



# The Yukon Legislative Assembly

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Debates and Proceedings

**Thursday, April 20, 1978**

Speaker: The Honourable Donald Taylor



## Whitehorse, Yukon Territory

Thursday, April 20, 1978

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

**Mr. Speaker:** We will at this time proceed with the Order Paper.

## ROUTINE PROCEEDINGS

## TABLING OF DOCUMENTS

**Mr. Speaker:** Under Tabling of Documents and pursuant to Section 26 of the *Yukon Act*, I am pleased to table at this time the Report of the Auditor General.

Are there any further Documents for Tabling?

**Mr. Lengerke:** Yes, Mr. Speaker, I have for tabling this morning a brief on tourism by the Yukon Tourism Advisory Board.

**Hon. Mr. Lang:** Mr. Speaker, I have for tabling the Auditor General's Report on the Accounts of Financial Statements to the Yukon Housing Corporation, March 31st, 1977.

Also, I have for tabling the Auditor General's Report on the Accounts of Financial Statements to the Government of the Yukon Territory to March 31st, 1977, and the Territorial Accounts for the Financial Year 1976-77.

Also, Mr. Speaker, while I am on my feet, I have for tabling the Government's responses to the Auditor General's Financial Management Control Study and the Auditor General's Accompanying Management Letter on the Financial Management and Control Study and the Auditor General's letter of 1976-77 audit.

**Mr. Speaker:** Are there any further Documents for Tabling?

Are there any Reports of Committees? Petitions? Introduction of Bills?

## BILLS: INTRODUCTION AND FIRST READING

**Mr. McIntyre:** Mr. Speaker, I move, seconded by the Honourable Member from Kluane, that a Bill entitled *Yukon Council Ordinance*, be now introduced and read a first time.

**Mr. Speaker:** Who is the seconder?

**Mr. McIntyre:** Mr. Speaker, the seconder was the Honourable Member from Kluane.

**Mr. Speaker:** It has been moved by the Honourable Member from Mayo, seconded by the Honourable Member from Kluane, that a Bill entitled *Yukon Council Ordinance* be now introduced and read a first time.

*Motion agreed to*

**Mr. Speaker:** When shall the Bill be read for a second time?

**Mr. McIntyre:** The next sitting day, Mr. Speaker.

**Mr. Speaker:** So ordered.

**Hon. Mr. Lang:** Mr. Speaker, with your indulgence, could I revert back to tabling of documents? I have one more document that formally has to be tabled?

**Mr. Speaker:** Would the House agree?

**Some Members:** Agreed.

**Mr. Speaker:** Any disagree? Proceed.

**Hon. Mr. Lang:** Mr. Speaker, pursuant to Section 19.(1) of the *Housing Corporation Ordinance*, I have for tabling the Yukon Housing Corporation 1976-77 Annual Report.

**Mr. Speaker:** Are there any further Bills for Introduction?

**Mr. McCall:** Mr. Speaker, I take it I can go on to second reading on the Private Member's Public Bill?

**Mr. Speaker:** Perhaps the Honourable Member could wait until later on in the Order Paper. Provision will be made.

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

## NOTICES OF MOTION

**Mr. Lengerke:** Mr. Speaker, Notice of Motion moved by myself, seconded by the Member from Porter Creek, that the brief from the Tourist Advisory Committee be referred to the Committee of the Whole for discussion.

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

**Mr. Lengerke:** Notice of Motion moved by myself, seconded by the Member from Kluane, that the Green Paper entitled Proposals for a *Motor Transport Ordinance* be referred to Committee of the Whole for consideration.

**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.

## QUESTION PERIOD

**Hon. Mr. Lang:** Mr. Speaker, I have for tabling, an answer to an oral question asked by the Honourable Member from Ogilvie concerning the Court Worker program.

## Question re: Teacher Training Program

**Ms Millard:** Mr. Speaker, a question for the Minister of Education. Lately there have been some question whether the students now training in the Yukon Teacher Education Program, in the three year program, will have positions ready for them in the teaching area when they graduate. There has now been, for the second time, advertising for another one year session, meaning that there will be graduates before they graduate.

Can he assure us that those who are in that Yukon Teacher Education Program will be able to teach in Yukon when they graduate.

**Hon. Mr. Lang:** Mr. Speaker, I am in no position to guarantee anyone a job. Anyone graduating from the Yukon Teacher Training Program will be given every consideration in respect to job openings coming available.

I think, Mr. Speaker, it should also be made clear in the initiation of the program, anyone coming in and taking the program, they were made fully aware of the fact that in all likelihood, the majority of jobs that would be available would be outside the municipality of Whitehorse.

So therefore, that has to be taken into account as well, Mr. Speaker, and the fact that the turn-over, as we see it, as we have experienced over the past couple of years has been in the outlying communities, as opposed to the City of Whitehorse, which is becoming more stable all the time.

So, in response to the question, Mr. Speaker, I cannot guarantee the job and all I can say is that every assurance would be given to any graduate in respect to placing them in the school system.

**Ms Millard:** Supplementary to that, Mr. Speaker, will these graduates have their applications weighted in favour of them, or are they going to be competing with teachers with more training and more experience outside? Do we have something to assure them that they do have something weighing in their favour, because the whole idea of the program, from my understanding, is that we want to have teachers who will stay in Yukon and because they are Yukon people, we are assured to

some extent that they are going to stay. Surely our money is not going to be spent and then not hire them.

**Hon. Mr. Lang:** I do not know, Mr. Speaker, whether that was a statement or a question, but, yes, they will be given priority over other people coming from southern Canada.

**Question re: Food Wholesaler in Yukon**

**Mr. Lengerke:** Yes, I have a question for the Minister of Consumer Affairs, this morning. I know the Minister has expressed some concern with respect to the increase of food costs and with respect to the latest Spatial Price Survey. I am wondering could the Minister tell me if, in fact, the Government has been doing anything actively or otherwise to encourage the establishment of another wholesaler or distributor, food wholesaler or distributor in Yukon?

**Hon. Mr. Hibberd:** Mr. Speaker, no, the Government at this present moment is engaged actively in evaluating what the conditions are on the market and will be making recommendations when those proposals are drawn up.

**Mrs. Watson:** Mr. Speaker, a question for the Minister of Consumer Affairs regarding his answer: are you implying or stating that the Government would in fact make a recommendation that other private enterprise establish itself in the Yukon Territory as a wholesale food outlet?

**Hon. Mr. Hibberd:** No, Mr. Speaker.

**Mrs. Watson:** Mr. Speaker, then what kind of a recommendation did the Honourable Minister mean that they would be making?

**Hon. Mr. Hibberd:** Mr. Speaker, at the present time we are engaged in studying the market. When we have a picture of what is going on in the market, then we will consider alternatives to what might be necessary to avoid too high inflationary spirals occurring in Yukon.

We are not in a position to make any judgments regarding that market until we have the information available.

**Mr. Lengerke:** Supplementary to that, Mr. Speaker, I am wondering can the Minister of Consumer Affairs tell me or advise what the Government policy would be with respect to bringing in food control legislation? What is the policy? How far or how high do we have to wait for food prices to rise? What is the policy? When is the cut-off?

**Hon. Mr. Hibberd:** Mr. Speaker, I will say it for the third time. We are trying to get a position to find out what is going on in the market and consider what various proposals might be coming forward. Until that happens, I am not in a position to be making any statement in reply to that kind of question.

**Mrs. Watson:** Mr. Speaker, another supplementary: if you are waiting to know what is going on with the market, what information was given out yesterday regarding the pricing of food? There was certainly some information. Is that not part of the information that you are talking about?

**Hon. Mr. Hibberd:** Mr. Speaker, indeed that is part of the information I am talking about, but there are a good deal of other things that are involved in the marketplace and have to be analyzed. We have to have those various proposals before us to be able to assess the situation. They have not been forthcoming yet, they are actively being considered, and they will be coming forward at which time we will be making some decisions on it. The information has not been entirely gathered.

Merely to say that we have a Spatial Price Survey in December and in February does not give us a picture of the market, it merely gives us an indication of some of the prices that are involved. Indeed it is very valuable information and the information we need, but before we can make recommendations regarding that market, we need a good deal more information: What is the attitude of the distributor now? Would it be economical for another distributor to be here? There are several things that have to be considered.

**Mr. Speaker:** I will allow one final supplementary on the subject.

**Mrs. Watson:** Mr. Speaker, is the Minister, would he agree then that just giving out percentages as was done yesterday without giving additional background information is almost misleading to both the public and to the people who are in the food business?

**Hon. Mr. Hibberd:** A somewhat coercive question, Mr. Speaker. We asked for these surveys. We need the information and the people responsible for doing that are professionals in that field. They are trained to produce statistics. That is what they have done.

There is also further information that is required to interpret those statistics where it will become valuable. That is the other information that we are in the process of gathering.

**Mr. Speaker:** Are there any further questions?

**Question re: Cassiar Asbestos Moving**

**Mr. Berger:** Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. Two months ago I asked a question of the Minister to possibly gather up information for this House and the public of Yukon on what impact Cassiar Asbestos moving their operation from Whitehorse to BC will have in Yukon, and what the possible hardships and price increase effects are going to be when transportation is going to be curtailed on the boats and railroads. I wonder if the Minister has such a statement ready for the House?

**Hon. Mr. Hibberd:** Mr. Speaker, at that time I indicated that the Deputy Commissioner was looking at that matter and I believe he has done a great deal of work for it and perhaps he could comment on that.

**Mr. Deputy Commissioner:** Mr. Speaker, the work is not completed yet. I will endeavor to have it for the Honourable Member next week.

**Mr. Speaker:** Any further questions?

**Question re: Telephone Operations in Yukon**

**Mr. Berger:** Yes, Mr. Speaker, a question to any of the Members of the Executive Committee. It is my understanding, and I was given to understand, there were two briefs submitted to the Executive Committee concerning telephone operations in Yukon. I was wondering if any one of those Ministers could possibly table those briefs to this House.

**Hon. Mr. McKinnon:** Mr. Speaker, we have no problem at all in tabling those briefs in the House, with the permission of those people who presented the briefs to the Executive Committee.

**Question re: Native Language Program**

**Ms Millard:** Mr. Speaker, a question for the Minister in charge of native affairs. Can he tell this House if there is going to be any money available in this fiscal year for carrying on the native language program being run by John Ritter?

**Hon. Mr. Hibberd:** Mr. Speaker, the Government has made representations to acquire funding for that program, but we have had no official word on the outcome of that from Treasury Board, as yet.

**Ms Millard:** Mr. Speaker, could I have a commitment from the Minister to pursue this since my understanding is that the Treasury Board was considering this a question on April 6th?

**Hon. Mr. Hibberd:** Yes, Mr. Speaker.

**Mr. Speaker:** Are there any further questions?

**Question re: Animal Protection Ordinance**

**Ms Millard:** Mr. Speaker, a question for the Minister of Consumer and Corporate Affairs. Some time ago, we passed a Private Members' Bill, called the *Animal Protection Ordinance*. It says in the Ordinance that this was to come into effect January 1st, 1978. Four months later, I discover that it is

not being put into effect. Could the Minister comment on why it is not into effect and is he making any effort to put it into effect?

**Hon. Mr. Hibberd:** Mr. Speaker, four months has not yet expired, but nevertheless, we are trying to get it into place.

The problem has been that it is rather a unique piece of legislation that does not fit easily into any one department. At the present time, we are involved in discussions as to what department of this Government should be administering the program.

**Hon. Mr. McKinnon:** Who wants to be Minister of dogs?

**Hon. Mrs. Whyard:** Inhuman Resources.

**Mr. Speaker:** Order please. At this time we will proceed to Orders of the Day, under Motions and Resolutions.

**Hon. Mr. McKinnon:** I have some question answers.

**Mr. Speaker:** Order please. I am just informed that there are some further answers. I am wondering if the Honourable Ministers could lay these answers before the House at the beginning of Question Period as it is rather difficult jumping back and forth.

**Hon. Mr. McKinnon:** Yes, Mr. Speaker, I would have done so had I been here but unfortunately, I was delayed in arriving to the House this morning.

I would like to table the answers to the following questions: one, a question asked by Mrs. Watson on February 27th, concerning the land freeze in the Haines Junction L.I.D.; written question number 8, asked by Mrs. Watson on March 16th; a question asked by Mrs. Watson on March 22nd, regarding the Alaska-Yukon Refinery at Haines Junctions; and a question asked by Ms Millard on April 18th, concerning the Dawson Sewer System.

Thank you, Mr. Speaker, I apologize.

**Mr. Speaker:** We will now proceed to Orders of the Day, Motions and Resolutions.

## ORDERS OF THE DAY

### MOTIONS

**Madam Clerk:** Item Number 1, standing in the name of the Honourable Member, Ms Millard.

**Mr. Speaker:** Is the Honourable Member prepared to deal with Item 1?

**Ms Millard:** Yes, Mr. Speaker.

**Mr. Speaker:** It has been moved by the Honourable Member from Ogilvie, seconded by the Honourable Member from Mayo, that the White Paper on the Pioneer Grant Program be referred to the Committee of the Whole for consideration.

*Motion agreed to*

**Madam Clerk:** Item Number 2, standing in the name of the Honourable Member, Mr. Fleming.

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

**Mr. Fleming:** Next sitting day, Mr. Speaker.

**Mr. Speaker:** So ordered.

**Madam Clerk:** Item Number 3, standing in the name of the Honourable Member, Mr. Lengerke.

**Mr. Speaker:** Is the Honourable Member prepared to deal with Item 3?

**Mr. Lengerke:** Yes, Mr. Speaker.

**Mr. Speaker:** It has been moved by the Honourable Member from Whitehorse Riverdale, seconded by the Honourable Member from Kluane, that it is the opinion of this Assembly that the Government of Canada be requested to establish a "full time", permanently staffed, office of the Federal Business Development Bank in Yukon.

**Mr. Lengerke:** Mr. Speaker, I think Resolution Number 16 is pretty straight forward. I think most Members also are aware that the Federal Business Development Bank are now quite active in Yukon at the present time. They do have an office located at the Travelodge that is manned on a part-time basis.

Apparently now it is manned, I believe representatives come in from Grande Prairie and are there every Wednesday. Activity is starting to increase, there is more demand by local business, and local entrepreneurs for this kind of assistance. I think it would be wise and encouraging by this Government and to the business world if in fact we were to encourage the Federal Business Development Bank to locate here permanently. Certainly we should have representatives in Yukon that are truly understanding of the Yukon situation.

I would ask, and would hope, that Members would concur, that a request could go to the Federal Government and ask them for consideration in manning this particular office on a full-time basis and making it truly a Yukon office.

**Mr. Speaker:** Any further debate?

**Hon. Mrs. Whyard:** Mr. Speaker, I am certainly in support of this motion. The Members of this House are constantly pounding the Federal Government for not recognizing the presence of this Territory in all aspects. All Honourable Members have gone through years of frustration with various Federal agencies which have head offices in Winnipeg to control the Yukon or head offices in somewhere else. Parks is in Winnipeg, which seems a little unlikely to me.

Mr. Speaker, for some years this particular agency has been giving increasing attention to the needs of Yukon businessmen and they have sent up very competent representatives from their western offices. We have been putting pressure on for some years, I know, Mr. Speaker, through the Chamber of Commerce and other groups. I think it is time this Government supported such a request.

**Mr. Speaker:** Is there any further debate?

**Mr. Watson:** Mr. Speaker, as seconder to the motion, I certainly support the motion. I think it is a little delinquent and I did not notice it until going over it again that it gives an instruction, but it does not indicate who should be requesting. I hope it would be interpreted that the Government of Yukon request the Government of Canada that a full time, permanently staffed office be established here.

Quite often I think that we have motions in the House and they are not specifically directed at one specific, whether it is the Government, whether it is the Legislature should be taking the action, and I know that sometimes the action is not taken.

So, just to ensure that the Government of Yukon accepts this responsibility and does make representation on behalf of this motion.

**Mr. Speaker:** Is there any further debate?

*Motion agreed to*

**Mr. Speaker:** We will now proceed to Private Members' Public Bills.

## PRIVATE MEMBERS' PUBLIC BILLS

**Madam Clerk:** Second Reading Bill 101, Mr. McCall  
**Bill Number 101: Second Reading**

**Mr. McCall:** Thank you, Mr. Speaker, I would move, Mr. Speaker, that *An Ordinance to Amend Mine Safety Ordinance*, be now read a second time.

**Mr. Speaker:** Seconded by?

**Mr. McCall:** The Member from Klondike.

**Mr. Speaker:** It has been moved by the Honourable Member from Pelly River, seconded by the Honourable Member from Klondike, that Bill 101 be now read a second time.

*Motion agreed to*

**Mr. Speaker:** Shall the Bill be referred to Committee of the Whole?

**Some Members:** Agreed.

**Mr. Speaker:** So ordered.

We will now proceed to Public Bills.

## PUBLIC BILLS

**Madam Clerk:** Third reading Bill 11, Mr. McKinnon.

### Bill Number 11: Third Reading

**Hon. Mr. McKinnon:** Mr. Speaker, I move that Bill Number 11, *An Ordinance to Amend the Highways Ordinance* be now read a third time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Highways and Public Works that Bill Number 11 be now read a third time.

*Motion agreed to*

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

**Hon. Mr. McKinnon:** Yes, Mr. Speaker, I move that Bill Number 11 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, that Bill Number 11 do now pass and that the title be as on the Order Paper.

*Motion agreed to*

**Mr. Speaker:** Bill Number 11 has passed this House.

**Madam Clerk:** Third reading, Bill 13, Mr. Lang.

### Amendments to Bill Number 13: Third Reading

**Hon. Mr. Lang:** Mr. Speaker, I move that the amendments to Bill Number 13, *An Ordinance to Amend the Students Financial Assistance Ordinance*, be now read a first and second time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Education that the amendments to Bill Number 13 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 13: Third Reading

**Hon. Mr. Lang:** Now, Mr. Speaker, I move that Bill Number 13, *An Ordinance to Amend the Students' Financial Assistance Ordinance* be now read a third time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Education that Bill Number 13 be now read a third time.

**Hon. Mr. McKinnon:** Mr. Speaker, I just wanted to say a few words on the Bill Number 13. It is one of the original proponents of the original concept to assist students financially that attend universities and institutions of secondary learning outside of Yukon.

I think that over the years that we have probably devised a grant and bursary program that is second to none in the whole of the country. Mr. Speaker, with the amendments to the *Students' Financial Assistance Ordinance*, at this time, we are at least the equal of our sister Territory in providing grants and scholarships to post-secondary students, far and above and beyond any of the other jurisdictions in Canada.

It seems to me, Mr. Speaker, that one of the things, particularly the Members of the Executive Committee notice, it seems to be almost four years of a constant saying no to people of groups and lobbies that are pressuring government for different goods and services and that we do try to set priorities for government. One of the priorities that this Government has set is in the area of the *Students' Financial Assistance Ordinance*.

Mr. Speaker, I think this is a program that all the Members of this Legislature can be extremely proud of, that they can all get credit for or take credit for, because it is an extremely excellent program. I just want to say one word on behalf of the Committee that sits on the awarding of the grants and bursaries for Yukon students. I know the time, the involvement, and the concern that these Members have spent over the years on this program. I also know, Mr. Speaker, that the thanks they get for this program is minimal.

It almost seems that students feel that it is some kind of divine right to receive the generous assistance and scholarships and bursaries that they receive from this Government. That is not correct, Mr. Speaker. It is a sacrifice on behalf of all the taxpayers of Yukon to have this very, very generous system of post-secondary school grants.

I think there is minimal amount of thanks going to the people who worked so long and hard to make this such a viable and successful program. Every opportunity I get, which is about once every three or four years when we amend this Ordinance, to stand up and publicly thank those people who do all the work in awarding and doing such a job in awarding the post-secondary school grants to the students. I think we should take that opportunity, and I just want to say that I think all Members of this Legislature and all the people in Yukon can be proud of the program that is equal to any such program anywhere in this country, Mr. Speaker.

**Mr. Speaker:** Is there any further debate?

**Mrs. Watson:** Mr. Speaker, I certainly am going to be supporting this Bill on third reading. In the eight years that I have served in this House, the students' financial advisory grants structure or bursary structuring has been altered four times. I think that is quite significant. There was not legislation originally, it was Regulations pursuant to the *Financial Administration Ordinance*. Those Regulations were changed to accommodate the political climate and needs of the day.

Then, the program was put into legislation, I believe, in 1973. It again, reflected the political needs and climate of the day. Each time amendments were brought up, we were able to either tighten up the areas that required tightening up and more clearly defining the actual principles and policies that the Government of the Territory was endeavoring to reflect in this very good program.

I think it is very significant to the legislation that is before us now to be given third reading. The fact that in this legislation we are giving powers, discretionary powers in legislation to a committee of lay people formed by the Government.

That is most unusual for us to write in legislation these discretionary powers. That has only come about and I am sure that nobody even had any doubt in their mind when they read these discretionary powers that were being given to the Committee, no one had any doubt in their mind that the Committee would handle it very carefully and give it the attention that any Member in this House would.

It is because of the past performance of this specific government committee that the elected people, I think, have had the confidence to give them the power and authority that they have in the Legislation.

Mr. Speaker, this reflects that legislation or regulations are really living things and they cannot remain the same. They have to be altered to accommodate the situation of the day and to accommodate the type of service that they are trying to give to the public.

It is most unfortunate that this Government has not given the same consideration and concern two years ago at least, to the *Taxation Ordinance*, to be able to reflect in it, the conditions as they have changed as of today, Mr. Speaker.

**Hon. Mr. Lang:** Mr. Speaker, in speaking to third reading of the Bill, I would also like to acknowledge the work that has

been done by the Students' Financial Assistance Committee. They have worked very hard and their advice has been invaluable in this area.

I just wanted to make one comment on third reading, Mr. Speaker, and that is the way the political climate of Yukon has changed. Ten years ago, the concept of the Students' Financial Assistance Committee was structured in such a way for incentive to people, an incentive for people to come up to Yukon and make their home here. Now, with the tightening up of the eligibility criteria in the Legislation that we are giving third reading, it reflects a definite change in the population structure and the stabilizing of the population in Yukon.

As I stated in my opening remarks in second reading of the Bill, over 50 per cent of the total Yukon population has been here five years or more and I think it reflects that now the Yukon has a population that is staying and they are making their home here. The young people are coming back after they have gone to post-secondary institutions and raising their families.

With those remarks, Mr. Speaker, I think that the Members have done a very fine job and I think we have come up with a very good piece of Legislation.

**Mr. Speaker:** Is there any further debate?

*Motion agreed to*

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

**Hon. Mr. Lang:** Yes, Mr. Speaker, I move that Bill Number 13 do now pass and the title be as on the Order Paper.

**Mr. Speaker:** It has been moved by the Honourable Minister of Education that Bill Number 13 do now pass and the title be as on the Order Paper.

*Motion agreed to*

**Mr. Speaker:** Bill Number 13 has passed this House.

**Madam Clerk:** Third reading, Bill 15, Dr. Hibberd.

#### **Bill Number 15: Third Reading**

**Hon. Mr. Hibberd:** Mr. Speaker, I move that Bill Number 15 be now read a third time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Consumer and Corporate Affairs that Bill Number 15 be now read a third time.

*Motion agreed to*

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

**Hon. Mr. Hibberd:** Yes, Mr. Speaker, I move that Bill Number 15 do now pass and the title be as on the Order Paper.

**Mr. Speaker:** It has been moved by the Minister of Consumer and Corporate Affairs that Bill Number 15 do now pass and that the title be as on the Order Paper.

*Motion agreed to*

**Mr. Speaker:** Bill Number 15 has passed this House.

May I have your further pleasure at this time?

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

**Mr. Fleming:** I second the motion.

**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 Committee of the Whole.

*Motion agreed to*

*Speaker leaves the Chair*

#### **COMMITTEE OF THE WHOLE**

**Mr. Chairman:** Would Committee please come to order. The item on the Order Paper for the Committee of the Whole

this morning will be Bill Number 16, *Special Rural Development Agreement (Special ARDA) Ordinance*, after a brief recess.

*Recess*

**Mr. Chairman:** Would Committee please come to order.

Bill Number 16, *Special Rural Development Agreement (Special ARDA) Ordinance*. We will just go ahead with reading the Bill.

*On Clause 1*

**Mr. Chairman:** Any discussion on this Clause?

*Clause 1 agreed to*

*On Clause 2*

**Mr. Chairman:** Any discussion?

**Hon. Mr. Taylor:** Mr. Chairman, prior to rising yesterday on this question, I have raised the point that the proposed agreement between Canada and the Government of Yukon Territory appeared to me, in Section 4, to be somewhat racious in nature and in fact contrary to the Ordinances of the Yukon Territory, namely the *Fair Practices Ordinance*. I will not repeat my remarks at that time as that would be very repetitious.

I would like to propose an amendment to the Bill. Moved by myself, seconded by the Honourable Member from Hootalinqua, THAT Bill 16 entitled *Special Rural Development Agreement (Special ARDA) Ordinance* be amended as follows:

In Section 2, at page 1, by adding immediately after subsection (1) thereof, the following subsection: Notwithstanding subsection (1), the Commissioner shall not enter into any agreement with the Government of Canada, pursuant to this Ordinance, where that agreement contains any provision that is contrary to the provisions of any Ordinance of the Yukon Territory.

Mr. Chairman, I think that would be as far as one could go to hopefully satisfy the requirement that the *Fair Practices Ordinance* be considered in any agreement where special rights are given based on racial or ethnic grounds.

I had the feeling yesterday that the Bill would very likely be approved and I do not think that this Bill, as I stated yesterday, should pass, unless provision has been made as contained in the amendment.

Thank you, Mr. Chairman.

**Mr. Chairman:** You now all have copies of the amendment. Moved by D. Taylor, seconded by R. Fleming, that Bill Number 16, entitled *Special Rural Development Agreement (Special ARDA) Ordinance*, be amended as follows:

In Section 2 at page 1, by adding immediately after subsection (1) thereof the following subsection:

(2) Notwithstanding subsection (1), the Commissioner shall not enter...

I think you should have "into". If you will just put that in as a typographical omission.

"...shall not enter into any agreement with the Government of Canada pursuant to this Ordinance where that agreement contains any provision that is contrary to the provisions of any Ordinance of the Yukon Territory.

Any discussion.

**Mr. Lengerke:** Yes, Mr. Chairman, it is not discussion, it is really a question and I direct it to the Minister of Consumer and Corporate Affairs. By virtue of this amendment, can we in fact then enter into an agreement right now, with the way legislation sits on the books?

**Hon. Mr. Hibberd:** Mr. Chairman, the mover of the amendment granted me the opportunity to peruse the material that he would be presenting today and, on that basis, I consulted with the DREE officials and in turn with the legal people in that department. They felt that such an amendment would be

quite compatible with an agreement and it was acceptable to us on that basis.

**Mrs. Watson:** Mr. Chairman, I would like to ask the Minister further if he would care to explain exactly what he means when he says the amendment would be compatible to the agreement. Does he mean that, with the amendment, you would still be able to sign the agreement that is before us?

**Hon. Mr. Hibberd:** Mr. Chairman, yes, the legal advice that we received, of course, was not in the detailed form that are available to us now, but it was their impression on the intent of the amendment that is before us would be not contradictory to any agreements, that we could encompass this amendment in any agreement that would be signed between the Commissioner and the Minister of DREE.

**Mrs. Watson:** Would the Minister then care to explain how he would encompass this amendment with the agreement that is before us now. How could you justify signing the agreement on the basis of this amendment?

**Hon. Mr. Hibberd:** Mr. Chairman, I am not a legal expert by any means on this and I would suggest that there might be more than one alternative available. It might require some revision of the agreement before us, but in order for that to be done, as I indicated earlier, it requires approval of Governor-in-Council to alter that agreement. Now, it is quite possible in areas like this that, if necessary, that could be accommodated. I gather that is the direction the Assembly wishes to take.

I would suspect that if that is the specific direction, if the agreement is in contravention of that, it would have to be returned for Cabinet approval. That would be the direction it would take, and I understand this would likely have Cabinet approval. This is the legal opinion that is offered.

**Mrs. Watson:** Further then, how could you make the statement that the amendment, as proposed, that is before us could be encompassed by this agreement? It could not be. This agreement would have to be amended, and it would have to be amended by Cabinet. Is that what you are saying?

**Hon. Mr. Hibberd:** Yes, I believe so, Mr. Chairman. The details of the consultation between the department and ourselves was carried on by Mr. Stubbs who appeared here as witness yesterday. If you would like more details on it, I could ask that he be recalled, if that is required.

**Mr. Chairman:** Is that agreed?

**Some Members:** Agreed.

**Mr. Chairman:** Mr. Stubbs is with us now as witness. Mr. Hibberd could you pose the question to the witness?

**Hon. Mr. Hibberd:** Yes, Mr. Chairman, the problem before Committee now, Mr. Stubbs, is, it is suggested that the proposed amendment might be in contravention with one portion of the agreement. How would the agreement be altered, or what other route could be taken to accommodate this amendment if it were passed in our Ordinance?

**Mr. Stubbs:** The agreement itself that you have before you is a proposed agreement. The principles would probably still remain the same so that the agreement would not likely have to go to the Federal Cabinet. However, if this provision was to be put in the agreement, the lawyers would have to work it in. Our lawyer says that under no circumstances would we break the Yukon Ordinance in our agreement at any time. This is implicit in the agreement, as written.

However, if the Territorial Government wish to have this worked into the agreement, they will negotiate it out later on. They being the lawyers.

**Mrs. Watson:** Mr. Chairman, may I ask the witness a question?

**Mr. Chairman:** Yes.

**Mrs. Watson:** Mr. Stubbs, when you spoke to the agreement yesterday, you very specifically said this is a program to

provide employment for native people. Now with this amendment in the legislation which limits the Commissioner the power to sign any agreement that is in contravention of our *Fair Practices Ordinance* which states there shall be no discrimination on race.

How then, could you even have this agreement? Whether you rework it or not, you would be taking our of it then, the actual purpose of the agreement that is before us.

**Mr. Stubbs:** I am not a lawyer.

I would, however, suspect that the human rights legislation, the federal Human Rights legislation would allow for positive discrimination and it is my guess rather than statement, that the intent of your legislation is really against "negative" discrimination and I suspect that wording could be worked out that would accommodate it all.

**Mrs. Watson:** Mr. Chairman, I am sure that Mr. Stubbs must have some idea of that wording or how it could be accommodated. I wonder whether you would be a little bit more explicit in your explanation because, to me, the whole concept of the agreement would be removed by the amendment in our legislation.

Would you be prepared to change the concept of the agreement?

**Mr. Stubbs:** This agreement is aimed at providing employment for native people. That will remain as far as our agreement is concerned. The legalities that surround it, I am really not prepared to comment on because, for instance, the Labour Standards part of the agreement, if I was writing the agreement I would not have it in, but the lawyers insist that it must be.

So, I really would not be prepared to comment any further.

**Mr. Chairman:** Any further?

**Mr. Fleming:** Yes, Mr. Chairman, I do not have a question for the witness, however I am going right along with his idea though, of the way that I think it should be handled, because under Section 9(b), it does say even in the agreement that "in the employment of persons on a project there shall be no discrimination by reason of race, sex, age, marital status, national origin, colour or religion or political affiliation".

It does state in one area in the agreement, that there shall not be any discrimination whatsoever. Of course, the first paragraph of 9, that says "the objectives of this agreement is to develop income and employment opportunities as well as standards of living for those residents who are of native ancestry."

Well, that is no problem. That is exactly what we would be trying to do if this program came to this Territory. All we are saying in the amendment, of course, is that we do not wish the Government to go into something that does change those sections. It is still for the native peoples. The amendment itself merely makes sure that the Commissioner does not sign something like that.

I do not see anywhere they could say that we were really trying to discriminate or anything against anybody or that we were not really taking the agreement to provide employment for the native peoples. I see no problem in it at all, myself, and I certainly, of course, as seconder of the amendment, hope it passes.

As for voting for the Bill, I am not happy with this type of thing, as I said before, but I cannot see where the Government would back down just because this was in there. I cannot see where we can have ordinances in this Territory that are made and then have the Commissioner or anybody else going into an agreement that does conflict with our ordinances. I cannot even accept that aspect of it.

**Mr. Chairman:** Any further discussion?

**Hon. Mrs. Whyard:** Mr. Chairman, I need a little instruction, if I may, from the witness, because unfortunately he mentioned labour standards. That immediately pushed the button.



It has been my experience, having opened my big mouth in this Assembly, and said the Federal Government abides by the requirements of our *Labour Standards Ordinance* that I had to come back and retract that statement. They do not in fact. This has been written on my heart ever since. I remember it very clearly.

Mr. Chairman, we have had the experience in this Government that there are Federal Statutes which have always been accepted as overtaking any legality of a similar Ordinance of this Government. In other words, the Federal Government says to us, our Act takes precedence of your Ordinance. That is a very clear policy in a number of areas.

I need a little instruction, Mr. Chairman, to reassure me in the context of what the witness has told us on this subject, that there would indeed be acceptance of a Territorial Ordinance in a field where there is a Federal Act.

**Mr. Stubbs:** Thank you for the dandy—. I really am novice in the area of labour standards. I know this irritates the provinces. I also know that they have accepted the labour standards as written. We had a fair amount of discussion between your Territorial Government lawyer and our lawyer about this, and they have come to some understanding.

Maybe Dr. Hibberd knows more about it than I do.

**Hon. Mrs. Whyard:** Mr. Chairman, I realize it is an unfair question to pose to the witness. It is a legal matter and requires a legal opinion. I guess what I am saying, Mr. Chairman, is that I would like to know what that opinion is.

**Mr. Chairman:** Any further discussion? Are you prepared for the question on the amendment?

**Ms Millard:** I am still not assured that if we pass this motion that the agreement will not be void. I want some assurance in my mind that the agreement will go through before I vote for this motion or against it even. I would really like to know. I wonder if we can bring in the legal advisor for more legal advice on it?

**Hon. Mr. Hibberd:** Mr. Chairman, the process is that we have an Ordinance here, as amended or otherwise. It goes forth and permits us to draw up an agreement with the Government of Canada, at which time that agreement will be reviewed by DREE and by ourselves, and if approved, in the context of what has passed this House, it will be signed by both parties. It must be consistent with what has been passed by this House.

**Ms Millard:** Mr. Chairman, that is why I am reluctant to see this motion passed. It feels to me like it could void the agreement. I want some assurance that it will not, before it passes the House.

**Hon. Mr. Hibberd:** Mr. Chairman, consultation referred to earlier indicated that the Federal Government could accommodate the agreement to fit in with this proposed amendment we have. Now I can give no more assurance than that. They have not had a formal transmittal of this amendment that has been tabled today, but the indication is that it can be accommodated in an agreement between the two governments.

**Mr. Fleming:** If somebody, I do not care who, but if somebody could just show me in this agreement where their problem is, I would just like them to read out the section, because I cannot find a section that really is a definite problem.

**Ms Millard:** Mr. Chairman, the way that I read the purpose of this motion, and I may be wrong, the purpose may be just a theoretical thing, which I am inclined to think it is, but I think the purpose that I can see in this motion is that it will allow white status people the same rights, under ARDA, as native people.

So that, if a white person applies under that agreement for employment or for anything else, they will be given and have to be given equal consideration in that application. I do not want to vote for a motion that will allow that to happen, because I

feel that the purpose of ARDA is totally different from that.

So, other than simply the theoretical legal kind of aspect of having to deal with ordinances saying something different, I mean, I can see the legal arguments going on forever and ever and that is fine. If that happens and we still can go ahead on the ARDA agreement, I do not care, but I sure do not want it to say that the purpose of ARDA is gone, really.

**Mr. Chairman:** Any further discussion?

**Mr. Lengerke:** Mr. Chairman, I find it pretty discouraging to hear some of the comments and I really wonder, you know, what is behind it all. The minute we start involving native people we seem to have a great problem.

The Special ARDA program is geared to try to help native people get into various opportunities, but it goes a little further than that. It also involves non-native people and non-native people and native people together. I think that is the purpose of the program.

I cannot see their great difficulty in this. We are always saying, so many times in our society, that we would like to see native people more productive and here is an opportunity that we can do something about it. The man on the street, the smaller businessman can get involved and believe you me, there are a lot of these people who have some concerns that they would like, in fact, to help the native people get started and get involved in businesses and also be involved with them.

I put a little more faith in some of our people and citizens of Yukon to say that a program such as this will work quite well. I have no problem with the amendment to it, as long as the amendment to this particular agreement will still allow us to enter into an agreement and then it will become a meaningful program.

If in fact we do not have that insurance, then I suggest the amendment, that I would not vote for it.

**Mr. Chairman:** As Chairman, I would like to point out something to the Members of the Committee, that the passing of this Ordinance, as is or as amended, has nothing really to do with the agreement.

**Mr. Lengerke:** I know that.

**Mr. Chairman:** Because the Commissioner is bound in any case not to sign an agreement that is contrary to the laws of the Territory. And, whether or not you pass this amendment, he is still bound by the Ordinance of the Territory.

So it matters little whether you accept the amendment or whether you reject it, because if you pass the main Ordinance, you are really saying the same thing, that the Commissioner shall not enter into any agreement unless it complies with the provisions of the Ordinance of the Territory.

He would be remiss in his duties if he did.

**Ms Millard:** Yes, Mr. Chairman, that is the impression I am under too. I would like to hear more from the mover of the motion, what is the purpose of it then?

**Hon. Mr. Taylor:** Mr. Chairman, the purpose of bringing in the amendment was stated very, very clearly yesterday for all to hear. There stands on the Ordinances of this Territory the *Fair Practices Ordinance*. If this agreement does not offend, or any agreement, this is only a draft agreement as Mr. Chairman has said, does not offend any agreement Mr. Commissioner signs on behalf of this Government, fine. But, this amendment will ensure that before any agreement is signed that the legal people of both the Government of the Yukon Territory and the Government of Canada will have to sit down and view it on either side, to ensure that any agreement made in respect of this Bill is lawful and in keeping with the Ordinances of this Territory.

There is no possible way that in this type of Bill that the Commissioner ought to be left without this provision in the Bill. I understand at this time as well that Mr. Commissioner is

sitting in my office listening to my monitor, and if he is really interested in this Bill, which I believe comes under his Executive Committee, I would invite Mr. Commissioner to come to his desk in the House and to leave my office at this time.

**Mr. Fleming:** As seconder of the motion, Mr. Chairman, I think the motion is merely a reminder. That is all to the Commissioner. I realize that probably under the rules and regulations of this Territory, we maybe do not have to remind him, but I find in the past that we have had to remind him and sometimes too late, after it is all done and finished. Then we get into the argument.

I think this amendment would be no problem. I see no problem under Section 4 that the amendment is going to hurt either if the agreement is this way. They are merely saying in this agreement, which is not a signed agreement yet anyway, that it is for, as much as possible, native people. There is nothing in here really that says there is going to be any discrimination. We do not have any in this Territory. So I see no problem whatsoever with it.

**Mr. Berger:** I cannot vote for the amendment because it is going to confuse the issue some more. I rose yesterday on the point of Section 9(b), the confusing section there as far as I am concerned, contradicts the whole agreement. I think it would endanger the whole purpose of the Bill and the agreement that the Territory and Canada wants to enter into. This is the reason I cannot vote for this amendment.

**Mr. Chairman:** Any further discussion on the amendment? Are you prepared for the question?

**Some Members:** Question.

**Mr. Chairman:** Shall the amendment carry?

**Some Members:** Agree.

**Some Members:** Disagree.

**Mr. Chairman:** We will have a show. Shall the amendment carry? Would those who are in favour of the amendment please raise their signify?

I declare the amendment is carried.

*Amendment agreed to*

*Clause 2 agreed to*

*On Clause 3*

**Mr. Chairman:** Any discussion on Clause 3?

*Clause 3 agreed to*

**Mr. Chairman:** The Commissioner of the Yukon Territory, by and with the advice and consent of the Council of the said Territory, enacts as follows: *Special Rural Development Agreement (Special ARDA) Ordinance.*

Shall the preamble and title carry?

**Mrs. Watson:** Mr. Chairman, you can speak to the general, at this stage, can you not?

**Mr. Chairman:** Yes, I will let you.

**Mrs. Watson:** Mr. Chairman, did you want to let the witness go?

**Mr. Chairman:** Yes, the witness is excused.

**Mrs. Watson:** Yes, Mr. Speaker, amendment or no amendment, I am going to be voting against this Bill, for quite a number of reasons.

Regardless of whether it is positive discrimination or negative discrimination, it is still discrimination. Regardless of whether it is contrary to the *Fair Practices Ordinance* or not, you can rest assured it is going to be signed.

Regardless of whether it meets the needs of the small business people in the Yukon Territory or regardless of whether it is really going to meet the needs of the native people, it is going to be signed.

This is the unfortunate thing in our situation today, that we

are not able to sort out the things and put our finger on it and get things stopped before they get rolling and we are in a swell of make-up programs and we are in such an artificial world and our values are so distorted that we talk ourselves into anything or out of anything.

When I hear of such words as "positive discrimination", it just absolutely makes me quite repulsed, because in any kind of discrimination, there is always someone being hurt. In this case, I would have hoped the Government of Canada and the Government of Yukon could have found better ways of employing or seeing that Indian people can be employed meaningfully, without having to go to very specific phrases that say "the undertaking is expressly organized so that a majority of those employed are residents of native ancestry".

It is most unfortunate that we have talked ourselves over the past few years, into this type of situation and it is most unfortunate that some of the native people feel, and justifiably, that this type of legislation can be justified.

It is also unfortunate that the federal government is twisting our arm and saying, if you go and accept discriminatory legislation, and it is, if you sign that agreement, then somebody else can get a benefit, but if you do not, we will not give anybody else the benefit. That is the part that absolutely galls me.

When they are handing out and they are saying that your tax credits will go from five per cent to seven and a half per cent, but the industries that will benefit from this are so extremely limited in the Yukon Territory, and it is only a tax benefit on the new capital investment but when they have to tie these two things in, then I think we are in a pretty sad situation, when we feel that we have to accept it.

When they have to tie this agreement into the fact that the development, the regional expansion agreements, any further agreements for regional expansion in the Yukon Territory are going to be dependent on the Yukon Territory signing that agreement, it is a pretty sad day when our senior Government takes that kind of a position and we can go along with them. It is going to be a pretty sad day.

Mr. Chairman, I spoke the other morning on my disagreement with Government involved in the marketplace and in business, and I still feel the same way. So many of our problems in our country today have been caused by not really looking at the problems in areas where the economy is in a very bad situation, but instead putting in more money, regardless. More money is not always the answer and we have been printing money in Canada, and you know the value of our money on the world market today.

We are saying here, go ahead, print some more, but give us some of it, make sure. It is going to be the doom of this country. Surely if an economy, a business or an industry warrants investment of money in it, then that industry should be able to be a viable industry. If an industry or business is on the borderline, then surely taxpayers' money should not be used to let them have a try at it because the chances are that they are not going to be able to make it.

If they are not borderline, they can get their money from other sources and government usually does not help them. Mr. Chairman, the whole idea of this half page I think to me is insulting. It means capitulation to the type of political strong-arming that goes on, and I do not want any part of it. I am sure the people of the Yukon Territory generally, and more specifically small business people, do not want any part of it.

If the Indian people want to go into business for themselves and not limited, as they are here, to different types of businesses, we have an Indian Affairs Branch that has an Indian and Eskimo Economic Development Department. It has got hundreds of people working for it. That Department is very actively engaged in financing and providing assistance, both money and with counselling and so on, to Indian people who

want to go into business. The avenue is there, but they are leaving it to the Indian people if they want to hire Indian people or non-Indian people.

They are leaving it up to them. They are not writing that into the agreements, but the money is there. If there was no program at all in this country, then a person would have to take a second look at this ARDA agreement.

Another reason I object very strenuously and it is more real in the small communities, these types of capital financial supported, government financial supported businesses which will be established or could be established in small communities in competition to people who do not get any government help, and many of these small communities, there is only enough business to support one store or one garage or one hotel. I think competition is healthy, but unfair competition is not.

We are seeing this happening throughout the Territory and I have a lot of problems saying to people, well, you know, chin up, you can compete with them. But can he? He has got mortgage payments to pay. He is paying interest at 10, 11 per cent on the money that he borrowed to go into business. The other people got a grant. They do not have these. Who can lower their prices? Who can operate? Who has the better chance of underselling?

This is what I am objecting to. There are many, many things in this thing that we are embarking upon, basic principles that most of us believe in, they are being encroached upon by this legislation.

So, Mr. Chairman, I will be voting against it at every stage.

**Mr. Chairman:** Any further general discussion?

**Mr. Fleming:** Yes, Mr. Chairman, regardless of the amendment that was put forward and which I seconded, I will still be voting against the Bill itself for some of the same reasons as the Member from Klwane.

I have seen some of the things that have happened with these programs and I can see the greatest rip-off Yukon has ever seen in this one here. I can give you an example of what I could probably do myself in the very area of where I sit, just to show you what could happen.

That if this agreement came here and it is definitely for the native people, as the Government of Canada always says, and I, myself wanted to put in for a big large project in the Town of Teslin somewhere, and if I promised all sorts of things, such as I would hire 20 native people because we have a village of 100 and some there that is there and they are available and they are out of work, and I can give them the greatest story in the world and I could create the biggest hotel that was ever built, probably, and I would get the money, I am quite sure. I am going to just tell you the basic facts of life, you would get it if you asked them for it, if you gave them that reason.

When that thing was finished, or maybe it never would be finished, which has happened all over Alberta and a few other places, including Alaska, which I have just seen in the last couple of weeks a couple of projects that went down the drain for a million and a half dollars.

I could end up and hire no native people and possibly run away with half of the money and just rip this Territory off and all of Canada. It is just that easy to do it, under these programs.

I will also be voting against the Bill itself.

**Hon. Mr. Hibberd:** Mr. Chairman, I am a good deal disturbed by a lot of the rhetoric I hear flowing forth this morning. I would suggest to Committee what is wrong with helping a disadvantaged people? People who do not have the educational background, they do not have capital behind them to get their businesses going, they need help and I think we should be happy to offer it to them if we have the ability to do so. It is not costing us money to do so.

We are exhibiting a good deal of racism right here in reverse.

Mr. Chairman. I cannot help but think that we have a problem to meet and we should be facing it, and we should not be facing it on racial grounds. There are people that require support help, let us give it to them if we can.

I would like to point out to Committee that if they are disadvantaged people, people who do not have the job training or the ability to accept certain jobs in your community, if you apply what you call non-discriminatory legislation, in actuality you are discriminating against that disadvantaged people. So in all your efforts to be neutral, you are indeed disadvantaging the disadvantaged people already. You are carrying it further.

What we are trying to do is bring others up to standards. I would also like to point out that this is a balanced program, that we have had representation from the mining industry, from tourism, from small businesses, all of whom are encouraging us to bring this program in. As has been pointed out before, this is an incentives program, it is not a hand out. One has to give evidence of a viable business. They have to have a five year plan that has to be approved. It is also considered that this committee, which is so important in the functioning of it will not permit a competitive situation to develop with existing industries in that area.

It is aimed at fulfilling a market need. It is not a competitive situation with the private entrepreneurs who are already in place. I think all these things have been answered before. If one does not choose to hear these answers, fine, but they are there. The program is designed to help native people who need the help. It is designed to help small businessmen who need the help, and this is indeed what we want to bring in.

**Mrs. Watson:** Mr. Chairman, it is designed to help small businessmen, and I would like to go on record to say, and the Honourable Minister stated that in the House yesterday, it is misleading, and he knows perfectly well it is misleading - small businessmen in very limited industries, and very limited areas. That should be spelled out very clearly.

People think anyone who is in the retail business and so on, you know perfectly well that they cannot benefit from this. You know perfectly well there are very, very strict terms and conditions they have to adhere to before the small businessman can benefit. I think one of the worst things we can do is hold out false hopes for people just to highlight something, you know, 7.5 per cent tax credit from 5 per cent. Sounds great, but that is all you hear. Then the people say oh, that is really something.

When you dig into it, who is going to benefit from that? Do not do that to the people of the Territory, do not let them think there is going to be low interest loans or grants available for all businesses, small business in the Territory because you know there will not be.

**Hon. Mr. McKinnon:** Mr. Chairman, as I stated in the original debate on second reading of the Bill. I thought this to be a most interesting debate, and it has turned out to be exactly that.

As a member of the most discriminated group against in Canada, which is namely the WASP group, Mr. Chairman, I see this in a slightly different light and I see it at least as an attempt to benefit somewhat that much discriminated and maligned group in society, namely the private entrepreneurial section and the middle-class or small-to-large businessman.

Mr. Chairman, I suggest that the Bill does that in certain sections. If I had my druthers, Mr. Chairman, I would druther never have heard of ARDA, RDIA, and GDA and I would druther never have heard of F.L.I.P., N.I.P. and R.I.P. and R.A.P. and all of the other programs that are all over the country, that I think are just providing horrendous administrative difficulties in providing an almost counter-philosophy of what this country should be all about.

Having said that, Mr. Chairman, I find it extremely difficult, when businesses do come to this Government and say, look it,

if you are declared as an RDIA area, then our tax credit on capital improved investment goes from 5 to 7.5. Is there anything against or is this Government, and do they have a policy of being against declaring Yukon as an area that comes under the RDIA program?

We say, yes, we have a lot of difficulties: a small government, a small bureaucracy and handling all of this myriad of plethora of government programs which are just totally descending upon our shoulder.

The businessman says, yes, be that as it may, I do not think that I should be unfairly discriminated against because I happen to run a business in Yukon and my competitors can take advantage of these tax credits and I cannot because it is your philosophy or your policy not to let me.

Well, Mr. Chairman, I have difficulty answering that type of question. I wish other provinces and other jurisdictions would have the same philosophy as some Members here and say, look it, we do not need it and go peddle your apples somewhere else. But it is hard to explain that to the businessman of Yukon.

Mr. Chairman, it is hard to explain to the Yukon Visitors' Association, when they say we know that for tourist programs and tourist capital expenditures and under ARDA programs that there are grants and monies available. I thought you were going to get us this type of money, under the GDA. We say no, it is not available under GDA, but it will be if we go through with these agreements with ARDA and with the RDIA. They say, well, you had better hustle your butt and get into those arrangements because we do not think that we should be discriminated against either in taking advantage of ARDA programs that other areas in Canada do.

I find it difficult to answer that type of argument, Mr. Chairman.

I find it difficult to answer the argument of people like YANSI who say, look it, we are not status under the terms of the *Indian Act* and we do want to get involved and we are making an attempt to get involved in the dominant economic society and we feel that we need a little impetus and some help to get involved and we are not looking for hand-outs and we are not looking for enormous special status because we do not have it, under the terms of the *Indian Act* and we know that Special ARDA can do this.

I have problems. I know the philosophy of this Government is to get the people of Indian ancestry into the economic mainstream, stated, Mr. Chairman, in this House, and we had better put our money where our mouth is if we really believe it.

Mr. Chairman, I just think it would be extremely beneficial to everyone in this Territory and to the total economy of the Territory if we found some method somewhere, which we have not, up to this point in time, to alleviate the horrendous unemployment statistic which we all know are there amongst the Indian people in this Territory and people of Indian ancestry.

Mr. Chairman, with those arguments from every different segment of society, I find it very difficult, even though I wish that RDIA and GDA had never come about in this country, I find it very difficult not to be in support of such programs that at least are attempting to help those different areas of the economy that I have spoken about. I wish that all those areas could make the contribution on their own without getting into these damned complicated administrative nightmare programs, but I just cannot, as a Member of this Executive Committee, answer those people who come to me and say why can we not have the same advantage as other areas of Canada under these agreements and programs, and why should you discriminate against me, whether I happen to be a member of YANSI, a member of the business community, or a member of YVA. Mr. Chairman, I do not have the answers to those questions that are asked. I can only say that because of those reasons and those questions and those pressures that have been put upon the

Government to do these things which are before you now, that I will be supporting the legislation as it is before the House, Mr. Chairman.

**Mr. Chairman:** Anything further.

**Mr. Berger:** Mr. Chairman, I am a little curious. The Member from the Government side first voted for the amendment which could possibly endanger the Bill. On the other hand he stands up and he tells us what good the Bill does. I can find no rhyme or reason for the thing. You either are wholeheartedly for the Bill, as it was laid out, as the agreement was laid out, and take the deals and agreement the Federal Government demands from you. You cannot stand up and say well I am supporting on one side, and I am supporting on the other side.

I have nothing against the special agreement for the native people. I think it is a good thing, and it is high time. I am more concerned with the special allowances. As we were told yesterday, mining companies and oil companies can get in this Territory and there is really absolutely nothing for the small business people that exist right now. The family owned business that is paying its taxes like any other taxpayer in this Territory or any other taxpayer in Canada, he has to pay his full taxation to the Federal Government. Nobody gives them a nickel for that.

Here we have multi-national corporations who are able, with this Bill, to get a 7.5 per cent tax write-off, and where does the profit go? It goes out of Canada. There is no stipulation that this money has to be reinvested in Canada. This is where I really why I have the hang-up on this particular Bill. Why should we, the small businessmen who have to pay the full 100 per cent taxation to the Federal Government, subsidize the multi-national corporation? There is no answer on this thing. This is what we are really doing here by giving those people the right to write-off 7.5 per cent taxation.

**Mr. Chairman:** Anything further?

**Mr. Fleming:** I think the Honourable Member was referring to me when I voted for the amendment. I am not sure, but I think that was it.

As I said, the amendment was something to keep the Commissioner in line. It had absolutely nothing to do with other than that in this Bill.

However, I sympathize with the Member for Local Government, too, with the same problem, but I cannot back down on my philosophy that does not allow things like this to go on and so I cannot vote for this Bill.

I know I have the problem just exactly as he does and I can see the point on the Government's side of going for something like this. It seems like something is fed to you and whether it is poison or not, you have to eat it and I am just getting so tired of seeing these things come forth I am about wore out.

**Mrs. Watson:** Mr. Chairman, gracefully again, I hope, but I think the public is being mislead when the small businesses think they are going to get some help. It is the same way as income tax or anything else, you are going to get help but when you read the small print, the requirements, can you fit into the slot is going to make it very, very difficult.

The fact that the General Agreement, you cannot get help under the General Agreement unless this is signed, is very galling and also, before you can get anything under the General Agreement, you must have subsidiary agreements which would have to come back to the House here for the authority to sign them, and then the Regional Expansion Department in Ottawa must have money in their budget that could be available to the Yukon Territory. We have no assurance of that.

We look at this today as though this sort of a Messiah or something that is really going to help everybody. It is not going to help anybody at all. In fact, all it is going to do is cause you problems and I would wager that next year's Main Estimates

has a man year to take care of the Credit Union and a man year to take care of ARDA, probably by then.

**Mr. Chairman:** Anything further?

**Mr. McCall:** Thank you, Mr. Chairman. I will not be supporting this particular Bill. I do not think it really satisfies the needs of many people in Yukon who wish to seek some sort of financial assistance to get started in business.

The Member from Klondike made reference to multi-national corporations and the federal handout through this type of program. We have heard many comments about assistance that native groups may acquire through this type of program.

I personally, for one, Mr. Chairman, am getting fed-up of listening to excuses that are incorporated in a Bill such as this for financial assistance from the Government of Canada.

I, for one, am getting sick and tired of listening to the explanations the Executive Committee Members give to this House as to why funds are not acquired for projects in the Yukon.

I, for one, am getting fed up of listening to the many times where Members have got to go down to Ottawa, with their cap in their hand, and yet we can see departments such as this, a federal department or agency, who seemingly can just conjure up money, tax money belonging to Canadians so they can hand it out at whim, at will, simply because legislation such as this before us can be so easily passed or adopted.

I think the Federal Government, Mr. Chairman, is running out of places and pockets from which to play the sort of games as they are proposing in these types of programs. I just do not want to accept it in its present form. I do not want to give a blank cheque to the Chief Executive Officer of this Government to play games with agreements that somebody in the future may have problems with. I will not accept that anymore. I think we are all over 21 and we are all adults, and if the Federal Government cannot provide proper funding through normal budgeting to this Government, they should stop playing with the taxpayers money in the form they are proposing in the agreement which accompanies this particular piece of legislation. I will not be supporting it.

**Mr. Chairman:** Anything further? Shall the preamble and title carry?

**Some Members:** Agreed.

**Some Members:** Disagreed.

**Mr. Chairman:** A show of hands please. Those who agree? I declare the title and preamble carried.

Shall the Bill be reported out of Committee as amended?

**Some Members:** Agreed.

**Mr. Chairman:** I declare the Bill reported out of Committee with amendments.

We will now recess until 1:30.

*Recess*

**Mr. Chairman:** The Committee please come to order.

The Private Member's Bill 101, *An Ordinance to Amend the Mining Safety Ordinance*, there has been a request for witnesses to attend for that and for other reasons, we will not be able to do that this afternoon, but we are setting that up for Tuesday. So, we will do the *Mine Safety Ordinance* Tuesday. That will give everybody an opportunity to read it over and see what it really means. It might be a good idea to discuss it with some people in the mining business so you understand what it is all about.

So that leaves us with some of the resolutions which we have not got into. I think if everybody is agreeable, we could start on with the Federal Pipeline Bill, that is Ms Millard's Resolution that the Federal Pipeline Bill be referred to the Committee of the Whole for discussion.

**Ms Millard:** I would have to go get my papers, if we could adjourn for two minutes. Okay?

**Mr. Chairman:** Yes, go ahead.

We will begin a discussion of the Pipeline Agreement, and I think it was generally agreed that, at this particular time, we would have a general discussion on anything that the Members wanted to talk about regarding the pipeline, get a few things off your chest.

So, we will start off with Ms Millard, who raised the issue.

**Ms Millard:** Mr. Chairman, I would really like to have the Minister in charge of pipeline with us.

**Mr. Chairman:** Well, he was here. You know, you are playing checkers, you two.

**Ms Millard:** Well, since I am going to be trying to influence him in what I have to say, I would really like for him to hear it.

I also have a question.

**Hon. Mr. Taylor:** Mr. Chairman, I do not know. We are getting back to the same old ball game where if one Member is not prepared to proceed that we are holding up all the work of Committee. I am just wondering if perhaps there is nothing to be said by the Honourable Member, perhaps we should continue on and pass this and clear this item off the agenda.

**Mr. Chairman:** Mr. Taylor, the Honourable Member is only delayed because one of the Ministers is not here.

**Hon. Mr. Taylor:** Mr. Chairman, when things are called on the Order Paper, if the Honourable Member has something to state, I do not believe the Minister is required to be here. If he does not wish to be here, we cannot hold up the whole Committee structure because of the absence of any Member or any Minister. That is my point.

**Mr. Chairman:** I do not want to get into an argument with the Honourable Member, but there would be little point in discussing the pipeline if the Minister responsible for pipelines is not here.

**Ms Millard:** Now, I hope the Minister is prepared. I have given an outline of some questions that I have on not just the Bill, but the general thing of what has happened with the pipeline in Yukon to the Minister. I am hoping he has had time to prepare himself in this very complex—. It was just this morning I offered him an outline of the things that I had areas of concern in.

I do not mind proceeding if the Minister does not.

**Mr. Chairman:** Go ahead.

**Ms Millard:** I am glad that we are finally setting aside some good amount of time to discuss pipeline, because I think this has not been done up to this point, that we have not really got into the broad perspectives of the thing that is going to be very important in Yukon, for a long time, and having an undermining effect on the way of life in the Yukon as it is now.

Mr. Chairman, I was instinctively opposed to any pipeline in Yukon and I could not even really say specifically why at that point. But I think I was instinctively opposed because I am paranoid, because I do not really think—

**Hon. Mr. Lang:** No, you are not really.

**Ms Millard:** Yes, I think I am a little bit more paranoid than most people here and maybe that makes me, sometimes a little more aware of the possibilities, the negative possibilities of things that might happen.

I do not have any joy in being right, because I think now that I was right, but it does not give me any feeling of joy to know that the pipeline is going to have a negative effect on our Yukon.

We have never got any favours from the federal government, neither have we got any favours from large businesses in Yukon. So, why did we ever expect that the pipeline was going

to be useful, let alone a positive effect to Yukon.

My suspicions were right, big government and big business getting together has ruined or will ruin the little guy in Yukon, the one who wants to stay here because of the environment, because of the flexibility of the freedom. Those kinds of things are going to be undermined with concepts such as the pipeline.

I think we are all beginning to see that now and here we are, we still have two or three years to go before we really see the effect and already we are seeing the effect.

I made remarks before in this House in the Budget Session about how the effect of a pipeline has been felt in the Budget. In the capital expenditure part of the Budget, a lot of the emphasis has been along the pipeline route, instead of on the interior communities in Yukon on projects that have already been started, previous to the announcement of the pipeline. So that the interior communities are already paying by not having a gym in Old Crow, not having a public administration building in Mayo. These kinds of things are already paying for the impact of the pipeline.

They are not going to be considered, if we ever get a chance of totalling up a bill and saying to the federal government, these are the pipeline impacts, now pay us for that. They will not be considered but they are already an impact on us in Mayo, Dawson and Old Crow, the interior communities which deserve the right to have the full rights of spending from the government in our areas.

We are not seeing any benefits, even in the general programs of the Government. Any benefits that are going to come from the pipeline certainly are not going to be felt in Dawson, Old Crow and Mayo, if there are any benefits at all.

I think the Pipeline Bill really displays to us the *Pipeline Act* now, has displayed to us a continuance of the weak and negative northern policies that are coming out of the Federal Government. They really do not consider that the Yukon should have any independence or any say in what is happening to itself. I think the *Pipeline Act* displays this.

We should have known right from the beginning that any *Pipeline Act* coming out of that Federal Government which is dealing with the Yukon Territory or the Northwest Territories, would be dealt with in that manner. It would be dealt with in a dictatorial manner. We can see, for instance, by the rejection of the idea of a second stage inquiry. We were promised that when Lysyk came. Every meeting he had, he was saying now you cannot object to the shortness of this inquiry because we only have three months. It is not a whitewash job, we are going to have a second stage inquiry.

He has been used as a scapegoat by the Federal Government to convince everybody in Yukon that yes, we will be heard, even if we are not heard this first time in this preliminary inquiry, we will be heard in a second inquiry. Now we have Mr. Faulkner telling us what is the point in the second stage inquiry. Here we are again being mishmashed around and led by the nose into something that we really may not have wanted had we been given time to consider and some kind of knowledge of what was happening to us.

Also, I do not believe there has been anything written to this point on employment guarantees for Yukoners. There has been a lot of talk about it and a lot of agreement, but there has not been to my knowledge at this point, any solid agreement that Yukoners will really get the jobs they are capable of doing and need to be employed at.

So again we are just being lead down the garden path or lead down the pipeline.

Also, another thing that I find terribly insulting, which has had no consultation with anyone in Yukon is the assumption that we have to have a Dempster lateral. This is the most insulting part of this whole *Pipeline Act*, that they can make a

decision based on absolutely no environmental knowledge, no socio-economic planning and certainly no question of whether they have ever asked anybody in that area of whether or not they want a pipeline down the Dempster, because when Lysyk came, it was not even a possibility. The Dempster was not even thought about.

So, the National Energy Board comes out with its idea that maybe we should have one down the Dempster. Also, maybe we should have one across the Taylor Highway. No one even thought of the Taylor Highway when Lysyk was in Dawson.

So here we were, being asked prior to a decision, and I am sure that even if I had mentioned to Lysyk that the Dempster could be a possibility and that I object to it, well, they would have said, well, that is not in the works anyway, you know, because it is just the Alaska Highway. But now it is written into the *Pipeline Act*, that the Dempster is more than a possibility, it is a necessity and the negotiations with the Americans was done with that purpose in mind, that if the Alcan route were approved, the Dempster would come next.

How many pipelines do we want? Do we want them criss-crossed across Yukon in the northern part of Yukon, which is very fragile? Is this what we are sitting back and allowing our federal people to do to us?

We should have realized that the federal government would be doing this.

Also, the most important, next to the Dempster, is the fact that the federal government has completely ignored land claims in this whole pipeline thing. They first of all set aside a corridor of five miles on either side of a proposed pipeline and said, that is set aside. I mean, there is prior claim on that land, but we will set it aside. We are going to ignore, the federal government says to itself, we will just ignore the fact that in 1973, the Indians in Yukon have put a claim on that land. We might as well ignore it because we can, they think.

So, they can go ahead and do it and we are allowing that to happen as well. They are ignoring the importance, economically and socially, to Yukon of land claims, by just walking over the Indians, let alone the fact that they are not allowing the native people to have the rights and prerogatives that they should have because of their aboriginal rights.

There is no review or appeal to the *Pipeline Act* decisions for us. We know that. Now we should have known that from the beginning and objected right from the beginning to this whole pipeline idea and really put our feet to the ground and said, if we are going to get something in Yukon, this is how we are going to have it. Not by federal decisions, but by Yukon decisions.

Instead, the presentation the Territorial Government made to the Lysyk Inquiry was in support of the pipeline. It said, there will be problems, but we will deal with them. In other words, we will co-operate with this whole federal idea, which we have never had real co-operation from the federal government for the good of Yukon, and yet we can still sit there and make a presentation and say, that is okay, if there are problems we will deal with them.

So, I find myself more and more depressed by the idea that I was right in the first place to object to the pipeline.

I think if more people had more strongly objected, we would be in a better position today. In fact, many, many people did object who made a presentation to Lysyk, many people. A good percentage more than a majority objected to what the pipeline was going to do. Yet, Lysyk did not listen to them and neither did the Federal Government, neither did we. We have not really made a solid decision on the pipeline except that if there are problems we will deal with them.

We are getting what we asked for. We are going to be in an advisory capacity if at all, if we do get somebody on this advisory council who is appointed by us, if we do get that. We will still only be in an advisory capacity. Are we satisfied with

that or are we going to let them walk over us all the time?

The headquarters for the administration of the pipeline is thousands of miles away. We will not even be able to walk into somebody's office and pound on the table and say what the hell is going on here? We are going to have to deal with thousands of miles away and a bureaucracy that is layer on layer. The first layer is in Calgary, the second one is in Ottawa, and there is somebody in a department in Ottawa above that, and some Minister who has not even been named yet above that. We are going to be dealing more directly every day with this level on level of bureaucracy.

I think what the *Pipeline Act* actually displays is a real formula for effective colonization of the Yukon. I think we are going backwards in our rights as a Territory. I think that as Canadians we should be given a progressive stance towards our own development, our own constitutional development. We are not given that. We are given, instead, a *Pipeline Act* that colonizes us even more where decisions that are going to be made in our own backyards and, for many years to come, are going to be made by Ottawa bureaucrats, as usual. We have not said anything about it.

In fact, I have heard some objections to even bringing the Pipeline Bill in to discuss. We should have been discussing this over and over and over, and we should have been displaying our concern to the Federal Government about these things.

We have got to expect the Federal Government is going to have a colonial attitude towards us. We have to expect that from the beginning. We do not have any hope for anything better, so we had better start arguing because that is all we have got. For our own survival, we have got to start being much more paranoid about Ottawa and stop co-operating with what they are doing.

I think, from my stance of paranoia, I can probably say at this point that it is not so far fetched to expect that the next step in the Federal decision-making may be Government financing of that pipeline. It is a possibility. The whole atmosphere is going towards some government sponsoring that pipeline or part of that pipeline. I would not be at all surprised if the next step in the next year or so is a Federal Government financing of that pipeline.

We are even going to be paying for it as Federal taxpayers, as well as paying for it as Territorial taxpayers. For what? For a pipeline that carries American gas to American consumers, we are going to be paying for it, and we are not going to be getting the benefits, not at all. We are going to be paying for all the negative effects.

I think we have to make a very strong stance on how we feel about the pipeline. I do not think we have to this point, and I do not expect any miracles this afternoon. I just would have really enjoyed being able to say publically, finally, how I feel, and I feel very strongly about this, particularly the Dempster route and the constitutional problems that we are going to be facing. We are just letting it happen.

I have many, many questions that would bring me more up to date on what the Territorial Government is doing as far as the pipeline is concerned. If I could sort of start on those, Mr. Chairman.

**Mr. Chairman:** Go ahead.

**Ms Millard:** First of all, one of the latest things is that there apparently is, as it says in the headlines of the Whitehorse Star, "Pipeline Hiring Policy Causes Rift Between Feds and YTG", that the issue of Manpower policies is being discussed and whether or not that is a federal responsibility or a territorial responsibility.

I see about two weeks has passed since, or maybe not two weeks, ten days have passed since that was in the paper. I am wondering if there has been any further development in the

Manpower area and whether or not we can be assured that Yukoners are going to be taking a large proportion of these jobs, that I hope are available.

**Hon. Mr. Lang:** Mr. Chairman, these were comments made by Mr. Ferby, who has taken the responsibility over the last month and a half of being involved with the federal government bureaucrats and consultants in trying to develop terms and conditions for the construction of the pipeline.

One of the areas of concern is the manpower and the concept of Yukon hire. They presently still are discussing it. I feel very strongly and confident that we will succeed in the end to insure that the concept of Yukon hire is followed.

Actually, the real area of concern, the way I understand it and possibly my colleague, Mr. McKinnon, can make some comments, is the area of the manpower delivery system and where the Yukon Government fits into that particular area of concern.

Our major concern in this area is that not a major bureaucracy is set up specifically for pipeline hire and we want to insure that the bureaucracy stays at a minimal level so that we do not have more people trying to find people jobs than there are people to fill them.

So, basically, that is where it stands at the present time. It is my understanding that the terms and conditions will be a draft that will be submitted to the Government of Canada, the Government of Yukon and various other organizations and then subsequently will be put to the public and there will be a form of some sort of hearing so that people can make comments to the draft paper that is going to be proposed for terms and conditions.

**Ms Millard:** I have a further question for the Pipeline Minister. It seems like a strange word to be saying, "Pipeline Minister", but I do not know how else to say it.

What is developing, as far as a Heritage Fund? It is such a confusing issue and I know that I have been reading so much about it, but I still cannot see what has— I know what the federal government is proposing, but I do not know what direction in which YTG is going on the Heritage Fund.

Are we going to have to decide, because the federal government wants it a certain way that that is the way it is going to be or can we decide, for instance, whether or not we should take a loan on that?

Has an actual decision been made or are we going to wait for the proposed pipeline co-ordinator? I do not think he has been hired yet. That is another question I have of whether or not we are going to have someone in that position very quickly.

Are we going to wait for awhile to find out more or has the decision been made at this point on the Heritage Fund, as proposed by the federal government?

**Hon. Mr. McKinnon:** Mr. Chairman, I just want to say one thing. I have had no confidential discussions with anybody from the Minister down or from the Prime Minister down, as to what the timing of the pipeline is. I have had no discussion with the applicant, Foothills, as to what the timing is.

Mr. Chairman, I just want to say that all of the pressure that was evident in the last year upon this Government by the Federal Government authority, by the applicant, by everybody who was involved in any way, shape or form, in the pipeline, all of a sudden overnight seemed not to dissipate and be there, no longer. People were arriving in droves on a daily basis to me, to cajole, to pressure, to try and get this Government into signing agreements, into doing things immediately. Mr. Chairman, they all of a sudden disappeared like the flowers in the fall.

I am saying nothing that the edge on the speculative market in Whitehorse has eased considerably and flattened out, as anybody in business will tell you. If one wants to read every-

thing that is involved in pipelining, which I attempt to do and read between the lines, that there is such a total logic, and a total rationale to the concept of the pre-building of the Alberta portion and the sale of the gas bubble from Alberta to the American market, where, as the Honourable Member says, the gas is destined for at any rate and replacement at a later date when the gas bubble, Alberta, is gone. All the rationale and logic would seem to show without going to anybody who is in the decision-making authority that the pressure of a January 1, 1981 deadline for the building, the commencement of the building of that pipeline in Yukon does not seem to be as present a pressure as was indicated in the prior year.

Some Honourable Members may sigh with relief and say thank God, that gives us the time and the ability to do certain things. There are other Members, Mr. Chairman, I happen to be one of them, that has an extremely grave concern for the economy of the Yukon in the next few years.

I said, Mr. Chairman, and I am like the Honourable Member, I hate to say I told you so and I hate to say I told you I was right, I cautioned from the very beginning because of the multitude of factors involved that had no answers, against a rush from the marketplace towards speculators and towards people who thought that tomorrow it was the streets lined with gold and the pavement gold, once again, as in the days of '98.

I think anybody rational and reasonable and who knows and is reading what is happening, is urging caution to the people of Yukon and saying, rather than this bouyant optimism of a burgeoning economy within the next several years, that the Yukon may be going through some tough economic times with the closure of Clinton Creek, with the bottom dropping out of the base metal market, with the great amounts of natural gas that have been discovered in the Alberta market, the logic and the rationale of getting that gas bubble to market in the quickest way possible, which is through the pre-building of the Alberta portion of the line, that anybody who wants to have a rosy optimistic picture of the Yukon economy in the next several years is not reading the same financial articles I am or are not aware of the easing of all the pressures that were upon this Government and myself in particular within the next year.

With that said if I were a betting man and someone said I will give you even money that the pipeline will be on schedule, starting on January 1st, 1981, I would take that bet, saying I do not think that there is any way, shape or form because of all of the unanswered questions, not in Canada but externally, that are still nowhere near resolution, that I think it is impossible, at this present time, to see the financial arrangements made that will allow the commencement of the building of the pipeline in the Yukon, as of the target date of January 1st, 1981.

Regardless of that, this Government is still going ahead as if that target date has to be met and all of those areas of concern, which are some 24 that we have delineated for the Yukon Government, will be involved in all of those areas that are related to pipeline. We are still proceeding with weekly deputy head meetings and with our concerns as if that deadline still has to be met.

If it is not, it will give us a little more breathing time. If it still has to be met, we feel that with the work that we are doing and have done, that we can meet those deadlines.

There has been some interesting things that have happened since I have been appointed and I think the easiest way of explaining it is the Minister of Highways and Public Works, and this is the largest public works project that is taking place in Yukon so it quite naturally fell upon my ministry to accept the responsibilities for that public work, and one of them, of course, was in the meeting between Governor Hammond and Premier Bennett of Alaska and B.C. respectively.

I was truly looking forward to the meeting of the Governor and the Premier because they had all been through the pipeline

construction and all of the trauma of pipeline and welcomed them with open arms when they arrived and laid out what Yukon had done up to this point and the areas concerned. We saw what we had done up until now, what we thought that we had to do to meet the January 1st, and to put it as candidly as I can, both the Premier and the Governor were flabbergasted with the amount of work and preparation that the Yukon Territorial Government had already done and just admitted that they could not help us at this point in time because we were so far ahead of them in pipeline planning, that the reverse would be true if they were looking to see ways that the other jurisdictions were planning for this pipeline impact.

The Heritage Fund remains, to me, the chief bone of contention and the one which really disturbs me, as far as long-term lasting benefits, if any, of the pipeline building to the people of Yukon.

If we can just separate two things, let us talk Heritage Fund only. Let us remove out of our minds any impact funding or loan money that would be available, or a line of credit. Let us talk nothing but Heritage Fund.

We said, in our government report to Lysyk, and regardless of what the Honourable Member thinks, I think that was a pretty well thought out and a pretty sensible report to present to Lysyk on behalf of the Government and I think most people will concede that to this Government. We said, look it, we cannot see American gas going to American markets, two years of total disruption in Yukon. We know, we are not burying our heads in the sand, we are realists. We know that there are going to be some extremely upsetting factors taking place that perhaps Yukon social and political and economic life will change forever, maybe for the worst, maybe for the better, who knows, but we know that there is going to be change with the pipeline coming.

I can only see one long term benefit once the pipeline is in the ground, we have gone up through two years of hell and trauma or whatever takes place during the construction and what is there with a buried pipeline outside of the property tax on the pipeline. If the Federal Government chooses to turn around and say well we need the less deficit fund to you because you have that \$30 million coming in from property tax on the pipeline, then we really have not benefited at all. What we need is the conceptualization and the capitalization of a large amount of money in a Heritage Fund to do the things that we have always wanted to do and we come to the budget every year and say that is a 'B' budget item, we got it thrown out of the dream book because the Government says all you can do is have a percentage increase on last year's capital or last year's O & M and that is it. You cannot have any of your 'B' budget or anything that you really want to do for the benefit of Yukon people.

We said that the only way we can see anything beneficial coming to us for at least \$200 million, a minimum of \$200 million, to be capitalized in a Heritage Fund, so you are talking at least \$20 million a year that you can do all the things that all of us have wanted to do for so much time.

Lysyk even went further. He said that I agree wholeheartedly with. I cannot see many long term benefits for Yukon unless there is a large capitalization of \$200 million, plus half of the tax money that is flowing from the property tax on the pipeline. We were ecstatic, of course, and as you know, it was a Cabinet decision. Only the Cabinet this time can change it that there will be a maximization of \$50 million in a capital fund. I brought the case of all the Members of this House down to the Standing Committee and I had agreement from all the parties in the Committee, if you read, that was a minimum capitalization it was not enough that the Yukon was not getting enough for what they were going to go through and of course we still have a Cabinet decision of \$50 million maximum.

Now, when the Minister was here, he said you are going to



have to be good in your arguments because it is going to take a decision of Cabinet to change that amount of money, because it was a decision made by Cabinet. We were going to enter negotiations immediately on the Heritage Fund and we had draft agreements flowing and coming from the Federal Government and all of a sudden, the people from Ottawa stopped coming to Yukon and said there really is not that much pressure. You do not need an immediate decision on the Heritage Fund concept.

Negotiations are starting next month on two other areas of major concern which have been mentioned before in this House, and I do not think it hurts again to mention them, on the acceleration of capital spending and we are getting the answers still back from the Federal Government, look it, we agree totally with your philosophy on the acceleration of capital spending to get the infrastructure in place for pipeline and the advancement of the capital budget over the next two to three years.

Finally, they are admitting what all of us have known for a long time, that they are dead, belly-up broke and they just say that we have not got the money even for loan funding for land development any longer so that is the position where that stands. The Heritage Fund is a Cabinet decision. It is open for negotiation and the Minister said that he will negotiate depending upon our arguments. He will be prepared to go to the Cabinet for an upwards escalation of the Heritage Fund, that next month at IGC meetings, there will be discussions with Treasury Board and the intergovernmental committee on the acceleration of Capital Budget, pre-pipeline and also on increased O & M monies for the next years budget because of pipeline related activities.

I cannot say it often enough or strongly enough that the one long-term benefit that we could see as a government and we still say has to come about, through whatever method and we will continue our efforts. They have been many and they will continue to the best of our ability, that there has to be a Heritage Fund to a minimum capital of at least \$200 million, not to a maximum of \$50 million, as the Cabinet has decided unilaterally that will be allowed for the Yukon Territorial Government.

**Mr. Chairman:** The pipeline co-ordinator, the other part of the question was have you hired a pipeline co-ordinator.

**Hon. Mr. McKinnon:** On the pipeline co-ordinator, we interviewed about eight candidates, which is unusual. You usually have a short list of two or three, but we wanted to make sure that, from a really outstanding list of candidates that we had interviewed all of those that we thought had the potential, we came down to four that were extraordinary and I really mean this. They were people who were at the Assistant Deputy Minister or Deputy Minister level in other provincial jurisdictions, and inter-governmental departments that were presently doing for the western provinces what we wanted them to do for us, namely negotiating with the Federal Government on the best deal for their province concerning pipeline arrangements and agreements.

We offered jobs to them in order of preference, one, two, three, four, and for various and different reasons, each one of those totally outstanding candidates for the position turned us down. Some of them accepted a job in private enterprise in pipelines, with the Foothills group. Others received salary increases and also went up the ladder in the Department of Inter-governmental Affairs of their provinces because they were so valuable to their Ministers that the Ministers who I spoke to personally did not want to lose them.

It is either, at this present time, for Yukon to go into the second line of candidates or to open the competition again or to go for the intervening hiatus six month period to either contract or to some internal arrangements in the Yukon Government.

But I could not be more disappointed because I think, from the calibre of the people that we offered jobs to that the people of Yukon and the Members of this Legislature would have been most impressed with the qualifications and the ability of those people that we offered jobs to.

As I say, the four truly outstanding people who had exactly the background and the expertise that we were looking for, for various reasons did not accept the job offer when it was offered by the Yukon Territorial Government.

**Ms Millard:** Since the pressure seems to be off on immediate decisions on the pipeline, will the pressure also be off on trying to find a pipeline co-ordinator or is the Minister going to pursue it as vigorously as he has in the past?

**Hon. Mr. McKinnon:** There is no doubt that I have to pursue as vigorously as ever some kind of a position over the next while because our present pipeline co-ordinator has other things that he just wants to do. He does not want to remain over the summer in the present position which he is under contract. He has much more exciting and interesting things to do that he knows and wants to do.

So, I have to pursue at least the interim period. I just have to have a replacement for that time. I hope to be able either to do something by contract or something with internal decisions within the public service to be able to fill that gap, Mr. Chairman.

**Ms Millard:** On the impact information centre, and my reading of the second reading the Pipeline Bill on the speech that was made then, there was a commitment by the Federal Government to establish a pipeline impact information centre. How far along is this and what would it be in connection with our own information centre and how far along is that information centre?

**Hon. Mr. McKinnon:** Mr. Chairman, I do not know for what reason, but for some reason this is an extremely politically sensitive matter. I thought I was this close to opening the doors on it one day, and I opened my big mouth too early, and we went back to square one.

We are not at square one now, I think we are getting awfully close again, and please do not let me put my mukluk in my mouth at this time and go back to square one once again. I hope, I really mean it, that we will have an announcement to make one way or the other before this House adjourns or recesses.

**Ms Millard:** I see there is a real plethora, since that seems to be the going word these days, of advisory councils and the Standing Committee from the House of Commons, the Standing Committee from the Senate, a Yukon Advisory Council and a Federal/Provincial Consultative Council, and those are all supposed to, I believe, represent some method by which the average guy in Yukon would have some objection to the things that are happening to him. I rather doubt that that is going to be the case.

I would certainly like to know about the relationship of Standing Committees to the ordinary guy in Yukon. Are we going to have any input to them? For instance, if someone has a real complaint, because obviously through the monitoring agency, it is not going to be responsive. From the whole legislation it reads just the opposite, if anything. They are going to operate in very direct ways. In fact, tomorrow night there is going to be a meeting on this whole aspect.

If the Minister could expound somehow on the various means by which someone in Yukon could at least register a complaint about the pipeline going through his backyard or something like that, where would be the best way? Would it be through the Federal/Provincial Consultative Council; are we going to actually have an appointee on that Council? Is the Yukon Advisory Council actually going to be established? I

wonder, because from my reading, whether or not it really is going to be, or what? Are we going to have somebody there who is appointed from the Legislature or from somewhere in Yukon? Those sort of questions. What kind of process is envisioned for the little citizen in Yukon who has nowhere else to go, except his MP who obviously supports everything that the pipeline is going to do?

**Hon. Mr. McKinnon:** Mr. Chairman, I am not even going to attempt to speak to what a Senate committee is going to do, rather than sleep on any aspect of the pipeline. Do not expect me to comment on what the House committee is going to do either. All I know is the input that I had and that we all made before the committee hearing. As you know, you received the final draft copy of the Bill that our representations were successful in the Federal/Provincial Consultative Council where it is the Commissioner, the Pipeline Commissioner, the Yukon Territory, named by the Governor-in-Council upon the recommendation of the Commissioner in Council of the Yukon Territory.

Mr. Chairman, it is obvious to me that was the person who would be at the Deputy Minister level, which have already been appointed by the BC, Alberta, and Saskatchewan Governments. This is going to be a high-powered pressure group with the total strength of the BC Government, the Alberta Government and the Saskatchewan Government behind them on their sections of the pipeline if things are not going according to the way that those western Provincial Premiers, through a Deputy Minister level on that Federal/Provincial Consultative Council, want it.

That is why I thought it was so totally necessary that we got someone who knew the players at that level to be our Pipeline Co-ordinator, and that is the type of people that we were interviewing, that knew the Premiers and the Ministers of Inter-governmental Affairs and *Energy Act*, all the western levels that we could entice into our government's service, to be able to show that the Yukon interests were allied with those of the western provinces and be as strong a voice along with the western provinces when they were confronting the government of Canada as to whether things were going the way that the Premiers wanted on the pipeline construction so it is extremely important.

That is the high-powered council that, of course, will have the input immediately into the Commissioner of the pipeline and to the administrator and I think that with the strength of the three western provinces affected that the Commissioner or the administrator of the pipeline commission is going to listen pretty quickly to representations that are made at the official level by that council.

Okay, the next level was the advisory council and of course the advisory council was appointed by the Governor-in-Council, prior once again to our representations which were accepted by all of the parties in the House that why should the Governor-in-Council, for goodness' sakes, be appointing the Yukon Advisory Council and under 1811, it was changed that one of the "advisory councils established under subsection 1 shall be the Yukon Territorial Advisory Council with members representative of areas and interests, including native interests, in the Yukon Territory".

Now, everything that I see towards this public participatory panel this weekend would seem to indicate that they would like to define the roles and how these people would be involved in this Yukon Advisory Council. I see rather a close relationship between the Impact Information Centre, if the group of thirteen of all of the various interest groups are involved, along with this Yukon Territorial Advisory Council.

It seems to me that there could be some compatibility between certain members from that group of thirteen and the Yukon Territory Advisory Council. I would hope that what

evolves through the Impact Information Centre and the public participation aspect of the pipeline this weekend will give us a pretty clear indication of how this government should approach the federal people on the make-up of that Yukon Territorial Advisory Council, that now, by federal legislation, which it did not before, had to have members representative of areas and interests, including native interests, in the Yukon Territory.

So, you know, regardless of what the Honourable Member still feels, we did make some headway and we did get some concessions in our approach to those areas that we all disagreed in with the original pipeline bill.

I think that when the Impact Information Centre and the role of the interest groups in that are crystallized and settled, that we can use that as a basis and a foundation not to so many groups and organizations all running at cross-purposes in Yukon, but try and get some moulding of opinion with these various interest groups, in both the Impact Information Centre and the Advisory Council, as it is presently going to be constituted under Section 18.(1)(1) of the amended Bill C-25.

I think we are on the right wave length. I think we are moving in the right direction on these. I hope that, as I say, before this Assembly adjourns that we are going to be able to have something extremely positive to report on both of these subjects, Mr. Chairman.

**Ms Millard:** I would just like to thank the Minister for the copious answers he is giving me to the questions. They have been accumulating for a long time in my mind and I am really grateful for having full answers.

One of the questions I have always had was about the set-up of the regulatory agency. The way I understand it, the person in charge of that will be an appointee of the National Energy Board, and he will have all the rights, the delegated authority of the National Energy Board, which is a very strong authority. They will be able to override existing legislation or Regulations and set up their own system so that things will be speeded up tremendously.

The problem I have with that is that appeal of any decisions of this Board, which is really the NEB, can be taken to the Federal Court of Appeal, but the Federal Court of Appeal may only confirm the decision or refer that decision back for reconsideration. They cannot rescind any order of that regulatory agency. What does this mean to the guy who has a pipeline going through his backyard and he did not want to sell his land, but it was expropriated for the pipeline, and he feels he is being gyped. Is he just going to be left in the cold, or is there some kind of appeal for him through the court system or something else? It sure does not read that way in the *Pipeline Act*.

**Hon. Mr. McKinnon:** Mr. Chairman, I cannot answer this question on the Federal legislation. I have read all the Standing Committee debates and been in the House on some of them, and I do not know the answer to it. I would suggest, and I do not do this for any other reason than I know the answer can be explained to the Honourable Member, if the Yukon's Member were asked to appear before this Committee on those questions dealing specifically with legal and constitutional questions concerning the Federal legislation. Regardless of partisan affiliations, I think one has to recognize that his expertise on the Bill is there, and these questions on the Federal end of the scale should be asked directly to a person who was involved in the drafting and the amending of the Federal legislation and does have a very firm grasp on the legal and constitutional questions raised through the legislation. I would not even attempt to answer on behalf of the people in the House of Commons, those questions on Federal legislation.

**Ms Millard:** Mr. Chairman, I regret also— I had approached Mr. Nielsen to come as a witness and some Members felt it might be used in a political manner. I am sorry that he is not able to come because of that. I also would enjoy seeing his

interpretation of the *Pipeline Act*. However, I am sure he is still available if people are interested in having him come.

Again, back to the speech that Mr. Faulkner made on the second reading of the Bill. He suggested that there is an estimate of \$70 million to be spent, the cost that would be on impact of the pipeline up to 1983.

I am wondering if the Minister has any access to the information that produced that estimate? I think we are going to find we are going to have problems as we did through the budget of defining exactly what a pipeline impact is and what it is not. Since he simply seems to have some information, how did he estimate \$70 million is really what I would like to know, and does the Minister have access to that information? I think it is going to be valuable over the next few years.

**Hon. Mr. McKinnon:** Mr. Chairman, this is one of the agreements we got from the Minister on his last trip to Whitehorse, that we were going to be able to sit down with IGC, which is composed of DIAND and Treasury Board and YTG, to be able to negotiate a direct/in-direct pipeline expenditure and cost.

Of course, we had very different ideas than the federal government did on what was attributable directly and indirectly to the pipeline costs.

There have been draft negotiating strategies prepared by our sub-committee on the pipeline, made of deputy heads and by our Territorial Treasurer. Now, I have made the offer before and I sincerely make it again, that those members who want to meet with either the Territorial Treasurer or the sub-committee to be able to have input or to be able to listen to what we are attempting to come up with in our negotiating strategy with IGC, that I would welcome any Members so desirous, but it would be folly for me to come and publicly put a territorial negotiating strategy, which we are going to take to IGC before the House, at this time.

I mean it when I say that I would like Members to tell us whether we are on the right track or not, without blowing the beans in open Council.

**Ms Millard:** I thank the Minister for that offer. I had not heard it before, that we would be able to do that and certainly I will take him up on that.

Also, just one or two more questions, thank you for your indulgence, Mr. Chairman.

**Mr. Chairman:** We are prepared to give you until 20 minutes to three, so you have three minutes.

**Ms Millard:** Perhaps this is something the Minister would be able to give me some idea of how much he knows about it.

Part of the agreement was that Foothills would design a program to insure that there was a 90 per cent objective to purchasing Canadian goods and services on the pipeline. Does he know how far that has gone, how far along that is?

**Hon. Mr. McKinnon:** The only thing I know is the public pronouncements of Mr. Blair, as they are recorded in the press. I know nothing more, Mr. Chairman.

**Ms Millard:** One more question, Mr. Chairman.

**Mr. Chairman:** All right.

**Ms Millard:** On the provision of natural gas, or whatever it is called, to the local communities, especially the ones that are not along the pipeline route, is the Territorial Government thinking in terms of helping to subsidize the cost to the communities, not along the pipeline route, because it is impossible for them to take advantage of the offer the Foothills has given them because it just would never cover the cost to bring that to the town gate, as they like to say.

Has the Territorial Government considered some sort of plan, through the Department of Local Government or somewhere else which would help these smaller communities to take advantage of that ability?

**Hon. Mr. McKinnon:** The Minister of Consumer and Corporate Affairs is looking at the items of providing the provision of gas to Yukon communities, along with the special advisor to the Executive Committee, Mr. Bilawich. I do not know how far along they have got on that program. I know that they are looking at draft ordinances and they are looking at costing and all of the different criteria and things that would be involved in the provision of gas.

Another thing, the gas flowing by the communities is a few years away. The pressure is not immediate and I hope that we have done our homework and presented the proper ordinances which will have to come before this House for discussion and agreement, and the franchises, prior to anything being finalized on them.

I think the work that has been done up until now shows that in Whitehorse, and I can only use that one because think it is the only one that is viable at the present time unless there is some different arrangements worked out.

At present, with the price that would be the Alberta price of gas, the border price, that it would be pretty well and even-Stephen type of arrangements between oil. Everything that we have been led to believe shows that that pattern will not be the same as in the next few years because every indication is the price of fossil fuels, which are imported in Yukon are going to escalate much greater than the Alberta price of natural gas so the equation becomes much more favourable as we go along to the supplying of Yukon communities with natural gas and depending upon the escalation, this could become one of the real benefits if the pipeline is constructed through the Yukon.

**Mr. Chairman:** That will conclude our discussion of this particular item. Some of the Members are due to catch a plane later on this afternoon to Watson Lake. There is also a movie of some kind dealing with this Assembly, which will be — oh, an audio visual presentation which will take place after we have adjourned.

I wonder if somebody would make the proper motion.

**Mr. Fleming:** Mr. Chairman, I would move that Mr. Speaker do now resume the Chair.

**Mr. Lengerke:** I second the motion.

**Mr. Chairman:** It has been moved by Mr. Fleming, seconded by Mr. Lengerke that Mr. Speaker do now resume the Chair.

*Motion agreed to*

*Speaker resumes the Chair*

**Mr. Speaker:** I will now call the House to order.

May we have a report from the Chairman of Committees.

**Mr. McIntyre:** Mr. Speaker, the Committee of the Whole has considered Bill Number 16, *Special Rural Development Agreement (Special ARDA) Ordinance*, and directed me to report the same with amendment.

The Committee also considered a motion respecting Sessional Paper Number 10 and directed me to report progress on the same, and beg 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?

**Ms Millard:** Mr. Speaker, I move we call it five o'clock.

**Mr. Lengerke:** I second that.

**Mr. Speaker:** It has been moved by the Honourable Member from Ogilvie, seconded by the Honourable Member from Whitehorse Riverdale, that we do now call it five o'clock.

*Motion agreed to*

**Mr. Speaker:** This House now stands adjourned until 10 a.m. Monday morning.

*Adjourned*

The following Legislative Returns were Tabled April 20, 1978

**78-1-22**  
Courtworker Program reduced  
(Question asked in Committee - Page 141-2 - March 13, 1978)

**78-1-23**  
Haines Junction L.I.D. Land Disposal Freeze  
(Oral Question - February 27, 1978 (1977-2nd) Page 734)

**78-1-24**  
Alaska Highway Roadbed and Right-of-way  
(Written Question No.8)

**78-1-25**  
Alaska - Yukon Refinery/Leasing of Land  
(ORAL Question - March 22, 1978 - Page 282)

**78-1-26**  
Dawson City Sewer System  
(Oral Question - April 18, 1978 - Page 332)

The following Sessional Papers were Tabled April 20, 1978

**78-1-27**  
Auditor General Management Letter on the Financial Management and Control of the Yukon Territory

**78-1-28**  
Auditor General Management Letter on Audit of the Government of the Yukon Territory for year ended March 31, 1977

**78-1-29**  
Financial Management and Control Study Interim Report on the Government of the Yukon Territory - November 1976

**78-1-30**  
A Brief on Tourism Presented to the Yukon Legislative Assembly by Yukon Tourism Advisory Board

**78-1-31**  
Report to the Commissioner of the Yukon Territory on the examination of the accounts and financial statements of the Yukon Housing Corporation for year ended March 31, 1977

**78-1-32**  
Report to the Council of the Yukon Territory on the examination of the accounts and financial statements of the Government of the Yukon Territory for year ended March 31, 1977

**78-1-33**  
Territorial Accounts Fiscal Year 1976-77

**78-1-34**  
Government Comments to Auditor General Management Letter on the Financial Management and Control Study

**78-1-35**  
Government Comments to Auditor General Management Letter on Audit of Fiscal Year 1976-77

**78-1-36**  
Government of the Yukon Territory Observations and Recommendations as at November 1976 - Government's Comments as at May 1977 (re Financial Management and Control Study)

**78-1-37**  
Yukon Housing Corporation 1976-77 Annual Report

LEGISLATIVE RETURN # 22  
1978 (First) Session

Mr. Speaker  
Members of the Assembly

On March 13, 1978, Ms. Millard asked the following question:  
Why the Courtworker Program was reduced from \$30,000 to \$26,300.

The answer to the above question is as follows:

In the Estimate the budget of the Court Worker Program was established at \$30,000 of which \$15,000 was recoverable from the Government of Canada pursuant to the Court Workers Agreement.

The budget was established to cover the cost of two Court Workers for the whole of the fiscal year.

One of the Court Workers left the program and was replaced by a new trainee Court Worker. The cost of this new training was borne by the Department of Indian Affairs and Northern Development from the 1st of April to the 30th of June.

As a result the Territorial budget was revised to \$26,300.00

  
Signature

19 April 1978  
Date

LEGISLATIVE RETURN # 23  
(1978 First Session)

Mr. Speaker,  
Members of the Assembly

On February 27th, 1978, Mrs. H. Watson, asked the following question:

"Has the Planning Council of the Yukon Indian Claim approved the freezing of the disposal of land within the Haines Junction L.I.D. until the claim beneficiaries have completed a land selection in that community?"

The answer to the above question is:

"No."

April 17th, 1978.

  
Signature

LEGISLATIVE RETURN # 24  
(1978 First Session)

Mr. Speaker,  
Members of the Assembly

On March 16, 1978, Mrs. H. Watson asked the following question:

"Has Canada transferred to the Yukon Government the ownership of the land used for the Alaska Highway roadbed and the Alaska Highway right of way?"

The answer to the question above is as follows:

By virtue of Section 46 of the Yukon Act, the Commissioner of the Yukon Territory has control of the land and right of way used for the Alaska Highway. No formal transfer is necessary.

April 19, 1978.

*J. McKinnon*  
Signature

LEGISLATIVE RETURN # 25  
( Spring Session)

Mr. Speaker,  
Members of the Assembly

On March 22nd 1978, Mrs. Watson asked the following question:

Re: Alaska/Yukon Refinery At Haines Junction  
Since I understand that the Alaska/Yukon Refinery has applied for leases on four parcels of land, totalling 78 acres, to reactivate the refinery could the Minister advise me if these leases have been granted by the Federal Lands Office.

The answer to the above question is as follows:  
The Company has applied to the Federal Government for reinstatement of their former leases in Haines Junction in order to re-activate the refinery.  
Recently, Federal, Territorial, L.I.D. and Company representatives met to review the contemplated plans of the company. All agencies agree in principle to reinstate the leases providing certain terms, conditions and concerns are satisfactorily resolved. The lease would ensure that the applicant must abide by all appropriate Territorial, Federal and Community Regulations respecting such aspects as water use, building and electrical standards, air emission, sewage treatment, justification for the extent of land being applied for, etc. The applicant has also agreed to provide at his cost, an alternate road access to the property. Until such time as this aspect is formerly arranged by agreement among Y.T.G., the L.I.D. and the proponent, the Federal Government has agreed not to issue the lease. For information the property tax arrears have been paid to Y.T.G.

April 17 1978

*J. McKinnon*  
Signature

LEGISLATIVE RETURN # 26

( Spring Session)

Mr. Speaker,  
Members of the Assembly

On Tuesday, April 18th 1978, Ms. Millard asked the following question:

Re: Information compiled by the consulting engineers regarding the Dawson Sewer System. What provisions are being made for surplus water run-off?

The answer to the above question is as follows:

There was no provision in the terms of reference given Stanley Associates Engineering Ltd to include a storm sewer system in the water and sewer replacement plan. The pre-engineering did provide a basis for a drainage system, however, and the existing sewer system will remain intact, wherever possible, to be used to get rid of run-off.

Under the terms of the Community Assistance Ordinance, the City can construct a storm drainage system and the Department of Local Government will pay 90% of the shareable cost of arterial roads and 80% of collector roads.

Storm drainage is a municipal responsibility and does not qualify for funding aid except as provided for in the Community Assistance Ordinance.

April 19 1978

*J. McKinnon*  
Signature

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