



The Yukon Legislative Assembly

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HANSARD

Thursday, April 2, 1981 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

DEPUTY SPEAKER — Grafton Njootil, MLA, Old Crow

CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Chris Pearson	Whitehorse Riverdale North	Government Leader — responsible for Executive Council Office, Finance, Public Service Commission, Pipeline, Land Claims, Intergovernmental Affairs and Justice.
Hon. Dan Lang	Whitehorse Porter Creek East	Minister responsible for Renewable Resources, Tourism and Economic Development, Government Services, Consumer and Corporate Affairs and Workers' Compensation Board.
Hon. Geoffrey Lattin	Whitehorse North Centre	Minister responsible for Highways and Public Works, Municipal and Community Affairs, Yukon Housing Corporation and Yukon Liquor Corporation.
Hon. Meg McCall	Klondike	Minister responsible for Health and Human Resources, Education and Information Resources.

Government Members

(Progressive Conservative)

Al Falle	Hootalinqua
Doug Graham	Whitehorse Porter Creek West
Jack Hibberd	Whitehorse South Centre
Peter Hanson	Mayo
Grafton Njootil	Old Crow
Donald Taylor	Watson Lake
Howard Tracey	Tatchun

Opposition Members

(Liberal)

Ron Veale	Whitehorse Riverdale South
Alice P. McGuire	Kluane

(New Democratic Party)

Tony Penikett	Whitehorse West
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(Independent)

Maurice J. Byblow	Faro
Robert Fleming	Campbell

Clerk of Assembly	Patrick L. Michael
Clerk Assistant (Legislative)	Missy Föllwell
Clerk Assistant (Administrative)	Jane Steele
Sergeant-at-Arms	G.I. Cameron
Editor of Hansard	Lois Cameron

Whitehorse, Yukon
Thursday, April 2, 1981

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

Prayers

Hon. Mr. Pearson: Mr. Speaker, I rise on a point of privilege this afternoon. I would like to ask the House to join with me in paying special congratulations to our Sergeant-at-Arms, Mr. G.I. Cameron. On Sunday, G.I., or Cam, or Mr. Cameron, will be leaving to go to Ottawa to be invested by the Governor General with the Order of Canada.

G.I., on behalf of all of us, congratulations to you.

Applause

Mr. Speaker: The Chair and the House officers would certainly join me, as well, in expressing our congratulations to our Sergeant-at-Arms.

We will now proceed to the Order Paper.

DAILY ROUTINE

Mr. Speaker: Are there any Returns or Documents for Tabling?

Reports of Standing or Special Committees?

Petitions?

Reading or Receiving of Petitions?

Introduction of Bills?

Are there any Notices of Motion for the production of papers?

Notices of Motion?

NOTICE OF MOTION

Mr. Veale: Mr. Speaker, I would like to give notice of a motion that reads as follows:

Moved by myself and seconded by the Member for Kluane, that this Assembly urge the Government to amend the *Compensation for Victims of Crime Ordinance*, by including the failure of a motorist to insure his vehicle in the definition of crime.

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

Are there any Statements by Ministers?

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

QUESTION PERIOD

Question re: School Tax Increase

Mr. Veale: Mr. Speaker, I note that, although there was no mention in the Budget Speech — unless I missed it — the school tax collected by the municipalities and paid to this Territorial Government has been increased from .30 to .34 of the property assessment, representing a 13 percent increase. Would the Government Leader confirm that this tax increase will take place and explain, if it was not mentioned in the Budget Speech, why that was omitted?

Hon. Mr. Pearson: Well, Mr. Speaker, I believe that the tax increase — I cannot recall whether it was specifically mentioned in the Budget Speech or not — but we advised this House last year that it was our intention to peg the rate of tax with respect to schools at 11.5 percent of the Operations and Maintenance Budget of that department.

Mr. Speaker, if it went up 13 percent during the course of this year, then the tax that we are going to collect on schools goes up 13 percent, as well.

The percentage increase is strictly a mathematical one; the Honourable Member is correct. Last year it was .3 percent; this year it is .34 percent; that is the rate. The municipalities are being notified. We have to set that rate by April 1, and notify the municipalities so that they can get their work done. There is no magic about the thing, other than that we determined that it was going to cost us this much to run our schools during the course of the year. It is pegged at 11.5 percent, and that is what the taxes that we collect should be.

Mr. Veale: Does the Government Leader agree that the school tax, in particular this increase's being announced as late as it is, bites into the tax base of the municipalities?

Hon. Mr. Pearson: No, Mr. Speaker, I do not agree at all. It is a fact that this Territory has traditionally collected school taxes in this manner for a lot of years. Now, Mr. Speaker, I am not suggesting that just because it has been done for a lot of years that it is the best way. But at the present time, it is our perception that it is the only way for us to go.

Mr. Veale: Mr. Speaker, it is well known that the per capita grant that the Government gives to municipalities has been frozen since 1972. Because of this increased tax bite that the Territorial Government takes out of the municipal tax base, would the Government agree to some interim measure, for this year only, to assist the communities and the municipalities in meeting their obligations? Would the Government Leader consider an interim financial assistance package, prior to the passage of the *Municipal Finance Ordinance*?

Hon. Mr. Pearson: Mr. Speaker, the municipalities have the capability to negotiate with this Government. It intrigues me that the Honourable Leader of the Opposition seems to be assuming that role.

Mr. Speaker, we have been upfront and clear on what our intentions have been all of the time, with respect to municipalities. We will be tabling a paper with respect to the municipal aid in the House, during the course of this Session. I am not prepared to give the Leader of the Opposition any commitments at all.

Question re: Electrical Power Subsidies

Mr. Penikett: I have a question for the Minister of Finance, or the Government Leader in that capacity. The other day, Mr. Speaker, the Minister undertook to answer my questions about electrical subsidies. I wonder if the Government Leader has an answer for me at this time.

Hon. Mr. Pearson: Yes, Mr. Speaker. I mentioned to the Honourable Member that I did fail to reply yesterday.

In reply to the Honourable Member's question, the residential power support program starts at zero consumption levels to a maximum of 700 kilowatt hours monthly, at a base rate of the average retail rate of 700 kilowatt hours per month for residential services in Whitehorse. In other words, users of residential electricity outside of Whitehorse are having — Mr. Speaker, to answer the other part of his question, this scheme is already in effect — their electrical rates subsidized down to the Whitehorse rate for the first 700 kilowatt hours per month. That scheme is now in effect.

Mr. Speaker, the next scheme is a heating assistance program. The costs of home heating oil to private residential consumers living in Yukon will be subsidized to bring these costs in line with those prevailing in Whitehorse. The amount of the heating oil to be subsidized will be limited to an annual maximum of 1,500 gallons per residential unit.

Northern residents who are recipients of a heating subsidy or allowance will be excluded from the program. There are Federal employess, I understand, who are receiving some sort of other assistance, and they will not be eligible for this.

This plan, like another one I have to announce, Mr. Speaker, will be in effect as quickly as it can administratively be put into effect, but the key to both this and the other one is that they are going to be made retroactive and effective from April 1st, 1980. That is one year retroactivity. There is a fair amount of administrative work that we are going to have to do here, because this Government is going to administer all three of these plans on behalf of the Federal Government.

The commercial power rate relief program is the power rate subsidy which is to be provided exclusively to small, non-government, commercial enterprises in Yukon, outside the City of Whitehorse; it will be applied on the first 1,000 kilowatt hours of monthly consumption of each enterprise, for a total maximum of 12,000 kilowatt hours per annum. It will be based on this difference between power costs in the City of Whitehorse and the other areas of the Territory. The major

criterion in this one, Mr. Speaker, is that a small business is considered to be one that does not gross in excess of \$2 million in a year. As I said, and I would like to reiterate, this program as well will come into force effective April 1, 1980. There will be retroactivity involved in this one as well.

Mr. Penikett: As I understand it, the Federal Government's budget for these subsidies is in the range of half a million dollars. Can the Government Leader say whether the retroactive programs which he has just announced are going to be to a maximum of that amount? Or is it his intention to backfill, or provide backstop financing if necessary?

Hon. Mr. Pearson: No, Mr. Speaker, these are Federally funded programs, and from what I understand the Federal Government will come up with the funding that is required. Now, obviously, if it is a case of the money not being here when it is supposed to be, then we are going to have to, as the Honourable Member has said "backfill" at that point, but we would expect to be compensated for that.

Mr. Speaker, the reason for the discrepancy between the two budgets — I was able to ascertain that as well for the Honourable Member — is that our Budget only reflects the residential power support program. We did not have, and really still do not have the final numbers as to exactly what the Federal Government is going to be making available, with respect to the Heating Assistance Program and the Commercial Power Rate Relief Program. So our Budget really, right now, only reflects the Residential Power Support Program.

Mr. Penikett: I thank the Government Leader for his answer, speech, statement. Can the Government Leader tell the House and, indirectly through us, the consumers of the Yukon, whether, when people's bills are credited for the consumption last year, if the credits will be applied for the months of the highest power bills, or if he is going to be trying to rebate this money on a one-settlement basis?

Hon. Mr. Pearson: No, I think Mr. Speaker, the plans and the parameters are fairly explicit. It is in fact on a monthly billing; each monthly billing is going to have to be looked at. It is on a maximum per month; in the case of the residential users, 700 kilowatt hours; in the case of the commercial users, 1,000 kilowatt hours per month; in case of the fuel oil, Mr. Speaker, it is a maximum figure of 1,500 gallons.

Mr. Fleming: I have a question for the Government Leader on the same topic. As we know the electric subsidization to residents was a Federal program last year, before the Government ran out of money. Now the Federal Government or the Yukon Territorial Government also gave small business a rebate, I think, until November-December, somewhere in there, of 15 percent. Was that Federal monies, or was that Yukon Territorial Government monies?

Hon. Mr. Pearson: No, Mr. Speaker, that was Yukon Territorial Government money, and one of the administrative problems that we have at the moment is trying to figure out and saw-off exactly what is going to happen, because there is some overlap in respect to that program. That is what we are trying to work out at this point.

Mr. Fleming: In the program that is now being put forth, does the Government Leader know if the rebate will be a total rebate from the Federal Government, or will that 15 percent be deducted from the rebate to the small business?

Hon. Mr. Pearson: Mr. Speaker, as I just told the Honourable Member, I honestly do not know. It is something that is being worked out at the present time. If we had the answer to that problem, I believe everything else would be pretty well in place. That just has to be worked out yet.

Mr. Fleming: Yes, thank you Mr. Speaker; this is not really a question. I just do not think I heard the Government Leader correctly, when he mentioned the number of kilowatts for small business. I thought he mentioned 12-something and I always thought it was a 1,000. I wonder if he could clarify that for me.

Hon. Mr. Pearson: Mr. Speaker, it is 1,000 kilowatt hours monthly, to a maximum of 12,000 kilowatt hours per annum.

Question re: Tax Deferment for Senior Citizens

Mrs. McGuire: I have a question for the Government Leader, who is responsible for Finance.

In spite of the fact that elderly people suffer undue hardships to meet their yearly expenses, I am under the impression that this Government will not consider full deferment of taxes on properties owned by the elderly.

Would the Government Leader then consider a plan such as the BC Government has, where full deferment of property taxes can be made by the elderly, widows, and certain handicapped people, in the delaying of the payment of property taxes on the owner's home property until the owner wishes to sell or when the owner dies?

Hon. Mr. Pearson: Mr. Speaker, we are very cognizant of the problems faced with the rapidly rising costs, particularly of our senior citizens on fixed incomes. We are waging, I would suggest, a never-ending battle trying to work out ways and means to offset those problems for those people. I am confident that some of these ways and means will become obvious to Members opposite during the course of this Session.

Mr. Speaker, with respect to remission of property taxes, I would like to respectfully suggest that the municipalities have an awful lot more property taxes and collect an awful lot more property taxes than YTG.

Mrs. McGuire: Inasmuch as we believe that municipalities should set their own property taxes, the final decision rests with this Government's Finance Department.

Would the Government Leader put forth a recommendation similar to BC's plan?

Hon. Mr. Pearson: Mr. Speaker, certainly I will undertake to look at what BC's plan is.

Question re: Medical/Extra Billing by Doctors

Mr. Veale: Mr. Speaker, I have a question for the Minister of Health & Human Resources. Presently, British Columbia doctors are considering extra billing practices, and my understanding is that extra billing takes place already in the Province of Alberta.

Does the Yukon Health Insurance Plan receive and honour any extra billing accounts from out of the Territory?

Hon. Mrs. McCall: Mr. Speaker, the Yukon Government pays for people who need health care outside of the Territory. We pay the amount in the provincially authorized fee schedule; we do not pay more than that.

Mr. Veale: Has the Minister had an opportunity to examine into which provinces, between the Province of British Columbia and the Province of Alberta, charges the lowest fees for use by this Territory?

Hon. Mrs. McCall: Mr. Speaker, as I have explained to the Member opposite, I could be perceived to have a conflict of interest when discussing physician's fees, because my husband is a physician, so I will refer that question to the Government Leader.

Hon. Mr. Pearson: Mr. Speaker, I did not anticipate being asked this question in Question Period. It was my understanding it was a question that was put to this side during discussion of the Budget. I would like to take notice of that question and I will answer it under notice.

Mr. Veale: Will the Government Leader determine which of the provinces has the lowest medical fees, and would he also advise what the Government's position will be, as to taking advantage of the services of the particular province with the lowest fees?

Hon. Mr. Pearson: Mr. Speaker, we have all of the fee schedules from across Canada. I would respectfully suggest that if the Honourable Leader of the Opposition wants to make any comparisons at all, I will make those fee schedules available to him, and he can have his research people find that out for him.

Question re: Employment/Training for Pipeline

Mr. Penikett: I understand the Philippines is very cheap. The Government Leader has made much ado about his plan to train, over the next few months, 900 Yukoners for pipeline

jobs. Could the Government Leader indicate what information leads him to conclude that there are 900 people seeking this kind of employment and available for this kind of training, at this point in time?

Hon. Mr. Pearson: No, Mr. Speaker, I do not have any information that makes that available.

What I said, and what we have ascertained, is that there is the potential for 900 local people, Yukoners, to have jobs on that pipeline, if we can train them. The major question that we still have to answer, and it will be answerable, is: what size of a program do we put into place, because it is going to be a fairly expensive one? Do we assume that we are going to have to train, or that we can look at 900 people wanting to train, or is it only going to be 450? Mr. Speaker, studies are under way at the present time, but we have no way of ascertaining yet exactly how many Yukoners might be interested in this training.

Mr. Penikett: In light of the fact that according to the Government's own figures our labour force is about 12,000 people, and that according to the business sector there is a more than adequate supply of workers to satisfy most of the needs of Yukon employers at the moment, could the Government Leader indicate if, in developing this training plan, he has come to any conclusions or any decisions about what the job prospects would be for these 900 trained people, or less than 900 trained people, if another significant delay should occur in the pipeline?

Hon. Mr. Pearson: Well, Mr. Speaker, we are not that far along with the whole thing yet, but we have been able to determine that these trained people should be able to mesh into the work force of the Yukon Territory in other industry in the Territory. I think what I am trying to say is that the training is not exclusively for pipeline work. The training is broad enough that it will be able to be used for people going from pipeline work into other industry, or directly into other industry.

Now, Mr. Speaker, I believe we will be very very worried about entering into and launching this training program until we have something a bit more definitive than we have at this moment: which is that the construction is going to begin in early 1982.

Mr. Penikett: Mr. Speaker, I would thoroughly support the notion of training people for permanent careers in the Yukon as a priority. In the light of recent reports that more and more workers are leaving the Territory each winter due to lack of work and changes in the unemployment insurance regulations, could the Government Leader say if he has taken these new facts — in which, I understand, the number of people collecting unemployment insurance, for example, has been cut in half in the last year — into account in the pipeline and manpower planning?

Hon. Mr. Pearson: Yes, Mr. Speaker, the Federal Manpower Branch have a direct input into the committees and so on and so forth which are working on this training program. There is a lot of input from industry and from the Federal Government, as well as from YTG.

Question re: Public Servants/Conflict of Interest

Mr. Veale: Mr. Speaker, I have a question for the Government Leader. The Government has a policy directive concerning conflict of interest by public servants. Will the Government be reviewing and revising or typing up this policy guideline?

Hon. Mr. Pearson: Yes, Mr. Speaker, that is a very interesting question from the Honourable Leader of the Opposition. It is something that is being looked at at the present time.

Mr. Veale: Mr. Speaker, bearing in mind that the Members of this Assembly have a public disclosure requirement, will the Government be implementing a public disclosure requirement for public servants as well?

Hon. Mr. Pearson: I do not know, Mr. Speaker.

Mr. Veale: Mr. Speaker, I asked the Government Leader if any employees have been suspended or dismissed for breaches of the Government policy guideline in the past year?

Hon. Mr. Pearson: Not to my knowledge, Mr. Speaker.

Question re: Freight Rates

Mr. Penikett: My question is to the Government Leader and it comes from a local businessman who is concerned that a major trucking company charged this person \$446 to freight a piano from Edmonton to Whitehorse. The freight bill for the same item from Quebec to Edmonton was less than half that. Can the Government Leader indicate if these kinds of freight rates are monitored and scrutinized by the officials of this Government? I am thinking about the freight rates both within the Territory and without.

Hon. Mr. Pearson: Mr. Speaker, the Transport Public Utilities Board does require that licencees in this Territory file tariff rates with them. Those rates are monitored.

Mr. Speaker, just as an aside, and right off the top of my head, I would respectfully suggest to the Honourable Member that that does not sound too far out of line with what happens on an airline right now. The comparable rates would probably apply.

Mr. Penikett: I thank the Government Leader for pointing out the airline example because it is significant. Could the Government Leader indicate whether, in the light of this case and many others like it, there are any plans to regulate the freight rates by truck, as the Federal Government does now for rail and air freight rates?

Hon. Mr. Pearson: Mr. Speaker, I am not sure what the Honourable Member is suggesting.

In respect to the regulation of any kind of tariffs, government has to tread, I submit, very very carefully, or else it is interfering with private enterprise. As the Honourable Member is well aware, I do have a major philosophical argument with that.

Mr. Penikett: With respect to the fact that this Government is going to be interfering with the same company to the tune of a million dollars very soon, perhaps I could ask that in consideration, for example, of the fact that the same piano that I cited, Mr. Speaker, could be transported from Inuvik to Whitehorse for only \$69, could the Government Leader tell us if his officials are at least studying these freight rates, on an ongoing basis, to see if they are competitive?

I ask him not whether the Transport Public Utilities Board is having them filed and recording them, but whether his Finance and Economic officials are looking at them.

Hon. Mr. Pearson: Mr. Speaker, the Minister of Tourism and Economic Development is not here today; it would be in that Department that they would be looking at these.

I am not aware that they are, at this point, Mr. Speaker.

Question re: Health Care Bursary Program

Mrs. McGuire: I have a question for the Minister of Health & Human Resources. Inasmuch as there is a continuing need in Yukon for qualified professional and para-professional health care workers, is the Minister aware of the Health Care Bursary Program which is being administered in the Northwest Territories, which provides financial assistance to those who wish to pursue health care professions, under provisions that when they fulfill their studies they commit themselves to working in the Territory for a certain length of time?

Hon. Mrs. McCall: Yes, Mr. Speaker, I am aware of this program. We are having a look at it. I am not very familiar with it; it sounds like a very good thing, something that we will perhaps consider in the future.

Question re: Fuel Oil Tax

Mr. Fleming: I have a question for the Government Leader. Will he not say that the extra tax on fuel oil in this Territory would, either now or later, raise the price of electricity in the outlying districts, where there are only diesel-operated plants?

Hon. Mr. Pearson: No, Mr. Speaker, because there is no tax charged or collected on that fuel that is used for producing electricity.

Mr. Speaker, because the question has been asked of me and I am on my feet, I would like to say that when we say "fuel oil", it must be well understood that we have not increased heating fuel oil either. The heating fuel oil tax has not been increased. It was not touched at all, not by this Government. It has been

increased a number of times by the Federal Government, but not by this Government, Mr. Speaker. The fuel oil tax increase applies only to motive fuels: diesel oil and gasoline, nothing else. So we have tried to be careful with respect to that.

Mr. Speaker, as I have said in one of the speeches that I made, we feel there should be some relationship between what motive fuel tax is, and what it costs to maintain highways. Again, because the cost of maintaining highways is going up, we felt that we had a proper right, and in fact an obligation, to make sure that that gap between the cost of maintaining the highways and the motive fuel tax did not get any greater than it is at the present time.

Question re: Medical Fees/Hall Report

Mr. Penikett: I have a question for the Minister of Health, Mr. Speaker. Yesterday the Minister of Health managed to confuse me in her answers about the Hall Report. She said she did not know whether this Government is going to tell Yukoners what its position is on this very important report concerning the system of health care for Canada.

Can the Minister undertake now to tell the House, or to commit herself to bring this matter up with her Cabinet or her Caucus, so that Yukoners will know what her Government's position is on this very important matter?

Hon. Mrs. McCall: Mr. Speaker, I explained to the Member opposite yesterday that the Hall Report is a very large document. It is a public document. It makes many recommendations. I think that if you have six or eight or ten individuals, they will probably have six or eight or ten positions on each recommendation. We have not discussed the Hall Report in Cabinet nor in Caucus, particularly. Not in any formal way. I do not know that this Government should be called upon to take a position on the entire document. I think that would be almost impossible.

Mr. Penikett: Mr. Speaker, a Government that takes six different positions on an important issue is bound to be defeated. The Minister also said yesterday, Mr. Speaker, that Members from her Caucus have "different views on the many recommendations and suggestions of the Hall report. There is no way one person could speak on the whole report for this entire Government."

Can the Minister of Health indicate what her position is on the Hall report, the major recommendations previously outlined, given that she is, after all, the Minister responsible for health care in the Territory.

Hon. Mrs. McCall: Mr. Speaker, I think that I can give my personal opinion in that I think that Justice Emmett Hall made some excellent recommendations. I think that there are some recommendations that I would perhaps not agree with. I would have to go over every recommendation separately with the Honourable Member to let him know what I thought of each. If he wants to spend an hour or two doing that, I would be willing to do that.

Mr. Penikett: Sounds like a delightful way for the Minister to spend her time, Mr. Speaker. Can I ask the Minister then, going back to the original questions, with regard to the question of extra billing and compulsory arbitration and fee negotiations, if the Government of Yukon has yet taken a position on this important question?

Hon. Mrs. McCall: Again, Mr. Speaker, I do not take part in discussions on fee negotiations. The Member will have to put his question to the Government Leader.

Question re: Canada Oil and Gas Act

Mr. Njootli: I would just like to ask the Government Leader a question regarding a public matter. In view of the fact that the Federal Government has set up a committee to hear the views of interest groups regarding Bill C-48, the *Canada Oil and Gas Act*, has the Government given any presentation as of today in Ottawa?

Hon. Mr. Pearson: Mr. Speaker, Mr. Lang, the Minister of Tourism and Economic Development, is in Ottawa, and appeared before the Committee this morning, our time. He has indicated to me that there is every likelihood that the commit-

tee is going to be calling him back later this evening, when it sits again for a more extensive question period.

Mr. Njootli: Is the Government Leader indicating to the House that because it is unusual for a person to appear before such an important committee twice, that that may mean that the presentation of the Yukon Territory is so important to the committee that they have to study it twice?

Hon. Mr. Pearson: Mr. Speaker, I do not know whether it is very important to the committee, but it certainly is important as far as we are concerned. I would hope that the committee will seriously consider what Mr. Lang has to say to them, because I know that he is conveying the concerns and the feelings of everyone in the Territory.

Mr. Njootli: It is interesting to me at this point, regarding this presentation. Is the Government Leader prepared to briefly elaborate on the contents of the Yukon Government's presentation?

Mr. Speaker: Order, please; I believe that the answer to that question would require a rather lengthy answer, and we would have to rule that question out of order.

Question re: Medicare/Treatment Coverage

Mr. Penikett: I have another question for the Minister of Health. Does the Government have any plans at this time to expand on the types of Medicare treatment presently covered under Yukon's Medicare system?

Hon. Mrs. McCall: I might say, Mr. Speaker, I appreciate the Member opposite's devotion to me with questions.

No, not particularly; we are constantly reviewing lacks in the system. I cannot think of anything that has been brought to my attention lately. If something is brought to our attention, we do look at it.

As a matter of fact, there was something to do with the chronic dental problem connected with a medical problem that was brought to our attention; that was rectified.

Mr. Penikett: The Minister will recall that I did bring one question about the extent of coverage for dental surgery to her attention. I wonder if she might elaborate on her answer, because I would be interested in any re-definition or expansion that may have taken place.

I would also be interested in knowing if she has had any representation for coverage of such things as chiropractic care, or of the kind of chiropractic care that may not have been covered previously.

Hon. Mrs. McCall: No, Mr. Speaker, not chiropractic care. The matter of private physio-therapist care has been brought to our attention, and has been under consideration for some time.

Mr. Penikett: Canada's health care system has recently been criticized in the debate surrounding the Hall Report, among others, for its costly and wasteful emphasis on curative rather than preventative medicine.

Could the Minister indicate at this point if she has any plans to, or is contemplating to, extend or increase the emphasis on preventative health care in Yukon?

Hon. Mrs. McCall: Mr. Speaker, I think the Member is aware, as I am aware, that preventative health care is becoming more and more a trend, and probably a very necessary trend. I do not think that in Yukon it has become a problem as far as health care payments are concerned. At this point it has not been brought to my attention that it is a problem.

As it becomes a more prevalent way of treating disease and so on, perhaps we will have to look at that.

Mr. Speaker: We will now proceed to Orders of the Day. May I have your further pleasure?

ORDERS OF THE DAY

Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Mayo, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Mr. Speaker: It has been moved by the Honourable Member for Whitehorse Porter Creek West, seconded by the Honourable Member for Mayo, that Mr. Speaker do now leave the

Chair and that the House resolve into Committee of the Whole.
Motion agreed to

Mr. Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Mr. Chairman: I would like to call the Committee of the Whole to order at this time.

I would like to call a short recess.

Recess

Mr. Chairman: I would like to call this Committee of Whole to order. The Chair would like to direct you to Page 172; the program is Airport Maintenance. Are there discussions on this program?

Mr. Veale: Mr. Chairman, I would just like to ask the Minister if there is any airport maintenance done on the Dempster Highway.

Hon. Mr. Lattin: No, Mr. Chairman, in this Airport Maintenance, we are concerned with designated airports "B" and "C" Arctic. If you will look in Highway Maintenance, you will see we had Territorial airports. I should correct that "airports", it should be "airstrips". I believe we have one airstrip on the Dempster just past Eagle Plains Lodge. It is part of the highway, and that is maintained by us. In this particular section that we are looking at now, we are not concerned with that; we are concerned with the airports that are of "B" and "C" classification.

Mr. Veale: Mr. Chairman, would the Minister just confirm this point of information: in the "B" and "C" class airports, those payments are fully recoverable from the Government of Canada, as I understand it. What about the ones he refers to as airstrips under Highway Maintenance?

Hon. Mr. Lattin: The Arctic "B" and "C" are fully recoverable. The ones under maintenance are our responsibility. Those are really emergency airports. Some of them are local, as you are probably aware: there is one by Braeburn and one by Crystal Palace. There are other ones that I do not know of, but these are really just emergency landing strips.

Mr. Veale: Have any new emergency landing strips been constructed in the last year or two, aside from the Dempster one?

Hon. Mr. Lattin: No, Mr. Chairman, we have not constructed any new ones. I think that the only time we would really construct new ones is if we changed our roads somewhere and, since the Dempster, we have had no major expansion of road facilities.

Mr. Fleming: There seems to be quite a rise in the Estimates. I am just wondering; I did not really catch the real reason for that much. The 1980-81 forecast is \$356 and the 1981-82 estimate is \$526; which is a considerable amount.

Hon. Mr. Lattin: These amounts, you realize, are fully recoverable. The great increase is in the anticipated two-passenger cargo shelters that will be opened in Beaver Creek and Ross River. These also include provisions for observer communication services.

Should these projects be delayed, Mr. Chairman, there will be a reduction, I understand, in the planning process of MOT, but we feel that we will be getting them so we have included them in the Budget. That is what makes the large percentage rise.

Mr. Fleming: I thank the Minister for his answer. I am very hopeful that he will have something in Ross River, especially, and the other place, too, if necessary. It is mighty cold when you have to stand out there in the wind waiting for an airplane, and have no where to go.

Mr. Byblow: I would like to tell the Honourable Member for Teslin that we are quite prepared to move our cargo shelter when ours is upgraded.

I would like to hear from the Minister as to the procedures that his Government goes through in acquiring the capital funding for upgrading purposes. Realizing that this is an O&M Budget, I would like not to be ruled out of order on that ques-

tion, only because it is of pertinent importance.

Hon. Mr. Lattin: Mr. Chairman, again, I think, as the Member indicated, we are talking Capital Budget when he is asking a question like that.

Mr. Chairman, I think that all our capital funding for these projects is from MOT. We have better liaison with the MOT than we have had in the past. We perceive that we have to take a more active role in this phase of transportation. I cannot say that there is any particular procedure. I think it gets down to the old story that we identify where we need expenditures. I perceive that in the future we will be making our views known, and petitioning MOT on our priorities. I am not aware of any real procedure at this time.

Mr. Byblow: Is his Department planning to take over those Arctic B and C airports that are presently under MOT direct control? That is, the ones referred to in the supplementary information — Mayo, Teslin, Burwash, Dawson.

Hon. Mr. Lattin: Well, Mr. Chairman, I am not prepared to answer that question. I think it is a matter of whether MOT will turn them over to us. We have had some discussion on that, but at this particular time we have not come to any conclusion. I am sure that when we do, it will certainly be announced, and the Member will be fully aware of it.

Mr. Veale: Mr. Chairman, just to raise an old chestnut that the Minister may be aware of: there was some discussion in Old Crow about the problem of the airstrip's restricting the development of that community. The Minister is aware of the fact that the airstrip goes immediately behind the community and does not allow for expansion of the community houses and other facilities.

Have there been any recent discussions, either in your Municipal Affairs Department or with MOT people, about the relocation of that airstrip?

Hon. Mr. Lattin: Mr. Chairman, as far as I am aware I do not think there have been any discussion on that matter, but it is probably a matter that I should look into and bring back the answer.

Mr. Byblow: It is my understanding that the Minister's Department has specifically designated a person in charge of airports, per se. Is that correct? Is it a full time-position, and has it taken place in the last year?

Hon. Mr. Lattin: Mr. Chairman, the Member is partially correct. We are doing some reorganization in our department. We recognize the importance of airports and air travel in the Yukon. We are actively making our presence more noticeable. We have designated a person who will be in charge of this particular program. Because it is in a transition period, Mr. Chairman, I would not say at this moment that it is a full-time position, but I do foresee, in the very near future, that it will be a full-time position.

Mr. Chairman: Is there any further discussion?

Shall the program carry?

Some Members: Agreed.

Mr. Chairman: I declare the Airport Maintenance program cleared.

I refer Committee to the next program which is Building Maintenance and Office Accommodation on Page 174. Any discussion?

Mr. Veale: I wonder if the Minister could reply to my inquiry of yesterday, that I gave him notice of, about the expenditures on the Dempster Highway and the Lodge on the Dempster Highway.

Hon. Mr. Lattin: I must apologize to the Member across from me; I did not get the information. I will bring it in to him. I am sorry about that.

Mr. Veale: Not to cause a great delay, but perhaps if we could have a short recess, we could deal with that this afternoon, as opposed to bringing it up at some other time, so I could question on it.

Hon. Mr. Lattin: I would suggest, Mr. Chairman, that we proceed with the rest of the department; I believe it is the last item. Hold that over, Mr. Chairman, and at the next break I

will get the information and relay it.

Mr. Chairman: Have we got the unanimous consent of the Committee to stand over this program on Page 174?

Some Members: Agreed.

Mr. Chairman: I refer the Committee to Page 176 under Recoverable Services. Does the program carry?

Some Members: Agreed.

Mr. Chairman: I declare the Recoverable Services Program cleared.

I would like to refer the Committee to Page 177 under Garage Operations. Any questions? If no questions, shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the program cleared.

For your information on Pages 178 and 179, the amount of \$24,164,900 will not clear at this time until such time Mr. Lattin brings back some information for Mr. Veale.

Mr. Veale: Just a question on Page 179 for the Minister: I am not clear on why revenue from licences would be dropping from \$100,000 to \$80,000.

Hon. Mr. Lattin: Mr. Chairman, I am sorry, I had not noticed there was a decrease. Perhaps when I bring the other information back, I can bring that one also.

Mr. Veale: The third party services on that page — would the Minister just provide, as a matter of information, what that deals with in general terms?

Hon. Mr. Lattin: It deals with various things, Mr. Chairman. If there is, in most cases, no private entrepreneur that can do these things like snow-plowing and we do it; things of that nature. When we do these things, Mr. Chairman, they are charged on a rate plus a 10 percent administration charge; however it is in snow-plowing, snow removal. There are other occasions in a locality where we have the equipment that the other people do not have, and, in cases like that, we will let our equipment out to them.

Mr. Veale: Mr. Chairman, third party office rental, what is that, generally speaking? Is that rental to commercial enterprises?

Hon. Mr. Lattin: No, Mr. Chairman, I believe it would be to other Federal departments.

Mr. Chairman: Are there further questions on this department? The department is not going to carry anyway, because there is some information that is due, so, at this time, I would like to refer Committee to Page 182, general debate.

Hon. Mr. Pearson: Mr. Chairman, the estimates of the Public Service Commission, with two exceptions, assume a workload in the current fiscal year similar to that of last year.

The two exceptions for which provision is made in the Estimates include an increase the Commission's training budget from \$100,000 to \$215,000, and an increase of one-half person-year.

The Commission's personnel resources will be reorganized to permit the employment of a full-time professional training officer, and its training program will be expanded, especially in relation to on-the-job training assignments for Government employees and for disabled and other disadvantaged persons in the community.

As a demonstration of our desire to recognize and support the objectives of the International Year of the Disabled Person, \$30,000 has been earmarked in this fiscal year to provide training opportunities in the Yukon Public Service for disabled persons.

Mr. Penikett: Mr. Chairman, two Budgets ago, there was a lot of comment in the House about the need to re-order the priorities of the Public Service Commission, and to spend much more money on training than we had been spending in recruitment. At that time, the Government Leader gave the commitment to change that emphasis, and last year there was a fairly radical shift away from recruitment towards training.

I am pleased to see, this year, the increase in the training budget, although I note that there is also an increase in the recruitment budget.

I would like the Government Leader to elaborate on that a little bit, and I would appreciate his also elaborating a little on the \$30,000 that he has mentioned on training for the disabled, because \$30,000 really does not go very far in this day and age. I am wondering how many training assignments and training positions he has in mind, with that amount of money.

Mr. Veale: Mr. Chairman, I certainly am in agreement with the increase in training, as well. I guess my concern would be with the disabled persons' one, which is certainly a good initiative, but we seem to be ending up in the situation where we have a limited amount of money to assist disabled people and we spread it around in small pots. I am referring to the \$10,000 pot. I would prefer to see it lumped in, and perhaps \$40,000 could go a lot further than \$30,000 in providing really needed things. I wonder if there will be any coordination between the Public Service Commission and that citizens' committee that is going to distribute the \$10,000.

Hon. Mrs. McCall: Mr. Chairman, if I might answer that: the \$10,000 for the steering committee is to raise public awareness about the problems that disabled people face; to raise their consciousness of the way that disabled people are treated; to make the public aware that disabled people are very employable in many ways. That money can be used very creatively in many different directions.

It is very important to keep the training money separate, because that is a whole other area. I think it is really quite wise to keep those monies separate.

Mr. Veale: If I could just respond to that, Mr. Chairman: that was not my understanding, in the Budget discussion on the \$10,000. I thought it was for anything that the committee saw fit to do with it.

Hon. Mrs. McCall: Yes, Mr. Chairman, it is up to them, but, as far as I know, that is the sort of thing they are going to do with it. It is in their hands, and they are free to do whatever they wish with that \$10,000. As far as I know, that is the sort of thing they are going to undertake.

Hon. Mr. Pearson: Mr. Chairman, I would like to respond to both Honourable Members opposite.

In respect to the increase in recruitment, I am quite confident, Mr. Chairman, that if the Honourable Member for Whitehorse West went back far enough in our *Hansard* to the discussion that we had of this vote last year, I can recall pointing out that we should not expect to ever see as dramatic a change again in our recruitment costs, simply because the turn-around was so astronomical and so big last year that logic dictated we were hitting pretty close to the maximum; in fact, there would be increases in cost, but they should only be normal increases.

Mr. Chairman, I want to assure the Honourable Member that we do not anticipate doing any more recruitment Outside than we had to do this year, but that recruitment that is done Outside is necessary, and it does cost more money; hence, the increase there.

Mr. Chairman, the program with respect to the disabled people is one that is being put together and worked on jointly with the Rehabilitation Society. We have earmarked \$30,000, but I am confident, without speaking further to the Commission, that if it is required, and if we have or are able to spend \$50,000 or even \$75,000 on training of the handicapped during the course of the year, that is what will be spent. But the specific thrust for that \$30,000 that we are identifying up front is for disabled people.

Mr. Chairman: There being no further general debate, shall we get into the programs here? There are six programs involved in the Public Service Commission Budget. I refer Committee to the first program on Page 184, the Office of the Public Service Commissioner.

Mr. Penikett: Mr. Chairman, I guess we really ought, for the record, to have some explanation of the figures here; the fairly sharp movement from the 1979 actual to the 1980-81 forecast, and to the 1981-82 estimates under this administration. Perhaps the Government Leader might like to detail that a

little bit.

Hon. Mr. Pearson: Mr. Chairman, what in fact has happened is: there has been a reorganization, partly as a result of putting the Budget together this way, where we identify specific programs. We have four basic programs identified here: Safety and Security, Director Classification and Employee Relations, Director Recruitment and Training, and then Director Employee Benefits and Administration. The Administration number changes around every time we do one of these shifts. There is a half a man-year's difference between this Budget and the last one. The total increase in dollars is virtually all taken up by the training budget.

Mr. Chairman: Further discussion?

Mr. Veale: Is that a quarter man-year or a half man-year?

Hon. Mr. Pearson: I believe, Mr. Chairman, that if we go through it we will come up with a half man-year increase.

Mr. Chairman: Further discussion on this program? Shall the Office of the Public Service Commission Program clear?

Some Members: Clear.

Mr. Chairman: I declare the Office of the Public Service Commission Program cleared.

I would like to refer the Committee of the Whole to the next program, which is called Recruitment, on Page 186. You will find the statistics on Page 187. Discussion?

Mr. Penikett: Mr. Chairman, last year we had some discussion about the turn-over rate in the Government. A glance at these figures indicates that it does not seem to be improving very much. Can the Government Leader confirm that impression?

Hon. Mr. Pearson: Mr. Chairman, it is my impression that our turn-over rate is improving, but I am getting indications from some observers in the Gallery that should know, Mr. Chairman, that possibly it is no better now than it was last year.

Mr. Veale: Could the Minister give us a general breakdown on the recruitment figure, in terms of what that entails? I guess \$376,000 comes under "Other". What is the "Other"? Is it travel, for example?

Hon. Mr. Pearson: Yes, Mr. Chairman, it is primarily travel, either of people from Yukon going out to interview, or people being brought in to be interviewed. We also, in some cases, find it necessary to bring people in after we have offered them employment, to have a look at the municipality or at the country and so on, so; it is mainly travel.

Mr. Veale: Would the Minister undertake to provide, at a later date, a breakdown of those figures as he has explained them?

Hon. Mr. Pearson: Mr. Chairman, of the "Other" payments of \$376,000, \$250,000 is for travel of non-government employees.

The \$114,900 is advertising and public promotion.

Mr. Veale: Would the Minister, at a later date and I mean some other day, provide us with a breakdown of the \$250,000?

Hon. Mr. Pearson: Mr. Chairman, I really want to know what the Honourable Member is asking. Does he want a list of all of the people who have been paid travel — ?

Mr. Chairman: Order please, there are a couple of Members standing up — who is talking?

Mr. Veale: I have the floor, thank you, Mr. Chairman. No, my question is for some information that is very simple to provide, and that is: what portion of the \$250,000 was for bringing prospective employees up; what was for sending our people out to interview? I do not want names and addresses; I simply want the breakdown.

Hon. Mr. Pearson: Mr. Chairman, that \$250,000 is for non-government travel, non-employee travel. The whole \$250,000 is for non-employee travel. Does that answer the Honourable Member's question, Mr. Chairman?

Mr. Veale: Yes, it does, Mr. Chairman. Thank you. What I would ask then is whether we have the figure for employee travel, and that may come under another section.

Hon. Mr. Pearson: Yes, Mr. Chairman, government em-

ployee travel is \$2,400.

Mr. Chairman: Further discussion? There being no further discussions, shall the program Recruitment clear?

Some Members: Agreed.

Mr. Chairman: I declare the program, Recruitment, cleared. I would like to refer the Committee to Page 188 under the Benefits Program. Is there any discussion on the program?

Mr. Veale: Would the Government Leader explain the statistical Interviews/Telephone Calls, and what the \$60,000 refers to? Is it long distance calls or what is it?

Hon. Mr. Pearson: That is not \$60,000, Mr. Chairman; that is 60,000 calls.

Hon. Mr. Pearson: Could the Government Leader tell us then what the 60,000 calls would cost?

Hon. Mr. Pearson: Yes, just one half a moment, Mr. Chairman, I might be able to pull that number out.

I cannot break out the total cost or the specific cost of telephone calls with respect to benefits. But, Mr. Chairman, the total cost in the department for telephone and communication is \$17,100; however, that is over-all of the program.

Mr. Chairman: Any further discussion? Shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Benefits program cleared.

I would now like to refer the Committee to Page 190 where we will be discussing Security and Safety and Emergency Measures Organization programs.

Mr. Veale: Mr. Chairman, could the Government Leader just advise who this one person-year is, and what duties he or she undertakes?

Hon. Mr. Pearson: Yes, Mr. Chairman; this one person is Mr. Arthur Deer. He is the Emergency Measures Officer for this Territory. He is also directly responsible for security throughout this Government as well as safety of our own employees.

Mr. Veale: Thank you, Mr. Chairman; could the Government Leader indicate what portion of his time would be on EMO duties and what would be on general YTG duties, and perhaps relate that into the Dawson City emergency sometime back?

Hon. Mr. Pearson: Well, Mr. Chairman, it is very difficult to specifically say which are EMO duties and which are YTG duties, because we have a responsibility in an agreement with the Government of Canada for emergency measures; and it is virtually impossible to break out his time that way.

Mr. Veale: Mr. Chairman, the emergency measures funding of \$26,300 that appears on Page 197, does that provide salary for travelling?

Hon. Mr. Pearson: Yes, Mr. Chairman, that is correct.

Mr. Veale: Mr. Chairman, has there been a report or study prepared for the City of Whitehorse, in terms of a disaster, such as the dam falling or caving in or something like that? Is such a report available?

Hon. Mr. Pearson: Yes, Mr. Chairman, I believe that specific report has been done. But it was done by the municipality with the cooperation of Mr. Deer. It is not done by the Territorial Government, actually. There is an Emergency Measures Organization in the municipality that is to some degree coordinated with other Emergency Measures Organizations throughout the Territory; other municipalities, along with another Emergency Measures Organizations; which, I believe, is made up just about exclusively of YTG and Federal people. So it is a very well inter-meshed thing, and Mr. Deer's major job is to make sure that all of this is coordinated.

Mr. Veale: And are the other Emergency Measures Organizations volunteer organizations then?

Hon. Mr. Pearson: Yes, Mr. Chairman, they all are.

Mr. Chairman: Any further discussion on the program? Shall the program clear?

Some Members: Agreed.?

Mr. Chairman: I declare the Security and Safety and Emergency Measures Organization program cleared.

I would like to refer Committee to Page 192 under the heading of Training. Is there any discussion on this program?

Mr. Veale: Has that person-year been hired, Mr. Chairman?

Hon. Mr. Pearson: No, Mr. Chairman, I am advised that he, or she, has not been hired yet.

Mr. Veale: Is there any indication then when that hiring will be completed, and the training programs will be implemented?

Hon. Mr. Pearson: It is anticipated, Mr. Chairman, that it will take about two more months to get someone in place here.

Mr. Chairman: Shall this program clear? Is the Committee of the Whole prepared to clear the program, Training?

Some Members: Agreed.

Mr. Chairman: I declare the program cleared.

Mr. Chairman: I would like to refer Committee to Page 194, Classification and Employee Relations program. Do you have any questions on this program?

Mr. Veale: An information question, Mr. Chairman: the payments to the Public Service Association and the Teachers' Association — what are they for, in terms of the classification and employee relations?

Hon. Mr. Pearson: I am not sure that I know specifically what those payments are for.

Mr. Penikett: Probably union dues, are they not, Mr. Chairman?

Mr. Chairman: Further discussion?

Mr. Penikett: It is probably something allocated in the Collective Agreement, is it not, Mr. Chairman?

Hon. Mr. Pearson: I do know, Mr. Chairman, that they are negotiated in in each collective agreement. Specifically, exactly what they do, I am sorry, I do not know.

Mr. Veale: Mr. Chairman, maybe the Government Leader could confirm that it is union dues that that refers, to and that it goes to the individual associations for their disbursement. Could you undertake to confirm that then, Mr. Chairman?

Hon. Mr. Pearson: Mr. Chairman, I will find out, but it is not union dues.

Mr. Chairman: Shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Classification and Employee Relations cleared.

For your information, there is some on Page 197. There being no further questions on that, shall the amount for Public Service Commission of \$1,293,000 carry?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

The next Department the Committee will consider is the Department of Intergovernmental Relations. Mr. Pearson, do you have any general debate on that Department?

Hon. Mr. Pearson: Mr. Chairman, I wonder if I could impose upon the House? A bit of a crisis has arisen. It is unfortunate that it had to come up just at the time that those responsibilities that I do have a direct interest in are before the House. I wonder, Mr. Chairman, if I could prevail upon yourself, and other Members, for a five minute recess so that I could hopefully get this matter cleared up, and then we can go on with this subject uninterrupted.

Some Members: Agreed.

Hon. Mr. Pearson: Thank you very much.

Recess

Mr. Chairman: I would like to call Committee of the Whole to order.

The Chair would like to ask the Minister of Highways if he is prepared to answer the questions asked by Mr. Veale regarding the Dempster Highway?

Hon. Mr. Lattin: Yes, Mr. Chairman, I am.

Mr. Chairman: The Chair would direct the Committee to Page 174 in the Budget, regarding Building Maintenance and Office Accommodation.

Hon. Mr. Lattin: Mr. Chairman, I have lost some of my figures, but on the Dempster Highway, we have divided it into

three parts. I believe the part that the Honourable Member was referring to, I took it to be the arrangements we have with the Lodge at Eagle Plains?

Okay. Mr. Chairman, we have a leasing arrangement with the Lodge at Eagle Plains for a period of 30 years. We have utilized roughly two years of it now. Starting this April 1, 1981, the payments will be \$27,539.24 per month. Mr. Chairman, for this amount we get space in the garage, we have a grader station, office space, an apartment for the foreman, individual rooms for four employees, recreation facilities, and meals.

The contract with these people, Mr. Chairman, is in two parts. First, the depreciation is fixed at fixed cost; secondly, the operational cost increases are in accordance with Statistics Canada consumer price index.

Roughly, in this particular section, Mr. Chairman — I am sorry I have lost the exact figures — it was around \$700,000. Of this amount approximately 400,000, in ballpark figures, would be used for the operation of the road and the rest would be for accommodation, rentals, et cetera.

Mr. Veale: The \$27,539 a month that is paid to the Lodge owner, does that increase each year according to the consumer price index? Is that what you were saying?

Hon. Mr. Lattin: Yes, Mr. Chairman, that is so.

Mr. Veale: Are there any other payments made, on an annual basis, other than the monthly payment?

Hon. Mr. Lattin: Not that I am aware of, Mr. Chairman, no.

Mr. Veale: And what are the other two areas that you mentioned? Is maintenance of the highway in the \$400,000 you were talking about?

Hon. Mr. Lattin: I am sorry, Mr. Chairman, I should clarify that. We have three camps on the highway. What I am saying is that the costs for that particular camp are: roughly \$400,000 is spent on maintenance and the rest is for the cost of rental of the various facilities that we are renting, plus the meals for the men.

Mr. Veale: Well you are saying there is a round figure of \$700,000?

Hon. Mr. Lattin: For that particular camp, yes, Mr. Chairman.

Mr. Veale: And out of the \$700,000, maintenance of the highway is \$400,000? Is that what you are saying?

Hon. Mr. Lattin: Mr. Chairman, again, I am sorry that this is not exact, but I remember it is in the neighbourhood of 700,000. What I am saying is that we are paying the lodge for these various accommodations and meals, as I have said, at \$27,539 per month. So what we have is that figure multiplied by 12; deduct it and you will get the figure of what is actually spent on the highway. Mind you, I do not know whether this is in line with other camps or not, but when we charge for a camp, a lot of that is for meals and accommodation in the other places too.

Now on that particular road we have two other camps. They have an allotment as well, but they are our own camps.

Mr. Veale: If the \$700,000 then, annually, refers to the Eagle Plains camp —

Hon. Mr. Lattin: Yes.

Mr. Veale: — what is the cost then of the other two camps?

Hon. Mr. Lattin: Mr. Chairman, as I say, I apologize; between my office and down here I have lost the figures, and will have to get them again. I am sorry about that, Mr. Chairman, I will get them for the Member.

Mr. Chairman: Are you satisfied, Mr. Veale?

Mr. Veale: If he will get the answers, Mr. Chairman.

Hon. Mr. Lattin: Mr. Chairman. I would like to answer one more question. I believe I had an inquiry from Mr. Veale on Page 179 about the licences. He asked why last year it was \$100,000 and this year it is \$80,000. Mr. Chairman, I would like to explain that this is recoveries. The word "licences" is probably a poor definition of what it is. Really what we are talking about are overload permits — overload for weights and that. These are recoveries. Last year we estimated we would receive \$70,000; because it must have been a busier year than we had anticipated, we collected \$100,000. This year, we said,

"Well, it looks like we probably would collect \$80,000." We might be right; we might be wrong, but it is a recovery, Mr. Chairman. Next year when the Budget comes in we will give you the true figure, but there is no way that we can say how much we are going to collect for overload permits, et cetera.

Mr. Chairman: Is the committee prepared to clear under the Highways and Public Works Department, the Building Maintenance and Office Accommodation program?

Some Members: Agreed.

Mr. Chairman: I declare the Building Maintenance and Office Accommodation program cleared.

Is the Committee prepared to clear the total amount of \$24,164,900 for the Highways and Public Works?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

I would like to refer the Committee to the Department of Intergovernmental Relations on Page 200.

Hon. Mr. Pearson: Mr. Chairman, this is a new department: one that reflects our growing up and our assumption of more and more responsibility from the Government of Canada.

The creation of this new department provides for one new person-year. The rest of the staff are being transferred from other programs and departments. Mr. Chairman, we on this side do have a responsibility to manage the Government of Yukon as efficiently as possible, and to that end we have determined that, both from a representation and an administration point of view, we now require an office and a permanent presence in Ottawa. It is anticipated that we will be placing a senior person of this Government, and providing clerical assistance in the office.

Intergovernmental Relations are becoming a more important part of our life all of the time. Mr. Chairman, this identifiable function is in fact, a part of every other provincial or territorial government in Canada, and in order for us to deal efficiently with the other jurisdictions, we are required to build some expertise in the area.

Again, Mr. Chairman, with more sophistication in our Government, the necessity for policy coordination becomes ever increasingly evident.

Mr. Chairman, I do not know that I can say anything too much about our Land Claims Secretariat, and the work that they have been doing. People working in this branch for YTG are; I would submit, doing a tremendous service for all of the people of the Territory. We have every reason to think now that an agreement resulting from the eight years of negotiations is really in sight.

Mr. Penikett: I want to make a comment, first, about the Ottawa office. I must say I am a skeptic about this expenditure. I doubt very much if there is really anything substantial to be gained by having an embassy in Ottawa. The Government Leader has just indicated that he is planning to install a fairly senior official in that place; a senior official with a staff of one. Presumably some of the scarce management talent from this place will be shipped down to Ottawa, where I gather there is a surplus of such talent, at least according to what those people will tell you. You are going to take a senior person away from this Government, where competent senior people are in short supply, and send them to Ottawa, with some kind of clerical assistance.

Now, I am not sure what this person is going to do, because I doubt very much, given my observations of other similar offices, if this person is really going to be able to intrude on the telephone conversations and direct mail communications between different ministers and their counterparts in Ottawa.

If the person is really able, really skilled, and really knowledgeable enough, and has the kind of comprehensive knowledge of the Ottawa scene and the kind of rank and clout that will get doors open for him there, then it really should be someone who should be working back here in Whitehorse, not sitting in an office in Ottawa.

Now, I am concerned about this expenditure because last

year we closed down a Vancouver office, which some people thought was doing a good service. Some of the arguments the Government made about the diminishing effectiveness of that office I am sure could well be applied to this office that has yet to be opened in Ottawa.

I think it is useful to recall the NWT experience in opening an office. NWT has, I think, acquired the reputation in recent years as a financial basket case, but, for a number of years, it was the favourite of the people in Ottawa; they seemed to have an unlimited supply of money for all sorts of peculiar things.

I believe their Education Budget, for example, was greater than our total budget. They seemed to believe that the Commissioner's expenditures over there, on visitations and partying and ceremonial activities, was probably as great as some of the amounts of money we spend on useful things. Most of that money came from Ottawa.

The NWT Government opened an office in Ottawa, curiously enough, exactly at the point where the NWT people decided to vote for an Opposition Member of Parliament; given the close political affinity between the administration of the NWT and the Government in Ottawa, I guess that they felt the correct line, the voice of the people, might be expressed in a way that was not to the satisfaction of the Commissioner. So they opened an office in Ottawa.

The MP, I recall, was very concerned about this. They had opened this office; they had placed this person in there and he was called the NWT liaison officer. The MP was very concerned that they had appointed this person just as he had been elected, because it seemed the two events seemed to be related, so he made a habit of phoning this office. He used to phone some mornings and find no one there. He used to phone it quite regularly and ask the person who was sitting in the office when they were there, what they were doing, and received rather inadequate explanations.

I gather that after a while the incumbent in the office became quite an embarrassment to the Government of NWT. Now, this practice of having liaison offices or external offices, is, I think, one that we should enter with extreme caution. I think some of the huge provincial governments such as Ontario and Quebec have offices such as these, not only in Ottawa, but around the world. They have become quite controversial. I know Quebec's, particularly, have been somewhat irksome to the national government.

But I think Ontario and BC certainly have them in London. I know Quebec has them in Paris. I think Ontario has one in Paris, and it would not surprise me if Ontario has one in Rome, too. The justification for these is all the benefits we can get for trade and so forth. We have a lot of truck with Ottawa, but we do not have much trade, so there is a different justification in this case.

But I worry about this, because given our small population, I am not sure it is a justifiable expenditure. In fact if you were going to be talking about economic rewards from such an expenditure, we might be better off having an office in California, a source of many of our tourists, and if we were to open an office there, Mr. Chairman, I would be quite willing to volunteer to staff it.

I think it is an expenditure which has not been proven. I do not think the explanation of the Government Leader is sufficient. I would be very interested in seeing the particular individual who is going to be staffing this office. If it is someone now in the department, I think it would probably be appropriate for us to ask, more particularly, just exactly what their duty is going to be. Is this a person who is going to have an entry to Deputy Ministers? Is this a person who is going to be representing this Government before Members of Parliament or Senators? If so, I have some qualms about that because that is a role I do not like civil servants, of whatever rank, to intrude in; into the appropriate dialogue between heads of government and legislators, whatever level of government they sit. That is a general concern.

I have a specific concern about the Land Claims Office. The

Government Leader and I have agreed in the past not to communicate about this subject in the House. I have had some questions which he has refused to answer, and it seems to me that is where we have left it. But I have one question now that I do want to ask and the Government Leader may not have the information handy, and I hope he will undertake to provide it if it is not handy.

That information that I would like is: the proportion of this amount estimated that is spent on legal fees in connection with land claims. It may not be able to be estimated for the coming year, but I would be most interested in what we spent on legal fees last year, and who were the beneficiaries of those fees. There has been one fairly well known local person who has been heard of, in connection with the land claims process, but I would be interested in knowing whether there were other lawyers involved too; if there is a battery of them, or if there is just one. If there is just one, what kind of revenue did that firm derive from the land claims process last year?

Mr. Veale: The Ottawa office of this Government, Mr. Chairman, is on a plane, I think, with the Faro Liquor Store. No one has asked for it and no one needs this expenditure, particularly when it is going to be one of the major reasons for the taxation of fuel, which is going to have severe inflationary consequences throughout the entire Territory. It will even cost the back bencher from Porter Creek more to drive into town every day. But it will cost people right in their food baskets every day as well. To have that money going for this particular expenditure, Mr. Chairman, I feel is completely unjustified. I would be interested in hearing what the actual cost is going to be broken down. There have been a number of figures bandied about, but let us hear the actual costs from the Government Leader.

The other thing that is not clear from this is whether or not the Pipeline Office is included in inter-governmental relations. And if so, I would be interested in having a breakdown. We know that \$900,000 was spent in the 1979-80 Budget year. I would assume, and I have not had a figure yet for the 1980-81, nor a figure on the projection for 1981-82.

I would like to put the Government Leader on notice for that.

Regarding land claims, would the Government Leader indicate the breakdown of land claims expenditures — between the negotiations with the Council for Yukon Indians and the negotiations with COPE? That is a very simple breakdown to make.

Mr. Chairman: The Chair, assuming that the general discussion has been completed, would like to carry with the department.

Hon. Mr. Pearson: Mr. Chairman, I would like to take the opportunity to answer those questions that I can; I think probably I can pretty well answer them all.

Addressing first the comments of the Member for Whitehorse West, Mr. Chairman: I suspect it has been a fairly long time since he has been in Ottawa and seen what is really happening there, or really found out what is happening in this Government.

In spite of the apparent failure of the NWT office, Mr. Chairman, I think I should tell him that it was such a failure that they have now opened another one; they have got two of them there.

Mr. Chairman, there cannot be any connection or relationship or hooking-up of the Vancouver office and this Ottawa office. They are two different things entirely. We require an office in Ottawa because so much of our work-related relationship with the Government of Canada, which has their offices in Ottawa, has changed. We no longer deal only with the Department of Indian Affairs and Northern Development. Rather, at Ottawa's choosing and bidding, Mr. Chairman, we now deal with virtually all of the departments on an individual basis.

We have no intention, Mr. Chairman, of putting this office — like the NWT did their first office — in the same building as the Department of Indian Affairs and Northern Development in Hull, Quebec, because I would respectfully suggest that, although our people may be spending some time there, they

will very likely be spending as much if not more time in other departmental offices in Ottawa.

We are finding it necessary to do this.

Mr. Chairman, this has been looked at: studied very, very closely. It was looked at as much as two years ago, and we have not gone into this without giving it a great deal of thought. I have always had a real problem with the establishment of this kind of an office in Ottawa, but it has really, truly become a necessity of this Government.

The question with respect to land claims and legal fees, Mr. Chairman: we pay one lawyer; he is our chief negotiator, Mr. Willard Phelps. His contract this year, effective April 1, pays him a salary of \$800 a day for every day that he negotiates land claims. The expenditures, as they apply, are broken out. Our contract for this year is \$800 a day.

Mr. Chairman, with respect to what the Honourable Leader of the Opposition has to say, I do not know that I have to further justify the Ottawa office to him.

With respect to the Pipeline Office, in 1980 we anticipate the expenditure for that office to be \$302,200. That figure, Mr. Chairman, shows in the Supplementary Estimates that we will be getting to later on.

Also, Mr. Chairman, because we have convinced, I think, the proponent, Foothills, and the Northern Pipeline Agency — and I hope we are now in the process of convincing the National Energy Board — that the costs that our pipeline people incur are, in fact, direct costs of the pipeline construction, therefore we will be reimbursed. We keep a very, very close track of those costs, and know down to the dollar how much money we spend on pipeline-related work.

The people in this Pipeline Branch, over the past year, have been diversifying, because a lot of the pipeline work is getting done, and have been working on other projects, as well. Their expertise lends them to that kind of work. We do keep close track, and we can justify the claims that we are making to the National Energy Board. It will be up to the National Energy Board to decide whether we are going to get those payments or not.

I believe I have answered a majority of the questions that have been asked.

I just thought of one other, Mr. Chairman. I want to assure the Honourable Member that it is absolutely impossible for me, or anyone in this Government, to separate, with respect to our costs, the COPE claim and the Council for Yukon Indians' claim. There is no way that it can be done. It is exactly the same people working on both.

Mr. Penikett: Mr. Chairman, I would be interested in knowing if the Government Leader can give us any indication of who is going to be the senior person staffing the Ottawa office. Does he know that yet?

Hon. Mr. Pearson: No, Mr. Chairman, I do not know that yet, I am sorry.

Mr. Veale: Mr. Chairman, I had understood that there was a separate counsel retained for the COPE, but that is not correct.

Hon. Mr. Pearson: Mr. Chairman, it may be that what the Honourable Member is referring to is that we do have, on a short-term contract — I believe it was three months — a Mr. John McGilp, who was formerly a director of the Northern Affairs Branch of the Department of Indian Affairs and Northern Development, and who was representing us directly on COPE.

This came about, Mr. Chairman, because when Senator Steuart was made the COPE negotiator by the Government of Canada, by Mr. Munro, the Minister, he came here and had a talk with us; he indicated to us that he intended to move very, very quickly, and to concentrate an awful lot of his time on the COPE Agreement in Principle. He made a suggestion to us that he thought that it would be beneficial to this Territory if they had someone on site in Ottawa to actually deal with him and with COPE on our behalf.

Mr. Chairman, for just about the last year now we have been

in a situation on the Council for Yukon Indians' claim where we negotiate two weeks out of a month and then everyone goes home for two weeks, and then back into negotiations for two weeks. It was perceived that we could not take our people who were working on the CYI claim and pull them off to go to Ottawa and work exclusively on the COPE claim. So, the only individual person was Mr. McGilp.

All of the work here is all done by the same people.

Mr. Chairman: Is there any further general debate? We will get down to business then. On Page 200, you will find that the department is divided into three programs. The first one is Policy Coordination on Page 202. Your information is on Page 203.

Mr. Veale: Mr. Chairman, Page 203, the Ottawa office has an estimate for 1981-82 of \$176,300. How much of that is new expenditure, and how much is going to be simply transfer of staff to the Ottawa office from Whitehorse?

Hon. Mr. Pearson: Mr. Chairman, I did not make that clear. The one new man-year that I spoke of in my opening remarks, we anticipate to be a person-year in the area of clerical support in the Ottawa office.

Mr. Veale: Mr. Chairman, my question is: \$176,300 is going to be spent on the Ottawa office; how much of that is going to be for the Ottawa office? How much is going to be for staff?

Hon. Mr. Pearson: Give me a half a moment Mr. Chairman and I should be able to tell you. I can make a fairly close estimate. I would think that approximately \$85,000 would be salaries.

Mr. Veale: That is specifically the Ottawa office then. How are the 4.25 person-years that are going to be split between the Whitehorse and Ottawa office broken down?

Hon. Mr. Pearson: I thought I was clear on this, Mr. Chairman. There will be one person transferred from Whitehorse. I anticipate, and we will hire one person for clerical support, so there are two person-years for the Ottawa office.

Mr. Veale: So is it the intention then, to transfer the person who operates the office in Ottawa from present staff in Whitehorse, and hire an additional person, presumably from Ottawa and living in Ottawa?

Hon. Mr. Pearson: Yes, Mr. Chairman.

Mr. Veale: Mr. Chairman, the Government Leader indicated that the amount of expense allocated to the Pipeline Office for 1980-81, I believe, was \$302,200. That is substantially down from the \$900,000 which was allocated in 1979-80.

Hon. Mr. Pearson: Oh, no, Mr. Chairman.

Mr. Veale: You can clarify that, but my question is: what is the allocation going to be for 1981-82?

Hon. Mr. Pearson: Well, Mr. Chairman, the Pipeline Office has been in operation for four years now. That \$900,000 is an accumulation of something like three-and-a-half years of expenses that we have kept track of very, very carefully.

The expenditure for 1980-81 is \$302,000.

Again, Mr. Chairman, it is virtually impossible for me to even estimate how much it is going to cost, directly, for pipeline-related work during the course of this year, because we do not know at this point how much more time those particular people are going to have to spend on pipeline-related work. At the present time, one of them is working quite diligently with the Department of Education and those people who are putting together the training program. It is necessary that they be there for that. So it will not be possible for us to say, "This is the Pipeline Office and this is all they are going to do in future", because that is not practical any more. We have to find more work for them.

Mr. Chairman: Order, please. The Chair has made a mistake. I stated that the first program is Policy Coordination and I also stated that the information for the program is on Page 203. We should only be working with Page 202, Policy Coordination, which is a completely separate program from Intergovernmental Relations. So please deal only with Page 202 at this time.

Mr. Penikett: Mr. Chairman, I have one question that is

something of a general question. When I look at the programs of the new Intergovernmental Relations Department, most of them have been continuing programs with the exception of the Policy Coordination, which is really a new feature. I would commend its development because there has not been much evidence of policy coordination up to now.

Obviously there is going to be a new person of Deputy Minister rank coming in to assume the position as Deputy Minister to the Government Leader. Normally, in many governments, that person would be the senior Deputy Minister. For that reason, and for the reason that we have not, up until now, had much policy coordination, I would assume that that person's strength would be in the policy coordination area.

Now I have made a couple of assumptions there. I would appreciate it if the Government Leader could tell me if they are correct.

Hon. Mr. Pearson: Yes, Mr. Chairman, I am very happy to say that the Honourable Member's assumptions are right on. I have no hesitation in telling Committee that the Deputy Minister of this department is John Ferbey, who is a very senior Deputy Minister in this Government.

Mr. Penikett: A minor but important point: in many governments the Deputy Minister to the Leader of the Government, one who has a role such as policy coordination, is also secretary to the Cabinet. This is not the case in this Government. In terms of rank, which of the two people is senior, the Deputy Minister to the Government Leader, who is in charge of policy coordination and is presumably liaising with every other Deputy Minister on a number of things, or the secretary to Cabinet who I understand has similar rank?

Hon. Mr. Pearson: I am not quite sure what the Honourable Member means by rank, Mr. Chairman, but the Deputy Minister of Intergovernmental Relations is paid a considerably higher salary than the Deputy Minister of the Executive Council Office.

Mr. Penikett: So in terms of delegation, should the Government Leader have occasion to do that in connection with where those two offices interface, the Deputy Minister of Intergovernmental Relations will be the ranking officer. Is that correct?

Hon. Mr. Pearson: Mr. Chairman, I foresee the necessity for the two to work together on an awful lot of things, because it is necessary. In fact there was very serious consideration given to bringing it all into one package. We did seek some very good advice, and the advice was fairly unanimous that we should keep them separate. So although I see them working together, I sincerely hope that I do not run into any kind of a conflict situation.

Mr. Penikett: I do not want to waste a lot of time on it, Mr. Chairman; I just want it to be clear, because there are many provincial governments where the Cabinet secretary is in fact simply Cabinet secretary. There is a Deputy Minister to the Premier who is the acknowledged senior Deputy Minister for all purposes; purposes of communicating government policy or acting in a case of an interregnum.

In Ottawa, as we know, there is the one person who is the senior Deputy Minister and secretary to the Cabinet — but I think I am now clear on what the Government Leader is doing.

Mr. Chairman: Shall the Policy Coordination Program clear?

Some Members: Agreed.

Mr. Chairman: I declare that Policy Coordination Program is cleared.

I would like to refer the Committee to Page 203, under the Intergovernmental Relations Program. Any discussion on that program?

Mr. Penikett: There is heavy emphasis in the narrative on the relationship between this Government and the Federal Government. Given our present colonial status, that is not surprising, but there is also, as the Government Leader knows, considerable correspondence between ministers of this Government and their counterparts in provincial governments.

I would have thought that, from a point of view of efficiency, communication is most easily facilitated on a one-to-one basis or on a direct basis. There is really not that much need for an office such as Intergovernmental Relations to interfere in communications between minister to minister communication or deputy minister to deputy minister.

Perhaps the Government Leader could give us some indication as to what extent, or what kind of role, this office will play, in relationships between this Government and its provincial counterparts.

Hon. Mr. Pearson: Mr. Chairman, as I stated in my opening remarks, we have found that we are developing a very good communication network of minister to minister. All of the Cabinet Members have had considerable dealings now with their counterparts, in most of the provincial jurisdictions.

Mr. Chairman, what that has really pointed out to us but is not yet apparent to the administration in this Government, is that as a result of that line of communication another one must open up, because ministers do not do any administrative work. If there is going to be any follow-up to what the ministers talk about, it has to be done by officers.

We have found that in all cases, there is an identifiable department in every government in Canada that does this, which is called the Intergovernmental Relations Department or Intergovernmental Affairs, or something like that. They deal, at the administrative level, with whatever matters are being talked about at the ministerial level. It is a new departure for this Government.

I agree, Mr. Chairman, there is some emphasis and maybe an over-emphasis on the Ottawa situation, but, once again, that is a reflection that has become very obvious to the administration in this Government. We are now having to deal with other departments in Ottawa all of the time.

At one point in time we never, ever phoned anyone but the Department of Indian Affairs and Northern Development. If you wanted to talk to somebody in the Department of Energy, Mines and Resources, you talked to the Department of Indian Affairs and Northern Development, Energy, Mines and Resources guys. That is what happened; that does not happen any more.

If I want to talk to someone in Energy, Mines and Resources, Mr. Chairman, I phone them now, or they phone me. We may send copies to the Department of Indian Affairs and Northern Development on any correspondence. We try to do that to keep them involved. Also they still run an awful lot of interference for us.

Mr. Penikett: What the Government Leader is saying is that we did have a Department of Intergovernmental Relations before, but the Federal Government was paying for it. From a financial point of view maybe it was a more desirable situation.

Point 3 in the program objectives is: "To monitor, assess, and analyze the decisions of other governments in political events in other jurisdictions..." which really does get back to the provincial point I was making. Let me express a caution on this point. I know, because I have had friends in such departments in other provincial governments. The Government Leader wants to make sure that he exercises some restraint in this department. I hope no one will take offence by my saying this but I certainly hope he keeps his foot on Mr. Ferbey's neck, because I know from a couple of the governments that these departments become monsters.

You give them a mandate, such as analyzing all the decisions of every other government in the country and you have got work that will never be done, will never be complete, and will require an infinite number of public servants if it starts to get any momentum. Because analyzing the minutiae of every regulation and every provincial government would keep more people busy than we have in the Yukon.

There is a problem on another count. Policy coordination is highly desirable, but I know that in Manitoba they set up what I think they called a program and policy planning secretariat,

the head of which was a deputy minister to the Premier. I knew the fellow who was the deputy minister for that job and they had continual wars, because they were trying to plan and set priorities and programs with the line departments, who had their own priorities and their own programs, whatever government came into place; they had their own policy, if you like.

Much energy, I feel, can be wasted, if the wrong personality is in place. I happen to know that Mr. Ferbey is a very accommodating gentleman, so I am sure that that is not going to happen under his regime.

Mr. Chairman: Any further advice or questions?

Mr. Veale: Lots of advice, Mr. Chairman. Picky point: the \$85,000 in salaries, how is that broken down between the clerical and the senior person who runs the office?

Hon. Mr. Pearson: Mr. Chairman, I would respectfully suggest that the salary costs for the senior person are going to be \$60,000 a year; and the clerical person \$25,000 a year, for a total of \$85,000.

Mr. Chairman: Any further questions? Shall the program carry?

Some Members: I declare the Intergovernmental Relations program cleared.

I refer Committee to Page 204 under the heading of Land Claims. Are there questions?

Mr. Veale: Mr. Chairman, the rentals have actually increased 63 percent. I wonder if that can be explained, bearing in mind that there has not been any increase in person-years.

Hon. Mr. Pearson: Yes, Mr. Chairman. I agree that there has not been any increase in person-years, but, Mr. Chairman, the rentals of \$42,500 is what we have now as rentals of the Land Claims Office and the Pipeline Office, and the two people who are in the branch that we used to call Intergovernmental Affairs here in this building. The additional cost is for the increase in square footage rental cost in this building, and for the rental of office accommodation in Ottawa.

Mr. Penikett: Much focus, Mr. Chairman, - has been put upon a scheduled date, or a deadline or a goal for completing an agreement in principle. From this Government Leader's point of view: following an agreement in principle, how long would he anticipate maintaining such an office, or how long would he anticipate our being involved in such expenditures, following an agreement in principle on this subject?

Hon. Mr. Pearson: With respect to Land Claims, Mr. Chairman? I do not know. It might be that we would not need an office any more, or that we might have to have people identified specifically for Land Claims because it is my sincere hope that, when we get an agreement in principle, we as a Government are going to be able to stand up and say to the people of the Territory, "This is it. This is what we really believe in. Along with the Native people, this is what we think should be the settlement". At that point in time there should not be any requirement for the kind of negotiations that go on now. In other words, I cannot see the tripartite type of negotiations that are in place at the present time between the Government of Canada, the Government of the Yukon, and the Council for Yukon Indians.

Mr. Penikett: I ask the question, a serious one, because as I understand it CYI anticipates some considerable period of implementation, and there might be a number of issues which are Constitutional which would involve some very sensitive negotiations

I understand the Government Leader to be indicating that that might not be the responsibility of this office, and that might be well and good, and there may be some role for the Legislature, hopefully.

What I am interested in from the Government Leader is a question of policy: previously when he and I had sparred in this House on this question, he had not been prepared to commit his Government to the question of recognition of aboriginal rights as a policy position of the Government. Could I just ask him this question: Since the consensus position emerged from the Constitutional Committee, and the Government Leader's pre-

sentation to the Joint Committee on Constitution, whether, in fact, that substantial progressive shift in the stated policy of this Government has improved the climate of negotiations at all? Would he be prepared to comment on that?

Hon. Mr. Pearson: I do not think there has been a shift in this Government in any way, shape or form, Mr. Chairman. Our relationship with the Council for Yukon Indians with respect to not only land claims, but everything, has been improving dramatically, and it really started, I believe, Mr. Chairman, with the appointment of Mr. O'Connor as the Land Claims Negotiator. I will always, always, always wish that I had thought of recommending Dennis O'Connor as the Land Claims Negotiator, as he has just done a tremendous job. The accord that exists today is, I believe, a result of him.

Mr. Penikett: I am glad to hear the Government Leader is in favour of this. I am not going to quibble but, in the past, the Government Leader will admit that, by the time of last year's Budget, I had not been able to extract from him a commitment on the question of aboriginal rights; however, we will leave that where it sits. I am sure all Members of this House share his enthusiasm for Dennis O'Connor.

Mr. Chairman: Shall the Land Claims Department carry?

Some Members: Agreed.

Mr. Chairman: I declare the Land Claims Program cleared.

Is the Committee prepared to carry the total amount to be voted for the Intergovernmental Relations of \$962,400?

Some Members: Agreed.

Mr. Chairman: I declare the amount carried.

I would like the Committee now to turn to Page 208, under the Department of Finance.

Hon. Mr. Pearson: Mr. Chairman, I am pleased to present the 1981-82 Main Estimates for the Department of Finance.

As well as all of the day-to-day activities of any financial operation, the Department of Finance has been very involved with improving the financial management systems for the Government of Yukon in the past year, and will continue this task during the 1981-82 fiscal year.

I would like to highlight some of the improvements to date, and indicate others to take place in the future. During 1980-81, financial signing authorities were revised, to give ministers signing authority for their departments for the first time.

The form and content of the Main Estimates were significantly improved to provide more meaningful information, beginning with the 1981-82 presentation.

The 1979-80 Territorial Accounts were tabled on time during the previous Fall Session; the first time that any of us could remember this happening.

A number of financial management system projects were completed or started, and, during 1981-82, the department will continue to work on financial management system projects.

The department will refine the revised form and content of the Main Estimates, as they get feedback from the various users of the document.

As well, a review will be undertaken on the form and content of both the Capital Estimates and the Territorial Accounts.

Mr. Veale: I note that although personal income tax has not increased in the Territory, the revenue generated therefrom has increased by \$2 million. That, I think, is significant in its comment on how personal income tax works in the Territory.

The other comment I have, Mr. Chairman, is regarding home owners' grants. Correct me if I am wrong, but I understand they do not apply to renters and I would say that the expansion of that program to compensate renters for the portion of their rent that is going towards property tax, as done in most other jurisdictions, would be a good step for the Government to take.

Mr. Chairman: There being no further debate on the Department of Finance —

Hon. Mr. Pearson: Yes, Mr. Chairman, I should point out to the Honourable Member that the estimated revenue for income tax is a number that we get from the Federal Department of Finance.

We do not have any option to argue it, second guess it, or anything else. They just advise us that they are going to collect, on our behalf, this amount of money in income tax during the forthcoming year. So Mr. Chairman, I have no way of justifying or second-guessing that number.

With respect to the home owners' grant, it has always been exactly that: a home owners' grant. Of course, I guess we would have to start out by changing the name, if we were to adopt the suggestion made by the Honourable Member.

Mr. Chairman: I would like to refer the Committee to Page 210. I would like to comment on the number of programs that the Department of Finance has. It has three programs. We will start with Treasury.

Mr. Penikett: Mr. Chairman, I have one brief question. One of the program objectives of this department is to provide assistance to all departments and agencies in financial matters. The Government Leader will recall a question which has some bearing on the Public Service Commission, for which he is also responsible. I believe it was last year that I had occasion to ask if the Government Leader was content or satisfied that, in the competitions for all financial management positions, there was now on the board an officer from the Department of Finance. There was at least one occasion I know of where it was not happening last year, but can he satisfy me on that point now?

Hon. Mr. Pearson: Yes, Mr. Chairman, that does happen.

Mr. Veale: Mr. Chairman, there has always been concern raised about the turn around time for an invoice coming in and the cheque actually going out. Does the Government Leader have any indication of what that is now, generally speaking?

Hon. Mr. Pearson: Mr. Chairman, we are trying very hard to keep it at 30 days or less. There are occasions when something happens and, for one reason or another, the turn around time is longer. Upon investigation, Mr. Chairman, nine times out of ten, it is found that the hold-up is not in Treasury. There are occasions when something does get lost in the paper shuffle in Treasury, but normally, if there is a procedural hold-up, it is not at this level; it happens, normally, somewhere else in the administration.

Mr. Chairman, if it is ever brought to Members' attention that someone is looking for a cheque or they have invoiced us and it is an extraordinarily long time — and more than 30 days, Mr. Chairman, I respectfully submit, is an extraordinarily long time — I sincerely ask that they contact us and let us know. Specifics are very, very easy to chase down. It is the generalities that we really do have a problem with.

Mr. Penikett: The Government Leader will recall a couple of cases which I brought to his attention concerning late payment of wages, and these were back pay following the collective agreement.

The Government Leader may want to comment on that now, but I would probably do better if I just give him notice because I happen to know it is a subject of a comment in the Public Accounts Committee Report and he may want to respond more fully at that time.

Hon. Mr. Pearson: Mr. Chairman, I can say that the payment of back pay, in respect to the collective agreements, is a negotiated and agreed-to factor in the collective agreements. We had to arbitrarily work in when and how we could pay the casuals. I believe, Mr. Chairman, the Honourable Member's major concern was with casuals.

There are great things to be said about computers, Mr. Chairman, and all of the joys and benefits that they bring us. One of them is that things must happen in a very, very orderly fashion and, regretably, when it comes to this kind of thing, the casuals are at the bottom of the list all of the time. Really, it is a regrettable thing that it has to take so long to pay them. I just do not believe that there was any reasonable way around it this time.

Mr. Chairman: Shall the Treasury Department clear?

Some Members: Agreed.

Mr. Chairman: I declare Treasury Department has

cleared.

I would now like to refer Committee to Page 212 under the heading, Insurance. Is there any discussion?

Mr. Veale: I have a question relating to the increase in Workers' Compensation. I take it that is a payment made by the Government to Workers' Compensation that any employer would make. Is that correct?

Hon. Mr. Pearson: Now, Mr. Chairman, this Government is what is called a "self-insurer", like every government in Canada is — I think with the exception of the Government of Northwest Territories — who actually participates in the Workers' Compensation Fund as an employer. No, Mr. Chairman, that number represents this Government's ten percent administration cost — I believe it is ten per cent. I am fairly confident it is. The administration cost charged to the Government is ten percent, based on the number of employees we have, and the payroll, and so on and so forth. We pay the same administrative costs as every other employer does, but we do not pay insurance costs to the Workers' Compensation Board. Rather, Mr. Chairman, if one of our employees is adjudged to be a recipient of Workers' Compensation, we then pay it.

Mr. Veale: Perhaps the Government Leader could explain why the substantial increase then, if in fact there is really no significant person-years increase in the Government?

Hon. Mr. Pearson: Mr. Chairman, the administrative costs for Workers' Compensation have gone up. Also, included in that number will be Workers' Compensation that we will have to pay.

Mr. Veale: Mr. Chairman, it is an \$82,000 increase, and I am just not clear. You say it is an administration cost.

Hon. Mr. Pearson: I would be happy to give the Honourable Member a breakdown of that Workers' Compensation expenditure.

Mr. Veale: Just an information question on the insurance policies: could the Government Leader explain the notes indicating that there is a comprehensive general liability of \$1 million; the umbrella liability is \$15; excess is \$10 million. Could he explain what those three different policies cover?

Hon. Mr. Pearson: No, Mr. Chairman, I cannot fall into the trap of explaining what these three are. Once again, I would be prepared to make that kind of detailed information available, but I think I would want to do it in writing, to make sure that it is done correctly.

Mr. Veale: Mr. Chairman, I appreciate that. The important thing, I think, is the explanation of why a comprehensive general liability has such a low limit, but there must be some explanation of the other two policies covering that.

Hon. Mr. Pearson: Mr. Chairman, I will get the information.

Mr. Chairman: Shall the Insurance program clear?

Some Members: Agreed.

Mr. Chairman: I declare that the Insurance program has cleared.

I refer the Committee to the program on Grants on Page 214. The information is on Page 215. Is there any discussion on Grants program?

Hon. Mr. Pearson: Mr. Chairman, as I stated in Question Period — I believe it was today — with the information that we have now received from Ottawa, we will be reflecting some more money under the line "Energy Equalization Grants", but it will be Federal money. We sort of launder it, Mr. Chairman.

Mr. Veale: The program objective: "To help Yukoners offset the high cost of living in Northern Canada", is certainly a laudable one. However, with respect to renters not receiving any rebate, I would think that the program objective should apply to renters. I was wondering whether the Government Leader would be prepared to make a greater commitment than he did a few minutes ago, about including renters in that program?

Hon. Mr. Pearson: Well, Mr. Chairman, we have opened it up some. We have in fact made it easier for more people to get home owners' grants now, but I do have a problem with the

grant going to those who do not — it then becomes that someone living in the house gets a grant, or someone living here gets a grant. The program was designed specifically to help those residents of the Territory who do own their own homes. Now, I appreciate, Mr. Chairman, that that does discriminate against the renter. But it is those people who do own their own homes who are paying direct taxes. The renter pays his or her taxes indirectly.

Mr. Penikett: Certainly, Mr. Chairman, if the Government Leader really wanted to help these poor people, he could just abolish the school tax, and he would be returning a lot more money to them than in fact handing out the home owners' grant. It is a neat trick: the Lord giveth and the Lord taketh away. They take a million dollars from the residents of Whitehorse on school taxes, and hand them back about half of that in home owners' grants. Well, you get more votes doing it that way, but I would think there is a law of diminishing returns after a while; political returns on this kind of program. At some point you could probably make it more rational.

Mr. Chairman: Shall the program clear?

Mr. Veale: Mr. Chairman, are you going to go to Page 217, Revenue and Recoveries?

Mr. Chairman: No, I want to clear Grants first.

Mr. Veale: Well, I will ask my question now, if you are not going to go to Page 217.

Mr. Chairman: I will be going there. I just want to clear Grants.

Mr. Veale: Thank you.

Mr. Chairman: Shall the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Grants Program cleared.

I would like to refer the next following three pages to the Committee here. Is there any question?

Mr. Veale: I have a question on liquor profit licences and surcharges. Does that include any increases, or is that just normal consumption increases that are going to take place?

Hon. Mr. Pearson: No, Mr. Chairman, that is just normal consumption increases that take place, as all Honourable Members will recall. We have sort of pegged our tax at a percentage of the cost of liquor, so as the costs go up, our taxes do increase a proportional amount. The estimated increase is only an increase in consumption.

Mr. Veale: Does that indicate then that there will be an increase in revenue to this Government, according to its tax proportion on the new increase in costs that have just been announced?

Hon. Mr. Pearson: Yes, Mr. Chairman, approximately \$10,000 of that \$300,000 would be a tax increase.

Mr. Chairman: Is the Committee prepared to adopt the amount of \$3,533,000 for the Department of Finance?

Some Members: Agreed.

Mr. Chairman: I declare that amount carried.

I would like to refer Committee to Page 222, the Department of Library and Information Resources. We have time enough, I think, for general debate on this.

Hon. Mrs. McCall: Mr. Chairman, is the House agreed that we should go on? It is a rather short time. Well, I will skip the preamble, in that case.

I think that the program is self-explanatory. There are a lot of departmental objective narratives written into the pages, so perhaps we can go ahead.

Mr. Chairman: Is there further general debate on the department?

Mr. Penikett: I like the library, Mr. Chairman.

Mr. Chairman: The department is, again, divided into three different programs: We shall now go on to Page 224, Administration. Any discussion on that program?

Some Members: Clear.

Mr. Chairman: I declare the Administration Program cleared.

I refer Committee to Library Services, Page 226. You will find your statistics on Page 227. Any questions?

Shall the Library Services program clear?

Some Members: Agreed.

Mr. Chairman: I declare the Library Services program cleared.

I refer Committee now to Page 230, Yukon Archives and Records Services. You will find your information on Page 231.

Mr. Veale: Could the Minister give an explanation of the increase of two person-years to a new record station for Renewable Resources? What does that involve?

Hon. Mrs. McCall: Yes, Mr. Chairman; the micrographics coordinator is a new position. The salary funds are not new money. There is a contract position for a records management clerk, so in actual fact there is no new money, although there is a casual position and one new person-year.

Mr. Veale: Mr. Chairman, I was interested in what that record station does for Renewable Resources. What are they recording?

Hon. Mrs. McCall: It was before my time, Mr. Chairman, but I believe it was a year that was transferred from someone who was working in Renewable Resources, and the position was transferred over. Perhaps the former Minister of the Department of Library and Information Services remembers why there is a person-year from Renewable Resources.

Mr. Penikett: There are at least three former Ministers of Renewable Resources over there. She should be specific about which one she is referring to.

Hon. Mrs. McCall: No, the former Minister of Library and Information Services.

Mr. Chairman: Mrs. McCall, would you like to repeat that?

Hon. Mrs. McCall: There was a person-year taken from the Department of Renewable Resources and put into Library and Information Services. It was before my time so I cannot tell exactly why, but perhaps the former Minister of Library and Information Services could.

Mr. Veale: Perhaps the Minister could just find out and provide an answer in writing.

Mr. Chairman: Just for *Hansard* purposes would you mind repeating your question, Mr. Veale?

Mr. Veale: For the purposes of *Hansard*, Mr. Chairman, I have this question of trying to find out what this Record Station does, and no one seems to know, but the Minister could provide the answer in writing and save a lot of time. We do not want to waken the three people in the back row.

Hon. Mrs. McCall: Mr. Chairman, the position now is in Records, with Library and Information Services. What that person did in Renewable Resources I do not know. They are not doing the same job, now that they have been transferred to Library and Information Services. I will have a specific and clear explanation later.

Mr. Chairman: Is there further discussion on the Yukon Archives and Record Services? There being no further discussion on that program, can the program clear?

Some Members: Agreed.

Mr. Chairman: I declare the program, Yukon Archives and Record Services, cleared.

Is the Committee prepared to carry the amount of \$1,665,400 at this time?

Some Members: Agreed.

Mr. Chairman: I declare the amount carried.

Mr. Penikett: Mr. Chairman, I move, seconded by the Member for Faro, that you do report progress on Bill Number 5 and beg leave to sit again.

Mr. Chairman: It has been moved by the Honourable Member for Whitehorse West, that Mr. Chairman do now report progress on Bill Number 5 and beg leave to sit again.

Motion agreed to

Mr. Penikett: Mr. Chairman, I move, seconded by the Member for Faro, that Mr. Speaker do now resume the Chair.

Mr. Chairman: It has been moved by the Honourable Member for Whitehorse West that Mr. Speaker do now resume the Chair.

Motion agreed to

Mr. 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. Njootli: Yes, Mr. Speaker, the Committee of the Whole has considered Bill Number 5, *Second Appropriation Ordinance (1981-82)* and directed me to report progress on same and ask 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?

Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that we do now adjourn.

Mr. Speaker: It has been moved by the Honourable Member for Whitehorse Porter Creek West, seconded by the Honourable Member for Tatchun, that we do now adjourn.

Motion agreed to

Mr. Speaker: This House now stands adjourned until 1:30 p.m. Monday next.

The House adjourned at 5:18 p.m.

