



# The Yukon Legislative Assembly

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Number 14

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24th Legislature

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## **HANSARD**

**Monday, April 19, 1982 — 1:30 p.m.**

Speaker: The Honourable Donald Taylor

# Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

DEPUTY SPEAKER — Robert Fleming, MLA, Campbell

## CABINET MINISTERS

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

## GOVERNMENT MEMBERS

### (Progressive Conservative)

Al Falle	Hootalinqua
Robert Fleming	Campbell
Doug Graham	Whitehorse Porter Creek West
Peter Hanson	Mayo
Donald Taylor	Watson Lake

## OPPOSITION MEMBERS

### (New Democratic Party)

Tony Penikett	Whitehorse West
Maurice Byblow	Faro
Roger Kimmerly	Whitehorse South Centre

### (Liberal)

Ron Veale	Whitehorse Riverdale South
Alice P. McGuire	Kluane

### (Independent)

Grafton Njootli	Old Crow
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Clerk of the Assembly  
Clerk Assistant (Legislative)  
Clerk Assistant (Administrative)  
Sergeant-at-Arms  
Hansard Administrator

Patrick L. Michael  
Missy Follwell  
Jane Steele  
G.I. Cameron  
Dave Robertson

**Whitehorse, Yukon**  
**Monday, April 19, 1982**

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

**Mr. Veale:** I notice that a number of election officials are present here today and I would like to ask Members to welcome them. We look forward to them getting to work this spring.

#### DAILY ROUTINE

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

#### TABLING OF DOCUMENTS

**Hon. Mr. Lang:** I have for tabling, Coupon Conversion Study, 1981.

**Mr. Speaker:** The Chair also has for tabling today a report from the Clerk of the Yukon Legislative Assembly.

Are there any further Documents for Tabling?  
Reports of Committees?  
Petitions?  
Reading or Receiving of Petitions?  
Are there any Introductions of Bills?

#### INTRODUCTION OF BILLS

**Hon. Mr. Tracey:** I move, seconded by the Honourable Member for Mayo, that Bill No. 24, *An Act to Amend the Motor Vehicles Act* be now introduced and read a first time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Mayo, that *An Act to Amend the Motor Vehicles Act* be now introduced and read a first time.

*Motion agreed to*

<sup>02</sup> **Hon. Mr. Lattin:** I move, seconded by the Honourable Minister of Tourism and Economic Development, that Bill No. 20, *An Act to Amend the Liquor Act* be now introduced and read for a first time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Highway and Public Works, seconded by the Honourable Minister of Economic Development, that Bill No. 20 entitled, *An Act to Amend the Liquor Act* be now introduced and read a first time.

*Motion agreed to*

**Hon. Dan Lang:** I move, seconded by the Honourable Minister of Consumer and Corporate Affairs, that Bill No. 14, *Small Business Loans Act* be now introduced and read a first time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Economic Development, seconded by the Honourable Minister of Consumer Affairs, that Bill No. 14 entitled *Small Business Loans Act* be now introduced and read a first time.

*Motion agreed to*

**Mr. Speaker:** Are there any further Bills for Introduction?  
Are there any Notices of Motion for the Production of Papers?  
Notices of Motion?

#### NOTICES OF MOTION

**Mr. Graham:** I have a Notice of Motion with respect to mortgage interest deductability.

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

**Mr. Falle:** I have a Notice with respect to alternative energy sources.

**Mr. Graham:** I also have a Notice of Motion with respect to the transfer of the small business loans fund from Ottawa to Yukon.

**Mr. Speaker:** Are there any further Notices of Motion?  
Are there any Statements by Ministers?

#### MINISTERIAL STATEMENTS

<sup>03</sup> **Hon. Mr. Lang:** During the Tabling of Documents, I tabled a report with the results of a recently completed evaluation of Yukon's Tourism Marketing Program. I believe the information is especially relevant, given our current economic situation as far as the mining industry in Yukon is concerned.

The major portion of Tourism Yukon's North American Marketing Program for the spring, summer and fall of 1981 was channelled through two promotional vehicles: Reader's Digest in the Canadian Market and the World's of Alaska and Canada's Yukon, both promotions in the United States. Both of these promotions were co-funded with the State of Alaska as an experiment to enable Yukon to greatly extend its reach into both markets. This 1981 North American Advertising Program was in marked contrast to Yukon's 1980 program, which involved the placement of Yukon advertising in an array of seven magazines in the Canadian market and thirteen magazines in the United States, to generate requests for travel information and ultimately to generate visitors and revenue for Yukon.

Using funds provided through the Canadian Yukon Tourism Agreement, a detailed study of our 1981 program was undertaken by an independent research firm using much of the same methodology presented in the Coupon Conversion Study they conducted for us in 1980.

<sup>04</sup> By repeating the 1980 study for 1981, we have been able to undertake a rigorous assessment of our 1981 program in relation to the 1980 program. This is the first opportunity that we have had to evaluate our joint promotion with Alaska and the results are fully satisfactory to us.

The 1980 magazine advertising program in the North American market costs \$138,638 and generated about 2600 visitor parties, which resulted in about \$2,263,000 in 1980 visitor expenditures in Yukon. By comparison, last year, 1981, Alaska-Yukon's marketing program cost approximately \$250,000 and generated about 34,200 visitor parties and at least \$24,226,000 in 1981 visitor expenditures in the Territory. This \$24,000,000 accounts for nearly one-half of the total estimated expenditure of \$51,000,000 in the Territory during the year of 1981.

In essence, we increased our advertising costs by 80 percent and enjoyed a 1200 percent increase in the number of visitor parties and a corresponding increase of 970 percent in visitor expenditures directly attributable to our new Alaska-Yukon advertising program.

I have summarized the measurable gains which we have made as a direct result of our joint advertising program with the State of Alaska and detailed in the tabled report done by B.C. Research of Vancouver titled, "Coupon Conversion Study, 1981" and the subsequent cost benefit evaluation done by the department, which includes the figures I have presented here, among others.

Our research efforts are increasing to learn more about our second largest industry. This summer, students will be employed throughout the Territory, surveying our visitors to learn more about who comes to Yukon, why, where they travel, what they do and how much they spend. The result of this survey will help us to further refine our marketing program and to ensure that we continue to profit from our visitors while offering them a high quality memorable vacation.

<sup>05</sup> **Mr. Byblow:** I would like to thank the Minister for his amazingly short address and certainly look forward to the analysis of the document that he has tabled earlier. The Minister referred to some promotional material, that is, the literature jointly funded with Alaska. I have been able to review this literature over the past and I have received several criticisms respecting aspects of it, such as the lack of a thorough summary of available services, a lack of advertising opportunity and even a lack of adequate circulation. However, I believe this is only an experiment, as the Minister has indicated, and certainly these things will be corrected and remedied in future publications, I am sure.

I am very curious about the method by which the Minister arrived at the figures he used when he described the numbers of tourists who were generated as a result of the advertising program. They seem to be

very impressive figures and they raise the spectre of our capability to provide for these tourists once they arrive. I expect that part of a tourism plan addresses that and we do not do ourselves an injustice by over-marketing and over-selling.

I am very pleased about the student employment aspect and I trust the Minister will provide us with numbers, locations and expenditures in later discussions.

In conclusion, the marketing program that the Minister outlined where we have, in effect, paid a small portion compared to Alaska — in effect we have piggy-backed — I believe bodes quite well for Yukon. We must not ever lose sight of the fact that a fully co-ordinated and a successful program must include the development of our facilities as well, and our plan, in any tourism program, must address that.

I think it is unfortunate that we do not seem to have been able to develop new funding and new initiatives under a new general development agreement. It certainly appears as if we are now on our own in this area and our response to that will remain to be seen.

**Mr. Veale:** I am always amazed at what you can do with statistics, but nevertheless I will be looking forward to reading that Report on 1981. We can only hope that 1982, in terms of visitors to Yukon, will be greater particularly with the economic climate we are facing today.

Our Party would like to see a greater co-ordination between tourism development and our renewable resource industry, such as trapping, fishing and the fur and garment industry. Those two aspects are excellent for developing Yukon, and they are very complementary. What we excel at in unique Yukon products and pastimes should be something that tourists to Yukon would be very interested in seeing. It would provide them with things to do once we have them here.

**Hon. Mr. Lang:** In respect to the Yukon Visitors Association and their agreement with the Alaska Visitors Association, if a small or large business wishes to advertise, they have every right to put in an advertisement. It will cost them a few dollars, but that is their responsibility. We have to co-ordinate this fully with the Yukon Visitors Association and it is working out well. As far as the tourism industry is concerned in Whitehorse, we have just seen a major expansion to a hotel of approximately \$4 to \$4.5 million dollars. One of our other major Whitehorse hotels is in the process of being purchased by a major international company that operates in the tourism area and believes Whitehorse and Yukon has a future in tourism. A major hotel in Beaver Creek is near completion, which indicates that more tourists are arriving via the package-tour concept. In Dawson City, through the initiatives of this Government, we have been able to provide, along with the private sector, approximately another 60 rooms, which are to my knowledge fully booked for this forthcoming year. I do not think it is a matter of hoping for a good tourism season this coming year, I think we are going to have one. It may not equal what we had last year, but I think it will probably come very close and could well exceed it.

As far as co-ordinating with the various other elements of our economy, whether it be the fur or the wilderness travel or garment-making, we have already taken initiatives in this area. We will be discussing them in the Budget later. Approximately half a million dollars of Special ARDA money has gone into this type of financial endeavour. We do have co-ordination between the Department of Renewable Resources and the Department of Tourism and Economic Development.

<sup>07</sup> So, in conclusion, the Member opposite has questioned the statistics. As I indicated it was done by an independent firm who has taken a look at our previous advertising methods as opposed to what we are doing now. It obviously shows a very major increase, for the dollars that we are spending, in the number of dollars we are getting back as far as the economy is concerned.

**Mr. Speaker:** Are there any further Statements by Ministers?

Before proceeding with the Question Period, this afternoon, I would like to, just briefly, deal with the question raised during the Question Period Thursday last, where the question of policy came into light. It was necessary for the Chair to rule two questions out of order.

The Chair has had an opportunity to review these sections and finds that there is, indeed, a grey area. It is still difficult for the Chair to determine precisely whether those questions ought to have been ruled in order or whether they ought not to have been ruled in order. It is very, very difficult for the Chair, in considering the questions, in light

of the preambles, the literal construction, shall we say, of the question itself, when we are dealing with questions asking opinions of the Ministers or perhaps questions of policy.

It is clearly stated, and I am sure all will agree, that questions seeking an opinion about policy are generally ruled out of order or questions asking for a general statement of Government policy may be out of order if they require a reply which is rather lengthy.

I thought I would just bring this to the attention of the House, and the Chair has always agreed when it finds Members dissatisfied with decisions made by the Chair — as I say, sometimes it is difficult in trying to determine from lengthy preambles the actual literal construction of questions — sometimes perhaps the Chair misunderstands the question.

## QUESTION PERIOD

**Mr. Speaker:** We will now proceed with the Question Period.

### Question re: Canadian Constitution

**Mr. Penikett:** I have a question for the Government Leader, and it flows from his recent visit to the mysterious East.

I would like to ask him, now that Canada's new Constitution has been proclaimed with an affirmation of aboriginal rights. Does this Government still persist in holding a position at odds with that of Canada and of the nine provinces on this question of aboriginal rights?

<sup>08</sup> **Hon. Mr. Pearson:** Just to clarify this, we have never been at odds in respect to aboriginal rights. This Government has said very clearly — and has functioned on that basis for the last four years — that the aboriginal people of this Territory have a right to negotiate a Land Claims settlement. We felt, and still do, that the section in the *Constitution Act*, as it is written, is very ambiguous and unclear and is going to require further meetings. Those meetings are going to be held. The Prime Minister referred to them in his statement.

I am confident that the Territory will be represented at those meetings by this Government. We are actually far more interested in seeing the aboriginal rights clearly defined so that everybody knows exactly what they are, than the nebulous statement that is now there.

**Mr. Penikett:** Since the Government Leader and his Government has defined aboriginal right as common-law rights, a position clearly at odds with that of Canada and nine of the ten provinces, can he indicate to the House if that is still his position and that is the position that they will take into such discussions when they take place?

**Hon. Mr. Pearson:** The Leader of the Opposition is playing with words and I believe that he is misleading when he is saying these things. He knows very well that that is not what was intended, nor was that said. We will be the first Government in Canada to clearly define what aboriginal rights are. We will be the very first. I am confident of that.

**Mr. Penikett:** The Government Leader is quite correct that he has defined aboriginal rights as not being aboriginal rights. Let me ask the Government Leader, since his position is probably even more muddy of that of the Government of Canada than the Constitution's, if he will be bringing back to this House, by way of resolution or some other proposal, a new statement of aboriginal rights so that it will better conform to the statement in the Canadian Constitution?

**Hon. Mr. Pearson:** We have been clear — and I might point out that the Council of Yukon Indians are clear as well — that what we want in the *Constitution Act of Canada* is the aboriginal rights that are being negotiated by the Council of Yukon Indians on behalf of all of the Indian people of this Territory, specified clearly and unequivocally in an Act of Canada. We are continuing to work towards that.

### Question re: Municipal status

**Mr. Veale:** I have a question for the Minister of Municipal and Community Affairs regarding the implications of the delay in proceeding to municipal status from September first of this year. Can the Minister confirm that his department has now gone to communities other than Whitehorse and suggested that their original nine-month budget allocations are now being required to be projected on a twelve-month basis, even though it involves the same amount of money?

**Hon. Mr. Lattin:** No, that is not correct.

**Mr. Veale:** Will the Minister not confirm that, in fact, the original budgetary estimates received from communities was based on a nine-month budget and that they have now been asked to resubmit that same amount of budget allocation over a twelve-month period?

**Hon. Mr. Lattin:** At this time, I am not aware that that has occurred.

**Mr. Veale:** I wish to ask the Minister regarding the implementation of municipal status, is there flexibility in that implementation so that if a community were prepared to change that that community could change and would not be held back because other communities did not wish to proceed at the same time?

**Hon. Mr. Lattin:** When I had a meeting with the President of the Association of Yukon Communities, he informed us that all the communities had agreed with this. We discussed other things, but at that time they were worrying about the deadline of September 1, 1982 and they suggested that they leave it open. After some discussion, I agreed with that. At all times we have had a good relationship with the Association of Yukon Communities and I am sure that if they were coming forward with suggestions of this sort that we would consider them very diligently and at that time we would make our decision.

**Question re: Federal-Yukon Development Agreement**

**Mr. Byblow:** I will direct my question to the Government Leader, however, he may wish to defer to the Minister of Economic Development. It surrounds negotiations of a new joint Federal-Yukon Development Agreement. I would like to ask whether any successful negotiations are taking place now towards continuation or development of a new agreement, including funding?

**Hon. Mr. Lang:** I just want to confirm to the Member opposite that I have no problem if he asks me questions directly. Perhaps he could elaborate further. Is he referring to the Tourist Subsidiary Agreement or the General Development Agreement, because his question is very vague?

**Mr. Byblow:** I did use a reference to the General Development Agreement, so therefore, I would ask him in my first supplementary whether or not the Comprehensive Development Agreement as outlined in the Capital Budget of last fall will receive funding?

**Hon. Mr. Lang:** At the present time it is uncertain. The Government of Canada has reorganized various departments, including the Department of Regional and Economic Expansion and the rules really have not been laid down. We are trying to decipher what those rules are. We are working — and I can assure the Member opposite — within the best of our ability to go towards another agreement. Whether or not we are going to be successful remains to be seen.

**Mr. Byblow:** Is the Minister then saying that the \$2,000,000 Capital Budget item regarding the Comprehensive Development Agreement is an unlikely prospect?

**Hon. Mr. Lang:** The Member is referring to previous numbers that were in the Capital Budget. If he is talking about the Tourist Subsidiary Agreement, no. Those monies will be expended this year because we were successful in negotiating a year extension to the Tourist Subsidiary Agreement.

In respect to the Renewable Energy Agreement under the auspices of the General Development Agreement, it remains to be seen.

**Question re: Health Fair**

**Mrs. McGuire:** I have a question for the Minister responsible for Health and Human Resources.

On May eight of this year, the City Board of Health and the Rotary Club will be sponsoring a Health Fair. Approximately 70 organizations and individuals will be participating in this fair. What criteria did she use in determining which services and programs in her department would participate in the Health Fair?

**Hon. Mrs. McCall:** This has not come up for discussion within the department but I would be interested to hear more about it.

**Mrs. McGuire:** Given the Minister's repeated commitments to Health and Drug Services, could the Minister explain if Alcohol and Drug Services will be on the list of participants in the upcoming Health Fair?

**Hon. Mrs. McCall:** As I said, it has not been discussed. I would think that Alcohol and Drug Abuse would probably be one of the main

topics, something that I would like to see discussed.

**Question re: Yukon Civil Rights Legislation**

**Mr. Kimmerly:** A question to the Minister of Justice.

Since the new Canadian Constitution is now a fact and there is a Canadian Bill of Rights which applies here in the Yukon, is the Minister's department now doing a review of Yukon Civil Rights Legislation to determine what parts are obsolete and unenforceable and need to be repealed to avoid public confusion?

**Hon. Mr. Tracey:** Yes, we do have a new Charter of Rights in Canada today. As the Member across the floor full well knows, it is going to take a considerable period of time before we are able to review all of our legislation to conform to that Charter. We do not, at this time, plan on putting somebody on it full time to review our legislation. What we do plan is that whenever we deal with any piece of legislation or whenever we find a piece of legislation that needs overhauling to conform to the Charter of Rights, we will do so.

**Mr. Kimmerly:** I would ask the Minister to state whether or not any work has already been done to identify any inconsistencies between the Yukon laws and the new Bill of Rights?

**Hon. Mr. Tracey:** Yes, some work has been done. More work will be done in the future.

**Mr. Kimmerly:** I ask the Minister if he can give a project of when we may expect, at least, a repeal of the offending sections, to avoid public confusion in this area?

**Hon. Mr. Tracey:** No.

**Question re: Native advisors**

**Mr. Njootli:** I would like to direct a question to the Government Leader.

In view of the fact that the Government Leader does not have a Native advisor and also in view of the fact that he has no status in the First Minister's Conference as Premier, is the Government Leader prepared to form a coalition with the Native organizations across the Yukon Territory in relation to lobbying to amend the Canadian Constitution to fit the needs of all Yukoners?

**Hon. Mr. Pearson:** I am in close contact with the executive of the Council for Yukon Indians, if necessary, on a daily basis. If they have any advice for me, they make sure I receive that advice.

**Mr. Njootli:** In view of the fact that the Government has a large number of civil servants who are paid more than the front-benchers, is the Government Leader prepared to look into the situation where a Native advisor can be hired?

**Hon. Mr. Pearson:** I cannot see what the very low pay of front-benchers in this Government has to do with Native people working for this Government.

**Mr. Njootli:** In view of the fact that the Federal Government has been conferring with both the front-benchers and the Indian people, because of the divide and conquer tactic that they use, is the Government Leader prepared to work more closely with the Native people?

**Hon. Mr. Pearson:** I have been prepared, and stand prepared, to work very closely with the Native people of this Territory on any subject at all.

**Question re: Condominium sales**

**Hon. Mr. Tracey:** I have the answer to the question that was put to me by the Leader of the Opposition last week to deal with condominium sales in Riverdale. He asked me if I was knowledgeable of the fact that this corporation was selling these condominiums without having the title registered first. They are not being sold, they are only agreements for sale that will not become effective until the legal paper work is done.

He also asked me if I was aware that the complex carried a mortgage for over a million dollars, and whether this would be passed onto the buyers. I have spoken to the person who owns that complex and he has assured me the mortgage will be cleared up at the time of the sale of the condominiums.

He also asked me if it was our intention to introduce regulations governing condominium conversions. We will look at it. If there are any amendments or regulations that need to be brought in, we will do so.

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**Question re: Yukon Heritage Savings and Trust Fund**

**Mr. Penikett:** I have a question for the Government Leader. This year's Throne Speech promised legislation to establish a Yukon Heritage Savings and Trust Fund, which was to be supported by revenue from taxes on the Alaska Highway and Gas Pipeline. Now that we know that the pipeline has been delayed for at least another year, is it still the Government Leader's intention to legislate on this promise this year?

**Hon. Mr. Pearson:** Yes, I have every intention of tabling the legislation at this Session. It is true that we will not have taxation from the pipeline as quickly as we anticipated. However, I think it is important that we do table this legislation and have it discussed in the House because there are other revenues that I respectfully suggest that we, as a Government, and we as Yukoners, should be considering for this fund.

**Mr. Penikett:** I hear a smell of new taxes. Since the Speech also stated, "My Government's vision for the future includes the maintenance of the railway and the extension North from Whitehorse into the Ross River", can the Government Leader indicate what formal discussions have taken place with Ottawa and Victoria on this important question?

**Hon. Mr. Pearson:** There have been no formal discussions taking place with Ottawa but will be meeting with Premier Bennett on May 2nd in Juneau, along with Governor Hammond, and I am confident that the railway extension in the Territory as well as railway extension in Northern B.C. and in Alaska will be a topic of discussion. It has been on the agenda of every meeting that has been held of this kind. Because there have been no recent meetings does not detract from our support and feeling that, as this Territory develops, rail has to be extended into the Selwyn Basin area of the Territory.

**Mr. Penikett:** I had hoped for some report of more specific action and I am pleased that he has been briefed in the past on Alaska and B.C.'s plans regarding railway development. Could I ask the Government Leader specifically if the proposed routes of extension being considered by Alaska and B.C. have been the subject of discussion at the Government Leader's meetings and if this Government has taken a position on either of the proposals for B.C. and Yukon?

**Hon. Mr. Pearson:** There was a Bill in the Alaska Senate two years ago that was defeated and the proponents of the Bill sought some support from the Yukon Government in respect to an intercontinental railway from Fairbanks to the southern states. It was going to run across the Territory, pretty well down the Tintina Trench. It would have just followed the Tintina Trench from one side of the Territory to the other. That would have had it coming into Yukon somewhere north of Beaver Creek, between Beaver Creek and Dawson City, and going out of the Territory just north of Watson Lake.

What we would have been was the land bridge. The Tintina Trench has mineralization in it, however it is perceived that it is going to be some time before it actually is developed. Also, it was not going to get us rail to tidewater. We indicated to the Alaska people, at that time, that we are far more interested in the extension of rail from tidewater to the Selwyn Basin.

I might also add that there was a problem in Alberta as well, in respect to that Alaska proposal. I believe that that really was the reason that the Alaska proposal died on the Order Paper then.

In respect to British Columbia, the development of the British Columbia railway north to Fort Nelson or to Watson Lake is something that the British Columbia Government looks at periodically and then, in fact, have made a couple of false starts at getting some more work done. At the present time I cannot anticipate what the Premier of British Columbia might say two weeks hence.

**Question re: Pelly school contract**

**Mr. Veale:** I have a question for the Minister of Highways and Public Works regarding the Pelly school contract which was announced last week. Will the Minister advise what Yukon subcontractors were included in the original tender that has been accepted?

**Hon. Mr. Lattin:** I will take that question under advisement so that I can bring back a detailed answer to that question.

**Mr. Veale:** Recently I am sure that the Minister will recall that a number of independent truckers were left out of the Old Crow trucking

contract and an additional \$37,000 had to be allocated to ensure that there was Yukon participation. Does the Minister have any terms in the original tender contract to ensure that Yukon subcontractors will be hired?

**Hon. Mr. Lattin:** No.

**Mr. Veale:** Will the Minister give a commitment that in the future when tenders are let out, there will be a contract provision dealing with it so we can be assured that the greatest attention will be given to the hiring of Yukon subcontractors.

**Hon. Mr. Lattin:** No, we cannot do that.

**Question re: Alcohol consumption**

**Mrs. McGuire:** I have a question for the Government Leader. I had previously put forward questions regarding statements he made on the Jack Webster show. He said that Yukon did not have a higher alcohol consumption volume than any other place in Canada per capita. In view of the 1980-81 statistics and financial report of the Yukon Liquor Board, which I presume he has studied, will he admit that Yukon holds the record high alcohol consumption per capita of Canada?

**Hon. Mr. Pearson:** I have never had any trouble admitting that. What I have said repeatedly to the Honourable Member is that does not imply, nor will I accept it as a statement, that Yukoners generally drink more than anyone else in Canada. That is garbage. There happened to be, per capita, more tourists in this Territory in the summertime and maybe the tourists who come to Yukon drink more than the tourists who go anywhere else, I do not know about that. It is a fact that I know that Yukoners do not drink more than anyone else in Canada.

**Mr. Speaker:** That question would normally be out of order as it is out of order to ask the opinion of a Minister.

**Mrs. McGuire:** According to Tourist Information Officers and Government agents, at least in my area, on an average, one out of 20 purchasers of spirits, wine and beer, is a tourist. In light of these findings, does the Government Leader know what the major factor is in the high volume of purchases that Yukoners make?

**Hon. Mr. Pearson:** I am not sure I know what the question is. Is the Member asking me what Yukoners drink most of? Or is she asking me how much they drink? I do not know what she is asking me, I cannot answer it.

**Mrs. McGuire:** My questions are fairly straightforward. They relate to the cause of the problem and when you find the cause, you find the solution. According to my calculations of the Liquor Corporation Annual Report whereas 830,020 gallons of spirits, beer and wine sold in Yukon...

**Mr. Speaker:** Order please. I believe the Honourable Member is making a speech. Could the Honourable Member please pose her question?

**Mrs. McGuire:** ...and whereas we have a count of 22,000 people, sales averages out at thirty-seven and a half gallon per person...

**Mr. Speaker:** Order please. Will the Honourable Member kindly propose the question?

**Mrs. McGuire:** I will do that, but I must explain what the question is about, otherwise the Leader will not know what I am talking about again.

**Mr. Speaker:** Such long preambles are an abuse of the question period.

**Some Honourable Member:** So are long answers.

**Mr. Speaker:** Could the Honourable Member please ask the question?

**Mrs. McGuire:** What contributes the greatest percentage of high alcohol consumption in the Territory? Is it the drop in the age limit?

**Mr. Speaker:** The Member is asking for an opinion again however I will permit the question.

**Hon. Mr. Pearson:** I am sorry I cannot answer the question. In spite of the preamble, I still do not understand what the Honourable Member is asking me. If she wants to come to my office and talk to me about alcoholism, or go to the people in this Government who know and deal with alcoholism — because I do not, but there are people who are experts that work for this Government who would be more than happy to talk to her about alcoholism and what causes it — I am sure she can avail herself of that expertise.

**Question re: Recreation review**

**Mr. Byblow:** I am tempted to ask a question about the Faro Liquor Store. However, I will direct the question to the Minister of Education on the subject of recreation. I understand that the recreation seminar slated for the end of this month will deal with the restructuring and funding of Territorial recreational services. Has the department been able to assess the input from the 59 submissions received by the committee that was struck to co-ordinate the review?

**Hon. Mrs. McCall:** As the Honourable Member can appreciate there were a number of very interesting briefs and it has been a tremendous amount of work trying to distill the essence of each of those. They are still working on it, but conclusions have not been drawn as yet.

**Mr. Byblow:** Will her department be presenting any type of Government position to the seminar for adoption regarding recreational services and funding?

**Hon. Mrs. McCall:** No, the department will not be adopting a stance before the review. The purpose of the review is to show Government where changes should take place and what changes are necessary. The review is to the Minister and after the review, we will then assess which recommendations are going to be put into effect and so on. All that will happen after the review.

**Mr. Byblow:** Is it the Minister's intention to make a ministerial statement on the subject of the submissions or to table a policy or discussion paper in the House or even perhaps legislation?

**Hon. Mrs. McCall:** It could be any or all of those options.

**Question re: Yukon Civil Rights**

**Mr. Kimmerly:** I have a question for the Minister of Justice, again on the subject of the new Bill of Rights. What steps has the Minister of Justice taken to ensure that Police Officers are instructed of their new duty to tell arrested people that they are entitled to a lawyer?

**Hon. Mr. Tracey:** I think the Member across the floor knows full well where the instructions to the RCMP come from. They come from the Solicitor General in Ottawa.

**Mr. Kimmerly:** With respect to the *Landlord and Tenant Ordinance*, have the Minister's officials been now told to not apply the Ordinance where it is in conflict with the new Bill of Rights in areas, for example, such as the Equality of Sexes Legislation and discrimination against the handicapped?

**Hon. Mr. Tracey:** I think the Member across the floor is trying to give the insinuation that the Government is, right now, contravening the Bill of Rights. It never has done that and it never will do that.

**Mr. Kimmerly:** I am not trying to give any impression whatsoever. I will ask the Minister again, have the officials been instructed to not enforce the Legislation where it is in conflict with the new Bill of Rights?

**Hon. Mr. Tracey:** I think if the Member across the floor is going to make those insinuations, he should say specifically what section he wants me to instruct my department not to contravene.

**Question re: Employee appeals**

**Mr. Njootli:** I would like to direct this question to the Minister of Highways.

Are there ways and means and levers by which an employee can make an appeal in his department in regards to decisions made on those individuals working for his department?

**Hon. Mr. Lattin:** I think that if one has a problem with a decision, he can take it up through his union. I believe that we have had certain appeals in various departments of the Government and that is the procedure as I understand it.

**Mr. Njootli:** I would like to find out just exactly what procedure the Minister is speaking about. It is very important as it refers to a problem with one of my constituents. If there is such an appeal anywhere, would the Minister direct his department to act on such an appeal, and how soon can that particular appeal be heard?

**Hon. Mr. Lattin:** There is an appeal procedure negotiated with the Public Service Alliance of Canada on behalf of all of the employees that work for this Government. There are some people who are exempt from such an appeal procedure. On the whole, most of the employees are able to take advantage of that procedure.

It is laid down quite specifically in the negotiated contract. If the Honourable Member knows of a problem or foresees that someone is having a problem, I am sure that the Public Service Commissioner would be most happy to give him a hand to make sure that his constituent is able to take advantage of that procedure.

**Mr. Njootli:** I would like to inform the Honourable Government Leader that I have always done whatever I can for my constituents. However, if the Minister enquires into this particular situation in Old Crow and if the investigation turns out to be in favour of the Old Crow man, is his department prepared to reinstate this man as an employee?

**Mr. Speaker:** I must rule that question out of order as being hypothetical.

**Question re: Advisory Council**

**Mr. Veale:** I have a question for the Minister responsible for the Women's Bureau.

In a recent announcement on the terms of reference for the Advisory Council, it appears that the Annual Report can be made three months after year-end. Will the Council be empowered to make its recommendations to the Minister public on each occasion during the year when the recommendations go forward to the Minister?

**Hon. Mrs. McCall:** I would expect so.

**Mr. Veale:** I am pleased to hear that commitment from the Minister.

The other problem of course, relates to the fact that the report, if it comes out three months after the year-end may come out too late for the spring Session of the Assembly. Would the Minister consider changing those terms of reference to ensure that the Report is tabled in the spring Assembly?

**Hon. Mrs. McCall:** Any problems that are encountered will be solved as we come to them. We have not gotten very far with this as yet.

**Mr. Veale:** Would the Minister advise when the composition of the Council will be complete and that they will be able to have a forum and actually act and proceed to make recommendations?

**Hon. Mrs. McCall:** The Women's Bureau is proceeding as was laid down in the terms of reference.

**Question re: T.C. Richards Building**

**Mr. Penikett:** I have a question which should make the Minister of Tourism happy.

The Whitehorse Chamber of Commerce has refused to provide the non-profit organizations renting space at the T.C. Richards building with details of the agreement between the Chamber and this Government, including the relevant financial information. Since this Government has advanced at least \$300,000 of taxpayers' dollars towards the building, will the Minister undertake to provide the tenants with the requested information?

**Hon. Mr. Lang:** The tenant to which the Member is referring is the Conservation Society and I understand that they have a copy of the unsigned agreement that was signed between the Chamber of Commerce and ourselves.

**Mr. Penikett:** The Minister is incorrect in his understanding, as is often the case, so I will direct a supplementary to the Minister of Consumer and Corporate Affairs. Since the T.C. Richards building is largely funded by this Government, will this Minister undertake to mediate, or to open negotiations, with the Chamber and the tenants over the terms of the leases including space allocations and costs?

**Hon. Mr. Lang:** I would just like to point out to the Member that he is inaccurate in his comments, as he usually is, in his preamble to that question. If the Conservation Society wishes a signed copy from this Government, all they have to do is call me or give me a formal letter that they would like that information and I would be more than happy to comply.

**Mr. Penikett:** I am sure that the Conservation Society will be simply overjoyed at the benevolence from the Minister opposite since they had no luck getting this information so far. I would like to ask the Minister if he will assure the House that space in this building will be rented to a non-profit community organization only on a non-profit basis? Perhaps that is more appropriate to the Minister of Consumer Affairs.

**Hon. Mr. Lang:** No. The Member opposite is obviously confused because the agreement does come under my auspices. In respect to the non-profit organization, I think it is clearly spelled out in the agreement that that is what the space is to be used for. Who is rented to, as far as a non-profit organizations are concerned, is largely up to the Chamber of Commerce who I am sure will act wisely on behalf of all people who would like to take the opportunity of renting such space.

**Question re: Yukon Teacher Education Program**

**Mr. Byblow:** I have a favourite question for the Minister of Education. The Minister has, in previous questioning, stated that the reason for cancelling the third year of YTEP was the lack of sufficient applicants. I would like to ask the Minister how her department was able to determine that there would not be enough students when the program was terminated at least a month before the usual deadline for applications?

**Hon. Mrs. McCall:** The department is forever making forecasts. We are obliged to do that.

**Mr. Byblow:** Perhaps the Minister could tell me why they have not forecasted the decreasing need for teachers? My question to the Minister would be to ask if the Government will reconsider its decision to terminate the third year of YTEP if 15 applicants so apply before the end of May?

**Hon. Mrs. McCall:** No. That is not how we arrange our classes. We did forecast the decrease in the need for teachers.

**Mr. Byblow:** I do not seem to be getting anywhere. Could I ask the Minister if it is department policy that there is no obligation on the part of the department to continue an academic program until students enrolled in that program have had the opportunity to complete it?

**Hon. Mrs. McCall:** Students will still have the opportunity to complete that with individual courses that are still being offered. The department's policy is not to cut off program when they are still needed but, with a tight budget, we had to weigh which programs were the least needed and that was one of them.

**Mr. Speaker:** This now concludes the Question Period. We will proceed to Orders of the Day under Government Motions.

**ORDERS OF THE DAY**

**GOVERNMENT MOTIONS**

**Motion No. 16**

**Mr. Clerk:** Item No. 2, standing in the name of the Honourable Mr. Pearson.

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

**Hon. Mr. Pearson:** Yes.

**Mr. Speaker:** It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Tourism and Economic Development that the Yukon Legislative Assembly, pursuant to subsection 9(2) of the *Yukon Act*, is desirous of dissolving on the date of the Issue of the Writs for the 1982 Territorial General Election.

**Hon. Mr. Pearson:** This Motion is necessary so that the proper sequence of events can take place when it is deemed the proper time for an election to be held. The reason for this Motion, I anticipate, will be gone by the next time that a General Election will be called in this Territory because I am quite confident that by that time the necessary amendments to the *Yukon Act*, our Constitution, will have been made to put into place *de jure* what is *de facto* responsible Government now.

This necessity has come about as a result of an amendment to the *Yukon Act* in 1964. It was put there to protect the Members of the Legislature from the whim, if you will, of a Minister or a Commissioner, of the day because the way the *Yukon Act* was written before this amendment was that, without consulting with anyone, the Minister could arrange for the Legislative Assembly of Yukon to be dissolved at any time. The consultation process worked fine until party politics and responsible Government came about. It is now a meaningless thing, however, it is something that we are going to have in place. It is an indication to the Federal Cabinet, who have to make the decision as to when this Legislature will be dissolved, that we generally agree that we be dissolved so that a General Election can be held.

**Mr. Veale:** I am pleased to support this Motion because, although it has taken three and a half years, I believe it is going to give the people of Yukon what they wanted, and that is a General Election. I do not think that it is a secret that the people have been waiting a long time to tell this Government precisely what they should do and I think that that will be that they should get out of office. I think it is a great time to bring forward a motion like this.

The very important challenge for the Government is to actually call the election. I would like to challenge the Government to call the election on June 14th, or as close thereabouts as possible. The reason is very specific. The people of Old Crow, as the Government Leader knows, are now departing to go out to Old Crow Flats, and by tradition they generally return around the middle part of June. I think it is incumbent upon a Yukon Government to ensure that the election date that is called will be a date that makes it feasible for people of Old Crow to actually cast their ballots in Old Crow.

**Mr. Penikett:** It has been your pleasure, once again, to have just heard one of the more suicidal initiatives of one of the Western Canadian Liberal Parties.

Amusing as that is, I want to say that since this is a matter of consultation with the masters in Ottawa — and I know how often the Ministers concerned consult with the Members opposite and the Members to our left — since we are never consulted on any of these questions, it is very nice to at least go through the formality today.

*Motion agreed to*

**Mr. Speaker:** May I have your further pleasure.

**Mr. Graham:** 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*

**COMMITTEE OF THE WHOLE**

**Mr. Chairman:** Committee will be going into Bill No. 5, and then if we finish Tourism we will start on Bill No. 6, 7, 29, 22 — I think that will be far enough to go, just for your information — after a brief recess.

*Recess*

**Mr. Chairman:** I will now call the Committee of the Whole back to order.

Page 122, Tourism and Economic Development, I think we were in General Debate.

**Mr. Penikett:** Just before we broke for the weekend, the Minister and I were having very constructive, non-controversial, non-partisan discussions on the question of planning. We had reached the point where the Minister agreed on the value of the planning functions so far as it pertained to co-ordinating various functions of the Government, as they affect economic development, including tourism, renewable resources, roads, manpower development and so forth. I think the Minister was generally agreeable to that point.

What I want to now ask the Minister though, since we were promised two Throne Speeches ago an economic strategy, is about the next part of the planning proposition which is, if you like, the planning objectives. Unlike the Minister of Finance, the Minister of Economic Development has been very good about bringing to the House the specifics about the number of jobs that will be created by each of his expenditures, both construction jobs and permanent jobs, and that is commendable.

The Minister, no doubt, has also had his officials do some elementary calculations about the numbers of dollars required to be invested in the certain sectors to achieve certain ends. I do not know what has happened with the computer model that we were introduced to, some years ago, but the Minister may want to say something about that.

I specifically would like to get the Minister to say something about the formulation of the economic development plans in terms of economic objectives. The Minister has from time to time in the House indicated his hopes and his aspirations for the future of the Territory. What I would like to know, in economic terms, what the planning objectives are, has the Minister been able to formulate the plans of the department to the point where he can say they would hope to see so many jobs created in Tourism, so many jobs created in mining, and so many jobs created in transportation and that job creation would require the following kinds of investment, and that these are the sectors, and the people who would be doing that investment would be Territorial Government in one case, Federal Government in another case or the private sector in this case, small business in one case, large international corporations in another case.

<sup>23</sup> I am sure he did not mean what he said when he said he did not believe in planning. I am sure the Minister does not have these plans stated in a lot of detail. I wonder if he would care to say something about the broad economic objectives? Can he state them in terms of three years from now, five years from now, ten years from now — what he would hope to see in terms of investment in each of the sectors and job creation in each of the major sectors?

**Hon. Mr. Lang:** There is no question that I would like to see more development in the Territory. Our Party is committed to economic development and therefore the way the process works. For example, we received a call from a major developer yesterday — and we are receiving information about what is here, what is available land-wise, the general market, as far as people available, skills we know are available — and relaying that information back to that individual. With the direct responsibility we have, we play a part of assisting and encouraging the investment climate.

As you know, we have not brought in any major tax increases to business because we do not believe that would be an incentive for people to come here. We are trying to keep the economic climate in such a manner that people know they are welcome. We specifically went into the general development agreement because we knew it would provide for a regional incentive tax rebate at the Federal level, which does encourage people to come in.

There is no question the future of the Territory is tied in with the mining industry. That is the first industry in the Territory and will remain the first industry for many years to come. There are many variables that we have no control over, and that is the metal markets.

We are doing everything we can to encourage people to invest in the Territory. The Government should get some credit. For example, our tourism marketing plan with the state of Alaska has encouraged investors to invest. We have two new hotels in Dawson, a major extension to one of the hotels in Whitehorse, one hotel changing hands to one of the major international companies. They know that we, as a Government, support tourism and are doing everything we can to encourage that type of investment.

We have worked very closely with the mining industry. The Member raises the question of the criticism that was made of the Territorial Government by the President of Cyprus Anvil. I had a conversation with him and he felt that overall our Government had done a good job trying to do what we can when requests are made upon us, for example in the community of Faro. In order to encourage expansion of that community, we realigned our priorities within a week and a half and put an additional \$1 - \$1.5 million dollars into that community so that we could simultaneously put in the municipal works so that the housing extension could continue.

Three years down the road, I can see the possibilities of two new mines going into production. Depending what happens with the Pan-Ocean Hudson Bay property, along with metal markets, and the Amax property in the Selwyn Basin, it is going to be conducive for those people to invest in a long-term commitment in that area for the purpose of getting into the mining industry.

<sup>24</sup> The other thing, of course, which remains to be seen, is the Alaska Highway Gas Pipeline. I think it is going to be a major plus for the Territory. We may have some social disruption over the course of the building of it but, in the long term as far as the Territory is concerned, it is going to be very much of a plus for all people in the Territory because it is going to provide Government with a tax base which we

presently lack where monies, on an annual basis in the area of \$30,000,000, can be made available for various other projects to support and assist economic development such as, the extension of the White Pass Railway. If we have some monies, perhaps that is an area where one could make a long-term investment, as far as the transportation links of the Territory are concerned.

There are a number of options that are available as far as the Territory is concerned, and there is no question that Yukon has a future. I think we can be part of it.

One of the areas in which we have put representation forward to the Government of Canada is energy. I noticed in the announcement that was made today that a number of them were accepted. That only answers in part the short-term situations as far as the Territory is concerned and I think that there has to be a very major incentive and thrust towards the communities not involved on the grid with the idea of getting into small hydro projects. We have to get off the dependency on fuel so that there is a stabilization of price and a renewable energy that we can utilize and, at the same time from my perspective, also enhances the economic climate for a person to invest.

**Mr. Penikett:** I take it from the Minister's reply that the department has not as yet had something comparable to the economic planning statements or the economic strategies that most of the provinces have. I would be interested in knowing whether they are working towards that?

I was interested to hear the Minister talk about the facilitator role for the Government, the assisting and the encouraging. I would only make this representation to the Minister, that I think the experience of most of the provincial governments is that unless you do that within the context of clearly defined objectives for yourself — and I do not mean clearly defined in terms of possible mines or possible developments, but one's own list of priorities in terms of what one desires to see happens — sometimes one can make potentially unwise expenditures of money, time and human resources. That is, as the Minister agreed in our debate last week, critically important in such a community with such scarce resources of the financial and human kind at this point.

When the Minister refers to the question of variables, that is obviously perfectly true. I do not think any sensible person expects this Government to do much about world metal prices. However, a number of the variables that we spoke of last week are within the control of this Government and when we talked about whether it is manpower, training or transportation plans — all these things, even energy — the Government has a foot in the door.

<sup>25</sup> Perhaps it has only a toe, but there is a crack there which they are, at least, being consulted about. The point being that it is essential, no matter how few variables are under the influence of this Government, that one maximizes the Government's influence on behalf of the community here.

It is essential that we consider the need for an economic strategy as it was referred to in the Throne Speech two years ago, as a kind of statement of those objectives. I think, if you do not — professionals call it "management by objectives" — have some clear idea about where you want to be a number of years from now, it is very hard finding to work backwards from that. If you do not have a clear idea of your ends then you have trouble identifying the means to those ends.

I would simply close my remarks in a non-combative way, and I will ignore the rather inane observations by the Minister on a couple of points about what this Party believes in or does not believe in, having responded to them before. I will just sort of ignore them as wasted time or wasted breath. It is a little disappointing that when we are trying to have a serious discussion about this that that would happen.

The difficulty is that we do not yet see a statement or strategy coming from this Government in terms of — not just its hopes — but of its specific goals. I recognize that this Government is not going to make the key decision about whether a mine opens or not. I think the Minister understands that the role of the Government in providing the infrastructure and the transportation system is critical and there is obviously also a role for the Federal Government.

However, I would ask the Minister to be reminded of this. We now have a *Municipal Ordinance* for example, which has not been proclaimed but has passed this Legislature, which requires of every community that they have a community plan. It requires that that plan take

into account economic factors. Now, that Ordinance would, presumably, apply also to a new community that might be created to facilitate some new mineral development.

I understand the obvious point made by the Minister and others that we do not have a huge bureaucracy here. We do not have several layers of executives and economists to do this work. I would make this logical point to the front bench opposite, it is I think, contradictory or illogical to require of small communities that they have such plans, which take into account economic and social factors, which is what the law says, if the Territory is not doing the same on behalf of the whole community, and that the people who are involved in the consultation, in terms of developing those plans, are not also the communities who are an affected party, as well as the developers and the other parts of the community.

26 It really comes back to the problem of integrating the plans. Last week, I think, the Minister of Economic Development made the point that in his view it was the Cabinet here that was the integrator of the various elements. The difficulty I have with that, and I make the point in this estimate rather than later, is that as I observe the structure of the Government, apart from the Executive Council Office — and I do not see this described as one of their functions — there is not the staffing ability — perhaps the talent probably exists in intergovernmental affairs — but it does not seem to be a described function to do that kind of integrating of the manpower training, the transportation development, all of those kinds of things, which are necessary if one is to move towards either a planning statement or a more detailed economic plan as done by other governments.

I make my points, not by way of asking further questions, but simply by making observations on this point. I think it is an important one for the Territory at this point in our history where we are in a slow economic period. If nothing else, that does provide an opportunity for reflection and careful thought about what we may contribute in small or large ways to redirecting and restoring the economy.

**Hon. Mr. Lang:** Just a couple comments. I can assure the Member opposite that — and I do not want the Member to consider by comments combative because I do not want to cause the Member any medical problems — in respect to the broad objective of the Government, there is no question if the major objective of the Government being to attempt, where possible, to stabilize and diversify our economy. Working from that major objective, we took the initiatives in tourism that we felt would aid and assist our tourism industry and ensure that it was healthy, which for the most part, as the Member from Faro indicated, has been successful.

In respect to the spending of monies, there is no question that we do in most cases, where possible and time permits, a cost analysis. In the north Canol, we are looking at all the various economic financial variables that tie in, such as if a road is to be built, what is going to be the longevity of those mines when they go into production in proportion to the cost of the infrastructure that is required there. Similarly, in our energy agreements and our tourist subsidiary agreements, the same exercise was gone through and I think, for the most part, it has proven to be successful.

As you know, we worked for close to a year in trying to come up with an arrangement that would be compatible to three parties, the Government of Yukon, Government of Canada and White Pass, to ensure that that railway link was not going to be abandoned. We were successful in that area. Now one can argue the conditions or whatever, but the key to us was the fact that we needed that railway — not just for today because in today's transportation cost of goods, it is maybe not required, but will be in the long term. With the energy costs going up, costs of hardware for trucking and whatever, the railway is going to become more and more economical. It just makes sense.

27 One does not have to hire a \$100,000 a year economist to tell me that. Therefore, we have made the decisions. They were voted on and discussed in this House. I trust the Member opposite does not take exception to my remarks, but we do look at all variables and elements of our society and our economy in respect to any decisions being made. The Member for Riverdale South talks about the fur industry. It looks like we are going to double the volume of furs going through the fur industry here because of the initiatives taken by this Government.

I recognize the Member opposite does not like me to take credit for it

but, as modest as I am, I think I should. That is exactly what has taken place. In working with the Yukon Trappers Association we have, with the implementation of fur councils throughout the Territory — for an example, there is going to be some training of people to learn more about marketing, training in respect to the ability to price furs — made more and more things available to be done within Yukon.

In the area of arts and crafts, as I told the Member opposite, we have spent nearly half a million dollars between the Government of Canada and Yukon Government in assisting getting Native arts and crafts, basically, underway. In part we have been successful.

Where we have had responsibility, I think we have exercised it in a wise, judicial and efficient manner. I would ask the Member opposite, as he talks about planning, within our capabilities where we have spent our money, I do not think that it has been unwisely spent. I think we have, where we have had capital projects, indicated, not only just the short-term but the long-term results of those projects and what they are going to bring to the economy. One may argue that perhaps no hotel should be built in Dawson. On the other hand, that has allowed another 10,000 tourists to go to Dawson City this year, and provided — I do not have the figures in front of me — in the area of 40 to 50 jobs. To my way of thinking, that is successful.

With those remarks, I will just conclude by saying that it will save a lot of time and a lot of expense if we just cleared vote 5 and go on to other business.

**Mr. Kimmerly:** I would like to follow up on a few comments which the Minister made about the announcement this morning about the energy incentives by the Federal Government. The Minister divided the discussion into long-term planning and short-term planning which, of course, is appropriate.

I would ask first about long-term planning. Mr. Munroe announced today that the 1981 report, or the consultation, is complete and that the Federal Government has sent to the Minister's department the Federal response to this study. Would the Minister inform us as to the progress of the YTG study of the Federal position and the response made to date and the planning which is going on for long-term energy plans for the Yukon?

28 **Hon. Mr. Lang:** The Member opposite received the same information I did at approximately the same time, at twelve o'clock this morning, which indicated what the Government of Canada was doing with conservation measures. In fairness to the Minister, I spoke with him at approximately 1:15 p.m. this afternoon and I told him that I felt a number of initiatives they had taken were going to help people in the Territory. For example, those people who have electric heat will now be eligible to convert to wood to get off the diesel plant.

As far as the long-term is concerned, I think we are in a real dilemma. Northern Canada Power Commission is under review by a Parliamentary Committee and depending on the results will play a major factor. From my perception, the Government of Yukon has to become involved in some manner or another, so that I, as a Minister, can answer those questions. I know that there are a number of areas under NCPC that they are looking at, but whether or not they will come to fruition remains to be seen.

It took a Yukon Electrical Public Utilities Board public hearing to announce the fact that we were going ahead with the fourth wheel. The illusion is given to the general public that the \$58 million dollars is free money. That is not accurate. You and I will pay for it and we will pay through the nose for it. It will be expensive power.

You should phone up the Prime Minister and ask him what the interest rate will be. In large part, they dictate it.

One does not have to be an accountant to know that the cost built into my monthly bill pay back these monies and we are going to continue to pay for the next twenty or thirty years.

In view of the tight money situation in Ottawa and the fact that NCPC still does not have any political direction along with financial support, we are going to have to look at a system of small hydro projects through the Territory to take care of the immediate and 20-year need of the small communities. Prices will continue to escalate in every small community because of the dependency on oil.

**Mr. Kimmerly:** To continue my question on long-term planning, the Minister did not answer my specific question about the YTG efforts and the YTG response to the Federal position on the Penner Report.

Mr. Munro mentioned meetings involving Peter Kent on April 8. What long-term planning is going on with respect to the response to the Federal position on the Penner Report, which I believe YTG now has?

**Hon. Mr. Lang:** First of all, I do not have a copy of the Penner Report. I understand it will be tabled soon. In respect to the conversations between Mr. Kent and Mr. Glass, to my knowledge Mr. Glass has never set foot in the Territory, but he is supposed to be forming the energy policy of the Territory. I understand he will arrive in the next few weeks. Hopefully, it will broaden his understanding of the magnitude of the problems we have. I am led to believe that nothing substantive took place at the April 8 meeting. It was really at the Mineral Advisory meeting that was held in Yellowknife. I understand the bureaucracy could not give out any specific information, so it was not a meeting of any substance. That was why I was on CBC this morning discussing energy, because we did not know what was going to be announced today. We had no idea. I am pleased to see there are a number of initiatives here that we had recommended and have been taken into consideration and will be implemented.

I understand NCPC is looking at planning in some areas but they may or may not come to fruition because NCPC answers to the Minister of Indian Affairs, and not to Minister of Tourism and Economic Development, it puts me in the position of not being able to respond to your question.

**Mr. Veale:** I would like to make a reference back to the Minister taking credit for the developments that have been made in the fur trapping area of the Yukon and indicate that I would be pleased to join with him and give him credit when, in fact, we have established a fur garment and leather industry in this Territory which is producing unique products that are sold on the streets and sold at a rate that people of Yukon can afford, rather than having all the profits go out of the Territory to Montreal and Winnipeg and the other fur capitals of this country. That is the point at which I will prepared to make that kind of statement.

The Energy Policy which was announced today is obviously a first phase and is not dealing with the long-term issues that definitely have to be grappled with. I too, was very pleased that COSP is going to cover people who heat their homes by electricity because I made the same submission to the Minister of Energy before the Minister himself had made his. I think there are about a 1,000 homes in Yukon that require this kind of assistance to make that program available. Electrical heat is not efficient in the Territory. I am pleased that the program has been expanded and also backdated so that anybody who did put in wood heat furnace in their electrically-heated home will be able to make applications for that as well.

<sup>30</sup> I think the significant thing, and I am glad that the Minister recognizes its value, is the remote community demonstration program, which probably does not solve our short-term problems in places outside Whitehorse but it just has tremendous potential, and it is 40 percent of the national amount that has been provided. Of the total of \$24,000,000 having been provided for Canada, the Yukon and Northwest Territories will receive \$10,000,000. I look forward to that moving ahead very quickly because it can offer tremendous programs in terms of the use of coal in communities like Carmacks and Faro, and the possibilities are enormous and I really look forward to seeing the projects that come about. I am sure that the Minister's department will play a very active role in that.

The other aspect, of course, is the money made available for the local distribution of natural gas and propane potential. That certainly is another long-term project rather than something that may be on the immediate horizon. All of those things do have important aspects to them.

The Minister responsible for Yukon Housing Corporation should also be very pleased because people who are in Yukon Housing Corporation units now, will also be able to apply for the cost grants. Some of the people in Haines Junction, et cetera, who have been very concerned about the size of energy bills they have had recently, will be getting some relief from them. I believe that the Minister has a program that will be able to tie in with that very quickly and provide some relief, certainly before next winter sets in.

**Mrs. McGuire:** I would like to talk a little bit about Tourism and get off Economic Development for the moment. I am going to be

bringing questions up on the forecast being over \$1,000,000. I want to know what is going to be done with it and what areas it is going into. I arrived at that figure by subtracting that figure from the total which went towards the department and the wage part of it, so it left just over \$1,000,000. I want the Minister to explain about performance indicators in that department as far as measuring effectiveness. How do we know that we are getting our money's worth for the amount of money that we are putting into Tourism in the areas of advertising. These are some of the questions that I will be coming up with. In my own mind I believe that tourism promotion is over-rated and I think that it is over-emphasized.

My husband and I have been in the tourism business for years. In fact, back 25 years we owned a lodge on the Alaska Highway. Right up to date, we are still in the very same business but at a different location. At that time, we catered to droves of people who came up the Alaska Highway. They were tourists, highway travellers and transients. We were doing just exactly what we are doing today only, back then, we had no man-made tourist attractions. The only attraction back there in those days, to a tourist, was Alaska and it still is today. I do not know if the Minister will recognize that fact, but I am sure the Chairman does because he has been in that business for years as well.

<sup>31</sup> I do not believe that the biggest attraction of tourism, which costs thousands and thousands of dollars, is the advertisement monies that we are spending. Not only do I believe that the expenditures of tourism is grossly over-rated, but even the numbers are over-rated. The tourism count was 386,000 last year based on a calendar year. One wonders how many of those 386,000 people are actually tourists. This is one of the things that the Minister has to explain. How did he arrive at those figures? Did they all come panting down the Alaska Highway to visit Yukon?

During the past three years there has been a large migration of people moving to Alaska. Very few moving out. When you have a migration of people moving from one country to another, they move through very, very quickly. This is what we discovered at our place in Haines Junction. Our biggest turnover of business products is gas and oil which, of course, has the least markup of any product that you sell. Migrating people very seldom stop overnight but they do buy the odd meal. Actually they spend more than your typical tourists, if you want to get down to dollars and cents. They drink very little booze. Your average tourist, when he or she arrives, is completely self-contained. They usually arrive in their house trailers, motor homes, you name it. They bring their own food. They bring their own spirits. In fact, they bring everything when they arrive in this country. The only thing that they stop at your business for is gas and oil, fresh milk, bread, to use your restroom and in that order.

Unless you have a huge hotel to accommodate tour buses for overnight stops, you just completely lose out on tour buses, if you are so lucky to get one into your place. We have done surveys on tour buses that have stopped at various places around Haines Junction and, during a coffee break, if you average out at \$10.00 per bus for 40 people you are lucky.

<sup>32</sup> Not only that, they use your washroom and leave the place in shambles. Mr. Falle, a while back, indicated that tourism was going to spend \$250,000 on a tourist booth in Carcross. I think this is very low in priority because what Carcross needs now is not a tourist booth that costs a quarter of a million dollars, but they need a hotel. They need a restaurant, a laundromat, grocery store. They will need a gas station that stays open once in a while. But no, it appears that the needs of Carcross has been identified as a tourist booth. It is like a mansion in the midst of poverty.

In my estimation, tourist attractions are accommodations. What attracts tourists into a town is certainly not tourist booths. What could you advertise about the place. You have a huge information booth and that is all that you will have.

Another question that will be coming up is where campground maintenance funds are coming from. For instance, I would like to know where contracts for wood are paid from. When you paid up to \$180 for a cord of wood to haul up the Dempster Highway, I want to know where that kind of money is coming from. Actually I have no quarrel with a viable structure or an asset that will materialize out of tourism, something for our money. Something that we can see and that

is going to be there. Tourist information centres have their proper place.

I feel fairly uneasy about money that is being poured into advertising. I really do. I would like the Minister to reassess his priorities in that area and I want the Minister to tell us exactly how much is spent in advertising. I want him to tell us how he is monitoring the effectiveness of it. I also want to know under what line item may we find incentive grants that are set up for independent developers, a business geared towards tourism.

<sup>33</sup> I will also want to know how all the people are monitored who pass through Yukon. How are the tourists sorted out that arrive at airports, on the highways, this sort of thing — the Minister said that there was a contract given out to a local firm. Last but not least, I want to know exactly what they are going to do in the advertising field.

**Hon. Mr. Lang:** I am so totally taken back by the remarks made by the Member opposite and — I guess I have to make the assumption that she is speaking on behalf of the Liberal Party as a critic — it would seem to me that there is not going to be much support coming from that particular political party in the Territory for the area of tourism. I, for one, recognize the importance of tourism as our second industry and, secondly, this Government will support it where it deems it necessary to support it, especially in the area of marketing. The Member opposite criticizes the amount of money that is going into the area of marketing. If we do not tell anyone where we are, it is going to be pretty difficult to ensure that we are going to have a continuation and influx of visitors.

That is primarily why we went with Alaska. We recognized that we were tied into the Alaska market and the idea was to ensure that Yukon was going to be mentioned, and highlighted, with the idea that those people would spend time in Yukon. I think we are being successful in that area.

Even in the private sector alone, in the small tourism that we have in the Territory, in comparison to many other jurisdictions, directly or indirectly, these small companies are putting in, for marketing purposes, in the area of almost \$350,000 to \$400,000 a year — whether it be passes on CP Air or free hotel accommodation for writers, there is a list of things that they do. If one translates that into dollars, that is what it reflects. Also, some of them go out marketing on their own as far as private businesses are concerned. They recognize the importance of the industry and the fact that they have to sell the product. I would further say to the Member opposite that, from my point of view in respect to the area of tourism and the fact that we do have in the vicinity of 360,000 people coming through, it is pretty simple. We do a review of the package tours, have an idea of what is coming up in that route. This year we are doing an exit tour and along with that and our information centres, we have an idea — a rough ballpark figure — of the number of visitors we have had. If the Member opposite does have some queries in respect to the conversion study that was made, once she has an opportunity to read it, she will understand just exactly how we derived these figures in respect to the area of tourism.

<sup>34</sup> The other point I should make as far as cordwood is concerned, is that that comes under Renewable Resources. That is where the responsibility for campgrounds and the maintenance thereof is. I would suggest respectfully to the Member opposite that she save her questions until we get to vote 14.

In respect to looking at the feasibility for getting into some of the tourism areas, there are monies available, but it is not in the Budget per say. It is under the Tourism Subsidiary Agreement and was voted last fall. If she has some questions on that, or if a constituent want to look at what is available, my staff will be more than happy to co-operate and see what is or could be made available through that particular method.

I do not have a lot more to say other than I was a little thunderstruck by the position of the Liberal Party.

**Mr. Falle:** I would like a few questions on this thing. I have about four.

In respect to tourism in Carcross and the information centre, I believe that it was a well thought-out plan. I do not think the Government should even consider getting into service stations, restaurants or what have you.

This is the Department of Tourism and Economic Development in which we were talking about variables a little while ago. One of them

is mining, and all the rules and regulations that come from mining, fisheries and the other regulations.

We have seen here in the last couple of weeks the sense of the *Fisheries Act* in Whitehorse. They have taken the snow off the river. They put it on the river bank or just up behind the dam which is going to run back into the river in another week or two. I do not know how much it will cost everybody but is this what you really call sensible economic development?

This Government is also trying to be responsible for mining. It is our biggest industry, not tourism. We have so many things coming in every day. I just got an announcement on my desk today and it is the first time I have heard about it, that this Government has heard about it and you people too. It is talking about an energy policy that affects everybody in the Yukon.

We have a lot of variables and the biggest variable seems to be the Federal Government in not telling anybody what they are doing. I see the Federal Liberal fellow over there laughing. He laughs pretty well but I do not think to many placer miners are going to be laughing this year when they are out of business because they cannot mine on either side of the creek.

It is economic development we are talking about and we have nothing really to do with it. I question some of the things. I really do not know how the Minister is going to address them and I am going to be very interested to hear.

<sup>35</sup> **Mr. Chairman:** Point of Order, Mr. Penikett?

**Mr. Penikett:** Point of Order. I apologize to the Member for Hootalinqua but I did not hear his question. I wonder if he could repeat it?

**Mr. Kimmerly:** I was following a line of questions to the Minister about long-term planning and Federal consultation about planning for energy. I was amazed that the response to the last question that I asked.

I would ask the Minister to clarify it. Has the department received the Federal response to the 1981 Energy Task Force Report?

**Hon. Mr. Lang:** The only response that I received — I believe he has got a copy of it but if he has not, I could get him a copy of it — is called "The Northern Energy Strategy Statement" by the Honourable John C. Munro, Minister of Indian and Northern Affairs, Ottawa, April 19, 1982, 12 o'clock.

We have not gotten any formal response back from the Government of Canada. Some of the initiatives that were taken does answer some questions in the Hildebrandt Report. I think we all agree, it does not, as I indicated to the Minister by telephone earlier this afternoon, really address the long-term solution to the problems that we face at the present time.

**Mr. Kimmerly:** The Minister may be interested to know that Mr. Munro made statements in a press conference a few hours ago to the effect that the Federal response was in YTG hands.

With regard to the consultation, is there now a consultative process with the Federal Government around the long-term energy needs for Yukon?

**Hon. Mr. Lang:** The results of the Task Force were the Hildebrandt Report and there has been no move by the Government of Canada to go further, other than for the statement that has been seen here today, as far as I know. I spoke very briefly with the Minister in respect to the long-term, and I intend to get a hold of him at a later date in respect to what is going to take place as far as long-term energy in the Yukon is concerned.

I would want to impress upon the Member opposite that what I say, I am prepared to bear responsibility for. I am sure what Mr. John Munro says, he will bear responsibility for. Please do not ask me to justify his comments or perhaps even yours.

<sup>36</sup> **Mr. Kimmerly:** If you read the YTG Young Energy Report about the distribution of natural gas, the report indicates that the supply of natural gas, independent of the Alaska Pipeline, would be cheaper in four or five years than a supply of oil. Is the Minister's department studying that particular recommendation in the report?

**Mr. Chairman:** I would like to remind the Members that we are on general discussion and if you start asking specific questions, possibly they should be brought up somewhere else such as on Page 126 on Energy Conservation. That is where the question should really be asked. We are just on general discussion and I do not mind how long it

takes, but please have general discussion not just questions.

**Mr. Kimmerly:** Perhaps the Minister will take notice of that question and I will ask it again on the specific line. With respect to the Federal Minister's statements about the short-term situation, he indicated that there would be money provided for studies in the natural gas area and for conversion to wood in the amount of \$125,000. Is YTG presently planning to take advantage of some of this money? Or is it new information for the Minister?

**Hon. Mr. Lang:** I found out about this money being made available about three hours and 57 minutes ago and my banker is on his way to Ottawa. If he is successful, we will start looking at this.

**Mr. Byblow:** Judging from the comments received by the Minister during his shellshock by the Member from Klauane, I think that brings to mind and puts to rest the point I made with the Minister during his ministerial address today. On the one hand, it is good to address the tourism promotional aspect and thereby encourage and put in place a marketing program and we must be very cautious we are not doing ourselves harm by a marketing program that we cannot in turn handle here in the Territory with the facilities and services that we have.

<sup>37</sup> To a large degree, this is what the Leader of the Opposition has addressed and what I began to address on Thursday and that is the perception in the public view, and to a large degree that of mine, and I am sure part of the observation by Mr. Bruk, and that is that government, and I do not mean just the Territorial Government but government in general does not appear to have a prioritized sense of economic planning. This is often a frustrating exercise when you are dealing with those benefactors and initiators in the various industries. The contradictions develop in the programs, in the philosophy and in the whole area of co-ordination. The whole point of direction is often not articulated clearly.

The Minister mentioned Faro and about the monies injected on two-weeks notice and that in itself highlights what kind of a position we have to be putting ourselves into. The need for that injection was identified in planning in the community development plan, in the stated intention of the corporation and when it came down to the possible housing project being cancelled that is when the monies got reallocated as they did, and rightfully so.

It is unfortunate Government has to be placed in such a position. This is where the whole economic planning process does not break down, but does not exist strongly enough to serve the function or purpose that we would have it do.

With that general initial observation, I want to ask the Minister, when he was discussing previously the co-ordinating component of his department, of his Government's intention to diversify and stabilize the economy, he was talking about the co-ordinating planning process existing within a permanent advisory committee, the Executive Council Office and Cabinet — that was the tool. Is this where the Government planning function actually rests? Is this tripartite agency, as the Minister identified, serves public documentation on its decisions reached, or is this an internal management aspect?

<sup>38</sup> **Hon. Mr. Lang:** I have to correct one thing for the record. The Member for Faro has been totally inaccurate in his statements in respect to what took place in the fair community of Faro approximately a year and a half ago. He stands up there and pontificates like the Pope and yet he is not even familiar with what took place in his own community. What basically took place in that community was, even the City of Faro did not know that the decision was going to be made to go with the specified number of units until it was made. This Government did not know. The point I was making to the Member opposite was that this Government did act, and was capable of acting, within a week and a half to ensure that that were to go ahead. I recognize that the Member opposite sits on his own little stool here and looks into the future and envisages what could take place. When I hear statements of actual fact being twisted to point out that this Government did not act properly in respect to that situation that developed, I cannot accept it. I will be very frank to the Member opposite, that he has a responsibility where this Government has acted and acted responsibly — no matter who it is — I think the Member should give him credit or not discuss it. At least put the facts on the table the way they are.

In respect to the internal management of the Government, there is...

**Mr. Penikett:** Point of Order. We will be quite prepared to do that the first moment the Minister opposite does exactly the same thing in respect to initiatives on this side.

**Hon. Mr. Lang:** I recognize I am getting to the Member opposite, I will try to tone my comments down because I do not want to cause the Member any medical problems. In respect to the internal management of the Government, there is internal planning abilities within each department. We have permanent advisory committees within the Government, where various proposals are looked at from various elements and directions of the Government, to see that the coordination is done prior to it going to Government.

I am right here. The top is right here. That is where the buck stops. Now, if the Member opposite does not know that after three and a half years, he has a problem. I think I gave him a pretty clear indication of how it works.

**Mr. Byblow:** Just on the matter that the Minister is indicating — that I have not stated correct facts — he can look in the Hansard of November 1979 where I raised the matter of the funding requirement for the services that he so indicates. I am not aware that the decision was not made until two weeks prior to the funding being released. I am aware, and I can provide the documentation necessary, to indicate that that decision was made well in advance of when the Minister indicates that it was. There is no incorrectness there. It is the point that I was trying to make, that this Government, as is the case with government, does not put into place the adequate economic planning tools to permit it to adjust quickly enough and adequately in the long term to develop the long-range planning of the Territory. That was the point.

<sup>39</sup> Does the tripartite body, that he described as being the planning tool of Government, issue policy statements or documentation with respect to economic planning initiatives of the Territory?

**Hon. Mr. Lang:** Any policy statements would be made by me. As far as the planning capabilities within the Government, they are co-ordinated through a system that has been set up. It works effectively. The Member the other day gave this side of the House — I have to give the Member credit — for our initiatives in tourism and energy. It is all there in Hansard, in black and white, and I trust the Member opposite meant it.

**Mrs. McGuire:** I just wanted a chance to reply to the Minister, and I just want to tell him that I am standing on this side and I am speaking as Alice McGuire, the MLA for Klauane. I am also a business-woman who pays taxes in this Territory, which contribute to Tourism. Also for the record, I want to say that I was not criticizing the tourist industry, I was simply questioning the Minister on the effectiveness of the advertising monies that he has been spending. I just simply want to know what is spent on it, where is it going, what methods of measuring and monitoring the performance of it, and these are the sort of thing that I want to know. So far the Minister has skirted around the questions. I want to know, for instance...

**Hon. Mr. Lang:** Point of Order. Her questions are all answered in the document I tabled this morning, "Coupon Conversion Study, 1981". It is very clear and unequivocal and if the Member spent some time reading it, I am sure she will have no more further questions for this side of the House.

**Mr. Chairman:** I do not think you have a Point of Order, Mr. Lang. The Honourable Member can continue to ask questions if she wishes.

**Mrs. McGuire:** Perhaps a lot of Members would do a lot more studying in this House if we would receive the report ahead of time instead of ten minutes before we sit in this House.

**Mr. Veale:** Reference has been made to the "Coupon Conversion Study", and it would be helpful if the Minister would advise where the particular statement was made in his statement today before the House, that there were 34,200 visitor parties that were generated by the coupon program. As he has had the opportunity to review the report, he can provide it.

There are a number of statements that come to far less than what the Minister has stated regarding the effects of program. I will give an example. On Page 13, it stated that "coupon related visitors, 8,870 parties, comprising 25,200, individuals accounted for expenditures of \$10.9 million". That is a far cry from the statement in his Ministerial remarks today.

40 Also, on Page 20, the statement is made again, "the 1981 coupon campaign resulted in 9,000 parties, 25,000 persons visiting Yukon in 1981 and they are estimated to have spent \$10.9 million dollars". Perhaps the Minister could explain where he has obtained the results he put forward this afternoon?

**Hon. Mr. Lang:** One can do anything with statistics. The reason I tabled it — and perhaps next time, I will not bother — is that it proves to us our marketing program, the way it is designed today, is much more effective than it was before — an objective look at our marketing to see whether or not we are expending our money in the proper way or whether there should be some modification changes. This to me proves that we had been successful.

We can get into a bunch of detailed questions. I am not going to change the Member's, or his Party's position on Tourism. If he wants someone to go through each statistic, I will arrange a time and a place and the Member would be much better informed after we finished such a discussion.

**Mr. Veale:** I would certainly accept that invitation because I am sure it would be much more informative than the Ministerial Statement.

**Mr. Penikett:** I have been as busy as a little Canadian beaver reading this coupon conversion study. It should provide a source of lots of questions.

I have one question which the Minister may find difficult and therefore I would like him to take notice. It arises out of the \$1 million dollars to White Pass. The original motion passed by this House, March 14, 1979, referred to some requirement for public disclosure. When that high principle was somewhat diluted at the time of the loan, there was some indication from the Government side that since we had appointed a director, there would be some kind of reporting from time to time about our investment. I might ask the Minister, by way of notice, if we will have some kind of report in this Session on the state of our \$1 million dollar investment?

Having given that question as notice, I want to ask — for me, an unusually rambling — question which arise out of a letter I received a copy of dated November 25, 1981, addressed to Mr. Peter Kent, Deputy Minister of Tourism, YTG, from the Klondike Visitors Association. It is a long and very eloquent letter signed by Derm O'Donovan, General Manager. I notice that the Minister was sent a copy. This letter is a representation from that group to the Department of Tourism.

41 The general point in it is the expression of a strong desire for a very active participation in the planning development of marketing programs in YTG as it concerns tourism for the Klondike region. The letter then goes on to recall to the Minister's and Deputy Minister's benefit the initiatives of the people in Dawson in connection with revitalizing the Palace Grande, the creation of Diamond Tooth Gertie's, the initiation of Discovery Day, the creation of the International Outhouse Race, participation in the gold-panning championships, the Dawson Drama Festival and the Spring Carnival and the Midnight Dome Race, the Music Festival and the Commissioner's Ball — all these quite commendable things that have been done in Dawson.

On Page 6 of the letter, we arrive at a section, and perhaps I could read this section: "The people of this community are well aware of their past with all its historical and glorious dimensions. They are experiencing and reacting to the present and they recognize the need for assistance in planning for the future." Then there is a list for six requests: "We need the further paving of our highway, we need to build a larger airport to accommodate large jets, we need a convention site which will expand our tourism horizons in the winter months. The smallest problem of all is opening Gertie's to provide entertainment and gambling upon a week's notice. We need collective participation in Edmonton Klondike Days using booth space to promote Yukon, also the Calgary Stampede. Yukon should put a float in the Grey Cup parade and participate in the various provincial exhibitions. We should promote TV shows, telling the Yukon story via a full documentary. Rather than condemning movies that take place in Yukon, we should rejoice and promote this avenue even more. We should promote having shows such as the Bob McLean show come to Yukon and air their show from here with special emphasis on the Yukon flavour and atmosphere. Recently, a very famous American producer was in the

Yukon prospecting for movie ideas. We should have rolled out the red carpet, complete with air tours of the Yukon. How I wish I could have barnstormed his mind for a few days. We need a song written that tells the Yukon story and we should be very selective in choosing the melody and subsequent artist. To arrive at the best, we should open all avenues in order to select from many sources the best..."

**Hon. Mr. Lang:** In fairness to the two young ladies trying to make a living, perhaps he can either provide them with a copy after he has finished his dissertation or he could slow down.

**Mr. Chairman:** It would not hurt to slow down a little Mr. Penikett.

**Mr. Penikett:** I will be pleased to provide a copy to the ladies in order to assist them making their living.

Point No. 6, "We need to have members of the information staff dressed in period costume. In a town where nearly every other business, including the KVA and Parks Canada, dress in costume through the summer season, I find it ironic that the tourist agency, or the first person the tourist is to see, are dressed in modern garb. I use this as an illustration only to show that we do indeed have to examine some of the marketing sides of tourism industry because I believe some of the existing perceptions and directions are way off compass. This example alone should be enough to initiate a study of our marketing concepts."

My question to the Minister is whether he has had a chance to study this letter and if he has replied, whether he could give some indication of the nature of the reply, or perhaps he might be prepared to table his reply in the House?

42 **Hon. Mr. Lang:** First of all, I am not going to justify anybody's letter, whether it be his or an associate of his or otherwise.

I should point out that it is my intention to meet with the Klondike Visitors Association as quickly as I can to discuss the coming season and also their plans. I should point out as far as marketing is concerned, it goes through the Marketing Council that is set up with the Yukon Visitors Association, which I believe has KVA representation, and has the full blessing of the YVA executive as well as the membership in the area of marketing.

As far as I am concerned, I really do not think that it is appropriate unless there is something major and pressing in somebody's correspondence that his or her letter should be raised in this House. It always brings up the concern that as time goes on there is going to be less and less written down and more and more said on the telephone — as long as certain individuals are not listening.

**Mr. Penikett:** That is a fairly startling response from the Minister. We are talking about a public document here. The Government Leader already said every Member of the House has a copy of the letter. I do not know what we are talking about in terms of responding.

**Hon. Mr. Lang:** That last statement is inaccurate.

**Mr. Chairman:** Do you have point of order?

**Hon. Mr. Lang:** It is my understanding that there was correspondence between Mr. O'Donovan and Mr. Kent in respect to what future plans could be made to the KVA. Now he has made fun of the letter that Mr. O'Donovan has put together in respect to a message that he was going to convey to this side of the House — and I still cannot put a grip on what he is actually asking me.

I think correspondence like that, perhaps, can be referred to, but I just do not see the point of publicly embarrassing somebody who has written a letter.

**Mr. Penikett:** Just a cotton pickin' minute here.

I am asking a question from a public organization of the Government, asking the Minister if he has responded to the six proposals in the letter. If I cannot ask that question, I do not know what I can ask. We do not expect the Minister always to answer but perhaps he could come back with an answer when he has got one.

**Hon. Mr. Lang:** I have no problem responding to any specific question. I find it very difficult when he sits there and proves to everybody in this House that he can read — and we have to sit and listen for the space of 15 minutes, and I recognize that it gives him a little bit more time in Hansard — but I do not think that we have resolved anything.

I will get responses back to the Member opposite and I do not want to say this in a combative sense because I don't want to give the Member opposite any medical problems. The point is that I just do not see the

reason for going through the exercise he just did. He is at liberty to stand up and explain why he has gone through it, but I cannot see what we would have resolved. All he could have said was "these are six questions I have. Have you responded to them". I could say, "I take them under notice".

**Mr. Penikett:** We have high hopes yet that the Minister may yet prove to the House that he can read.

Let me say this, since every time we ask a question, the Minister pretends that he does not know anything about the subject, that he has never heard of it — "well I cannot be possibly expected to have read that document or know anything about it" — and since on this occasion I took great care to be specific about the document that I was referring to, giving the dates, the times and the places to assist him in providing us with an answer.

**Hon. Mr. Lang:** I have to object to the fact that I do not provide information to this House. That Member opposite who was just speaking was making allegations to me that I do not provide answers, an hour ago — and we can check the Hansard if it is printed up yet — commended me for the information I provided to the House. I would like to point out, for the record, the contradiction that the Member opposite is making. I recognize that I have a tendency to get to him, but sometimes he forgets what he said a couple hours before.

<sup>43</sup> **Mr. Penikett:** If my memory was as short as the memories opposite, I would be a very small human being indeed. Let me make this observation, if I were to spend the time here listening to all the contradictions, internal and otherwise, of the Members opposite, I am afraid we would be in a six-month Session.

**Mr. Chairman:** The Committee will now have a coffee break where the two Honourable gentlemen can discuss it.

#### Recess

**Mr. Byblow:** My understanding of the General Development Agreement is that a General Development Agreement expired on March 31st of this year and that the Minister's department was negotiating a new agreement labelled, "The Comprehensive Development Agreement". In Capital Budget debate last fall, the Minister outlined the intentions of that development agreement, if the funding were to come forth, with regard to the initiatives in terms of planning and implementation of economic development. From the Minister's answer this afternoon, it became quite evident that there was a breakdown in the negotiations and I did not quite understand the full import of why things have broken down. Also, in previous discussions, there was reference to regional planning that has been taken over by the Federal Government and thereby the Territory has been eliminated. I could not quite understand what was meant. I would then simply leave it with the Minister to try to explain to me the status of the comprehensive development agreement for which we did budget a couple of million dollars in the Capital Budget and how it will affect our economic continuation in the area of tourism and economic development.

**Hon. Mr. Lang:** What has happened, as I indicated earlier, was there was a reorganization within the Government of Canada which effectively caused any serious discussions to be stymied because of the lack of understanding at the federal level of exactly what their political masters wanted. It is my understanding that there are a number of people coming from this super-ministry over the course of the next couple of weeks and we will have a better reading of the situation in respect to what can be accomplished through, perhaps, a new agreement. That is presently where it stands.

<sup>44</sup> **Mr. Byblow:** It is a confirmation that, at this point in time, the comprehensive development agreement that was intended to be signed as an extension of the GDA does not exist and, therefore, the \$2 million under that is not available either. Is that correct in terms of the money?

**Hon. Mr. Lang:** It may be true today. Two weeks down the road we could very well have the \$2 million.

**Mr. Byblow:** In the previous fall estimates of the Capital Budget we allocated funding for the small business development fund. The Minister has introduced legislation today, I believe, and certainly in previous statements by the Minister, and in the Throne Speech, there

was reference to the small business development fund. Could the Minister give an explanation as to what fund we are actually talking about? Are we talking about a transfer of a particular fund or are we talking about creating a new financing proposal which we will be applying in the area of small business?

**Hon. Mr. Lang:** There was at one time a small business loan fund in the Territory, approximately \$5 million. That was discontinued in approximately 1975. That money has always been there in the Department of Indian Affairs. The Auditor General has recommended that they either allocate that as a fund and utilize that money or take the money out of that particular vote. I had conversations with the Minister of Indian Affairs and Northern Development in December, and even prior to that, to encourage the transfer of this money that is presently there, voted for the purpose of small business fund. I have tabled legislation but I still do not have confirmation that that money is forthcoming and I am sure we will debate at great length on Wednesday — the Member for Porter Creek West has put a resolution forward that you will get an opportunity to read tomorrow — with the point being is that we are doing everything we possibly can to expedite that particular fund — which is not a new fund, but a fund that has been available in the Department of Indian Affairs — with new terms and conditions as outlined in the legislation that we have tabled with the idea of putting it into effect. That is where it stands.

**Mr. Byblow:** Given that the Minister has said that this is a transfer of a fund on a line-item of Indian Affairs budget in the amount of \$5 million, what appropriation are we looking at? I ask that in the knowledge that what we had voted as a line-item was \$300,000, and if this is specific amount we are looking at then I would like to know what it is and, therefore, how it is going to be applied?

**Hon. Mr. Lang:** The \$300,000 that the Member is referring to was when we were under the impression that we were going to, under the general development agreement, be able to implement the business development side of that. That has not come about, so this is another method of trying to have a transfer of monies, directly from the Department of Indian Affairs, as opposed to DREE, where in the area of \$4 to \$5 million is available to set up a revolving loan fund on behalf of a small business in the Territory.

<sup>45</sup> That is all I have on the subject at the present time. In the vote here we have \$85,000 that would be fully recoverable from the Government of Canada in respect to administering that program if we get the transfer.

**Mr. Byblow:** So then it is also a correct assumption that the \$300,000 that we had voted last fall is also, at this point, not available? Now we are looking at a revote later on in the estimates here?

**Hon. Mr. Lang:** It will never be available because it is a different program. It was voted under the auspices of that program, but that is not going to come about. We would like to think that we are going to be able to get the small business loan fund in effect in respect to the terms and conditions as per the legislation tabled.

**Mr. Byblow:** I have a couple more questions.

**Hon. Mr. Lang:** Point of Order. We are getting fairly detailed in respect to the questions and I thought that this was for the purposes of general debate. I have no problem with the question, but I think, when we are going through the branches of the department, these questions would be better put there.

**Mr. Chairman:** I have to agree.

**Mr. Byblow:** These questions were intended as general discussion first under the GDA, then under small business, and I regret that we went into too much detail.

My third general question relates to the Ski Chalet and I raise the point with respect to the stimulation for...

**Hon. Mr. Lang:** Point of Order. In respect to the Budget that is before us, it is an Operation and Maintenance budget. The question he is raising are more appropriately put in the Capital Budget and that particular subject was voted, I believe, last fall. I do not have any money in here that relates to the Ski Chalet and I would humbly submit to you that if he wants to get into that type of questioning, that is the purpose of Question Period.

**Mr. Chairman:** Is it O&M, Mr. Byblow?

**Mr. Byblow:** Perhaps the Minister can help me then. I was going to raise the matter of the O&M of that facility and how it may relate to

statistics being kept or figures being kept by this Government, whether they are monitoring that kind of expenditure of the facility. If this is outside the purview of this Government, I leave it there and we will pursue it elsewhere.

**Hon. Mr. Lang:** The Operations and Maintenance is the responsibility of that organization. We do keep in contact with them. They let us know exactly what the utilization of the facility is. If the Member had attended the Hootalinqua Conservative nomination, he could have seen that the quarters were almost big enough to meet the demand.

**Mr. Byblow:** For the Minister's information, nobody offered me a membership.

I have a fourth question and that relates to the Yukon Visitors Association in relation to the Tourism Advisory Board. The Minister has indicated in previous questioning that YVA has assumed the responsibilities that were previously handled by the Tourism Advisory Board and the money allocations have been reappropriated into another department. Can the Minister confirm that as a representative organization YVA includes all tourist promotional, all tourist facility, all tourist business organizations in the Territory? Is he confident that YVA represents all the agencies that do not belong to YVA and certainly organizations that are not facilitated to be associated with YVA.

**Hon. Mr. Lang:** Was that a statement or a question?

**Mr. Byblow:** Question.

**Hon. Mr. Lang:** The Yukon Visitors Association is largely representative of the various elements of our tourism industry throughout the Territory. We do constantly keep telling them that it is a natural requirement but at the same time the individual business has a responsibility to join that organization. We are trying to encourage that. We believe that they get together and resolve their problems, it gives a much better direction for the Government and for the industry as a whole.

#### *On Administration*

**Mr. Chairman:** We will go to Page 124, Administration. This is a one-line item, \$219,000.

**Mr. Byblow:** The total function of this administrative group is listed in the objectives. Is that therefore inclusive of all the subsidiary agreements as well, or is that separate?

**Hon. Mr. Lang:** It is similar to the recommendation that the Public Accounts Committee put forward. It contains the Deputy Minister, our accountant and the administrative people who oversee the overall administration of the department.

*Administration in the amount of \$219,000 agreed to*

#### *On Special Programs*

**Mr. Chairman:** Page 126, Special Programs, Administration.

#### *On Administration*

**Hon. Mr. Lang:** This outlines the various programs we have under this vote. The Administration is very clear. There are three people involved within the department. It is responsible for the management and administration of the cost-shared agreements with Canada, in the area of energy development, also existing agreements such as the Special ARDA Agreement, the Conservation and Renewable Energy Demonstration Agreement and the Energy Conservation Incentive Agreement. This branch has the responsibility for energy analysis research and policy formation.

**Mr. Veale:** Could the Minister advise if there will be any strain on those three people in terms of the new energy programs that have been announced?

**Hon. Mr. Lang:** It could well have some effect. It depends on when my banker gets there and when he gets back.

**Mr. Byblow:** I believe the Minister indicated in previous discussions that there may be some new initiatives in the Special ARDA. I wonder if he could clarify that?

**Hon. Mr. Lang:** We are presently in the process of negotiating. We would like it if the Special ARDA application will apply to all communities except for our major communities such as Faro and Whitehorse, with the idea that eligibility could be broadened. Whether or not we are successful remains to be seen.

**Mr. Byblow:** I did not gather what different initiative is being

taken in this particular program? The Minister has indicated that it will now be available to all communities. It was. Could the Minister indicate how the funding available under this is going to shift in priority or emphasis or direction? What is the position this Government is taking with respect to Special ARDA that they want to see change?

**Hon. Mr. Lang:** Certain specific guidelines were set down for the application of Special ARDA. Primarily you had to be of Native ancestry. We are trying to broaden those terms of reference to make them available to more people in those smaller communities for eligibility in respect to looking at this start-up money as far as business is concerned. Whether or not we are successful depends on the Government of Canada. We are presently discussing this at the officials' level.

*Administration in the amount of \$154,000 agreed to*

**Mr. Chairman:** Special ARDA, there is no appropriation. Tourism Development, there is no appropriation. Energy Conservation, there is no appropriation.

**Mrs. McGuire:** What are we on?

**Mr. Chairman:** Mrs. McGuire if you would look at your book, Special ARDA, Tourism Development and Energy Conservation, there is no vote. I read them off and if you have a question on one of them, okay.

**Hon. Mr. Lang:** For the Members' information I should perhaps tell them that the Operation and Maintenance side of these particular agreements are charged against the Capital that we voted last fall. That is why it does not reflect in this vote this year. Those are not direct monies from the Operation and Maintenance. They are contract people that are involved and are strictly charged on those agreements that we have with the Government of Canada.

**Mr. Kimmerly:** I had asked a question in general debate about the conversion to wood studies and natural gas studies and I would ask that again under this line. I realize that there is no money voted but in light of the Minister's explanation about the Capital Budget and the administration of these programs, I ask the question now.

I also ask, as a second question, what the department's plans are, if any, in response to the Remote Community Demonstration Program extension, the funding of which was announced only a few hours ago?

**Hon. Mr. Lang:** I have not had much of an opportunity to discuss the specifics of that particular project with my Deputy Minister since I have been in here since the announcement. I should point out that I am not trying to be facetious, the point is that announcement was made this afternoon and I had no knowledge of what was in that announcement, so subsequently we have not had the ability to formulate plans of how we are going to utilize the various programs that were announced by the Government of Canada. Once we have decided how we can work within the parameters or if we can work within the parameters dictated by the Government of Canada, I will be more than happy to inform the Member opposite. I just do not have that information at the present time.

**Mr. Byblow:** I have a question pertaining to the general non-items there, Special ARDA, Tourism Development. Can the Minister confirm that the data that is provided on Page 127 is the total number of projects funded since the inception of the program or is this just in the fiscal year that just past us?

**Hon. Mr. Lang:** I think it is the life of the agreement.

**Mr. Byblow:** Okay, if I could just raise a question on the subject of Tourism Development. Again, I call attention to the Minister's address this afternoon and some commentary surrounding the marketing program that has been taking place between Alaska and Yukon.

I earlier raised the question about YVA representing all the organizations...

**Hon. Mr. Lang:** Mr. Chairman, on point of order.

I would like to point out to the Member opposite that those questions would be better put in respect to the next part of the vote which really has the monies allocated for the purposes of the Yukon Visitors Association marketing.

**Mr. Chairman:** Yes, thank you, Mr. Lang.

**Mr. Byblow:** I accept that.

**Mrs. McGuire:** I would just like to ask a question on Special ARDA.

The Government Leader said a few days ago the very same thing that the Minister is saying here today, that this program is not available to anyone who is not of Native ancestry. In light of that, I approached the officers of Special ARDA and they said that is not so. I also approached the Director of the Department of Regional Economic Expansion and they said the very same thing. I am just wondering where the Minister is getting his information from. As well, I know of a recipient of this program who is non-Native.

**Hon. Mr. Lang:** The only point that I was making is that one of the requirements is that you had to hire people of Native ancestry. I am not saying that is wrong, and if I did not clarify that, I apologize to the Member opposite. We are trying to broaden it. If there are more monies available perhaps we could start up more small industries in these communities. Whether or not we are successful remains to be seen.

*Special Programs in the amount of \$154,000 agreed to*

#### *On Tourism Marketing*

**Mr. Chairman:** Tourism Marketing, \$1,121,000, general discussion.

**Hon. Mr. Lang:** Perhaps I could take some time in the House and it will negate questions from the other side.

I should point out that the monies that we have here are for the purposes of marketing, in large part. The major program expenditures includes \$789,000 for the Marketing Branch which includes \$13,000 to operate the information centres, and \$776,000 for tourism marketing as follows and this is subject to confirmation by our joint Co-operative Marketing Committee. Printing of literature, posters, brochures, as well as postage, \$247,000; Worlds' of Alaska and Canada's Yukon Program including consumer promotion is \$217,000; travel industry liaison — familiarization tours where people from the media of different parts of the world come, and things of this nature — and seminars, \$97,000.

We do cost-share our marketing with the Canadian Government Office of Tourism and Canada West which amounts to \$40,000. Responding to inquiries for information, 61,780 requests were received in 1981. Towards this year we are budgeting in the area of \$100,000. Miscellaneous administration telephones, rental of vehicles, et cetera, is \$65,000.

As I indicated earlier in the general debate on the Budget, the private sector contributes over and above that. From the Northwest Territories we receive \$20,000 for their participation in the Worlds' of Alaska and Canada's Yukon. Alaska contributes \$50,000 for some Canadian advertising that is done in Canada. The marketing and ads in magazines amount to \$85,000. The KVA is \$18,000 and we do not have the figures to present to you today on convention advertising, but that roughly adds up to \$50,000 — that is put forward by the private sector in some manner or another in respect to their contribution as far as the overall marketing of the Tourism Department.

<sup>50</sup> For the information centres, the branch provides 6.25 casual person-years to staff information centres at Watson Lake, Haines Junction, Beaver Creek, Dawson City and Whitehorse and they will be open from May 21st to September 18th, 12 hours a day, to service the public.

**Mr. Veale:** I have a question for some information from the Minister regarding the number of Canadians who are visiting the Yukon. It is pleasing to note that that has increased as a percentage. What is the general long-term objective of the department in terms of the content of tourism visitors? What are the advantages of having more Canadian visitors as opposed to American visitors? Who is spending the most, and is there a definite objective of changing that balance in favour of having more Canadian touring here?

**Hon. Mr. Lang:** No. The thought of the department is two-fold, along with the YVA's, to continue our marketing in the lower 48 on a continuous basis, and also, to some extent, in the international marketplace, Europe, and also, at the same time, to continue to increase the volume of Canadians coming to Yukon.

We have been successful over the past year. It has been increasing. I agree with the Member opposite. It has been primarily because of the cost of our dollar. We are finding to some extent that they are staying a little longer.

**Mrs. McGuire:** I wanted to know about maps. Does Tourism still supply maps and, if they do, do you have to buy them?

**Hon. Mr. Lang:** No. We do not supply the maps. We are in a contract with a company to supply maps and you can buy them for a price. It saves us approximately \$35,000 to provide them. We do have some monies under the contract that accrue to us. I believe it is in the budget somewhere, in the amount of around \$3,500. It has worked out fairly well. We did an analysis of the various provinces. Most of the provinces are selling their maps as opposed to giving them away because of the costs of printing and various other things and we do not seem to get too many complaints in this area.

**Mr. Byblow:** In the Minister's reference to Worlds of Alaska and Canada's Yukon, I gather that, according to the figures that he just gave us, \$217,000 was allocated towards this publication, which I also understand to have been only a portion of the total costs. This relates to what I started talking about earlier, about the possible lack of representation of certain organizations on the YVA. This magazine essentially advises tourists who are interested in Yukon travel to contact the YVA.

<sup>51</sup> It is my understanding that wilderness guides are not members of the YVA. In fact they have established their own organization. I believe, unless this has recently changed. I also note that this does not indicate the wilderness guides as sources of information. Can the Minister comment to this general point?

**Hon. Mr. Lang:** First of all, the \$217,000 that he referred to is not totally for Worlds of Alaska and Canada's Yukon. Approximately \$180,000 of that goes to that particular marketing, the remainder is utilized for the vehicle of using the Reader's Digest for the purpose of marketing.

In respect to the YVA, I feel it is a fairly representative group of businesses and individuals collectively. Further, it is my information that the wilderness guides have joined the YVA, not only as an organization but individually.

**Mr. Byblow:** Has the Minister had any written representation from any organizations or businesses or tourist service group respecting inclusion in this magazine?

**Hon. Mr. Lang:** No. All that business is done by YVA. They are told to contact the YVA if they wish to advertise and how to do it. All that information is provided by YVA.

**Mr. Byblow:** Is Worlds of Alaska an annual publication?

**Hon. Mr. Lang:** To date it has been.

**Mr. Penikett:** I noticed in the material the Minister gave us today that a fairly small percentage of the visitors here identify themselves as business travellers. Things may have changed, but I know when I used to work in the hotel business there was a fairly continual immigration and exodus of experts into the Territory from Ottawa and other points South. I wonder if we have changed our definition of visitor?

**Hon. Mr. Lang:** The basic tenet that was used under this coupon conversion study was to use information that was sent to people who asked for it. If someone in business was coming here, whether it be with the Government of Canada or small business, in most cases they would not approach the Department of Tourism, so that is business over and above what we foresee in this report.

<sup>52</sup> **Mr. Penikett:** I assumed they were not considered tourists. They do not come in these package groups as a rule, even when there seems to be a large number of them in town at once. Since these people are not pleasure travellers and they do not book through these tour operators, I assume we include them in the total numbers of visitors we publish. How do we take account of them? Do we use hotel occupancies?

**Hon. Mr. Lang:** It is a very subjective area. We will get part of them this coming year with our exit survey, at the airports or whatever. All we can really do is look at that as icing on the cake.

**Mr. Penikett:** Would I be correct in assuming that through YVA, the major hotels in town could provide, or have provided, the Government with some information about the percentage of their guests who are business travellers as opposed to tourists?

**Hon. Mr. Lang:** Not to my knowledge. If we felt that it was important, I am sure they would provide us with it.

**Mr. Veale:** I noticed that the expenditure for the marketing program was stated to be \$250,000 last year, in the Ministerial Statement. This year it is \$217,000, at least as it relates to Worlds of Alaska and Reader's Digest. Is there an additional explanation for that discrepancy?

cy? My impression was that the \$250,000 related specifically to the coupon conversion program. Can the Minister explain the \$250,000 last year and why it is down to \$217,000 this year?

**Hon. Mr. Lang:** It is moving monies around. I tried to further define it in my preamble to this part of the vote when I indicated that for the Worlds of Alaska and Canada's Yukon program, including consumer promotions, it was \$217,000. There has been an increase substantially if one wants to look just strictly at dollar figure for marketing, by \$195,000, to over \$1 million.

**Mr. Byblow:** The Minister made reference this afternoon when he announced the results of the special marketing program with Alaska that there would be some monitoring going on this summer and the use of school students. We have an indication here of casual employment of 6.25 people, but I believe that is just for manning the information booths, not inclusive of the bodies that are anticipated on a casual basis to do the monitoring?

<sup>53</sup> **Hon. Mr. Lang:** That would come under the Tourist Subsidiary Agreement and the Canada Employment Centre for cost-sharing in respect to the costs, and it would show up in the capital side of the budget supplementaries this Fall.

**Mr. Veale:** The 1981 magazine program explicitly was \$250,000, as I understand it. The statement by John O'Neill in the information that we have received is that the 1981 magazine program was \$250,000, and that included both the Worlds of Alaska and the Readers' Digest programs. The Minister stated that those two programs are \$217,000 now. Why is there a discrepancy? Is there a reduction in the program now?

**Hon. Mr. Lang:** The actual cost of going into the program with the Americans is \$180,000 Canadian. The balance is the follow-up that we have to do once people write for further information, which we work out with the YVA — the cost of delivery and all those other things — and that is why that cost is up to \$250,000. I have tried to outline very basically how the money will be spent this coming year.

**Mr. Veale:** I assume that what the Minister is saying is that the \$217,000 relates to the direct magazine costs and does not include the additional follow-up costs which are buried under the line-item for marketing. Is that correct?

**Hon. Mr. Lang:** Yes.

**Mr. Chairman:** Administration, no vote, so I presume no questions.

*Administration in the amount of nil agreed to*

*On Marketing*

**Mr. Chairman:** Marketing, \$1,014,000

**Mrs. McGuire:** You said that \$250,000 was allotted to a local association, and I want to know exactly what they will be doing for that. Will they be putting out a magazine for that amount of money?

**Hon. Mr. Lang:** Most of that expense is actually publishing of the document that we jointly cost-share with the YVA, which is the follow-up marketing tool that we use with Worlds of Alaska and Canada's Yukon. I think that we are very fortunate to be able to produce that material locally. At one time, it was all produced in Vancouver.

**Mr. Byblow:** In the discussion of the marketing approach to tourism that the Minister stated, he indicated a close affinity with YVA. Has the Minister now composed a board of YVA and Government representation to whom this policy direction is being given?

**Hon. Mr. Lang:** Yes.

<sup>54</sup> **Mr. Byblow:** How large is the board, how often does it meet and is this an ongoing position and policy development tool of this Government?

**Hon. Mr. Lang:** They have met approximately three times since they were formed approximately four months ago. It is composed of about nine representatives.

**Mr. Veale:** I note that the distribution of literature is going to be down 28 percent as an estimate from 1981 to 1982. What is the explanation for that?

**Hon. Mr. Lang:** I gather that it would be because projections had indicated that we had over-projected last year in respect to what the distribution was going to be.

**Mr. Veale:** I am sorry but that is a statement of the 1981 actual being 345,000, so that does not quite correspond with the Minister's

statement.

**Hon. Mr. Lang:** I think the real reason, I guess, must be the fact that we now only have one particular piece of correspondence that we sent out. Prior to this we had two or three, and that figure would refer to the number of actual pieces of literature sent out. Before, YVA had one and we had two that we sent out and that increased our volume. Right now we have combined everything and we have one piece of literature to send out. So, we really have an increase here but it does not really reflect that.

**Mr. Byblow:** Just one more question and perhaps it is a little too detailed and I can talk to the Deputy Minister later. I raised the matter with the Minister in the past, given the economic situation in the Territory now, about redirecting some promotional literature, perhaps, or things like signs, in other areas of the Yukon that are depressed by the decreased activity in mining. Certainly the Minister indicated, at that time, a favorable response in that area. What specifically can really be done if we wanted to redirect some activity towards Mayo or Faro or towards another community affected economically that does not normally rely on tourism?

**Hon. Mr. Lang:** As I indicated to the Member opposite, we can utilize our information centres to try and impress upon visitors that there are a lot of areas that they can visit in the Yukon and, as far as redirecting the marketing, that would have to be worked out at the marketing council that I referred to earlier.

*Marketing in the amount of \$1,014,000 agreed to*

*On Development*

**Mr. Chairman:** Development, no vote.

*Development in the amount of nil agreed to*

*On Information Centres*

**Mr. Chairman:** Information Centres, \$107,000.

<sup>55</sup> **Mr. Veale:** Is any of that money going to Carcross or is that just far in the future in terms of the development of that centre?

**Hon. Mr. Lang:** No.

**Mr. Njootli:** The information centres in and around the Yukon pertain to tourism. In regard to the Dempster Highway, do you foresee any arrangements at all where you would create a cost-sharing relationship for an information centre along the Dempster Highway with the Northwest Territorial Government?

**Hon. Mr. Lang:** That would be down the road.

**Mr. Byblow:** It is my understanding that at some time this spring the Watson Lake information centre is going to be started. Is this still in the planning stages?

**Hon. Mr. Lang:** I refer the Member back to the Capital Budget. He can rest assured it is going ahead and I will be down there to turn the sod over.

*Information Centres in the amount of \$107,000 agreed to*

*Tourism Marketing in the amount of \$1,121,000 agreed to*

*On Economic Research and Planning*

**Mr. Chairman:** Economic Research and Planning. A one-line item again, in the amount of \$367,000.

**Mr. Penikett:** I know that the Minister would not want to let this one go without saying a few words. We have discussed the general question quite a bit at the beginning of the discussion of this vote but I wonder if the Minister could report to us a little bit on the development of the computer economic model which has been referred to a number of times, the uses to which that model has been put and perhaps some of the current assessments that the Minister has been able to obtain from that model?

I for one — and I know the Minister shares my love of statistics — would like to know if they have, for example, run through the impact on retail trade as a result of the recent lay-offs in the mining industry? Have those kind of analyses been done with the model? What other uses is the computer model being put to? I assume the programs in it are being developed. Perhaps the Minister could give some kind of report on what new developments and what new programs have been developed with the model?

<sup>56</sup> **Hon. Mr. Lang:** I recognize the Member opposite loves to have statistics. The computer model has been utilized over the past number of years, for example, with Amax and their projections of what they are doing. Assumptions are fed into the computer and it gives an idea

as to what the ramifications of the size of the project could be as to what infrastructure might be needed. It is an ongoing exercise and we will continue to utilize it as such.

**Mr. Penikett:** In 1979, in answers to questions about the model, the previous Minister said, "due to development of an adequate data base over the past couple of years and the development of new analytical tools such as the Yukon economic model, the provision of a long-term development strategy in the near future is not an unrealistic objective." Could the Minister say how close he is to the kind of development strategy referred to by his colleague and the way in which the computer has been used to develop it?

**Hon. Mr. Lang:** It is a vehicle that can measure economic indicators. As far as the strategy is concerned, there is work being done within the department and once I feel it is satisfactory, I would take it to Cabinet. There are a number of elements of the economic strategy that have to be worked out in concert with the private sector, especially the mining industry. That is one reason why we are using the MacPass form.

**Mr. Penikett:** The Minister indicates from his own point of view some apprehension about the extent to which the computer model could be used. Could he indicate the kind of recent uses — not for the whole Government — that his department have been able to use if for, not just the MacPass situation, but in terms of analyzing the current economic situation and developing contingencies to deal with the problems we now have?

**Hon. Mr. Lang:** We are trying to do a forecast of what the ramifications of Whitehorse Copper would be. Once I have the information and it is satisfactorily done to my observations, I would be happy to provide the Member opposite with the information.

**Mr. Chairman:** Looking at the time, I think Committee will recess until 7:30 p.m. and then Mr. Veale will have the floor.

*Recess*

<sup>01</sup> **Mr. Chairman:** I will call Committee of the Whole to order. We are still on general discussion of Economic Research and Planning.

**Mr. Veale:** By way of example, I would like to ask the Minister how his Department liaises with a local committee, for example, the Carcross Development Committee; how does the Minister and his Department provide the short-term, medium-term and long-range planning goals as objectives and work closely with the community involved so that there is good community development going and not just centralized planning being imposed on the community?

**Hon. Mr. Lang:** A community such as Carcross does not have municipal status. The organization we generally work through is the community club, which consists of elected officials and generally represents a pretty good cross-section of the population. We also, in a community of that kind, contact the Band and meet with them in an informal atmosphere and describe the options available to us and try to work together with them. It has worked successfully in Carcross. The Carcross community has been fully involved with the planning for the tourism and information centre that we are putting in there along with the *Tutshi*. It has worked out very successfully for the community and, in turn, for the Department and the Government. It is a question of just contacting the key people in the community. Generally, you know who they are and they are generally publicly spirited people and you do not have any trouble contacting them.

**Mr. Veale:** The second part of my question that the Minister did not address was the long-range planning function. How is that developed in conjunction with the local committee?

**Hon. Mr. Lang:** In most cases, in a community such as Carcross, all they really want to discuss is pragmatic projects that could be going ahead within the next year or two years. In Carcross, for example, the historic sites area that they are contemplating still goes through the same organization but it takes much longer. That type of thing is long-term planning — what the community is going to look like; what are we going to preserve and this type of thing. You are approaching it from both sides.

<sup>02</sup> **Mr. Veale:** Just to develop the Carcross model, is the Department providing the background research and planning capacity for a com-

munity like that, or is the Department still contracting it out in having social planners come in and prepare those reports that we so often see?

**Hon. Mr. Lang:** No, in our case all we needed was an architect, not a social planner. Sometimes in a program such as a Special ARDA, they may want to have "experts" involved but in most cases it is done pretty well by a layman. If one has \$100,000 for a project, as far as I am concerned you make your project fit whatever finances you have, and that is exactly what takes place.

**Mr. Veale:** The concept of a hotel tax has been raised over the years by a number of Yukon organizations, particularly the Association of Yukon Communities, in terms of raising money that can be used to develop our communities, both from the tourism aspect and from an employment aspect. Could the Minister advise if he has done any studies relating to the impact that such a tax would have on tourism and the amounts of revenue that could be generated?

**Hon. Mr. Lang:** I just want to assure the Member opposite that we are not contemplating a hotel or motel tax at the present time. There was some work done a number of years ago, and in fact there was a bill tabled in the House a number of years ago that never got past First Reading — I am going strictly upon memory.

**Mr. Byblow:** There is a reduction of a man-year in the Department so I would like to ask the Minister why the need for fewer man-years in light of the planning and coordinating component of this Branch.

**Hon. Mr. Lang:** As the Member knows, we brought forward a balanced budget with no tax increases and subsequently some decisions had to be made and that was one of them. I have been assured by the Department that the man-year had been vacant for some time and that it was not going to be filled. As far as I was concerned we could do the work that was being done satisfactorily and I have been assured by the Department, as far as the various statistics that the Official Opposition like to read, will be provided on a given basis.

<sup>03</sup> **Mr. Byblow:** A budget that is planned on paper does not necessarily mean a balanced budget. My question to the Minister relates to the information surrounding the Branch. In previous debates, we always had a summary of the accomplishments of the Branch in terms of the major reports they had done and generally the monitoring service they provided. I wonder if the Minister could provide any of that? If he cannot, can he at least assure us that the basic work of the Branch is remaining the same, in terms of their function. I do not necessarily want to get into the management aspect of it, but that basically the objective and purpose of the seven man-years is remaining the same as the past couple of years with respect to forecast studies and reports.

**Hon. Mr. Lang:** There is no question that the objective is very similar to what it has been. There has been major work done in the Department. The negotiations, for example, with White Pass regarding their responsibilities, the position paper presented on the MacPass Task Force, the number of interventions to the CTC on behalf of our local carriers here, doing some work on the background paper in the Beaufort Sea development that was tabled in the House. It is an ongoing exercise and you can rest assured it is being well managed.

**Mr. Byblow:** Can the Minister indicate whether or not there is a greater public use of the Branch, in the form of the statistics and reports it makes available and so on, and special requests for information. Is the public demand increasing?

**Hon. Mr. Lang:** It is much the same as it was before. I think we responded to something like 1,700 business queries and that service will continue.

**Mr. Veale:** On a question for the Minister about the hotel tax, the Minister stated quite categorically that this Government is not planning to do anything. I would appreciate if he would outline the reasons for the outright rejection of that concept in light of the fact there has not been any research done or any economic projections of the impact it would have.

<sup>04</sup> **Hon. Mr. Lang:** I indicated to you that work had been done internally within the Government on the implications of a hotel tax. I indicated to him that we were not contemplating such a tax at the present time.

**Mr. Veale:** Would the Minister indicate what the implications are for that hotel tax that the Government research has indicated?

**Hon. Mr. Lang:** We have not been contemplating such a tax. That work was done a number of years ago so I cannot give it off the top of my head. Obviously, the hotel owners would have to do a certain amount more paperwork than they presently do and, secondly, it would cost that much more for tourists.

**Mr. Veale:** Bearing in mind that British Columbia and most other jurisdictions do have such a tax, has the Minister consulted with those provinces and those jurisdictions to determine what the long-range implications are and whether or not it has had any impact at all on tourism in those jurisdictions?

**Hon. Mr. Lang:** I am sure that there was some consultation with them at that time. I am going back to research that was done a number of years ago. If I recall correctly, the Province of Ontario took it off because of the effect they felt that it was having on the tourism industry. There are different sides to the story, the way I see it.

**Hon. Mr. Tracey:** I feel that I have to get up to talk here. Hotel tax would probably be more effective in some other jurisdiction than Yukon because of the fact that we have so many Yukoners that are forced to come to Whitehorse and they would be forced to pay the hotel tax. To the best of my knowledge, when it is all worked out, hotel tax would have generated this Government somewhere in the neighbourhood of less than \$200,000 for all of the problems that it would have generated for local Yukon residents. There was very little in it for actual tax revenues to the Government of the Yukon Territory. We would have had to give the tax back to the local Yukon residents so we would have had to make provision for them which would have meant tremendous administration costs to keep track of everybody. The actual benefit to Yukoners, in tax revenue from the tourists, would have been very small.

*Economic Research and Planning in the amount of \$367,000 agreed to*

*On Tourism Planning and Development*

**Mr. Chairman:** Tourism Planning and Development, \$263,000.

**Hon. Mr. Lang:** This is just a salary increase from last year. It is basically responsible for working in the area of tourism along with the Yukon Visitors Association. The majority of our work here is planning and management development projects under the Canada/Yukon Tourism Agreement. The actual cost increase is strictly inflation. It is the same type of allocation in dollars that was presented last year.

**Mr. Kimmerly:** I was interested in the Minister's statement about the 16 percent increase as "strictly inflation". I note in a number of other lines of the Budget, the strictly inflationary increase is substantially less than 16 percent. Also, the inflation rate is not 16 percent. I wonder if the Minister could elaborate on that statement?

**Hon. Mr. Lang:** We do have a person on staff who is on educational leave and that has increased our Budget. As the Member knows, it is largely through the Public Service Commission, but it costs the Department a certain amount. The 16 percent is somewhat deceiving because of that added cost; we have had to replace that individual over the period of time that he has been away. Included in here is our allocation of dollars to the Yukon Visitors Association for their administrative costs. Also, you will notice that the Tourist Advisory Board is not continuing for the course of this year.

**Mrs. McGuire:** On Page 133, the estimate of persons entering Yukon by auto is 227,000, air - 93,000, bus - 47,000, rail - 17,000, other 2,000 — probably those are the people who walked. Of these 386,000 persons, are these actually identified tourists who have entered Yukon at border crossings?

**Hon. Mr. Lang:** Yes.

*Tourism Planning and Development in the amount of \$263,000 agreed to*

*On Revenue and Recoveries*

**Mr. Chairman:** The next Page is 134. It is Revenue and Recoveries. Any discussion?

**Mr. Byblow:** I just have one question on the Small Business Loans Program. How does it now show up as a revenue recovery?

**Hon. Mr. Lang:** Earlier, I indicated that depending upon whether or not we got the Small Business Loans Program transferred to us, that roughly \$100,000 would be recoverable from the Federal Government

for the costs of initiating the program.

**Mr. Byblow:** I have one final question, and I am sure that the Minister will give me such an articulate answer that I will never have to ask it again.

If \$100,000 is the recovery item of the anticipated expenditure, what is the anticipated expenditure?

**Hon. Mr. Lang:** Approximately \$85,000.

*Department of Tourism and Economic Development in the amount of \$2,124,000 agreed to*

**Mr. Chairman:** As Members were advised this afternoon, we will now go to Bill No. 7, *Loan Agreement Act, (1982) No. 1.*

**On Bill No. 7**

**Hon. Mr. Pearson:** As I indicated at Second Reading, this is one of the results of the tight-money policy that the Federal Government has embarked upon. Members will recall other years when we have passed a similar type of Loan Agreement Act, but each year that was specifically for borrowing from the Government of Canada. This money will be used for the same purposes, third-party loans and loans to municipalities for development and land sale.

The significant factor of this Bill is that it will give us authority to borrow money on the open market. That means that we will compete with other borrowers on the open market. It will also mean that we will have to pay more in interest. Governments, of course, borrow from lending institutions based on credit ratings. We have to start at the bottom and actually establish a credit rating. Hopefully, it will be a good one and we will be able to take advantage of that as time goes on.

**Mr. Penikett:** We did speak briefly about this Bill at Second Reading and I want to say three small things by way of general debate. Perhaps the Government Leader may, in his capacity as Minister of Finance, elaborate in his answers to these questions, either now or when we get into clause by clause.

I am interested in the purposes of the Bill in terms of making loans to municipalities. I wonder if the Government Leader might indicate something about the kinds of loans to municipalities or whether there are going to be any specific purposes in mind. The reason I ask the question is that there are many municipal capital works, for which the municipal bylaws and according to the Territory's Ordinances, require first the Commissioner's approval, but also that the interest rate be set with the Commissioner's approval.

What that would mean in the case of this, if we borrowed on the open market for municipalities, the full cost of the such borrowings could be passed on to those people and hence the municipal taxpayers. Even though they might not be available from the Federal Government, I would appreciate hearing from the Government Leader a little bit about the distinction between the kind of money we will borrow from the Federal Government and the kind of money we will borrow on the open market, and whether he has in mind that some things might be more appropriately financed by borrowings on the open market than others.

That brings me to the next question of land.

Right now, as I understand it, all the financing for all the land bank that we now have is in fact federally financed and there is a fairly large interest payment due in this Budget which we will have to make. I am curious as to whether some of the money that we will vote in this Bill is intended to pay off some of that interest or to re-finance the land we now have, or whether it is simply to provide for future land developments. I would appreciate the Government Leader saying a word or two about that.

Finally, I would ask if, as yet, the Government has any idea about its position in the financial markets, as he will know that most of the provinces have an established credit rate in the New York markets. Maybe the Government Leader could go into our credit rating a little bit more because I know that in the case of most of the provinces it is revised annually and I understand it is not done simply as some kind of arbitrary thing but the process of some kind of discussion and negotiations and examination of — not the Territorial accounts but what the lenders regard as the financial security of the Territory.

So even though he may have touched on it briefly, I would appreci-

ate hearing a little more about what they give us — A, AA, A-plus?

**Hon. Mr. Pearson:** I will try to go down the list of questions asked by the Leader of the Opposition. It must be understood from the outset that the Federal Government has made it clear to us that there will be no money to lend to us this year. They will not lend us money this year. We will have to borrow all of the money we will require to lend to the municipalities.

The Honourable Member is absolutely correct. We will have to make sure, if it is going to be fair and equitable, that the cost of borrowing that money is passed on to the municipality. That is the case now. The interest rates are built into their loan repayments. It must be emphasized that there is not any Federal money to be borrowed.

We are talking about borrowing \$10 million dollars this year. We anticipate that as our need for the development of land and the loans to the municipalities during the year. None of this is intended to pay off or re-finance our present land bank or to pay off interest on our present land bank, nor will it be used to re-finance any of that. There is a line item in Finance in respect to interest payments with regard to our loans.

As to future land development, it is a case of putting a figure in the Budget every year and not really knowing how much we may or may not spend on land development.

It is important that we have that kind of money around if it is necessary. I must emphasize that we do not have the intention of running out tomorrow, if this Bill is passed tonight, and borrowing \$10 million dollars. The money will be borrowed when and if it is necessary. Hopefully we can set up a procedure whereby we can do that.

I do know the Deputy Minister of Finance has had preliminary talks with some of the lending institutions. As I said earlier, we have to start at square one, and we have to establish a credit rating. For quite a number of years now, this Government has been doing a considerable amount of business with a number of the banks locally in the Territory. That business is of the magnitude that I am sure has enabled them to ascertain whether or not we are a good credit risk.

<sup>08</sup> I think that probably, for the first time around, we will not be looking at anything more than prime plus one percent, or prime plus one and a half percent, certainly no more than that. I am quite confident of that, just from what I have heard.

**Mr. Veale:** That was one of the things that I was interested in, whether or not the Government would be going to a chartered bank or whether they would be going to the institutional market and would it necessarily be in Canada. I would be interested in hearing on that issue if whether the intention is to stay on the local chartered bank market.

The Government Leader indicated that \$10,000,000 is anticipated as being the requirements. What proportion of it is going to be for loans to municipalities and what proportion is going to be allocated for the development of land for sale? I guess I am surprised to hear that there would be a significant amount devoted to land sales, bearing in mind that there is a substantial land bank available now which the Government has actually lowered the requirements on in order to, hopefully, stimulate its sale.

**Hon. Mr. Pearson:** At the present time we have a considerable amount of land in our land bank, of some kinds. We anticipate that, all things being equal and things going along properly, it might be necessary that we develop some more land. The development of land is getting more and more expensive all the time. Of this \$10,000,000, we anticipated that some \$6,000,000 would be for municipal borrowing and \$4,000,000 for land development if those were the numbers that become required. We have, again, preliminary figures from the major municipalities on what they anticipate their borrowing to be, so that is what this is built on.

I have not heard of any suggestions from the Department of Finance that we go outside of Yukon or outside of the local chartered banks in respect to borrowing. Another source may well be our Workers' Compensation Fund. I suspect that that is a legitimate source of borrowing if we wanted to use it and if they wanted to lend to us, if they considered us to be a good risk. That would be entirely up to the Board. So there are some local sources available to us.

<sup>10</sup> **Mr. Veale:** Of the \$4,000,000 for land, are we now talking about rural-residential? Are we including in this the agricultural land? Are those the areas specifically?

**Hon. Mr. Pearson:** Yes. We have also just acquired a considerable amount of recreational land from the Federal Government, and we know we are going to have to spend some money on it in respect to development because we never ever felt that the Federal Government was keeping that particular developed land in proper shape. There is going to have to be road upgrading and so on. Additional development money is built into the sale prices that we have advertised.

**Mr. Veale:** What impact is forecasted, in terms of the cost of land, bearing in mind that in the past, I assume it has been done without having high interest rates?

**Hon. Mr. Pearson:** It is going to mean that the cost of developed land is going to go up by the difference in what we were paying the Federal Government for interest and what we are going to have to pay on the open market. We are paying as low as four percent to as high as 13 or 14 percent on loans with the Federal Government. The melded mixed rate is between nine and a half and eleven percent. It depends entirely upon when these loans were granted. We paid the Bank of Canada rate current the day we got the loan.

**Mr. Veale:** Does the Government anticipate that there is going to be a continued and sustained demand this year for new recreation lots and new rural-residential land?

**Hon. Mr. Pearson:** Yes. I am sure that we will get to this when we are discussing the Budget of Municipal and Community Affairs. Indications are that there will be a sustained demand for recreational land. We anticipate having to develop some new land as well as put what we have just received from the Federal Government on the market. We anticipate that we are going to have to develop some new lots as well.

**Mr. Penikett:** I am interested to hear the Government Leader suggest that the Workers' Compensation Fund might be a market that he would look at. I am a little curious as to how the rate might be set in such a case because that would involve, in some sense, policy decisions at two levels of the Government. If it were at market plus one or one and a half percent, that would certainly produce a better return than the Board is now recovering from the \$7,000,000 it has invested at 11 percent with the Provinces of Quebec, Nova Scotia, New Brunswick and Saskatchewan.

<sup>11</sup> In terms of the borrowing, I know the Government Leader has cultivated a relationship with the Government of Alberta. That Heritage Fund has made a number of borrowings at relatively low rates of interest to the needy provinces. I know that those deals have been the source of some criticism inside Alberta. Were we to be able to take advantage of them, I suppose there would not be much criticism here.

**Hon. Mr. Pearson:** For reasons that I am sure all Members will understand when we get our Heritage and Savings Legislation before the House, the Government of Alberta, by their own legislation, is only allowed to lend to other provinces for specific reasons, and they certainly are not for reasons like this. They are not for reasons of lending to municipalities or developing land. The specific reasons have to be tied to actual development: energy development, resource development, and this type of thing. They just will not lend to a province to re-lend.

*On Clause 1*

**Mr. Penikett:** The Clause says the Act may be cited as *Loan Agreement Act (1982) No. 1*. I would ask the Government Leader if he anticipates an Act No. 2 this year?

**Hon. Mr. Pearson:** We normally have other Loan Agreement Acts during the course of the year. We may not need any more this year, but just for clarity sake we feel the safest way is to number them from the first one.

*Clause 1 agreed to*

*On Clause 2*

**Mr. Penikett:** I heard the Government Leader refer to the \$4 million dollar - \$6 million dollar split in respect to the two purposes of the Bill. I wonder if he might indicate how that \$10 million dollar figure came to be established. Is it just a projection or is there some real addition there?

**Hon. Mr. Pearson:** It is just a projection. When we made it \$10 million, we considered seriously whether we should just put in \$5 million and thought that \$5 million dollar increments were fair and reasonable to deal with. It is just an estimate. You can count on it; we

will not be borrowing this money unless we really do need it.

<sup>12</sup> *Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 4*

**Mr. Penikett:** I do not want to appear frivolous about it, but should we get into a situation where we are borrowing from another agency of this Government, what will be the process by which the Commissioner agrees with one of his hands with the other one?

**Hon. Mr. Pearson:** In respect to Workers' Compensation, the Board does the lending if we were borrowing from the Board. It would be a case of negotiation between the Board or their actuary and the Deputy Minister of Finance or his actuary as to what the rate might be. It could be nothing else.

**Mr. Penikett:** I do not want to specifically or vocally object to that. I just want to indicate one caution to the Government Leader, which is a minor constitutional issue and that is that the Board which is making those decisions may be at arm's length but they are not independent of this Government. There may be some experience in some other jurisdiction which may recommend itself to us in exactly that kind of situation, especially if we do this for the first time. I am a little nervous on that point because the Board does sit as appointees of the Government. They may be people who feel profoundly confident to make decisions in respect to most of their work, which is making awards on the basis of compensation claims, but they may be absolutely reliant on this Government for some other advice in terms of something like this.

**Hon. Mr. Tracey:** The Workers' Compensation Board would not be lending that money without relying on the expertise of the people who they have doing their actuarial work for them. The Board will be the sole body deciding where they will invest their money. In conjunction with their expertise, they will make the decisions. There will be no influence on their investments from the Front Bench or the Government. Their investments will be done strictly through the Board.

<sup>13</sup> **Mr. Veale:** What is the type of security that the Government is considering to give, perhaps, to a bank as opposed to the Workers' Compensation Board?

**Hon. Mr. Pearson:** The only security that any Government has is its tax base. That is all.

**Mr. Penikett:** I am reminded of a famous story when, over dinner one weekend, Benjamin Disraeli, when he was Prime Minister of Great Britain, tried to borrow \$5 million from a gentleman named Rothschild, who was sitting next to him, and he wanted to know what for. He said, "To buy the Suez Canal." And he said, "On what security?" He said, "The Government of Great Britain," and I guess they lent him the money. I want to say to the Minister of Justice...

**Mr. Graham:** What was the moral of that story?

**Mr. Penikett:** The moral of the story was.... I will have to think about that for a minute. I have a canal I would like to sell to several Members across the way but I doubt that I could get \$5 million for it.

The question that I raise about the Workers' Compensation Board, and I put this to the Minister of Justice, is not a suggestion that there would be anything improper done, but I would suggest that whatever independent advice they may have from actuaries, the fact of the matter is that you are dealing with two Government agencies and there may be some precedence that would be useful to examine before embarking on such a step for the first time. That is the only suggestion I make.

*Clause 4 agreed to*

*Title agreed to*

**Hon. Mr. Pearson:** I move that Bill No. 7 *Loan Agreement Act (1982) No. 1* be reported without amendment.

*Motion agreed to*

#### On Bill No. 29

**Mr. Chairman:** We will now turn to Bill No. 29, *An Act to Amend the Electoral District Boundaries Act*.

<sup>14</sup> **Hon. Mr. Pearson:** This Bill is simply here to correct an anomaly that was raised because of some development in Porter Creek East and Whitehorse West. Also, there was a boundary description in respect to Porter Creek West that was doubtful when the last Election was held

and it had the potential to cause some problems in the future. The opportunity was taken to clean that up at this point as well.

In effect, what has transpired is that the trailer court is now all in Whitehorse West and the development that really should have been in Porter Creek East is now all in Porter Creek East. There is no change in the boundary of Porter Creek West. It is just that that line that was always intended is now described much more clearly.

Also, I would like to reiterate that I was part of the last Boundaries Commission and I know that it was the intent of the Boundaries Commission that the trailer park in fact be in Whitehorse West.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*Title agreed to*

**Hon. Mr. Pearson:** I move that Bill No. 29, *An Act to Amend the Electoral District Boundaries Act* be reported without amendment.

*Motion agreed to*

#### Bill No. 22

**Mr. Chairman:** Bill No. 22, *An Act to Amend the Transport Public Utilities Act*. General discussion.

<sup>15</sup> **Hon. Mr. Tracey:** As I stated earlier in the Second Reading speech, the only reason for this being brought forward now is to facilitate this Government's ability to notify the people by registered mail rather than have to serve them in person. It is becoming very expensive to serve these notices in person and, in some instances, we might have to make a fairly significant expenditure in travel. That is the long and short of the reason for this Bill being here.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 4*

*Clause 4 agreed to*

*On Clause 5*

*Clause 5 agreed to*

*On Clause 6*

*Clause 6 agreed to*

*On Clause 7*

*Clause 7 agreed to*

*On Clause 8*

*Clause 8 agreed to*

*On Clause 9*

*Clause 9 agreed to*

*Title agreed to*

**Hon. Mr. Tracey:** I move that you report Bill No. 22, *An Act to Amend the Transport Public Utilities Act* out of Committee without amendment.

*Motion agreed to*

**Mr. Chairman:** Before we go into Bill No. 18, Committee shall have a brief recess.

Is it Committee's wish to proceed with Bill No. 17 next?

After a brief recess we will proceed with Bill No. 17.

*Recess*

<sup>16</sup> **Mr. Chairman:** I will call Committee of the Whole back to order. **Bill No. 17**

**Mr. Chairman:** We will proceed with Bill No. 17, *Executive Council Act*. General discussion.

**Hon. Mr. Pearson:** This Act is before us to make sure that we can cover up the transitional period between the dissolving of this House and the next general election. It covers the appointments to the Executive Council and it also designates responsibilities under local or Territorial legislation. It has been very carefully drafted so as not to

contravene either the *Yukon Act* or the instructions issued to the Commissioner by the Minister of Indian Affairs and Northern Development pursuant to the *Yukon Act*. It legitimizes the Executive Council. In our own legislation, the most important step will be of course when the Executive Council is recognized in the *Yukon Act*.

**Mr. Kimmerly:** I can be quite brief as most of the comments that I have about this Act are similar to the comments made in this Assembly about the previous Act or Ordinance about the word "act". The *Executive Council Act*, or this Act, in my opinion, is consistent with the letter of instruction from the Federal Minister to the Commissioner, which the Commissioner now operates under, although technically it is inconsistent with the *Yukon Act* in the same way as the previous Ordinance is inconsistent, with the previous Ordinance changing the name of Ordinances to Acts.

<sup>17</sup> I will say no more about that because the arguments are already well made. It is my position that in order for this to be proper or legal or constitutional, it must involve a change to the *Yukon Act* and that may or may not occur. In any event it is beyond the competence of this Assembly to amend the *Yukon Act*. I wish to say that for the purposes of clearly going on record that that is this Member's view and making that view known to all Members.

The next thing, and I am going to be raising it specifically in relation to Clause 2 but in the general sense, is concerning the issue about public confusion. There are often differing words and differing phraseologies in the law that are increasingly difficult for laypeople to understand and this particular Bill could be written in a layperson's language, and I am sorry that it is not.

**Hon. Mr. Pearson:** I just want to react to one thing that the Member has said, and that is in respect to the terms used, and the possibility of public confusion. I recognize, because there was a Territorial Council in this Territory for years and years, and we are not talking about an Executive Council, that that confusion does exist. There is not much we can do about that because if we want to eliminate confusion, not only in Yukon but throughout the rest of Canada, we have to, I submit, use the same terminology as is used Outside by other governments.

Every government in Canada has an Executive Council. They are all Cabinets but they are, at law, an Executive Council. I believe that is the confusion that the Honourable Member has been talking about.

<sup>18</sup> **Mr. Veale:** I notice the use of the word "President". I presume that is being used in other jurisdictions. Is the legislation adapted from the other provincial jurisdictions in its format?

**Hon. Mr. Pearson:** We have had to do is do some adaptation. Some of the provisions would be in the *Yukon Act* when those amendments are made. At that time, there will be duplications between this piece of legislation and the *Yukon Act*, the Federal piece of legislation. I respectfully submit that will not be all bad either. At that time, they should be complementary.

**Mr. Veale:** Just a matter of principle, this Act clearly limits the power of the Commissioner based on the advice and consent of the Executive Council to those powers within the legislative competence under the *Yukon Act*.

**Hon. Mr. Pearson:** It must be well understood that the letter of instruction does too. It only limits the powers of the Commissioner in respect to that legislation which we have competence to pass and administer in this House. There is absolutely nothing else intended.

I want to point out to the Member that the appointment I have is not as Government Leader. I chose one day in the House to call myself that in reply to a question from the then Leader of the Opposition. The appointment that I hold is President of the Executive Council. That is the appointment that I received from the Commissioner. It already exists.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

**Mr. Kimmerly:** I promised to comment about Clause 2. It is the law that if this Act were inconsistent with the *Yukon Act*, the *Yukon Act* would apply. It is not necessary to put the section in, but the Government Leader will explain that there is a reason to put the section in and the legislative draftsman can explain it.

It is an extremely complicated and convoluted way of saying something. Laypeople, when they read a section like this, are totally amazed. They say, "What does it mean?", or language to that effect, usually slightly more colourful. The Deputy Minister of Justice, I believe, was quoted as saying, "The clause does not mean what it says it means" or words to that effect. This is one of those kinds of clauses. I wish to make a general comment, and I am making it as a Member of this Assembly with legal expertise.

<sup>19</sup> There are ways of passing laws where the laws are expressed in common language that laypeople can understand. It takes a little more effort but it ought to be done and this particular clause is an example of what should not be done.

**Hon. Mr. Pearson:** We have a legislative draftsman on contract who wrote the clause, and I am not sure what other reasons that the Members might think that this clause is here for, but there is only really one, and that is to make it very, very clear to everyone: to judges, to lawyers and to the general public, that the *Yukon Act* is superior to this piece of legislation. There is absolutely no question about it and I do not know how anyone can be confused. It is very clear.

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 5*

*Clause 5 agreed to*

*On Clause 6*

*Clause 6 agreed to*

*On Clause 7*

*Clause 7 agreed to*

*On Clause 8*

*Clause 8 agreed to*

*On Clause 9*

*Clause 9 agreed to*

*Title agreed to*

<sup>20</sup> **Hon. Mr. Pearson:** I move that Bill No. 17, *Executive Council Act* be reported without amendment.

*Motion agreed to*

#### Bill No. 18

**Mr. Chairman:** We will now turn to Bill No. 18, *An Act to Amend the Yukon Council Act*.

**Hon. Mr. Pearson:** Just to refresh Member's memories, the only reason we found it necessary to put the Bill before the House was because of the Motion that was passed in the House in respect to salaries for the current year. That Motion necessitated that the Act be changed. We have taken the opportunity to change the terminology where necessary, and also to delineate clearly in our legislation what happens to what used to be termed "The Commissioner's Annual Report".

**Mr. Kimmerly:** I will be very brief. For the record and for anyone reading it, it is the opinion of this Member that the changes in terminology are not technically legal and require a change in the *Yukon Act* beyond the competence of this Assembly.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 4*

*Clause 4 agreed to*

*On Clause 5*

*Clause 5 agreed to*

*On Clause 6*

*Clause 6 agreed to*

*On Clause 7*

*Clause 7 agreed to*

*On Clause 8*

*Clause 8 agreed to*

*On Clause 9*

**Mr. Veale:** A question that has not come in the right order, but it is

a fundamental question: when the word "Act" was introduced, it was introduced to mean "Act" or "Ordinance", basically, as I understood it. In this legislation, has the draftsman taken the position that the word "Legislative Assembly" means "Council"? Is that done in the *Interpretation Ordinance*? I do not recall it.

**Hon. Mr. Pearson:** We have to be careful that we do that. In the senior legislation, the *Yukon Act*, we are not referred to as the Legislative Assembly, but as the Territorial Council. In order to make our legislation consistent and clear for the laymen, we have to make sure that we do have that cross-reference in there.

**Mr. Kimmerly:** In the body of Section 9 (1) there is the phrase "Government Leader". This is the first time the phrase appears in legislation. Is this going to be a commonly used and defined phrase or term?

**Hon. Mr. Pearson:** The instructions given to the Commissioner said that the President of the Executive Council could, if she or he so desired, refer to himself as Premier. After giving that serious consideration, I determined that I should not, and we chose the term "Government Leader". I would expect that at some point in time it may be changed. It may be changed by a Government Leader before Yukon becomes a province because there is precedence for that to happen. Alberta had a Premier for a number of years before it became a province. At the present time, I think the term will stay around for some time. This is not the first time it has been used in legislation. We do have it in other legislation.

**Mr. Kimmerly:** This particular section is welcomed by Members on this side. With the computerization of many Government departments and the statistics, the monthly and the yearly statistics, I am sure, will be available almost immediately. Will the Government Leader make a statement about the policy of the statistics going into the annual report if they are available, almost immediately to Opposition members.

**Hon. Mr. Pearson:** If the Member is concerned about the six month delay, that is primarily so that we can include the Auditor General's Report and Statement as part of the Annual Report. The Annual Report is basically statistics and we have never had any problem with making those statistics available as soon as they are available to us. It is just a function of Government and the procedures that we go through in respect to getting the Auditor General's Report. It does take some time. That work cannot actually be started until after the end of the fiscal year. We tabled the Commissioner's Annual Report this year in the House. I believe it was one of the few years that it has ever been tabled on time. That required a concentrated effort on behalf of the Auditor General of Canada so it could be done.

He expressed a desire to his people that we have the necessary work done here in the Territory so that we could table that Report within a specified time this year, and we were able to do that. It is one of the few times, that I know of, that it has ever been done.

**Mr. Veale:** The use of the words "Government Leader" surprises me a little in the sense that in the previous Act, we introduced President of the Executive Council and, while I appreciate the functions may be treated as somewhat different, I am surprised that the words "Government Leader" would be introduced without having been mentioned in any previous legislation. It has basically come out of the Letter of Instruction, as I understand it, rather than having been introduced. Is it in the *Interpretation Ordinance* now?

**Hon. Mr. Pearson:** It is in the amendments to the *Elections Ordinance* of last year. That was where the term was first used. It is not in the Letter of Instruction. The Letter of Instruction refers to a President of the Executive Council and to a Premier. That is what is referred to there.

*Clause 9 agreed to*

**Hon. Mr. Pearson:** It has just been pointed out to me that, in fact, in the old *Yukon Council Ordinance* we had the term "Government Leader".

*Title agreed to*

**Hon. Mr. Pearson:** I move that Bill No. 18, *An Act to Amend the Yukon Council Act*, be reported without amendment.

*Motion agreed to*

*On Bill No. 12*

**Mr. Chairman:** Moving right along, I think we will go to Bill No. 12, *An Act to Amend the Pioneer Utility Grant Act*.

**Hon. Mrs. McCall:** This grant provides senior citizens in the Yukon with a subsidy for the high utility costs. The grant to eligible seniors has been increased from \$360.00 to \$480.00, which is the second increase since its implementation in 1978, so it will assist seniors in offsetting utility costs which of course have been rising rapidly. There is not really much else to say about it. It is very straightforward.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

**Mr. Kimmerly:** My first question to the Minister which I gave her notice of at the Second Reading stage is that the increase is \$10.00 a month, from \$30.00 a month to \$40.00 a month. I am specifically interested in the method whereby that increase was chosen and if the specific NCPC power rates were considered, and the specific increase in the utility costs were considered, as opposed to a percentage increase, or whatever method was used. The simple question is: why did the Minister arrive at the figure of \$40.00 a month?

**Hon. Mrs. McCall:** It was a formula worked out by Finance and I am afraid that I cannot really explain it. Perhaps the Honourable Member of Finance could explain that.

**Hon. Mr. Pearson:** We felt that because of the increasing costs, particularly to our pioneers who live in their own accommodation or in accommodation that is not provided and heavily subsidized by this Government, that we wanted to recognize that they were facing these increased costs. I would respectfully suggest that the one-third increase was, in large part, a function of what we thought we could afford to offer this year, recognizing that this does not offset the increases that they are having to face but it does help to offset those costs.

**Mr. Kimmerly:** Just to be absolutely clear, would the Minister of Finance confirm the statement that the process that was used was to look at the total projected expenditure and decide on the total figure, as opposed to the individual figure for each recipient?

**Hon. Mr. Pearson:** That was one of the methods that was used. We also looked at what these people are paying and what kind of costs they had last year. I want to reiterate that this \$40 a month or \$480 a year, is no more relevant to what the costs are today than the previous number of \$30 a month or \$360 a year, or what the numbers were when the program was first implemented. It was based on what we thought were reasonable sized grants that we could give.

*Clause 3 agreed to*

*On Clause 4*

*Clause 4 agreed to*

*On Clause 5*

*Clause 5 agreed to*

*On Clause 6*

*Clause 6 agreed to*

*Title agreed to*

**Hon. Mrs. McCall:** I move that Bill No. 12, *An Act to Amend the Pioneer Utility Grant Act*, be reported out of Committee 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 Mr. Graham that Mr. Speaker do now resume the Chair.

*Motion agreed to*

*Mr. Speaker resumes the Chair*

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

May we have a report from the Chairman of Committees?

**Mr. Fleming:** The Committee of the Whole has considered Bill No. 5, *Second Appropriation Act, 1982-83*, and directed me to report progress on same. Further, it has considered the following Bills and

directed me to report the same without amendments: Bill No. 7, *Loan Agreement Act (1982) No. 1*; Bill No. 29, *An Act to Amend the Electoral District Boundaries Act*; Bill No. 22, *An Act to Amend the Transport Public Utilities Act*; Bill No. 17, *Executive Council Act*; Bill No. 18, *An Act to Amend the Yukon Council Act*; Bill No. 12, *An Act to Amend the Pioneer Utility Grant Act*.

The Committee begs leave to sit again.

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

**Some Members:** Agreed.

**Mr. Speaker:** Leave is so granted. May I have your further pleasure?

**Mr. Graham:** 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 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 9:24 p.m.*

**The following Sessional Papers were tabled April 19, 1982:**

82-5-13

Coupon Conversion Study - 1981

82-5-14

Report from the Clerk of Assembly: Deductions from Members' Indemnities made pursuant to the *Yukon Council Ordinance*

