

Hon. Mr. Taylor: Yes, Mr. Chairman, it has always been my view and the view of those members that I have been associated with over these many years in this House that the Government ought to get completely out of the housing business and I think at some point in time, perhaps the Yukon Housing Corporation should work to that end where they are no longer required to provide the services and facilities they now provide and must provide because of the need and turn this whole question over to the private sector.

By and large, when we were speaking of a manufacturing industry in housing, I agree that this is something for the private sector. I don't think that Government ought to be making any guarantees in this direction. I certainly think that they should offer any assistance, normal assistance to that industry that they would offer to any individual in the industry. I think we have got to remember as well that if we are to keep free enterprise alive in this Territory, we have got to allow the individual developer who may not be putting up a manufacturing plant, but we must encourage the individual developers where they see an opportunity to allow them to build homes.

I know, for instance, a proposal in Watson Lake this summer, as long as the Housing Corporation isn't building any more homes at this time, there is a developer who has already built three homes or two homes and sold them for sure who is willing to put in three or four more, anticipating a need in the community, in that particular community for these homes in the hopes he can sell them. He has one problem though, he can't build a \$40,000 or \$50,000 home. He has got to build the type of home that people can afford to buy so he has got to build a home that people can buy for \$30,000 or \$35,000, so that is not going to be as good a standard of home as what one might want, but he is going to attempt to build his houses in order that he can sell it in that price range and realize a reasonable profit on his investment.

This type of thing has to be taken into account, I think that that no doubt is going on in Whitehorse. It is no doubt going on in other areas. You have got to leave the field open at least to some extent to private enterprise.

As I say, I don't think you can force a housing manufacturing industry in the Territory. I think that when the need arises and if the need becomes apparent, the private sector will no doubt look at this thing, and if they find someone in the private

sector finds that it is economically viable proposition, I think that time and at that time only will we find an answer to the perplexing problem that we discussed today.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Yes, Mr. Chairman, I don't argue for a minute that private enterprise should probably be taking some initiative and we should be providing certainly the tools for them in order to do that. I think that the whole idea behind the motion in the first place was that we were told way back in April somewhere that the home manufacturing in Yukon was certainly a viable situation as far as the analysis go. We all know that.

I think the idea behind this is to make sure that the Government got the message out to private enterprise and said there are some opportunities.

Now, I really wonder, and I go back to that question, you know, it says that "The Yukon Territorial Government therefore urges the local business community investigate this opportunity". How did they urge local businessmen to do this? How did they make this information available to them?

The other thing, certainly I can see the Yukon Housing Corporation as being one of the vehicles that would be able to not guarantee, but certainly be able to be used as the area where a manufacturer would know that he could provide X number of units to the Housing Corporation, providing he could meet the standards and prices and I think it should all be done on a competitive basis. But I think there has to be some further encouragement there. There may well have been, I don't know. This are the question I'm asking.

The other thing, of course, though, is that when we were talking about this in the first instance, we knew and we certainly had lots of discussion about pipeline and we knew that there would certainly be some activity in that regard and I think we're taking a little bit of the initiative. We're really wondering, has the Government, some place along the line suggested that, okay, fine, we're going to have a pipeline agreement, we're going to do certain things, but one of our conditions may well be that if temporary campsites are going to be produced and marketed and what have you, and purchased, that they be done from a Yukon manufacturer. Has that approach been used?

I think this is the only thing that we're really asking at this point, if these things have been done. I know the Minister, possibly, can't answer this because he isn't the author of the paper, but these are the areas that I think are still not answered.

Mr. Chairman: Mr. McCall.

Mr. McCall: Thank you, Mr. Chairman.

I just have a few more comments I would like to make in reference to what Mr. Taylor said. I'm a little surprised at some of the remarks about free enterprise and Mr. Taylor was a Member of this House in 1969 when the Government of the Yukon entered into an agreement with Cyprus Anvil Mining Corporation for a capital project, which was the establishment of the town, to the tune of 44.5 per cent, or \$500,000, which, in those days I believe was a lot of money.

This was a cost-share project, capital cost-share project between free enterprise and the Government of the Yukon. I believe, with all due respect to Mr. Taylor, he was probably in the House when the agreement was debated, discussed or signed.

Now we have another project of a much smaller nature, of course, which is of far more, greater benefit to the Government itself, not that I'm suggesting they enter into any economic agreement with any private entrepreneur, but again, I make reference to the previous green paper, where we're talking about entering into guaranteed rental situations in order for an enterprising person to build, i.e. an apartment

building, where the Government would so much as guarantee certain apartments if the project went ahead.

In this particular case here, there was another example where this is strictly dealing with modular manufacturing, prefabrication. I don't mean a mobile home, I'm talking modular home manufacturing or prefabrication, which some people call it.

There is an instance which has just been completed again in my hometown, where two houses, which were submitted for tender to a private entrepreneur who bid on the contract let by the Government, for two homes to be constructed. Those two homes were modular homes. They came prepackaged.

The two homes cost, Mr. Chairman, \$116,000 and that does not include the cost of the two lots in which the homes were constructed on. Nobody can convince me that it is not viable. It is more than viable, not only for the planning and projected policies of the Yukon Housing Corporation and the Government, but also for private enterprise. Nobody can tell me that two homes of a modular type should cost \$116,000. The only reason some of those costs are so high is because they were shipped in. They were not constructed in a manufacturing plant.

That is not the first time, I think if you investigate some of the other projects that the government has let by contract to entrepreneurs who bid on the contracts you will find many other modular homes have been manufactured in the western part of Canada, shipped in by truck, and established in this very short period of time.

Mr. Taylor made reference to saw mills in Watson Lake. That was one of the bases of my own ideas prior to the first motion being introduced. That we have the foundation of base industry, which is forest products, which then you would establish a secondary industry which would be the modular home manufacturing in the same area of Watson Lake.

The principle of job creation, there would be job creation, because the free enterpriser is expanding with the assistance of the Government, and I do not mean economic assistance. But we can guarantee apartments in an apartment block to the entrepreneur that is going to build that apartment for a period of time, if this government can guarantee that, then they can guarantee purchasing of certain modular home packages for any policies or programs you have in the future over a term basis so the plant can get off the ground. That is how Cyprus Anvil was created.

I believe if the Government had not got actively involved at that time, not only our own Government here, but the Federal Government, then the ore would still be in the ground. That was a joint venture, assisted by the Government of Yukon and the Government of Canada. I see nothing wrong with the same procedure being followed here, setting aside any major economic investment.

The other principle that I am concerned about is when you look at the Socio-economic Planning Unit and you look at this Green Paper, and part of that motion was that the Socio-economic Planning Unit report on the Yukon's economic and social future and this particular project formed part of the program, they have done nothing. They have produced nothing. All they have done is condensed two minor reports, the summaries. I am very disappointed, Mr. Chairman, because I think it is one of the best projects that should be set into place right now, I do not believe that the Government or any part of any agency or representation has set any wheels into motion that could bring all the entrepreneurs and the builders associations and everybody that may be or may not be interested in this type of a project, I do not believe they brought them together at this point in time in the span of approximately two years since the first study was done.

They have seen the study, in fact I think they have a copy of

it, because I discussed it at length with some of the building associations and they are very interested, but are we going to play the chicken and the egg trip? This is what I'm concerned about, Mr. Chairman.

The initiative has to be taken by the Government. If it's just a matter of bringing everybody together. We do it in other programs. I cannot see why you cannot do it with this program. We seemingly have the expertise or we've been told, within the Government structure, i.e. Yukon Housing, our Minister for Local Government, which deals with land and this sort of thing, it can be done.

So, somebody has got to take the initiative. You cannot just put the onus on the private builder. You've got to set the wheels into motion.

That's all I'm seeking, Mr. Chairman. This green paper does not demonstrate that at all.

Mr. Chairman: Mr. Berger.

Mr. Berger: Yes, Mr. Chairman, I'm quite surprised at the statement of the Minister when I asked him about the preferential treatment. It was only about a year ago that we had a debate in this House here about preferential bid systems and outside contractors to northern contractors and I think the Government should have had the message then loud and clear, we even had witnesses here, that they would prefer to have a five or ten per cent margin above outside contractors because of higher costs up here.

This is the type of thing I was seeking, not that the \$30,000 above outside quoted price. But let's just give the local contractors a chance and there's no real cost involved in it. I mean, eventually this cost probably is going to go away because once the industry is established, he could raise his own market without any Government help.

But this, I think, all the local contractors are seeking for some sort of a guarantee that their bids to maybe ten or twenty housing units are going to be looked at in a better light, not that they had to compete with outside cut-throat prices and in most cases they are. By the time the housing unit comes up here, it's a pile of junk and we had debated that long enough in this House, Mr. Chairman.

That's right, Mr. Chairman. We had the same problem in Dawson where a house costs \$57,000, plus additional costs involved in it because the house was condensating so badly that you couldn't even live in the bedroom and those are the types of thing that are not necessary if you build locally by a local contractor because they know the conditions.

Mr. Chairman: Yes, Mr. Lengerke.

Mr. Lengerke: The Honourable Member from Pelly made some very excellent points, I certainly agree.

The one thing that he certainly did bring out and I would like to elaborate a little further on it was that we did ask that the study form part of that planning unit's report. I'd just like to ask one of the Ministers, and again I know it's not their responsibility, but perhaps, as a Member of the Executive Committee you could tell me, just where is that report, that the Commissioner, and I wish he was here, promised that the Economic Planning Unit would have for us? What's happened to that, because that was one of the reasons why we had asked that this be part of the initial resolution, that we didn't want to have the excuse that they couldn't come back with an answer because they said, well, we've got an answer on how it fits in the entire program so we've covered off on a request.

So, I hope, I don't know if the Minister can give me an answer. How is that report? What is happening, may I ask? What is the report of progress to the Executive Committee on that?

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, I would like to reiterate once again that this is not my paper and I think it shows the definite inequities in the constitutional development of the Yukon where I have to sit here and talk about somebody else's Paper who is probably getting paid more than I am.

The only thing that I can say, Mr. Chairman, if anybody is interested in home manufacturing and they are looking at building homes, I am sure that the Housing Corporation would be prepared to listen, I am sure that the people in the private sector would be prepared to listen to them if they are competitive, and the socio-economic future of the Yukon, I don't know what report you are looking for, but as far as I can recall I haven't seen one.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, this Green Paper attempts to update and compare some figures that were available to all Members a year ago, two years ago, three and four and five years ago. It has updated them up until the time the report was written. It was done in a hurry to be ready for you for the fall Session I am assuming, and it was ready and you have not deemed to consider it until today which is nearly a year from the time the original question was asked. In my humble opinion, you need all these figures updated again because of rise of costs.

It seems to me, Mr. Chairman, that we have got the answers we asked for from the unit, they did a comparison study, they added some updated figures. They gave us estimates of housing requirements and they said again, if anybody wants to go into this business they can make money doing it. Now, Mr. Chairman, if there is a business opportunity in this country where you make money, there is usually more than one person already jumping in there and there has got to be a reason why somebody hasn't.

I hear from one Honourable Member that certain people are interested but they are waiting for the Government to go and plead with them to please build them and guarantee that they will buy them all. I really don't think so, Mr. Chairman. My experience in this country has been that if you build a better mouse trap, people will come and buy it. I don't think this Government has to go and plead with people to get into a business if it is a business they can make money in, so there has got to be a reason here.

I really don't know how much further discussion there has to be about this report. It has been brought forward in an answer to a request from Members and the information is before you.

Mr. Chairman: From the Chair, I think we have had an adequate debate and I think that at this time we probably should have had somebody come up with a motion, however, I should draw the attention of all Members to page 2, which says: "the Yukon Territorial Government therefore urges the local business community to investigate this opportunity. I think all Members can well ask in what way has the Government brought this report to the attention of the local business community and this is really what this discussion has been about right from the very beginning. So I would suggest that somebody make a motion to the effect that the Yukon Territorial Government does bring this report to the attention of the local business community and urge them to take part in the necessary business.

I will call a brief recess allowing Mr. Lengerke and Mr. McCall an opportunity to draw up the resolution.

Mr. Lengerke: Mr. Chairman, by prolonging the discussion on this particular subject, you have already done quite a bit of promotion for the manufacture of homes.

Mr. Chairman: Well, we will have a recess now and we can have the motion made. Thank you, ten minutes.

Recess

Mr. Chairman: The Committee will come to order, please.

We have a motion before the Committee. Moved by Mr. McCall, seconded by Walt Lengerke, that the Yukon Territorial Government initiate immediate discussions with representatives of the Yukon Home Building Industry to re-emphasize the need for and to encourage the establishment of a home manufacturing facility in Yukon, and, further, that the Yukon Territorial Government identify to other interest groups, such as the native organizations, the opportunity that exists in this type of venture.

Any discussion? Yes, Mr. Lang.

Hon. Mr. Lang: This particular motion, I gather from the contents, is not inferring that the Government of the Yukon Territory is going to be investing any money in this particular area.

Mr. Chairman: No.

Hon. Mr. Lang: As long as that is clearly understood.

Mr. Chairman: No, discussions cost nothing.

Hon. Mr. McKinnon: Want to bet?

Mr. Chairman: If there's no discussion, can we call the question?

Resolution agreed to

Mr. Chairman: Yes, Mr. McCall.

Mr. McCall: Mr. Chairman, I would move that Mr. Speaker does now resume the Chair.

dit58 000000

Mr. Speaker resumes the Chair

Mr. Speaker: I will now call the House to order. May we have the Report from the Chairman of Committee?

Mr. McIntyre: Mr. Speaker, the Committee of the House have considered a motion respecting the Green Paper on Gambling and directed me to report progress on same.

The Committee has also considered a motion respecting the Green Paper on Housing Strategy for Pipeline Impact and directed me to report as follows: THAT the Green Paper on Housing Strategy for Pipeline Impact be approved in principle and taken back for further elaboration in the areas of land availability, financing, and a further clarification of the role of Yukon Housing Corporation in relation to the planning process at the municipal level.

The Committee has also considered a motion respecting the Green Paper on Home Manufacturing in Yukon and directed me to report as follows: THAT the Yukon Territorial Government initiate immediate discussions with representatives of the Yukon home building industry to re-emphasize the need for and to encourage the establishment of a home manufacturing facility in Yukon; AND FURTHER that the Yukon Territorial Government identify to other interest groups, such as the native organizations the opportunity that exists in this type of venture.

The Committee would also like leave to sit again.

Mr. Speaker: You have heard the Report of the Chairman of Committees. Are you agreed?

Some Members: Agreed.

Mr. Speaker: Leave is so granted. May I have your further pleasure? The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Mr. Speaker, I move that we do now call it 5 o'clock.

Ms Millard: I second that, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse Riverdale, seconded by the Hon-

LEGISLATIVE RETURN # 6.2
(1977 Second Session)

Our Member from Ogilvie, that we do now call it 5 o'clock.
Mr. Speaker agreed to

Mr. Speaker: This House now stands adjourned until 10
a.m. tomorrow.
Adjourned

Mr. Speaker,
Members of the Assembly

On February 20, 1978 Mr. Fleming asked the following oral
question:

On the hiring, Custodial Worker Number I, in the Department
of Education, among duties listed was care of electrical
fixtures and other equipment, furnaces and other motors.
I am just wondering, if this Custodial Worker I, in applying
for a job, if he was not a Journeyman Electrician, if his job
would be in contravention with the Electrical Protections
Act. Is this not true?

The answer to the question is as follows:

The Electrical Protections Ordinance, Section 20(1) (b) and (c)
allows custodial workers to perform required duties without
holding a valid Journeyman's certificate.

Section 20(1):

- (b) "the routine replacement of lamps, switches or
receptacles connected to conductors of existing
branch circuits protected by over-current devices
rated or set at not more than 30 amperes, in
buildings served at not more than 150 volts to
ground;
- (c) the re-winding and repair of electric motors
subject to the Canadian Electrical Code Current
Edition but not the connection of such devices."

February 23, 1978

Danhang

LEGISLATIVE RETURN # 6.3

1977 (Second) Session

The following Legislative Returns were Tabled
(February 28, 1978)

77-2-62
Custodial Worker I - Job Descriptions
(Oral Question - Page 622 - February 20, 1978)

77-2-63
Building Standards Ordinance
(Written Question No. 44)

77-2-64
Capital Assistance Program
(Written Question No. 45)

77-2-65
Haines Junction Refinery - Land Use Application
(Oral Question - Page 711 - February 23, 1978)

77-2-66
Contracting in Yukon
(Oral Question - Page 710 - February 23, 1978)

The following Sessional Paper was Tabled
(February 28, 1978)

77-2-46
The impact the closure of the Clinton Creek Mine on Dawson
City, Y.T. by G.J. Lerchs.

Mr. Speaker,
Members of the Assembly

On February 21, 1978, Mrs. Watson asked the following question:

"What section of the Building Standards Ordinance gives
the government the authority to promulgate Regulation
19 of the Building Standards Ordinance?"

The answer to the above question is as follows:

Section 4(1) (d) of the Building Standards Ordinance authorizes
the Commissioner to make regulations for the purpose of carrying
out the provisions of this Ordinance. It includes section 19
of Commissioner's Order 1973/135 which states as follows:

"For the purpose of enforcing these regulations, the
Commissioner or the Building Inspector may at all
reasonable times enter and inspect any premises or
part thereof within the area."

February 23, 1978.

J.C. Wilford
Signature

LEGISLATIVE RETURN # 64

Feb 21 1978 # 65
Fall

Mr. Speaker,
Members of the Assembly

On February 21st 19 78, Mr. McCall asked the following question:

On November 28th, 1974 the Government of Yukon introduced the Capital Assistance program, would the Minister advise me of the following: Which communities have taken advantage of the Capital Assistance Program, and how much money is left from the approximately \$21 million fund, and would the Minister provide this House with a breakdown of the amount each community has used from the fund, since the introduction of the Capital Assistance Program.

The answer to the above question is as follows:

Balance Remaining from 21 Million = \$ 9,575,000.	
Community T.V. Service -----	82,345.
Pre Engineering Cost (various communities)-----	31,077.
Staff Housing -----	250,000.
Community Swimming Pools -----	16,493.
Beaver Creek -----	15,626.
Burwash Landing -----	5,000.
Carcross -----	111,411.
Carmacks -----	288,395.
Dawson City -----	567,836.
Destruction Bay -----	243,150.
Faro -----	577,778.
Haines Junction -----	1,685,903.
Keno City -----	588.
Mayo -----	675,007.
Old Crow -----	20,000.
Pelly Crossing -----	16,328.
Ross River -----	31,814.
Stewart Crossing -----	17,185.
Teslin -----	1,058,374.
Watson Lake -----	831,178.
Whitehorse -----	6,649,922.
TOTAL -----	13,175,410.
Less Expected Recoveries (Est.)-----	1,750,000.
	\$ 11,425,410.

Feb. 27 19 78 [Signature]
Date Signature

Mr. Speaker,
Members of the Assembly

On Thursday, February 23, 1978, Mrs. Watson asked the following question:

Has a land use application been made for the reactivation of the refinery at Haines Junction?

The answer to the above question is as follows:

Application has been made to the Federal Government for renewal of leases for the purpose of reactivating the refinery at Haines Junction. The Department of Local Government will be consulting with the L.I.D. in this matter in the very near future.

Feb. 27 19 78 [Signature]
Date Signature

LEGISLATIVE RETURN # 66
(1977 Second Session)

Mr. Speaker,
Members of the Assembly

On February 23, 1978, Mr. B. Fleming asked the following question:

"Regarding Government Contracts, when 10% bid deposits, performance bonds or holdbacks are required, can securities be used?"

The answer to the question above is as follows:

Securities can be used if they represent the equivalent of cash i.e. certified cheques, Bank Drafts and Postal Money Orders and provided that they are made payable to Government of Yukon Territory.

In addition "Bid Bonds" are accepted as Tender Deposits and "Labour and Material Payment Bonds" together with "Performance Bonds" are accepted as Contract Security.

February 27, 1978

[Signature]
Signature



27

28

