



The Yukon Legislative Assembly

Number 11

4th Session

24th Legislature

HANSARD

Monday, April 13, 1981 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake
 DEPUTY SPEAKER — Grafton Njootli, 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 Njootli	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 Follwell
Clerk Assistant (Administrative)	Jane Steele
Sergeant-at-Arms	G.I. Cameron
Deputy Sergeants-at-Arms	Frank Ursich & Jack MacDonald
Editor of Hansard	Lois Cameron

ERRATUM

Tuesday, April 7, 1981

Page 157 - right column - line 22 should read:

"the infamous Society of Northern Land Research, it is interesting to"

Whitehorse, Yukon
Monday, April 13, 1981

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

Prayers

Mr. Speaker: Before proceeding with the Order Paper today, I would like to introduce a man who really, to most Yukoners, needs no introduction — our new Deputy Sergeant-at-Arms for the next number of days, Jack MacDonald.

Mr. Penikett: I would like to inform the House that the following students will be attending the National Debating Competition: Paula Masyk from Haines Junction, our Page, Erik Djukastein, Luke Pettit and Steve McJanet from Whitehorse. These students are all going to be going to Montreal, Quebec, for the National Debating Championships in May.

Applause

Hon. Mrs. McCall: Our visitors in the Gallery are students from Christ the King Elementary School. I would like to welcome them.

Applause

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

TABLING OF DOCUMENTS

Hon. Mr. Pearson: Mr. Speaker, I have for tabling today a reply to Question Number 6 of the Third Session, asked by the Honourable Member for Kluane; a reply to Question Number 18 of the Third Session, asked by the Honourable Member for Whitehorse West; and a reply to Question Number 1 of this Session, asked by the Honourable Leader of the Opposition.

Hon. Mr. Lang: Mr. Speaker, I have two documents for tabling: one is the Tourism Coupon Conversion Study, which was prepared by the BC Research for the Department of Tourism and Economic Development. As well, I have a report that was requested by some Members in the House with respect to Special ARDA.

Mr. Speaker: Are there any Reports of Standing or Special Committees?

Petitions?

Reading or Receiving of Petitions?

Are there any Bills for Introduction?

BILLS: INTRODUCTION AND FIRST READING

Hon. Mrs. McCall: Mr. Speaker, I move, seconded by the Honourable Member for Hootalinqua, that a bill entitled *An Ordinance to Amend the Health Care Insurance Plan Ordinance*, be now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Minister of Health and Human Resources, seconded by the Honourable Member for Hootalinqua, that a bill entitled *An Ordinance to Amend the Health Care Insurance Plan Ordinance*, be now introduced and read a first time.

Motion agreed to

Mr. Speaker: Are there any Notices of Motion for the Production of Papers?

Notices of Motions?

NOTICES OF MOTION

Hon. Mr. Lang: Mr. Speaker, I would like to give notice regarding an appointment to the Territorial Water Board.

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

Mr. Fleming: Mr. Speaker, I would like to give notice of motion regarding interest to construction contractors.

Mr. Speaker: Are there any Statements by Ministers?

MINISTERIAL STATEMENTS

Hon. Mr. Lang: Mr. Speaker, during the Tabling of Documents, I tabled the Coupon Conversion Study prepared by the BC Research for the Department of Tourism and Economic Development. I would like to make a number of general com-

ments with respect to the contents of this report.

As you know, in recent years Tourism Yukon has placed advertisements in several Canadian and U.S. publications, which included a coupon to be clipped and sent in for further information on Yukon.

Visitors to the Yukon booth at consumer shows also filled out coupons requesting more information. To determine the effectiveness of those specific segments of the 1980 marketing program, Tourism Yukon undertook a coupon conversion study, as part of their ongoing program to create a data base from which to measure the results of our marketing, and to assist in the plans for future marketing strategies. This study involved mailing a questionnaire to roughly 25 percent of all coupon respondents. From the questionnaire responses it was possible to estimate how many people who expressed an interest in Yukon actually travelled to Yukon. As well, a coupon conversion study can rate the effectiveness of the various publications and shows.

The questionnaires also provided, Mr. Speaker, a great deal of information about the travel characteristics of both visitors and non-visitors. The questionnaire consisted of three sections:

(1) the first asked both visitors and non-visitors to answer questions about their households and their interest in Yukon;

(2) the second asked visitors to Yukon to answer questions about their trip;

(3) the third asked them for comments about Yukon.

A total of 27 different sources of coupons were included in this study, and results have been obtained for each of them. I just want to give some highlights of the survey results:

Over 32,000 coupons requesting travel information were received by Tourism Yukon in 1980. The Yukon travel questionnaire was mailed to 23 percent of these, or a sample of about 7,500 households. Responses were received from 24.3 per cent of the sample, totalling 1,807 responses — of which 356 were visitors to Yukon and 1,451 were non-visitors. The over-all conversion rate was approximately 15 percent, which represented 4,656 visitor parties to Yukon. Of particular note is the number of respondents who indicate that they plan to visit Yukon in 1981. It is almost four times the number who visited last year; even if only one in four of these do actually come to Yukon, we can expect tourism to maintain its past level and we can optimistically expect it to increase.

The economic impact of the coupon-related visitors: 4,656 parties comprising of 15,300 individuals, accounted approximately for an expenditure of \$4.8 million in 1980. Twenty-seven percent of the visitors were Canadian, and 73 percent were Americans.

There is a wealth of information available in the Coupon Conversion Study. A few other highlighted responses are: 92 percent of the visitors came here for pleasure, 1 percent on business, 7 percent combined pleasure and business. 32 percent primarily travelled to visit Yukon, 12 percent to visit Alaska, and the overwhelming percentage of 56 percent was to visit both Alaska and Yukon.

Canadians spent on the average about 11.5 days in Yukon, and Americans spent 7.5 days. While Americans spent in average of 15 days in Alaska, Canadians only spent three days in the State of Alaska. Of all visitors to Yukon, 75 percent rated their trip as excellent; 22 percent as good; 83 percent made positive comments about the Yukon travel literature that they received; and 81 percent indicated that they would positively recommend Yukon to their friends as a place to visit. Only 1 percent were negative.

The most promising aspect, Mr. Speaker, to emerge from the study, is that many people appear to have been influenced by our 1980 marketing program to visit Yukon in 1981, and it appears that we will have that many more visitors in the future.

In other words, what I am saying is that tourism marketing does cost money; but, at the same time, it is a long-term investment.

Mr. Penikett: Mr. Speaker, I would just briefly like to respond to the Minister's statement. I think there was some interesting information obtained, and I am pleased to see that the department is obtaining these kinds of statistics, because it was previously, I think, not in the position to evaluate its marketing programs — just now developing that capacity.

I find a number of numbers in here which are very interesting. I think the 24.3 percent response rate to the Yukon Travel Questionnaire is extraordinarily high, from what I know about the normal kind of response rate in such surveys. I think that is a very interesting figure.

I am fascinated by the figure on Page 3 of the Minister's statement that one percent of the visitors came here on business. That figure would be understandable, I would guess, if it included Americans, though I would suspect, and be absolutely certain, that the percentage of Canadians who came here on business would be substantially and incredibly higher than that. In fact, it would not surprise me if the majority of Canadians who came here throughout the year were here on business.

The fact that 50 percent of the people responding to the questionnaire planned to visit both Yukon and Alaska, is, I think, reassuring in terms of the decision to do the joint marketing programs with Alaska; however, if one wanted to be negative you would be inclined to observe that almost half the people were only planning to visit one or two of the other places, and we do not know yet what the impact will be on that. It will be interesting to observe that figure, to see how it changes as a result of the joint marketing program.

I would not, if I were the Minister, place too much credence on the fact that only one percent of the responses were negative. It is normal in such surveys that the people who feel negatively would not bother to respond; so there should not be too much weight given to that figure.

The real test of our industry, the attractions and the facilities, is a piece of information which we do not yet have, but I hope the Minister will be getting it in future years; that is the number of people who have come here once for holiday and who then made a decision to return. At the point that this tourist industry in Yukon begins to develop a large number of repeaters, people who come back here time and time again for a holiday; that stage will be an indicator of its real strength and its real growth.

Thank you, Mr. Speaker.

Mr. Veale: Mr. Speaker, I unfortunately received this only a short time before the Minister delivered it. I am interested in the comment regarding 83 percent of the tourists making positive comments about Yukon travel literature. I would be very interested in examining the report to determine whether or not that related to the maps which were at one time given away freely to highway lodges and tourist outlets in the Territory, and whether or not we are going to lose some of the benefit of that by now having that in private hands.

Hon. Mr. Lang: Mr. Speaker, I would point out that this was a study done with respect to the overall tourism literature. It did not specifically key on the question of maps, and whether or not there was going to be a minimal charge for that particular service that is being rendered through the private sector as well as Government, and it is a separate question. I would suggest to the Member opposite that the literature we are speaking of concerns the many brochures that are developed and sent out to tourists, and I can provide the Member with the package, so that he can familiarize himself and be able to assume the responsibilities in the House that are here dictated by the fact that the more information one gets, the more knowledgeable he is on the subject.

Mr. Speaker: Are there any further statements by Ministers?

We will now proceed with the Question Period. Have you any questions?

QUESTION PERIOD

Question re: Food Prices

Mr. Veale: I have a question for the Minister of Consumer and Corporate Affairs regarding food prices. Has the Minister received the report that he has requested from Kelly Douglas? If he has not, has there been any communication with Kelly Douglas advising when that report will be available?

Hon. Mr. Lang: Mr. Speaker, with respect to the report that the Member is speaking of, it would appear that we will have it within the next couple of weeks.

Mr. Veale: Also relating to food prices, Mr. Speaker, there was a great deal on food prices in the recent Economic Research and Planning Unit Report up to December, 1980. I noticed that there were a number of errors in the report on three particular pages. Most of the errors related to the under-estimating of food price increases.

Now, would the Minister advise if he is aware of this, and I assume he is at this time; and can he explain to the House why the errors occurred in the summary to that document?

Hon. Mr. Lang: Yes, Mr. Speaker, it was brought to my attention that there were a number of errors in the review that was undertaken. There is no doubt in my mind that no matter what was in that particular document the Member opposite would not agree with it anyway.

But with respect to the reasons for the discrepancy in the report, it is my understanding that the food items included in the Whitehorse basket may not necessarily have been nutritional items. Rather than selection of items by nutritional value, such as is done for the Agriculture Canada basket of food, the Whitehorse food basket is based on products actually purchased by the consumers, and the items to be surveyed are determined by the Edmonton-based Family Expenditures Survey. It defines the products actually purchased by consumers.

A continual clog on the products in the outlets, determining shelf space occupied, is another excellent indicator of volume sellers.

I should also state, Mr. Speaker, that although the categories that are surveyed, such as fresh fruit, vegetables, dairy products, and meat products are generally the same in the two surveys, the products covered within each category may differ considerably. The Agriculture Canada nutritious food basket is strictly a dollars and cents comparison.

So, once again, it goes back to the answer I gave in the House a number of days ago concerning the methodology used for such a survey. The Whitehorse survey is a comparison of price relatives by item, with a weighting factor for the item, which is then applied to the price relative. The weighting factor reflects the amount of money spent on individual products. These are also established under the Family Expenditures Survey, which as I indicated earlier is Edmonton-based.

Mr. Speaker: Order, please. The answer should be as brief as possible. If there is much statistical data, maybe the Honourable Member may wish to table this information.

Hon. Mr. Lang: Mr. Speaker, I am trying to inform the Member as best I possibly can. There is not too much more, if you will allow me to continue?

Mr. Speaker: Proceed.

Hon. Mr. Lang: There are also, Mr. Speaker, I should point out, a number of less obvious differences in methodology which affect the final results, and which in turn reflect the statistics which the Honourable Member appears to enjoy reading. The use of sale prices; the survey dates; as well as the number of products surveyed and the number of price quotes collected. I think that when he gets *Hansard* tomorrow, he will find this information fairly interesting.

Mr. Veale: Mr. Speaker, the question I asked did not relate to the question last week, regarding the discrepancies between the Agriculture Canada statistics and this Government's statistics. The question I asked related to the Economic Research and Planning Unit Report, which contains a summary which has under-estimated the actual price increases contained in the report. In other words, the summary has incorrectly summarized the main statistics in the document itself.

The Planning Unit has actually released a document indicating where the food prices were incorrectly quoted in the summary. My question to the Minister is: how did the incorrect summarization occur, and what steps is the Minister going to take to ensure that the media and the people of Yukon are aware of the true figures in the report?

Hon. Mr. Lang: Mr. Speaker, I thought I adequately explained it, and if he gets *Hansard* tomorrow I think that that will demonstrate the reason for the discrepancy in the report. That is the problem, Mr. Speaker, with respect to getting this type of information: it is changing on a daily basis. It is similar to the question that he raised the other day with respect to the fluctuation of prices in the rural communities outside the major centre in Yukon. It just demonstrates the need for a committee of this House to look at the overall problems in the food industry, and whether or not there is any indication that Government can do anything to resolve a very real problem that we are all faced with three times a day, and sometimes, in individual cases, perhaps four times a day, depending on a coffee break.

Question re: Elk Being Imported to Yukon

Mr. Penikett: I have a question, too, for the Minister of Renewable Resources. It concerns the immigration policy of the Yukon Government.

With respect to the Government's plans to import elk into Yukon from Alberta, Mr. Speaker, can the Minister indicate how much this program will cost, in global figures, and basically how much he estimates it will cost the taxpayers of the Territory?

Hon. Mr. Lang: Mr. Speaker, we were given a number of estimates; at the outside it was to be \$20,000. But it is not going to happen this year, due to the fact that the Province of Alberta was unable to capture the elk, in view of the lack of winter that they had in that province.

I should point out, Mr. Speaker, that we are looking at other options with respect to the wildlife management and other aspects of animal transplants, and I hope to be bringing something forward to Cabinet on it.

Mr. Penikett: Can the Minister say who will feed and care for the elk, and give this House an assurance that any contract for this program will, and has, gone out for public tender?

Hon. Mr. Lang: Mr. Speaker, if the Member opposite had been listening, there is not going to be an elk transplant.

Mr. Penikett: I am pleased to hear that, Mr. Speaker, because I was not sure I heard the Minister's answer correctly. Could the Minister just indicate if he has reached a final decision on the question, in that he is now prepared to tell the House that there is no prospect that the Government is going to be proceeding with the transfer; and rather than this just being a temporary decision to not proceed for this year?

Hon. Mr. Lang: Mr. Speaker, at the present time we are not going to proceed with the particular transplant that the Member has referred to. It could well happen at the beginning of next year if the decision is to go with it, but at the present time, I would say that it is not going to go ahead. I will advise the Member either in writing, or by telephone if we are not in Session, if we make a decision otherwise.

Question re: Liquor Licence Fees

Mr. Fleming: I have a question for the Minister responsible for the Yukon Liquor Corporation. Could the Minister tell this House whether or not there has been an increase in the fees for the liquor licenses in the Territory?

Hon. Mr. Lattin: Yes, Mr. Speaker, I would imagine the Member is asking whether the licenced premises are paying more. There has been a slight adjustment in the fees for special permits, that type of thing, but they are very, very minimal. It will just bring them in line with other jurisdictions outside.

Mr. Fleming: Could the Minister by any chance confirm that he was advised by the Corporation that an election will take place next year, so it would be better to raise fees now rather than next year?

Hon. Mr. Lattin: Mr. Speaker, I really do not want to

answer that particular question.

Mr. Speaker: Order please, I think the question was quite frivolous.

Mr. Fleming: I just happened to catch it on a little piece of paper. It probably flew in my broken window the other day. Has the Minister made a decision whether or not to allow the off-sale outlets to increase their markup on beer and liquor, as the operators requested some time ago?

Hon. Mr. Lattin: Mr. Speaker, on this question we have had some discussion with the operators; I believe another meeting is coming up. At this time, I think that we have not made a decision one way or the other.

Question re: Alcohol and Drug Programs

Mr. Byblow: I have a couple of questions on the subject of alcohol and drug programs, as related to impaired driving, and I would like to direct them to the Minister responsible for Human Resources.

Recently, a judgment in the Territorial Court incurred the observation by the presiding judge that more efforts were needed to provide treatment for offenders — specifically the psychological and psychiatric services required for assessment. Is the Minister satisfied that her department, through Alcohol and Drug Services and its connection with Crossroads, is capable of handling treatment programs for impaired driving offenders?

Hon. Mrs. McCall: Mr. Speaker, impaired driving is a question that greatly concerns our Alcohol and Drug Department. It is something that has not been addressed with much success almost anywhere. It is part of the treatment program within Crossroads, and it is something we are looking at on an ongoing basis.

Mr. Byblow: I take it the Minister will be stepping up the program?

I would then like to ask the Minister if she is aware of the recommendations of the 1980 Hurst Report: a report which detailed the education, the treatment, and the rehabilitation programs that ought to be in place for drinking offenders?

Hon. Mrs. McCall: Mr. Speaker, I am aware of many reports on the subject. In many cases, the final conclusion is that much stiffer penalties are one of the greatest deterrents to drinking and driving.

Mr. Byblow: The 1980 Hurst Report that I referred to emphasizes the need for treatment of the drinking driver offender. I would then ask the Minister if she feels that a stepped-up program, as recommended by that report, would be encouraged by her department?

Mr. Speaker: Order, please. I am not so sure that question is really in order. Questions in Question Period are supposed to ask for information rather than opinions. To ask for a Minister's opinion is really quite out of order in the Question Period.

However, if the Honourable Minister wishes to make some sort of a reply, we will permit it.

Hon. Mrs. McCall: Mr. Speaker, I am pleased to have this sort of question from the Member. We hope to increase public awareness concerning the problems of drinking and driving, so that people feel free to report people whom they know to be driving and drinking.

The Hurst Report was a very very good one, as far as I know. I have not actually read that report, but the recommendations are a combination of psychiatric treatment and alcohol treatment, and we are working on these very, very diligently.

Question re: Barite Mine in MacMillan Pass

Mr. Veale: I have a question for the Minister of Tourism and Economic Development. The Minister has been involved with Dome Petroleum in discussions regarding a barite mine that is going to be located near the MacMillan Pass. Now that we are sure that we are not going to have a mill, what assurances does the Minister have that job opportunities at the mine itself will be made available to Yukoners: in particular, the people of Ross River?

Hon. Mr. Lang: Mr. Speaker, there are going to be discussions with the people from Ross River. It would appear to me

that, for all intents and purposes, it is mostly Yukoners and Yukon businesses that will prosper from such a mine, which has all the appearances of going ahead. There are ongoing discussions with Dome Petroleum on the matter. As he knows, Dome Petroleum has done a tour to many of the communities in Yukon, seeking people who would like to go to work, as well as letting people know what business opportunities are available to them. I should add, Mr. Speaker, that it is largely at our request that they have taken the time and the effort to come and meet with people in Yukon, and to let them know how they can prosper from the oil and gas industry which appears to be on the brink of development in the Beaufort Sea.

Mr. Veale: Mr. Speaker, has the Minister requested or received any environmental impact statement, regarding the open-pit mining method that is going to be employed at the barite mine?

Hon. Mr. Lang: No, Mr. Speaker, as he knows that is a Federal responsibility, but as far as I know, there does not appear to be any problem in that respect.

Mr. Veale: Is the Minister aware of, or has he requested that, a re-vegetation study be undertaken by the barite mine, or be employed at the completion of the mining operation?

Hon. Mr. Lang: No, Mr. Speaker, I think that the Member should be made aware of the location of this particular mine. He is correct in part; it will be open-pit. It is right on top of a mountain, and I think it would be very difficult to re-vegetate an area that has never had any grass or trees.

Question re: Automobile Insurance

Mr. Penikett: I have a question for the Minister of Consumer and Corporate Affairs. Last fall, Mr. Speaker, the former Minister of Consumer Affairs said that the Government was going to carry out preliminary discussions with the Government of Saskatchewan, concerning contracting out public insurance in the Territory. Could the Minister indicate now whether any discussions have taken place, and if so, what the results were?

Hon. Mr. Lang: Mr. Speaker, I believe there is an answer to that question in some material I am going to table during Committee, because that is when the questions were raised, regarding the information the Member has inquired about.

I should point out that there were some discussions. The insurance company, on behalf of the Government of Saskatchewan, indicated that they would only be prepared to come forward if they could have high risk as well as low risk areas of insurance. That is as far as the discussion went.

Mr. Penikett: I am sure, Mr. Speaker, that the Minister means "they can have low risk as well as high risk". I think the point is that nobody wants the high risk.

The former Minister also undertook to see if he could make available the study papers of the Government that led to the initial decision not to further investigate public automobile insurance in Yukon, following complaints that there were some classes of people unable to get insurance at all. Could the Minister indicate what happened to that undertaking, and whether those papers will be available this afternoon along with the other material that he is tabling?

Hon. Mr. Lang: Mr. Speaker, I was not aware of that. I will follow up on that particular question for the Honourable Member.

Mr. Penikett: Mr. Speaker, perhaps if the Minister is unprepared to answer this question now, he might take it as notice. Given the indications that public automobile insurance, at least, may be economically feasible and desirable in Yukon for the benefit of the consumers, could the Minister undertake to ensure a thorough study of all the options he has undertaken, if it has not been done already?

Hon. Mr. Lang: Mr. Speaker, no, I am not prepared to undertake another expensive study. I realize that the Members across the floor want us to get into various facets of private enterprise. Personally, I think there is a place for government and there is a place for the private entrepreneur, and, Mr. Speaker, I personally do not want to start running an insurance

company unless it has been proven beyond a doubt that it is required. At this time I do not believe that it is.

Question re: Tourism Agreement with Federal Government

Mr. Fleming: Mr. Speaker, I have a question for the Minister of Tourism. In the news release of April 1, the 100,000 minimum clause was removed from the tourism agreement with the Federal Government. The capital part, the 100,000, was removed entirely. Does that mean that there is no minimum now?

Hon. Mr. Lang: Correct, Mr. Speaker; what it means, basically, is that any program that comes forward under the terms and conditions of that particular part of the program will be considered, with respect to cost-sharing and that type of thing, as opposed to how it was before.

Mr. Fleming: Also, there is some confusion as to just where this all applies. I would ask the Minister if it applies in all the areas of Yukon, or are there just certain areas to which this would apply?

Hon. Mr. Lang: Mr. Speaker, this program applies throughout the Territory. I would appreciate it if he would give me the names of people who have been enquiring about that particular program, and we could contact them and perhaps accommodate them much quicker than the Member can, trying to proceed as a Member of the House.

Mr. Fleming: This is where some of the confusion lies, and I would like to pass the news on to my constituents, and will also oblige by sending them all to the Minister.

However, the news release goes on to say that it is erecting buildings, surveying, engineering, architectural designs, and so forth and so on, but it does not really say what these programs can be used for. I would ask if this program could be used, for instance, in developing a new campground, or a new motel set-up, and does the Government have some sort of a policy and some definite thing that says certain things can be done; or is it going to some committee where, after they have a decision, they make it?

Hon. Mr. Lang: Mr. Speaker, the program is largely designed for the purpose of preliminary work to be done for tourist attractions. Each one is considered on its merits by a joint federal-territorial management board, as per the terms and conditions of the Tourism Subsidiary Agreement. So, it is very difficult to be definite about each project; it is trying to keep it as wide open as possible.

I would indicate, Mr. Speaker — and I am going on memory now — I believe there is approximately \$300,000 available in total to that particular program.

Question re: Townsites in Areas of New Development

Mr. Byblow: I have a couple of questions I will direct to the Minister responsible for Economic Development, on the subject of the MacPass development.

One of the issues surrounding the development is whether a new townsite will be constructed, or whether a fly-in operation will be supported. As a statement of policy, I would like to hear whether the Government supports the position of encouraging existing community facilities in areas of new development, or whether they would support a fly-in operation in areas of new development.

Hon. Mr. Lang: Mr. Speaker, there is no doubt in my mind, and I am sure in the Member's mind, that a person would have to be right out to lunch if they said they supported new townsites, without any qualifications. Of course, it is the policy of the Government, and I am sure the policy of every Member in this Legislature, to utilize existing communities. As time goes on we have to look at developments, to see what has to be done to accommodate the development that is so urgently needed in the Yukon Territory.

Mr. Byblow: Extending from that, can the Minister say whether or not the subject of fly-in operations is receiving any active study at this point, by this Government?

Hon. Mr. Lang: Mr. Speaker, there has been active discussion of permanent townsite as opposed to fly-in operation in the

Task Force, and there is obviously going to be active consideration given to any policy statements that will be coming forward on behalf of this Government.

Mr. Byblow: The Minister can probably appreciate my pursuit of this topic. The development of the entire MacPass region is quite monumental, in that it affects every Yukoner in time to come. I would then ask the Minister if it is possible to give a commitment that he will provide the House with progress reports of the MacPass Task Force recommendations and decisions, as the force meets and makes these decisions from time to time.

Hon. Mr. Lang: Mr. Speaker, I think I must clarify for the Member opposite. The Task Force considers the various options in any given matter — such as townsites versus fly-in operation — but the final decision as it affects public infrastructure has to be made by this Government in some cases, in other cases by the Government of Canada, or in other cases, between the two levels of Government; where, as I indicated earlier, public expenditures would have, or are proposed, to be made. At the time a decision was made, a statement would be made, either in this Legislature, or via some other form, but in any case the Member opposite would be informed of any decisions.

Hon. Mrs. McCall: I have an answer to a question asked by the Honourable Member for Riverdale South, with regard to the leaking roof at Selkirk Street Annex School. I have an answer from the Department of Highways and Public Works. The approximate cost of repairs to the roof at the Selkirk Street Annex School to date is approximately \$350. Highways and Public Works feel that all leaks have been stopped for the time-being, and more work, pouring tar and repairing roofing, is planned for this Spring to facilitate a permanent repair. Costs for repairing the roof are being charged to building maintenance.

Question re: Crossroads' Budget

Mr. Veale: Well, we will wait until the next rainfall, Mr. Speaker, to determine the satisfaction of that answer.

My question is to the Minister of Health and Human Resources. As the Members of this Assembly had a luncheon today with the Board Members and some of the staff at Crossroads, would the Minister tell the House what progress the Minister has made on the funding problems that Crossroads is encountering at this time?

Hon. Mrs. McCall: Yes, Mr. Speaker, we are not encountering any funding problems as such; we have not come to the funding as yet. The problem was a gap in communication with the Board. It seemed to happen along about January, or so, with the illness of the Director, and I think it was something that we solved at the Board Meeting last Thursday night. We are going to work with them on programming, and then we will look at funding after that.

Mr. Veale: Mr. Speaker, as the Minister is aware, one of the problems that has occurred with Crossroads is that the per diem rate that is paid for some users of Crossroads is not paid for everyone. Will the Minister's negotiations with Crossroads take that into consideration: to come to a resolution where, perhaps, everyone who uses the facility is sponsored at a per diem rate?

Hon. Mrs. McCall: Mr. Speaker, the only way that everyone could be sponsored with a per diem rate would be to have Crossroads insured under the Health Care Insurance Plan, and that is something that demands a great deal of thought.

Question re: Daylight Saving Time

Mr. Penikett: Sounds fine to me, Mr. Speaker.

I have a question for the Government Leader — on the brighter side, Mr. Speaker. All Yukoners will be obliged to "spring forward", as it were, with their clocks on April 25th for daylight saving time. I would like to ask the Government Leader whether, after one year's experience with this new adventure in time travel, he is planning to abolish double-daylight saving time this year?

Hon. Mr. Pearson: Oh, no, Mr. Speaker, I am happy to

announce that it is our intention to continue with the practice that was started last year. In fact I have not heard an objection to it from anyone at all. On the contrary, I have heard many comments very much in favour of our move to daylight saving time along with everybody else in Canada.

Mr. Penikett: Unlike the Government Leader, last summer I even had complaints about the weather and people who blamed it on daylight saving time. Of course, they were not constituents of mine, Mr. Speaker.

In light of the petition presented to the Government last year, which contained a large number of complaints by Yukoners who truly and sincerely saw no need whatsoever to "southernize" — if I may use that expression — Yukon through daylight saving time, could the Government Leader indicate whether he has any plans to have a "sunset clause" on this decision?

Hon. Mr. Pearson: No, Mr. Speaker. If the Honourable Member wishes, it is a Government policy decision that was made, and another government might well make another decision.

Mr. Penikett: Let me ask the Government Leader, then, or one of the many present or former Ministers of Education opposite, concerning the complaints that I heard about children travelling to school or being picked up by school buses an hour earlier, or, in real time, one hour earlier and, therefore, one hour darker; and whether the Government Leader, in fact, contrary to his assertion, did not have any complaints on that score?

Hon. Mr. Pearson: Mr. Speaker, there were some complaints, yes. When I said that I have not had any complaints, I am saying that I have not had any complaints with respect to this year at all. I have noticed that there have been advertisements in the newspapers. I think it is a fairly safe assumption on everyone's part that we are going to continue with this, because, Mr. Speaker, the fact remains that it is beneficial for the people of the Territory.

Question re: Arctic Winter Games Budget Surplus

Mr. Byblow: I have a question I will direct to the Minister responsible for Recreation.

It appears that a number of outlying communities are making a concerted effort to restore some of the funding that slipped by them from the Arctic Winter Games surplus. I would ask the Minister if it is the final position of this Government that it has washed its hands of the Arctic Winter Games funding issue?

Hon. Mrs. McCall: Mr. Speaker, I think that the Member has made a wrong assumption. I do not think that many of the communities are making a concerted effort; one community in particular is making a concerted effort. That Member will know very well which community that is.

Some Member: Did you not read the ad?

Hon. Mrs. McCall: I do not think the ad was put in by the community; it was put in by an individual who has to do with recreation in that community. I think that the method of approaching it by using another riding, or implying that another riding is protesting in that way, is really not above board.

No, the Government did not have any responsibility in that way in the first place, and I think that to carry on this vendetta and expect the Government to reap vengeance on behalf of disgruntled people is just not realistic and not fair. I think that the protests are being made to the wrong place; I think it would be much more effective to make the protest to the people who benefitted most there. I think, perhaps, there is a case, however I think they are directing their efforts in the wrong direction.

Mr. Byblow: Is the Minister then confirming that, for having given the Arctic Winter Games Host Society money, it no longer has any responsibility on any disbursement of that money?

Hon. Mr. Pearson: Mr. Speaker, with your permission, I would like to answer, because we are now in the process of talking about money and the giving of money, and that falls

under my jurisdiction.

Mr. Speaker, there were a number of governments and organizations and private companies that donated money to that Society for its use. Now, this Government was one of those participating in donating money to that Society and, Mr. Speaker, this Government has no more say than any of those others with respect to what they did with that money. It was an unconditional grant given by this Government for the conduction of those Games. If there was money left over, there was a committee of volunteers that had been established from Yukon to administer this thing, and it was entirely within their purview what they did with that money.

Mr. Byblow: The Minister responsible for Recreation commented that the ad placed in the newspaper was the work of one person in one community. Does she know this for a fact?

Hon. Mrs. McCall: This is the information that I have been given, Mr. Speaker.

Question re: Selkirk Street School Annex Roof

Mr. Veale: Mr. Speaker, just to follow up a question with the Minister of Education regarding the Selkirk Annex School: the Minister did not completely answer my questions of last week. I had asked what the cost would be for the repairs to be done this spring. Does the Minister have the answer to that question?

Hon. Mrs. McCall: The only answer that I have, Mr. Speaker, is the answer that I gave to the Member.

Mr. Speaker: There being no further questions, and before leaving Daily Routine, perhaps the Chair had erred in accepting a bill, *An Ordinance to Amend the Health Care Insurance Plan Ordinance*, for its introduction, as it would appear to be a Money Bill, and I am informed there is no Money Royal Prerogative attached to it. Perhaps the movers of the bill would be prepared to file a money message on this bill.

Hon. Mr. Pearson: Mr. Speaker, I am surprised that you are bringing it up while we are in Session, but that is not a Money Bill, Mr. Speaker.

Mr. Speaker: The bill would, from the Chair, be viewed in this case as a Money Bill, and perhaps the Honourable Mover of the motion would be prepared to take a look at this situation. If it is the wish of the House, I will make a further determination on it, but it would appear at face value to be a money Bill.

Mr. Penikett: Mr. Speaker, on a point of order, it would seem that it would be the appropriate thing for Mr. Speaker to take his further determination, but I for my part would be prepared to give an undertaking that if Mr. Speaker's final determination is that the legislation in question is a Money Bill, I would be prepared to waive Standing Orders, and do my part to obtain unanimous consent in Standing Orders to re-introduce the Bill properly, if your Honour finds that it is improperly presented at this time.

Mr. Speaker: The problem arises, and for any Members wishing to look into this matter, as the Chair does, Annotation 543(1) of Beuchesne, states: "If any motion or bill or proceeding is offered to be moved, whether in the House or in the Committee, which requires, but fails to receive, the recommendation of the Crown, it is the duty of the Speaker to announce that no question can be proposed upon the motion, or to direct the withdrawal of the bill, or to say that the problem may be rectified by the proposer obtaining a Royal Recommendation."

It is the Chair's considered opinion that the bill may be considered to have been introduced and read a first time, but would recommend that the Royal Recommendation be attached to it, before it is proceeded with further or proposed to be moved further.

We will now proceed to Public Bills and Orders.

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS

Mr. Clerk: Second Reading, Bill Number 16, standing in the

name of the Honourable Mr. Pearson.

Bill Number 16: Second Reading

Hon. Mr. Pearson: I move, seconded by the Honourable Minister of Tourism and Economic Development, that Bill Number 16, *Third Appropriation Ordinance (1981-82)*, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Tourism and Economic Development, that Bill Number 16 be now read a second time.

Motion agreed to

Mr. Clerk: Second reading, Bill Number 18, standing the name of the Honourable Mrs. McCall.

Bill Number 18: Second Reading

Hon. Mrs. McCall: Mr. Speaker, I move, seconded by the Minister of Tourism and Economic Development, that Bill Number 18, *An Ordinance to Amend the Pioneer Utility Grant Ordinance*, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Health and Human Resources, seconded by the Honourable Minister of Tourism and Economic Development, that Bill Number 18 be now read a second time.

Hon. Mrs. McCall: Mr. Speaker, the Government is introducing *An Ordinance to Amend the Pioneer Utility Grant Ordinance*, and these amendments contain two major changes. First, I am pleased to announce that the amount of the annual Pioneer Grant will increase from the present \$300 to 360. This is the first increase in the Pioneer Grant since the introduction of the ordinance in 1978. During the discussion concerning the ordinance in 1978, it was accepted that the Government of Yukon ought to accept some responsibility for the winter costs of senior citizens who stay on in Yukon rather than going outside. The grant has been both useful and popular. The amount of the grant is being increased in order to assist senior citizens — who are, by and large, on fixed incomes — in keeping pace with the ever-increasing cost of living. This amendment will provide a 20 percent increase in the Pioneer Grant.

The Government of Yukon believes that the increase of this Pioneer Grant is important in both practical and philosophic terms, in that it provides additional funds for senior citizens, to assist them in remaining in their own homes for as long as that is possible. This is an approach of promoting independence: supporting the dignity of the individual and avoiding unnecessary institutionalization; something advocated strongly by this Government.

As increases in this Pioneer Grant are necessitated by the increasing cost of living, the amount of this Grant, by way of ordinance amendment, will be brought back to this Legislative Assembly for review.

The second change proposed in the amended ordinance is to eliminate some ambiguity which has existed in the ordinance. That is, at present, the surviving spouse, 60 years of age or over, of a person who would have qualified were it not for his or her death in any year, may apply for this grant. The ambiguity has been amended so that the surviving spouse, 60 years of age or over, of a person who would have qualified were it not for his death in the year for which the grant is to be paid, will have qualify for the Pioneer Grant.

Further, in order to ensure that no person who is presently receiving the Pioneer Grant will be adversely affected by this clarification of the provisions in the ordinance, we are further introducing an amendment to include those people who have previously received a Pioneer Grant under the terms of the amended section.

In summary, I have observed some changes in the nature of our Yukon Community, in that it seems that more senior citizens who lived their lives in this community are remaining here. This is new development in the growth of our community and represents an improvement in the lifestyle of those individuals and families who live here. I believe the Pioneer Utility Grant program has been a contributing factor in this new development.

Mr. Fleming: Mr. Speaker, I would commend the Minister responsible for bringing in this bill. We can all see the principle behind it. I am one of the people who did find the bill somewhat ambiguous at times, and could not thoroughly understand it. Many old-timers were having a problem with it, and I therefore thank her very kindly for straightening out that area too, Mr. Speaker.

Motion agreed to

Mr. Clerk: Second reading, Bill Number 19, standing in the name of the Honourable Mr. Lattin.

Bill Number 19: Second Reading

Hon. Mr. Lattin: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 19, *Municipal Finance Ordinance*, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Municipal and Community Affairs, seconded by the Honourable Member for Tatchun, that Bill Number 19 be now read a second time.

Hon. Mr. Lattin: Mr. Speaker, last Session I indicated that the new *Municipal Ordinance* was one of the most progressive pieces of legislation of its kind in Canada. It recognized the vital role of municipalities in the lives of all Yukoners, and took the necessary steps to ensure that the municipalities had sufficient power and authority to effectively fulfill their function. However, this Government also acknowledges that the new municipal legislation would be meaningless if it were not accompanied by a financial package that would allow municipalities to take full advantage of the provisions of a new *Municipal Ordinance*.

The *Municipal Finance Ordinance* reflects a considerable amount of study and discussion with all parties as to what the most appropriate mechanism would be, to provide adequate financial resources to the local level of government. The preparation for this bill included the presentation of a green paper at the 1980 Fall Session, and I think that the key elements that were proposed at that time should be reviewed briefly:

This Government indicated that the new Municipal Financial Aid program would, first, ensure that no community would suffer financially as a result of new legislation. The *Municipal Finance Ordinance* guarantees this; and secondly, ensures that the traditional basis of calculating according to population will be revised to use dwelling units.

This has been achieved, and it has proven possible to provide a mechanism which would not only be able to be automatically adjusted yearly, but which reflects rapid changes in a community by including funding for new dwellings and construction camps that would have an impact on the communities services.

Thirdly, it will recognize the ability to pay concept as a factor in calculating grants, and thus provide a far more equitable form of distributing revenue among communities. The *Municipal Ordinance* also applies this principle to conditional grants, and provides a new category of definite funding for water and sewer operations.

Fourth, it will provide for emergency funding, in cases where a municipality is experiencing serious financial difficulties. The new ordinance makes such a provision, and also provides that there must be some serious consideration concerning how the difficulties may be resolved. A major point in the proposed plan was to establish a method of indexing the program, so that funding would not be eroded by the impact of inflation, as had been the case with the per capita grants. The ordinance provides a mechanism for indexing in such a fashion that municipalities will be able to keep pace with the general economic activity within the Yukon.

I think that the bill before you is consistent with all the principles that were prescribed in the green paper. Mr. Speaker, just as the Yukon Government has resented the concept of getting handouts from Ottawa in the form of deficit financing, the municipalities have also resented the fact that they had no claim to a reasonable share of the Yukon's revenue. In the future, Yukon will have a formula of financing with Ottawa

similar to federal-provincial financial arrangements. Our Government has also recognized that the municipalities have a legitimate right to a share of the pie, and this *Municipal Finance Ordinance* is a means by which they can obtain it.

Mr. Veale: Mr. Speaker, it is hoped, of course, that the Government will continue its negotiations with all the municipalities — in particular the Association of Yukon Communities — because the bill, of course, does not get down to the final financial details that each community will be receiving, when they come on board under the new stream under the *Municipal Ordinance*. I think that is a very important aspect, and surely it is a place where the new executive director to the Association of Yukon Communities can be of great assistance, both to the communities and to the Government.

Mr. Penikett: Generally, I am going to express support for this legislation. The communities involved seem to be generally agreeable to the formulae proposed by the Minister.

I must tell the Minister, though, that when I first read the green paper, I had a couple of concerns. One was that we were adopting a plan borrowed from Nova Scotia, — and there is nothing wrong with that — but a plan from Nova Scotia that had been adopted, I understand, in 1980; and which therefore had really not had time to prove itself. That was a source of some concern to me, though it seems to me that what we now have is sufficiently original that if there are problems with this we can find them out for ourselves, rather than being dependent on the Nova Scotia experience, in any case.

On a number of occasions in this House, I have talked about trying to simplify the financial relationships between the two levels of government in this Territory, and this bill may do something towards that end, although I think, in some ways, it has not done everything I would have liked to have seen. I have an instinctive preference, I think, for a transfer of income tax points to municipalities — particularly large municipalities where they are administering certain kinds of social services. I think the Minister's reasons for not going to an income tax point or transfer system in this community are basically sound. I think the variations in population and in the levels of taxation, from year to year, probably would justify not going that route at this time.

I would say, though, once again, that when the Government is providing this funding, and even when it is providing guaranteed forms of funding, it is very difficult for the public to get clear in their heads exactly what the balance sheet is. As long as the Territory continues to take school taxes with the one hand, and pay out grants with the other, and invade the property tax field at the same time as it is making grants and transfers back to the municipalities, I think it is much more difficult for the ordinary citizen to have a clear understanding of exactly what level of spending his local community is responsible for, and exactly what services his local taxes are going to support.

Having said that, Mr. Speaker, I think the appropriate thing at this time to do is support this legislation. I do not doubt there will be some problems in particular communities. I think that the use of the dwelling unit is bound to cause problems if, for example, following a land claim settlement, a number of Indian communities are incorporated, or some of the poorer communities in the Territory, as I would expect the per capita population per household would be much higher in those communities. If the formula were not extremely flexible, some injustice could be done there.

The other point that I think ought to be of concern: we may find from time to time in some communities that we have an over-supply of housing or an over-supply of dwelling units; thereby we will have the basis for making the grants, but perhaps neither the need nor the tax base to provide services. All these things I say, Mr. Speaker, can only be guessed at right now. I think the proof will be in the pudding. I wish the Minister luck with this legislation. If there are problems with it, I think we will have plenty of time to talk about them in the year ahead.

Mr. Byblow: I would like to say just a couple of words on this particular bill. Without a doubt we have waited for this bill for some time, and I am very pleased to see that it is finally in place. I would like to express appreciation to the Minister, for his tabling of a White Paper and supporting detail regarding the calculations under the funding scheme.

I do have a number of questions, Mr. Speaker, about the statistics and the data that are used for the calculations. I have a number of questions about the intentions of Government in some of the regulations to be written into this bill. I have a number of questions about the conditions for municipal services grants: the extraordinary assistance, the other areas of fiscal aid. Naturally these are best dealt with in Committee.

I think that the principle of this bill, Mr. Speaker, of setting up a basic municipal services assistance scheme is a very sound one, when it is based on the ability of municipalities to pay for those services. I think it is a principle, as mentioned, that is endorsed by the Association of Yukon Communities. It is being accepted across the country, and seeing it enshrined in legislation is something I am very pleased with.

I believe it is worth noting that the first reading of the bill and the White Paper does indicate that small municipalities are favoured, however, I believe that is a necessity in the present Yukon situation. In the communities, we do have a wide range of services. We have a wide range of ability for property owners to pay, and the need for communities to survive in the Yukon economy, or make their contributions in the economy, and at the same time afford their citizens a basic municipal service level. This all supports the principle that the Minister is trying to bring about.

I think what is happening territorially is that the bottom is being brought up, and the top is paying more of its own way. That may sound something like a socialist principle, but I suppose that is just what it is. I would have a couple of concerns — one being the opportunity this bill provides for inequity through special funding schemes. I believe Part 2 of the Bill outlines how special financing can be arranged for a host of municipal services that were previously calculated into the basic operating grant and into the supplementary financing. When you apply this into special financing, you have, in fact, a principle of double indemnity being incorporated into the bill, but we can deal with that in Committee.

At the same time the special financing power of the bill does permit some fairly discretionary powers to Government, and, while it has its advantage in that you can then deal with extraordinary circumstances, it certainly does lend itself to abuse inasmuch as Governments can favour communities. Far be it for me to suggest that a community not voting the right way could gain any advantage; however, I will have some questions on some of the special financing.

As well, I will have a number of questions, as the previous speaker mentioned, on calculations of dwelling units, which is another principle you have enshrined on this bill. There too, you can dispense with dwellings by regulation. So I do have some reservations; however, I am lending support to this bill into Committee, and certainly am commending the Government for bringing this framework into place.

Mr. Fleming: I think the Member in front of me and the Member for Faro have spoken very well on the bill. I will not go into a very long topic speaking on it. However, the principle and the way the bill was brought in is something I would like to speak about a little bit, because the bill was brought in slowly and as you know, the *Municipal Ordinance* has taken about a year to work into these things, and I think that this was the proper way to go about it. There is no question about that.

I think that the L.I.D.s got a chance to look into these things before, and to learn more about things which they did not seem to get in the past. The bill was in front of the House, and all of a sudden they were an L.I.D. or they were something else, and they did not have any idea really, what was going on. They have had a chance to take a good look at this. Of course, the principle of this bill is to more or less equalize payments for

everybody across the board, and give everybody the same opportunities in every municipality, and I agree with that.

So, without further ado, I will definitely be supporting this bill. I have heard nothing in the outlying districts anywhere that would not support it.

Motion agreed to

Mr. Speaker: May I have your further pleasure?

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 call Committee of the Whole to order. The Committee will be considering Bills Number 15 and 17.

At this time, I would like to call a short recess.

Recess

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

Hon. Mr. Lang: Mr. Chairman, you will recall during Question Period that I indicated that I would have answers to the questions asked during discussion of the Main Estimates on Consumer and Corporate Affairs, and I would like to table them with Committee.

Bill Number 15: Petty Trespass Ordinance

Mr. Chairman: At this time, I would like to refer the Committee to Bill Number 15. On page 1, you have Clause 3, which was stood over.

On Clause 3

Hon. Mr. Pearson: Mr. Chairman, the Honourable Member for Riverdale South had posed some questions with respect to Clause 3, and specifically asked that we have the draftsman here, so that these questions could be asked, and hopefully answered. We now have the draftsman here, but we do not have the Honourable Member for Riverdale South. I wonder if, possibly, one of the pages could find out whether he is intending to be here or do we, again, dismiss the witness?

Mr. Chairman: At this time, I would like to welcome the witness to the Committee, Mr. Almstrom, the draftsman.

Mr. Fleming: With your indulgence, maybe we could carry on with something else. I have a couple of questions on conflict of interest on this bill, and this section, or any section in it, and some of the orders-in-council regarding the *Liquor Ordinance*. I would like them answered, if possible.

Mr. Chairman: This is a general discussion on Clause 3(1) at this time. You can proceed.

Mr. Fleming: Yes, Mr. Chairman, Clause 3 is the summary conviction of a fine under some of these sections. I am wondering about the case of a person who has been evicted from a liquor outlet, for instance. To give you an example, let us say the Honourable Member to my right here comes into my place and causes a disturbance of some kind, and I say that the Honourable Member for Faro must leave and not come back, as far as I am concerned. Now, going to the Orders-in-Council, Order 1981/02 — which I presume would be the first one — says you will take your appeal, if you have an appeal — I will read it to you:

“Any person who has been forbidden entry pursuant to paragraph (a) may appeal to the general manager who will deal with the matter informally and forthwith and the decisions of the general manager shall be binding on both parties.”

Now, I can understand that very well; the Honourable Member cannot come back there unless the general manager says he may, and if I do not agree that is my hard luck; he still comes back if the general manager says so.

However, in this case the manager has said, “No” and I say,

"I am not going to listen to him," because Order 1981/16 is another order that does not revoke the first order and it says:

"Any person who has been forbidden entry pursuant to paragraph (a) may appeal to the Board who shall deal with the same matter."

So, the Honourable Member may go to the Board and I still may say, "No, he does not come back".

Now, can the Honourable Member go to the *Petty Trespass Ordinance* and, again, try to come back?

Hon. Mr. Pearson: Mr. Chairman, I will rely upon the witness to correct me if I am wrong, but I believe the short answer to the long question from the Member is, "Yes". If the manager of that place of business felt it absolutely necessary, he could fall back upon the *Petty Trespass* legislation to evict the person again.

Mr. Chairman, the Honourable Member has brought up the Liquor Regulations which were passed with a tremendous amount of consultation, and we have found, since their implementation, that those regulations are working, and are working to the benefit of everyone in the Territory now.

As I say, to answer the question shortly: yes; if the Board ruled against the eviction of that person, the establishment could then fall back on the *Petty Trespass* legislation, but it would then be the court that was ruling upon it.

Mr. Fleming: I take it from there then that the *Petty Trespass Ordinance* can override either one of these, which look like they are both the same. The general manager is actually indicating the Liquor Corporation, not the general manager of the place, so I do not know why they need the two.

Hon. Mr. Pearson: Just for clarification for the Honourable Member; in fact the first regulation that he read has been repealed. He should not even have a copy of that any more. That is not the law; it is not meant to be the law. The second one is the law. It is not the general manager that the appeal goes to. It is to the board, and it is the board that makes the decision. It is not the general manager at all. The second regulation in fact repeals the first one. So, he should not keep referring to it. That is done and over with; that has gone by the board.

Mr. Fleming: We will speak later on that. The Government should warn people, or put in if it is appealed. However, I take it from there then that this *Petty Trespass Ordinance* would overrule the other one, because it is the law.

Hon. Mr. Pearson: No, Mr. Chairman, it does not overrule at all; it is complementary to it.

Mr. Fleming: If I may, if the board says one thing and the law in the *Petty Trespass Ordinance* says another thing, just which way are we going to go?

Hon. Mr. Pearson: Well, Mr. Chairman, the Honourable Member went into a great amount of detail to build a hypothetical situation, and possibly I am going to have to do it over again. His customer came into the establishment and did something that, in his estimation, dictated that he should be evicted. Under the *Liquor Ordinance* and regulations — because this is an establishment selling liquor — he has the authority to evict that person, and he also has the authority to say to that person, "You shall never ever come back into this establishment again as long as I own it."

Now, Mr. Chairman, the person who has been evicted has a right of appeal under that legislation, and that appeal is to the Liquor Board: a quasi-judicial board that is established by this Government, and that functions in a number of areas in relation to the *Liquor Ordinance*. If that Board upholds the establishment's position that that person should not be allowed in again, then the person is evicted and cannot go back in. That is firm.

If, in fact, the Board said, "No, we disagree with you, Mr. Manager of this Bar, we do not think that what that gentleman did was bad enough, so we are going to overrule you; we are not going to give him an eviction that will last him forever, but only for two weeks." The two weeks go by; the person comes in; then the manager could kick him out again by giving him a formal notice under the *Petty Trespass* legislation. He could

say "I am never going to allow you back in here again." Now, he then has the right to appeal. His appeal, this time, of course, is to the court.

Mr. Chairman, the witness is indicating that he would like to say something. I started all this with the undertaking that he would correct me if I was wrong.

Mr. Alstrom: Mr. Chairman, it has been correctly stated that, as a general rule, the ordinances do prevail over regulations. It should also be pointed out, however, that the *Petty Trespass Ordinance* prohibits trespasses on the premises of a shop, store, shopping mall, or shopping plaza, which would not include what is ordinarily thought of as a tavern or other liquor outlet, but it would include a liquor store.

I have not had the benefit of reading the liquor regulations, so I am not sure just exactly what they refer to. I thought I would make that one point.

Thank you.

Mr. Veale: The Government Leader has indicated that there is an appeal procedure under the *Petty Trespass Ordinance* and the appeal is to the court, but it seems to me that that does not correctly state the situation. All you could do is go to court to defend yourself against an actual summary conviction proceeding. In other words, there is no appeal, such as in the regulations pertaining to the Liquor Board, where you can appeal and say that you should be allowed in in two weeks or two months, or whatever the situation is. That is clear, is it not?

Hon. Mr. Pearson: Mr. Chairman, I am confident that the Honourable Member for Riverdale South is as capable of reading as is anyone in the House. He knows very well that there is no appeal in the ordinance, other, in fact, than that there is always an appeal to the court. That is where the appeal is.

Mr. Chairman, the Honourable Member is shaking his head. If I am evicted from a shop and I do not feel that I was rightly evicted, I have an appeal. It does not matter how he cuts it. I can force the shop owner to charge me with trespass, and I can then go to court and I can be heard, and that is an appeal as far as I am concerned.

Mr. Veale: Mr. Chairman, with respect, I think that that is the precise problem with the entire ordinance: there is no such thing as an appeal. All you can do is go to court and the issue is very simple: "Were you in the shop or were you out of the shop?" That is the issue. There is no issue on the reasons for giving that person the notice to leave. There is no issue whatsoever. It is not in the nature of an appeal. I think, with respect, that it is incorrect and somewhat misleading to suggest there is an appeal procedure. There is an offence procedure by which the shop owner can charge the person for coming back into the store, but that is a far cry from an appeal for the person who has been evicted.

Mr. Fleming: I am very interested in the thoughts of the Member. I am also very interested in what the witness just said, because it sure does put a different light on the whole ordinance. I must state at the moment, that I am not against this ordinance, in no way, shape or form. I would like to see that we get something that is reasonably sure of itself, so we do not have to come back for amendments within another year or so. As the witness said, I do not see anything that says anything to do with a licenced premises there either.

"No person shall trespass on

(a) the premises of a shop, store, shopping mall or shopping plaza or

(b) the premises of a school, vocational school, university, college, trade school or premises used for other educational purposes." In other words, I think we have even left motel, hotels, and everything else out of it, which possibly should be in this ordinance. I am wondering if it will not be back for amendments very very soon if we have problems in these areas. I do realize what the witness has said. I think the regulations are the only thing that really apply to a licenced premises.

Mr. Penikett: Mr. Chairman, could I ask the Government Leader a point of law which he may wish to refer to the witness? I grew up thinking, or have been educated to understand

and treat places like shopping centres, stores, even schools as public places. Clearly this ordinance would, for certain persons, not be public places anymore. Now there are presumably a whole catalogue of laws that apply to public places, and people have rights of private property on the property. They have certain rights on private property; the public have certain rights in public places.

I wonder if the Government Leader could indicate to what extent, in the law, will shopping malls, shopping plazas, stores and schools now become private places in law?

Mr. Almstrom: Mr. Chairman, this ordinance makes no difference at all to the designation of a place as either public or private. I am not exactly sure what the Member is asking.

Mr. Penikett: Well, I will elaborate on points that have been made before, but I will make them with a slightly different emphasis.

I grew up with the understanding that a public place was a place which the public could enjoy, enter freely, and have access to. Here you have a law which would now seem to make it an offence for certain members of the public to enter those public places. Just by entering, it becomes an offence; not for having been convicted of anything, but simply because someone who has a private property interest in that public place now decides that he does not want that person to have access, with or without cause.

Mr. Almstrom: Mr. Chairman, I think the question has been stated very accurately. The question of the access of members of the public to property that is ordinarily treated as public property, but is not in fact public property, is dealt with in the *Fair Practices Ordinance*, which prohibits a person who owns property to which the public ordinarily has access — such as a shopping centre — from excluding other persons on the basis of race, religion, colour and that sort of thing.

This ordinance in no way derogates from the force and effect of the *Fair Practices Ordinance*.

Mr. Penikett: Unfortunately, Mr. Chairman, the *Fair Practices Ordinance* does not really deal with a whole catalogue of what might be called "private and personal prejudices" which do not fall into easy categories. Perhaps there is no easy solution to that.

The question may have been answered already by the witness, and because I am feeling fairly flu-ridden at the moment, I may not have understood the answer previously. I wonder if I could ask Mr. Chairman, and through him the Government Leader, and, if necessary, the witness: when we are dealing with the *Fair Practices Ordinance* and the protection that the *Fair Practices Ordinance* could give to people who might be offended against under this ordinance, would I be correct in assuming that the *Fair Practices Ordinance* would not apply in the case of schools, because they are government property, for the reason that the *Fair Practices Ordinance* exempts the Government from its provisions?

Mr. Almstrom: I do not have the *Fair Practices Ordinance* in front of me right now, but I believe that it does not apply to Government property, which, therefore, would include schools. I suppose, if it were to occur, that would be a policy question which I am not qualified to answer.

Mr. Penikett: I was wondering when Mr. Almstrom would come to that answer. He has learned that the answer to tough questions is: "That's a policy question, Mr. Chairman," and a political answer for this one.

Let me ask the Government Leader, then, since we now have the schools in this ordinance, which are Government property and which are to become no longer public places, but private places. Education officials may now be able to bar certain undesirable people from those properties. The people will not have appeal; they may be convicted; they may make a defense in court; but they will not have an appeal and they will not have, in this case, protection under the *Fair Practices Ordinance*.

I would like to ask the Government Leader — not the specific question but the general question that has been bothering me

all along, I guess. Following my original objections to this bill, I had a number of discussions with education officials who explained to me their practical need for some legislative authority to prevent dope-pushers and other undesirables, from their point of view, coming on the school property: to provide some protection to the kids in the schools — a reasonable goal, as long as it is done properly.

Presumably this legislation was drafted because of that initiative, and one can understand that; however, it seems school properties are exempt from the *Fair Practices Ordinance*; they are a very different situation from that of teenage vandals or, perhaps, school children hanging around shopping malls on Saturday, or late on a school day or on a weekend. Has the Government given any consideration to having separate measures to deal with separate cases — I think they are different types of people in both cases and they are different situations, because there is not the protection under the *Fair Practices Ordinance* for offenders of this ordinance under the schools.

Hon. Mr. Pearson: Mr. Chairman, the *Fair Practices Ordinance* keeps coming up, here. With all due respect, it is nothing but a red herring in this thing. This has nothing to do with the *Fair Practices Ordinance*. This deals with a subject completely outside of, and is separate from and apart from, the *Fair Practices* legislation and what it was designed to deal with.

Mr. Chairman, this does not supersede the *Fair Practices* legislation. It is in fact complementary to the *Fair Practices Ordinance* that is now in place. It does not take away from the *Fair Practices Ordinance* in any way. It does not take away from that legislation in any way, shape or form, to my way of thinking.

Mr. Tracey: Mr. Chairman, I would just like to follow up on an answer that the witness gave to a question that Mr. Fleming posed, in regards to shops or stores. I would like to find out whether this does cover a hotel or motel or a restaurant, or is it limited to a shop, store, or shopping mall?

Mr. Almstrom: Yes, the ordinance is very explicit; it deals only with shops and stores — your normal concept of a retail outlet. If a grocery store was run as part of a hotel operation, I suppose that the ordinance would apply to that part of the hotel operation.

Mr. Veale: Well, Mr. Chairman, if I could just ask a question of the Government Leader: he said that the *Fair Practices Ordinance* has no connection and is a red herring. The point, I think, is that the *Fair Practices Ordinance* is the only legislative protection that an individual has from some very obvious abuses of the *Petty Trespass Ordinance*. One thing I would point out and ask the Government Leader whether he is in agreement with this remaining: the *Fair Practices Ordinance* requires the consent of the Commissioner before a charge can be laid, and perhaps the witness can confirm that.

The *Petty Trespass Ordinance* requires no consent of anybody. In other words, the shop owner just lays the trespass charge, and it goes through the court system. In my submission, particularly with the whole issue of the Government not being bound by any of its own legislation unless it is specifically stated in the legislation, there is quite a contrast in that an individual's remedy, if he is accused of trespassing on a shop owner's premises, is to go to the *Fair Practices Ordinance*. He then has to go through a very lengthy procedure, and ultimately, if there is going to be a prosecution, this Government has to agree to that prosecution.

Mr. Almstrom: I was not sure that I was asked a question.

Mr. Veale: I will phrase it as a question, then: does the Government Leader think that that is a fair situation? A citizen who walks into a shop owner's premise can be evicted immediately, and be charged, and have to go to court and defend himself. If it is the opinion of the shop owner that he is in breach of the *Fair Practices Ordinance*, then he has to go to the Government and ask them for their consent to prosecute the shop owner.

Hon. Mr. Pearson: No, I do not think that that is a fair situation, Mr. Chairman, nor do I immediately accept the fact

right now that the Honourable Member is correct in what he is saying.

Mr. Chairman: The Chair has stood over Clause 3 for general discussion. I believe that the Government Leader has some explanation for the standing over of this particular clause.

Hon. Mr. Pearson: No, Mr. Chairman, as I stated prior, Clause 3 was stood at the specific request of the Honourable Member for Riverdale South, who had a question with respect to the Fair Practices legislation that he wanted to pose to the draftsman. The draftsman is here to hopefully answer that question.

Mr. Veale: Let me pose the question I just asked then, to the draftsman. The Government Leader has stated that he believes that it is unfair that a citizen of Yukon would have to go to the Commissioner and obtain his consent for a prosecution under the *Fair Practices Ordinance*, as opposed to the *Petty Trespass Ordinance*, which allows any shop owner, at any time, to commence proceedings. My question is whether the Government Leader said he was not sure that was correct, and is that the opinion of the witness?

Mr. Almqvist: Yes, that is correct, Mr. Chairman.

Mr. Veale: He said, "Yes, it is correct."

Mr. Penikett: Mr. Chairman, I just wish to move an amendment, and if you can give me a second I could write it in proper form.

Mr. Veale: Mr. Chairman, while an amendment is being prepared, would the Government Leader indicate whether he is prepared to have the *Fair Practices Ordinance* amended to at least allow a citizen to lay a summary conviction charge under that ordinance, in the same free and easy manner that it is allowed to be laid under the *Petty Trespass Ordinance*?

Hon. Mr. Pearson: Mr. Chairman, I would be happy to take that under advisement, if the Honourable Member thinks that that is the proper thing to do. I would assume — because I am not a lawyer — that the Section he is referring to is Clause 6(1) of the Fair Practices legislation. It may or may not be an advisable thing to do. I would not undertake to propose an amendment to it this afternoon.

Mr. Veale: Well, Mr. Chairman, it is comforting that the Government Leader will be considering that amendment to the *Fair Practices Ordinance*.

I have another question. The Member for Campbell has questioned the regulation of the *Liquor Ordinance*, which I understand gives an individual, who is in a licenced premises and is evicted for any reason or prohibited from entering the premises for a period of time, an appeal to the Yukon Liquor Board. I find it somewhat difficult to accept that a person has the right of appeal in a licenced premises from an eviction from those premises, but he does not have any right of appeal from an eviction from a food store or a clothing store or any other public store. In other words, it appears that if drinking is the objective, you have a greater right than you do if you go in to buy food or something of that nature.

Would the Government Leader indicate whether or not the Government is prepared to have amendments, particularly to Clause 3 of the proposed ordinance, providing for an appeal for a person who has been given a notice of trespass from a public place? That is my question and I think it is very important. If we have a person in Old Crow, for example, who is given a notice of trespass for the Coop store, it may be the only source that that person has for buying food, and the trespass can be for all time. There is no limitation period in the ordinance as to the length of a trespass. My submission is that there should be an appeal provision, or there should be a limitation on the length of the trespass — a two-week limitation or something like that — so the person will have the right, at some point in time, to come back in as an ordinary citizen, and have the right to purchase food or other necessities of life.

Hon. Mr. Pearson: Well, Mr. Chairman, there is a specific reason for this legislation being here, and we have stated over and over and over again that it is very unsavoury from our point of view. We are told by our legal people, and we are also

told by the enforcement people, that we really need this in order to accomplish what must be accomplished for the safety of everybody in the Yukon Territory, save and except those who must be prosecuted under this kind of legislation. If we start making exceptions now, Mr. Chairman, we might as well do away with the legislation; I am pretty sure that is in fact what I will be told.

Mr. Chairman, the Member makes a valid point with respect to the appeal. I regret that it is something we did not think of, or that the point was not made prior, so that we could have considered it. We seem to be having a terrible amount of trouble with this piece of legislation.

What I want to ask the Honourable Member is: — and this is right off the top of my head, Mr. Chairman, because I think it is something that we as a Government are going to have to consider — would he rather see the legislation restricted to schools and learning facilities? Would his objections to the legislation go away if the provisions for shops, shopping malls and so on and so forth — what I am trying to determine, Mr. Chairman, is does he have an objection in one case and not in another?

Mr. Penikett: Well, Mr. Chairman, let me force the issue on that question. I would like to move that Bill Number 15, *Petty Trespass Ordinance* be amended in Clause 3, at page 1, by deleting sub-clause (1)(a) and re-numbering the subsequent sections.

I will provide the table with a copy, Mr. Chairman, so that copies can be made.

Hon. Mr. Pearson: Mr. Chairman, I regret very much that the Honourable Member has presumed to make this amendment. It is something, I want to suggest, that maybe we should consider, depending upon the kind of opposition we are going to get to it from the other side. I have a firm perception that we must do something to protect our school children from certain people. I have a firm perception that it must be done at this Session of the Legislature. I am prepared to take this legislation back to our drafting committee and to the people who are involved, and consider all of the alternatives. But, Mr. Chairman, I must warn Committee that I feel very deeply that we must pass something this Session. Time, I feel, is also pressing in on us. I am not prepared to arbitrarily, at this point, take that section out of there, because I do not know what the ramifications are going to be.

Mr. Chairman: Order please, I would just like to read the motion for an amendment to Clause 3: That Bill Number 15 entitled *Petty Trespass Ordinance* be amended in Clause 3 on page 1 by deleting sub-clause 1(a) and re-numbering the subsequent sections.

I would like to entertain discussion on the amendment.

Mr. Penikett: Mr. Chairman, just to speak to the amendment: I do not know if this is the perfect solution to all the problems of the bill. The Government Leader will understand from my debate last year that I have some problems with this bill in any case. I am prepared to say, for myself, that I recognize there is a problem, or a potential problem, of some serious proportions in the schools. If it is not of serious proportions now, it could be in the future, and some effective measure may be required by the authorities in the schools to remove people from those properties who are a threat, or are deemed to be a threat to the students. Having stated that, that is not to say I find the instrument an entirely perfect one for that, but the Government must make some decisions on that.

However, Mr. Chairman, I would not do it instantly. If the Government Leader is prepared to withdraw the bill, or take back the bill for consideration of that particular point, or for potential redrafting of that particular point, I am prepared to withdraw my amendment.

Hon. Mr. Pearson: Mr. Chairman, just prior to the Honourable Member's making his amendment, I had posed a question, I thought, to a specific objection that the Member for Riverdale South had. I would very much like to hear his reaction to that, and I would, if the Honourable Member for Whitehorse West would withdraw his amendment, undertake

to seriously consider that kind of amendment, should the Member for Riverdale South think that it had validity, and should he tell us that the bill would have a better chance without that section in it.

I want to say to Honourable Members that Clause 3(1)(a), with respect to shops, stores, shopping malls, or shopping plazas, has not been included lightly. We have had a tremendous amount of representation for this kind of a clause; it has not been included just as an afterthought, and we will have to very seriously consider the ramifications of excluding it at this point.

Mr. Veale: I welcome the fact that the Member for Whitehorse West would withdraw the amendment at this time, because it would be very wise, I think, for the Assembly to consider amendments very carefully. I think it would be very useful to have the assistance of the legislative draftsman of the Government.

Just to make my position clear, Mr. Chairman, there is no question but that educational institutions need this legislation; there is no question in my mind, at all. I am also aware of the fact that many shop owners feel a great need for it, and the RCMP certainly concur in that, because they never feel they have enough authority to assist shop owners. My concern is with the fact that it drives its point home too far, and I would welcome the Government Leader having that referred back to the legislative draftsman, to determine whether or not some limitation could be placed on the public premises aspect of it, the shop keeping premises: either a time period or a provision for appeal, which we have in the liquor regulations. You can appeal being evicted from a liquor store or a licenced premise, but you cannot seem to have any appeal from a food store, which is, to my mind, a greater necessity than alcohol.

I would certainly welcome the Government Leader's initiative in this, and I am not suggesting that it be stood over until fall. I am suggesting simply that it be referred back to the legislative draftsman, to see what acceptable suggestions he could make to the House.

Mr. Tracey: Mr. Chairman, I tend to agree with the Leader of the Opposition. The one problem that I have is that there are quite a few establishments in the Yukon that are not covered by this legislation. I would like to see the appeal process, but I would also like to see the legislation cover the rest of the businesses in Yukon — not just shops and stores.

Mr. Penikett: I can see the problem for Mr. Tracey: being able to remove persons from his store, but not from his bar or his restaurant. With respect, I would ask you to permit me to withdraw my amendment.

Mr. Chairman: I would like to inform the Member that unanimous consent is necessary to withdraw such an amendment. Does the Member have unanimous consent?

All Members: Agreed.

Mr. Fleming: I am going to support the Member for Tatchun, and we will have another laugh. Nevertheless, if we are going to pass the legislation in this House, we should maybe include pretty well all, not just some things. If you are definitely going to include a shop and a store, you may as well include the rest of the public places in the Territory too. I have already had problems in my own constituency, and they are very anxious to see this legislation. They really need this ordinance, in other words. There have been a few places where people have been told to stay away and they just sort of ignore things, and if you have cash and stuff that you are losing everyday, you kind of want to take care of things.

I would suggest at this time that, if the Government is going to take it back, they take a good look at that regulation for a licenced premise, because what really is the use of that regulation? It is supposed to be binding on both parties. "Binding on both parties" means what? Really nothing, because either one can come back to this thing and refer to it. If it is going to be here, I do not know why it is not in here and forget about regulations a little bit and include hotels, garages, these places. Take a good look at it and check it over. I would say

very strongly, though, that we do not need that regulation if we can use this. We needed it at the time because we did not have legislation. Now we have the legislation where you can put it, and the fine and imprisonment or whatever up to a certain amount is there, and it is the law. I would much sooner see it right in here.

Hon. Mr. Pearson: Mr. Chairman, I am certainly quite prepared to take the legislation back, after what I consider to be very constructive discussion this afternoon, and consider all of the input we have received from the Members opposite. I do appreciate it. As I have said, time after time after time: it is very difficult legislation for this side of the House to put forward, and we have agonized through this a couple of times now. Hopefully, we can do away with it. I think it is important discussion, because it will be a very very severe piece of legislation, and I do appreciate the constructive comments from the other side.

Mr. Chairman, I would move that you report progress, albeit slight, on Bill Number 15.

Mr. Chairman: It has been moved by Mr. Pearson that the Chairman do now report progress on Bill Number 15, *Petty Trespass Ordinance*.

Motion agreed to

Bill Number 17: An Ordinance to Amend the Lands Ordinance

Mr. Chairman: I would like to refer Committee to Bill Number 17, at this time, *An Ordinance to Amend the Lands Ordinance*.

Hon. Mr. Pearson: Mr. Chairman, we have on our agenda this afternoon Bills Number 17, 16, 18 and 19 and, unless any Honourable Member can see any other reason for not doing so, I would request that you dismiss our witness at this point, so that he could get to the formidable task that I am about to give him with respect to the Petty Trespass legislation.

Mr. Chairman: The Chair would like to dismiss the witness at this time.

The Chair understands that, at this point, under Bill Number 17, Clause 1 has been stood over. As far as I can recall, there was specific discussion on Clause 1.

On Clause 1

Hon. Mr. Lattin: Mr. Chairman, it was my opinion on this bill that we had not stood anything over, as yet. We were discussing a clause-by-clause review of Clause 1. It seems to me we got down to (f), or one of the subsections.

Mr. Penikett: My recollection, Mr. Chairman, is that we had finished. Certainly, I was going through a series of questions on Clause 1, and in fact I had had the answers from the Minister to all of the questions up to (h) in Clause 1, and any subsequent questions would follow from Subsection (3) on Page 2.

Mr. Chairman: Any questions on Clause 1?

Mr. Byblow: I have a question in regard to subsection 2(h), I believe: the reference to the persons to whom the land may be sold or leased. What is the intention of Government, in stipulations under the regulations for that section?

Hon. Mr. Lattin: Mr. Chairman, are you asking about subsection (h)?

Mr. Chairman: The top of Page 2.

Hon. Mr. Lattin: Mr. Chairman, there will be certain circumstances for certain pieces of land; I would see that we would probably make recommendations as to how it was used. I suppose probably that one of them, for lack of a better example, would be agricultural land, though there are probably better examples than that.

Mr. Byblow: In subsection (h), the reference is also to the persons to whom the land may be sold. My question, again: what is the intention of Government, in regulation, to make stipulations respecting people who are going to be buying the land?

Hon. Mr. Lattin: Mr. Chairman, if we had a particular piece of land — again, for lack of a better example, if it was

agricultural land — we would have regulations that that land was to be used for a particular purpose.

Mr. Chairman, say we were looking at small residential lands or country residential types of land: I would suppose another one of the regulations we might make is that land could not be subdivided. Again, that would fall in that section.

Mr. Byblow: I am pursuing this because the Minister has not answered the question I have been asking. The clause makes reference to persons. The clause says that regulations can be struck to regulate persons to whom land can be sold — to regulate the type of person, or what? I am searching for an answer as to why "persons" would fall into that grouping, as something that is going to be regulated.

Hon. Mr. Lattin: Well, Mr. Chairman, another consideration might be — and we have it in other jurisdictions — that perhaps we would have a residency clause. If we had a residency clause, we could apply it to this section. As we discuss these regulations, that is one of the things that we would be considering. If that was the case, that would be one example of it.

Clause 3(1) agreed to

On Clause 3(2)

Clause 3(2) agreed to

Mr. Penikett: Just before we wipe this magical set of as yet unwritten or unproclaimed regulations off into the law books of the Territory forever, let me say I have the sincere hope that the Members of the Statutory Instruments Committee: Messrs. Tracey, Fleming and Falle — a very appropriate threesome when it comes to gobbling regulations — have a lot to chew on, and find the regulations to their satisfaction.

I want to ask the Minister just one question before he clears this Bill finally away. I understand that on the question of the pricing options that may go to the Commissioner, there were three or four major policy options presented to Cabinet. Could I ask the Minister if that is the case, and if at any time he gave consideration to presenting those options to the public for feedback, before making these regulations?

I would ask him further if the regulations that are being proposed about the classes of land that he discussed earlier on, that are going to be released soon, will be put out for public discussion. If that is the case, could he give an assurance that copies of those regulations will also be made available before they are released to the public, to Members of this House, should any Member wish to make some comment to the Minister? I say that to the Minister because he is a jolly good fellow, and he often takes advice from us very seriously and does the right thing when he receives it.

Hon. Mr. Lattin: Yes, Mr. Chairman, we had quite a lot of consultation with various people in the outlying areas of Whitehorse on the pricing. As for the regulations, Mr. Chairman, if you will recall, in the north and south study we said that we would be getting back to the people, so when we get, perhaps not maybe all of it, but the basic regulations, we will be going through them and getting some input, and I would certainly be glad to give all Members of the House the regulations when we get them.

Mr. Fleming: Just before we finish up with this piece of paper, I would like to say that I will be looking very strongly at the regulations that are coming out for it, and I must say, again, that I think it should have been an amendment to the *Regulations Ordinance*, rather than to the *Lands Ordinance*. When they start putting special limitations on people and special methods of offering, and special this and special that, I am just wondering what type of ordinance we really are getting into.

Mr. Penikett: I thank the Minister for his answer. One last word; I do hope he asked Mr. Livingston not to give us any more legislation.

Hon. Mr. Lattin: No, Mr. Chairman; I think I will be very careful in future.

Clause 3 agreed to

Mr. Chairman: Shall the title clear?

Some Members: Agreed.

Mr. Chairman: I declare the title carried.

Hon. Mr. Lattin: Mr. Chairman, I move that you report Bill Number 17, *An Ordinance to Amend the Lands Ordinance* without amendment.

Mr. Chairman: It has been moved by Mr. Lattin that the Chairman do now report Bill Number 17, *An Ordinance to Amend the Lands Ordinance*, without amendment.

Motion agreed to

Mr. Penikett: Mr. Chairman, on a point of order, I wonder if, since the Government Leader just a moment ago announced the other bills that we will be dealing with in Committee, whether before proceeding with the other business you might grant us a short recess, so we may obtain our papers on these.

Mr. Chairman: The Chair would like to call a short recess at this time.

Recess

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

Bill Number 16: Third Appropriation Ordinance (1981-82)

Mr. Chairman: I would like to refer Committee to Bill Number 16, *Third Appropriation Ordinance (1981-82)*.

On Clause 1

Hon. Mr. Pearson: Mr. Chairman, we had a great long speech to give at second reading and did not get around to it today, so I think maybe I should say pretty well all of it now, because it answers a number of the questions that have been raised in other debate on this specific matter.

The purpose of the *Third Appropriation Ordinance (1981-82)*, Mr. Chairman, is to make available one million dollars to be loaned to the White Pass and Yukon Corporation, or British Yukon Railway, pursuant to an agreement that we have entered into with them. Mr. Chairman, several days ago we advised the Legislature that the Federal and Yukon Governments had finalized an agreement with White Pass on a program of financial assistance and capital improvements to the railway, to ensure its long term operation and viability.

We now have before us a bill requesting legislative authorization of 1981-82 supplementary appropriations, which includes and provides for a one million dollar loan to White Pass.

In support of this Bill, I would like to comment further on the agreement between this Government and White Pass.

The fundamental element or condition of any assistance, in any form, to White Pass, was a clear demonstration of its commitment to Yukon and to the future operation and integrity of the railway. In addition to verbal assurances in this regard by the presidents of both White Pass and Federal Industries, this commitment has been shown by positive actions:

(a) during the current year White Pass will invest \$6 million in the petroleum truck and marine divisions of the corporation. This investment, as I previously stated, is greater than the cumulative profits of the total White Pass Corporation during the past ten years, and is over and above the \$6 million investment in the railway made possible by the Federal and Yukon Government loans.

(b) the Canadian Transport Commission report clearly states that it would be unreasonable to expect or demand that either White Pass or Federal Industries undertake new capital investments in the railway, because of its precarious financial position. Notwithstanding this caution, White Pass will invest in excess of \$500,000 over the next year of its own funds in the railway.

(c) the railway has incurred losses of \$3 million over each of the past two years. These losses are forecast to continue at similar levels, for at least the next two years, even with the new compensatory rates to be paid by Cyprus Anvil. White Pass, if necessary, its parent company, have agreed to underwrite these losses. This commitment by White Pass is particularly significant in light of the CTC recommendation, which has been waived by White Pass, that these operating losses be cost-shared by Government.

On a closely related matter, the question has recently arisen as to the disposition of a \$2 million loan from White Pass to Federal Industries, and of a \$147,000 mortgage to the president of Federal Industries from White Pass. These loans, which were from the marine, and not the rail division, were repaid in full to White Pass in 1980, as recommended in the CTC report.

White Pass has established a retail-wholesale tourism promotion operation to increase passenger sales. At this early date, 60,000 bookings have been confirmed, and they will, undoubtedly, exceed passenger sales of 47,000 and 65,000 during 1979 and 1980 respectively.

New cost-efficient and aggressive management practices, ranging from the closure of the palatial offices in Vancouver, and dismissal of nine vice-presidents, to recapturing a substantial portion of the Cassiar Asbestos traffic, have been put in place.

Simultaneously with the transfer of corporate headquarters from Vancouver to Whitehorse, there was a decision to discontinue the payment of dividends on White Pass common shares. The railway company itself has never paid dividends, during its ownership by Federal Industries. This improved management was confirmed by the CTC report, which stated that, "the company has already taken many of the major measures that are available to it, to reduce costs." I am not suggesting that White Pass or its management is perfect or blameless, or that it will not make mistakes in the future. What I am saying is that White Pass is pulling up its socks, and has made a definite long-term commitment to the railway and its future.

Negotiation of the White Pass Capital Rehabilitation Program was an extremely arduous and complex matter involving Cyprus Anvil, Federal Industries, and two levels of Government in two countries. Though a general consensus to assist the railway was miraculously agreed to by all parties, it was impossible to achieve a simultaneous formal commitment of funds, particularly in light of time-consuming legislative requirements by the United States Federal Government. This problem was foreseen by the CTC report which recommended that, "should United States legislation be needed to make the loan from the United States to White Pass, and should this mean a delay in availability of funds going to the company, we suggest that the funds be advanced by Canadian authorities until the American funds are available." We did not go that far, based on letters of commitment and intent from Alaska Senator Ted Stevens, Deputy Majority Leader of United States Senate, and Alaska Governor Jay Hammond, copies of which I will provide to the legislature.

It was decided that the Canadian portion of the railway rehabilitation program, including compensatory rates by Cyprus Anvil, would be immediately implemented. Without this positive Canadian leadership, which will serve as a strong stimulus for early action by our American neighbours, circular negotiations and delays would have continued indefinitely.

I would also note that the assistance identified in the Alaska letter of intent does not include the \$750,000 contribution by the State Government toward rehabilitating the White Pass Skagway dock, nor possible further assistance under a soon to be completed Alaska railway development plan.

Officials of White Pass and the Alaska State Government are scheduled to meet in the latter part of April, to continue discussions and negotiations on a program of financial assistance.

The CTC Report clearly states that government loans to White Pass must be interest-free, with no capital repayment until the railway returns to profitability. Interest-bearing loans, unless offset by other forms of financial incentives, were beyond the railway's financial capability. Though the option of capital repayment through future profits was considered, a regular and orderly repayment schedule, with complete repayment of the Federal and Yukon loans before any distribution of dividends or profits, was deemed more appropriate.

Federal Industries, which is primarily a holding and not an operating company, owns in addition to the White Pass transportation system Standard Aero Limited of Winnipeg, and

Thunder Bay Terminals Limited, of Thunder Bay. As the loan was provided to the railway and not these diverse, largely non-Yukon companies, there was no justification for requesting the appointment of a Yukon Government representative to the Board of Federal Industries.

The concern and financial contribution of the Yukon Government was restricted to the railway, and hence the appointment of a Yukon representative to the railway's Board of Directors. The members of this Board, in addition to the soon to be appointed Yukon Government representative are as follows: Mr. S. Searle, Federal Industries Chairman of the Board; Mr. J. Fraser, Federal Industries President; Mr. Tom King, White Pass Corporation President; Mr. J. Petson, Federal Industries Vice-President; and Mr. W. Davie, Federal Industries Secretary to the Board.

Only three of these Board members sit on the ten-member Federal Industries Board of Directors. In this regard I should make it clear that this Board will meet regularly, review company operations and financial statements, approve budgets, decide matters of corporate policy, and perform all other duties and responsibilities which are traditionally assigned to boards of directors.

Thank you, Mr. Chairman.

Mr. Byblow: I certainly will be having very little objection to this bill. As everyone is aware, the existence of the railroad has a very significant impact in my riding.

While I do have some reservations about White Pass requiring all of the benevolent funding in the form that it has taken — something in the order of \$15 million over the next three or four years from the four major interests who have bailed it out — I cannot help but agree with the Government Leader that it is in the interests of the long-term benefit to the Territory that it was deemed necessary that this be done.

The long term goal is going to be where it will benefit the Territory; surely, in the short term, that amount of expenditure has to be questioned in a cost benefit approach.

I agree with the Government Leader in that scrutiny will be necessary. The interest-free aspect of the monies has raised a number of questions, and I suppose it is a bit unfortunate that the only benefit received on the strength of this objection is a single board member. However, I think that the mechanics have to be put in place, through this funding, to permit the long term benefit to Yukon.

If, in the long term, that means rail extension, then so be it. If, in the long term, it may mean electrification of the railway, then again so be it. I think that more than the return of the loan ought to be the responsibility of this Government. It ought to be providing very serious input into those long-term plans of the railroad to justify this expenditure.

Nevertheless, I welcome the resolution of this transportation dilemma, and certainly will be supporting the bill.

Mr. Penikett: Mr. Chairman, I thank the Government Leader for his speech, or statement. It answered many of the questions. As a matter of fact, most of the questions I had put to the Minister of Economic Development during Question Period following the original statement of intent.

The Government Leader will, of course, understand that there will be, whatever declarations to the contrary, continuing questions about the finances and the arrangements made by Federal Industries on behalf of the junior companies of the railway, and the relationship between the railway and the trucking company.

The fact that recently the company has laid off its lease operators, after having, for not very long, been in the practice of using lease operators rather than their own trucks, will of course be cause for comment in the community.

I appreciated the Government Leader's statement, because as I said, it did cover many of the questions and concerns that we had on this side. I do hope that the Government Leader will consider very seriously the appointment of the Government representative on that board. The Government Leader is, of course, not at all bound to even consider any representations

we may make on this side of the House; however, for myself, I want to once again urge upon him the wisdom of appointing a Member of his Government, because the person is the Government's representative on that board. I urge upon him that course of action, not only because I think it is important for the Government to have direct and immediate access to the information, because it is the Government's money and the public's money, but also because I think it would be a very useful precedent and a very responsible thing to have the member of that board accountable by way of questions, to this House, for the activities of this corporation — which I think we all agree is essential to the continued economic good health of this Territory.

I apologize, Mr. Chairman, if I am not entirely coherent, because I am not feeling well, as I understand a number of other Members are not. But I do want to say, without ranting and raving on this subject, that whatever questions we have asked about the railroad, its continued future is important to everybody.

The concern has been expressed about the compensatory rate that Cyprus Anvil, for example, now must pay in order to keep the railway going. I think it should be pointed out, too, that the tourists and other citizens who use the railway as passengers are also going to have to pay what some people consider more than a compensatory rate. I believe the fare to Skagway has now gone up to \$66 one way, \$92.40 return, which we all know is considerably more than it would cost you to drive your car there and back. It is a ride that I have enjoyed in the past and would hope to enjoy again. In fact I was concerned for a while there that my children might never have a chance to make that train trip. That is not so much of a worry any more, but the fare is very high for such a short trip. I think that Cyprus Anvil is not the only passenger, if you like, or the only user of the railroad, who is going to be paying its share to keep it going — not only the taxpayers of Yukon but the users of the railway too.

I want to just conclude, again, on the note of my representation. I hope, even if it is my friend, the Member for Porter Creek East, that there is a Member of the Government appointed to the board of that railroad, rather than a private citizen who would not be responsible to the Government, directly, or accountable to this House.

If the Government Leader sees the wisdom of that course, he will certainly receive yet another compliment from me. I notice the press has been complaining that I have been doing nothing but showering compliments on the Government during this Session. However, for some reason the Members opposite do not seem to have been particularly appreciative, Mr. Chairman. That is something that just makes me very sad.

Hon. Mr. Lang: I would just like to thank the Member opposite.

Mr. Fleming: I am going to rise reluctantly in support of this bill, a little reluctantly because I remember when they were asking for more than this, and I did not agree with that. Now it is down to this level, and maybe because that railroad is very much needed in the Territory for economical reasons, I will rise in support of the bill.

However, I must say this: White Pass, as far as I am concerned, have changed their philosophy somewhat in the past few years. It must be remembered I am not here as a greenhorn. I spent eight years in business with them myself, and I fought them for those eight years to get a little bit of almost nothing; however, I felt I won a little. The old saying goes: a leopard does not change his spots, but also, an elephant does not forget — and that is me; I am the elephant. I am not going to forget a lot of things.

Because I feel very strongly that it is needed to keep the Yukon going, to service the mines that we have in this Territory, to haul ore out of here, and to haul things in, and in the hope that they can do that reasonably enough, and that they have changed their philosophy in the last few years, I am going to support the bill.

Mr. Byblow: I would like to just question one point the Government Leader made in his remarks. If I recollect correctly, he said that the railroad functioned over the last two years at an operating loss of \$2 million each year, presumably for a total of \$4 million. The compensatory rate being paid by Cyprus Anvil, as I understand it, effectively amounts to about \$3 million a year, for a total of about \$9 million in the three-year period of the agreement. The Government Leader indicated in his comments that the railroad would still be operating at a significant loss, even though these operational monies have been injected in the form of compensatory rates. I do not quite understand the picture that he has painted.

Hon. Mr. Lang: Mr. Chairman, it is a valid comment. It is projected that over the next couple of years they will be operating at a loss. As indicated by the Government Leader, the White Pass Corporation has indicated that they will pick up the difference between the compensatory rate increase and whatever the cost of running the railway is for that period of time.

In respect to the capitalization of equipment that we will be putting some financing towards, the point that has to be made is: this is going to increase the efficiency of the railway and subsequently cut down O&M costs as opposed to what they are now.

The other principle that we have to look at in the long term on the railway is more utilization of that particular transportation corridor. At least on this side of the House, we are optimistic about the Territory and subsequently we feel it is going to be used more and more. A fine example of that will be when the pipeline is built. That transportation corridor is going to be required and will be a major stimulus as far as the railway is concerned for covering the operation and maintenance costs.

These are just a number of examples that I want to throw out to Members that we see as far as the future of the railway is concerned.

Hon. Mr. Pearson: Mr. Chairman, just to reinforce what the Minister of Tourism and Economic Development has said, it is a fact, Mr. Chairman, that the railway has lost \$3 million in each of the last two years and it is also a fact that it is anticipated, all things being equal, that they will lose a like amount in the next two years, in spite of the compensatory rate. All that that compensatory rate is going to do is offset what in fact are increased costs at this point in time. It will take at least two years for the impact of the capital cash infusion that we are making now to be felt by the railway, for those economies to go into place, that will turn the whole situation around.

Mr. Chairman, it is a fact that they were in such a loss position prior to this CTC report being made and the real obvious areas of loss identified. In spite of doing away with all of those, which they have been really working at in the last six months, or the last year, they will still lose money for the next two years.

Mr. Byblow: Could I then ask if the million dollars being injected through this Government and the \$5 million being injected by the Federal Government is specifically for the items listed in the schedule under the agreement only?

Hon. Mr. Pearson: Yes, Mr. Chairman, and nothing else. They have to pick up the losses.

Clause 1 agreed to

Mr. Chairman: I refer Committee to page 2 of Schedule A, the loan to British Yukon Railway of one million dollars. Shall Schedule A carry?

Some Members: Agreed.

Mr. Chairman: I declare Schedule A carried.

On Clause 2

Mr. Fleming: It mentions Schedule A there. I just thought I would remind the Government to make sure that they be very careful and keep track of it and take a good look at it, because if you just take a look at the name there, it is the British Yukon Railway. Do not forget that it is the British Yukon Railway, and always has been.

Mr. Penikett: Mr. Chairman, I have asked the Government Leader this question privately, but I might as well ask him for

the record. It concerns the authority of the Government to lend this amount to a private corporation. All Members will recall that a loan passed the Alaska State Legislature a year ago, I think, for the railway and the voting of the money was found to be unconstitutional. At least, that is the report I read.

In any case, that is not the point, Mr. Chairman. The point is: I wonder if the Government Leader could briefly give the previous authority for this money? Is it the *Financial Administration Ordinance*, or what?

Hon. Mr. Pearson: This is the authority for the loaning of the money, Mr. Chairman. This Government cannot do anything without a necessary piece of legislation. When it comes to money there must be an appropriation ordinance, a Money Bill.

Mr. Chairman, you will recall that, during the course of the House today, there was some discussion about what is a Money Bill and what is not. There is no doubt in my mind, Mr. Chairman, this is a Money Bill; this is the one that makes Government go around.

Mr. Chairman, we were in negotiations, and, in fact, negotiated with White Pass and the Government of Canada and the Government of Alaska, knowing full well that, in the final analysis, we had to come to this House and get that authority. That is what we are about now.

We function as a Government, and have the right to do all of those things that a government has the right to do: primarily through the joint authority of the *Yukon Act* and the *Financial Administration Ordinance*.

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

Mr. Chairman: Shall the title of the bill carry?

Some Members: Agreed.

Mr. Chairman: I declare the title of the bill carried.

Hon. Mr. Pearson: Mr. Chairman, I move that you report Bill Number 16, *Third Appropriation Ordinance (1981-82)*, without amendment.

Mr. Chairman: It has been moved by the Honourable Government Leader that the Chairman do now report Bill Number 16, *Third Appropriation Ordinance (1981-82)*, without amendment.

Motion agreed to

Mr. Graham: Mr. Chairman, I move that Mr. Speaker do now resume the Chair.

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

Motion agreed to

Mr. Speaker resumes Chair

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

May we have a report from the Chairman of Committees?

Mr. Njootti: Yes, Mr. Speaker. The Committee of the Whole has considered the following bills and directed me to report the same without amendment: Bill Number 17, *An Ordinance to Amend the Lands Ordinance*, and Bill Number 16, *Third Appropriation Ordinance (1981-82)*.

Further, the Committee has considered the following bill and directed me to report progress on same and beg leave to sit again: Bill Number 15, *Petty Trespass Ordinance*.

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

Some Members: Agreed.

Mr. Speaker: I will declare that leave is so granted.

Hon. Mrs. McCall: Mr. Speaker, I have for tabling the Money Message to go with Bill Number 21.

Mr. Speaker: May I have your further pleasure?

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

Motion agreed to

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

The House adjourned at 4:47 p.m.

The following Sessional Papers were tabled Monday, April 13, 1981:

81-4-18

The Canada-Yukon Special ARDA Program: Annual Report

The following Legislative Returns were tabled Monday, April 13, 1981:

81-4-4

Government business trips by Cabinet Ministers (Written Question Number 1)

81-4-5

Job training on the Shakwak Highway and Foothills' Pipelines Projects (Written Question Number 6 - 3rd Session)

81-4-6

Compensation to Yukon trappers for loss of livelihood due to pipeline projects (Written Question Number 18 - 3rd Session)