



# The Yukon Legislative Assembly

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Number 30

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24th Legislature

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## **HANSARD**

**Tuesday, November 4, 1980 — 1:30 p.m.**

Speaker: The Honourable Donald Taylor

# Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake  
DEPUTY SPEAKER — Grafton Njootli, MLA, Old Crow

## CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Chris Pearson	Whitehorse Riverdale North	Government House Leader — responsible for Executive, Council Office, Public Service Commission, Finance and Pipeline.
Hon. Doug Graham	Whitehorse Porter Creek West	Minister responsible for Education, Justice, Consumer & Corporate Affairs, Information Resources, Government Services and Workers' Compensation Board
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 Highways and Public Works, Municipal and Community Affairs, Yukon Housing Corporation, and Yukon Liquor Corporation.
Hon. Meg McCall	Klondike	Minister responsible for Health and Human Resources

## Government Members

### (Progressive Conservative)

Al Falle	Hootalinqua
Jack Hibberd	Whitehorse South Centre
Peter Hanson	Mayo
Grafton Njootli	Old Crow
Donald Taylor	Watson Lake
Howard Tracy	Tatchun

## Opposition Members

### (Liberal)

Iain MacKay	Whitehorse Riverdale South
Alice P. McGuire	Kluane

### (New Democratic Party)

Tony Penikett	Whitehorse West
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### (Independent)

Maurice J. Byblow	Faro
Robert Fleming	Campbell

Clerk Of Assembly  
Clerk Assistant (Legislative)  
Clerk Assistant (Administrative)  
Sergeant-at-Arms  
Editor of Hansard

Patrick L. Michael  
Missy Parnell  
Jane Steele  
G.I. Cameron  
Lois Cameron

**Whitehorse, Yukon**  
**Tuesday, November 4, 1980**

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

*Prayers.*

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

#### ORDERS OF THE DAY

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

#### TABLING OF DOCUMENTS

**Hon. Mr. Graham:** Mr. Speaker, I have for tabling an answer to a question asked on April 15, 1980, by the Leader of the Opposition.

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

Petitions?

Reading or Receiving of Petitions?

Introduction of Bills?

#### BILLS: INTRODUCTION AND FIRST READING

**Hon. Mr. Graham:** Mr. Speaker, I move, seconded by the Honourable Member for Mayo, that a bill, entitled *An Ordinance to Amend the Yukon Council Ordinance*, 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 a bill, entitled *An Ordinance to Amend the Yukon Council Ordinance*, be now introduced and read a first time.

*Motion agreed to*

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

Notices of Motion?

Are there any Statements by Ministers?

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

#### QUESTION PERIOD

**Question re: Pipeline/Labour Inflow Control**

**Mr. MacKay:** My question today is for the Government Leader. I was pleased to hear the Government Leader indicate his position last week, and reiterate it today, that possibly the only thing that is wrong with the constitutional package is the labour mobility plans. Such conditional endorsement from the West is good to hear.

My question, Mr. Speaker, is with respect to the mobility of labour. Can the Government Leader confirm that the main technique that was to be used for controlling inflows of labour on the pipeline was the placement of hiring halls in Edmonton and Vancouver?

**Hon. Mr. Pearson:** Yes, Mr. Speaker, that was the main technique. What was hoped was that through an intensive advertising campaign, and these types of things, we could dissuade as many people as possible from coming to Yukon to look for jobs on the pipeline here in the Territory. In other words dissuade them from coming here unless they already had a job.

One of the proposed terms and conditions laid on the proponent would be that they would not be allowed to hire other than local people in the Yukon Territory. They would have to hire them outside. So, what would happen, if these people came to Yukon looking for a job on the pipeline, is that they would have to turn around and go back outside in order to get that job.

**Mr. MacKay:** Can the Government Leader confirm that the recent proposed Constitutional changes will not stop the placement of hiring halls in Edmonton and Vancouver?

**Hon. Mr. Pearson:** Mr. Speaker, there is a considerable question as to exactly how the Constitution is going to affect or not affect those specific terms and conditions. Mr. Speaker, this matter is being looked at very, very seriously by a number of people in Ottawa. We anticipate hearing from them fairly soon.

**Mr. MacKay:** Can the Government Leader say then if it is his Government's policy to stop people coming into the Yukon looking for work during the period of the pipeline construction? If that is his position, how are local businesses replacing those Yukoners who are going to be hired on the pipeline?

**Hon. Mr. Pearson:** Now, Mr. Speaker, I thought I was quite explicit. The non-hire condition is going to be an onus on the proponent, Foothills, not on anyone else, Mr. Speaker.

**Question re: Yukon Electrical/YTG Takeover**

**Mr. Penikett:** I have a question for the Government Leader. Shortly before the Session began, a Government backbencher in CBC free-time political broadcast argued the case for Yukon Government takeover of Yukon Electrical's operations in the Territory. Could the Government Leader tell us whether this proposal is being actively pursued by the Government at this time?

**Hon. Mr. Pearson:** Mr. Speaker, it is difficult to say that it is being actively pursued because there are extraneous forces at play all of the time. We have never made any secret of the fact that we foresee that being — like provincial status — a long-term goal of this Government, one that we think will be beneficial to all of the people of the Territory; that there be a Yukon Power Corporation, if that is what you want to call it. Its main assets would be the assets of the Northern Canada Power Commission.

Now, of course, one of the things that flows from that is that its liabilities would also be those of the Northern Canada Power Commission.

Mr. Speaker, that is going to require a tremendous amount of negotiation, talking, discussions, and agreement with the senior government, who now hold those assets in trust for the people of Yukon and also, I submit, those liabilities. Mr. Speaker, it has always been my contention, and I have stated it in this House before, that the Government of Canada does not own NCPC; the people of the Yukon Territory, the users of NCPC, own it. The Government of Canada has not got one red cent in NCPC, other than money that they have loaned to NCPC to operate with.

**Mr. Penikett:** We all took our lust for NCPC for granted. I was particularly interested in our advances towards Yukon Electric.

Since the Government Leader has raised the subject, and since we all yesterday received a communication from Frobisher Bay on the subject, inviting us to respond to the initiative taken by the NWT Council in asserting their wish to take over the NWT assets of NCPC, can the Government Leader say if he has responded to the invitation from NWT councillors to communicate our views on the subject; and further, could the Government Leader say, since NCPC is now appearing before the Indian and Northern Affairs Committee in Ottawa, if representatives of this Government would be prepared to go to Ottawa to explain to the Northern Affairs Committee our views on this subject?

**Hon. Mr. Pearson:** Mr. Speaker, if I can answer all of the questions that the Honourable Member asked — I hope I can remember all of them. With respect to a response to the NWT Council now sitting in Frobisher Bay, I tried yesterday afternoon to call and finally did get through. I was not able to speak to anyone and left a message for them to call back.

Mr. Speaker, my response would be a personal one and it would be one of encouragement to them. I think it is great that the NWT Council is indicating a desire that this Legislature has already shown in the past. They are well aware of that, and hopefully we helped build a little bit of a fire under them in respect to that.

The question is going to be timing: when is going to be the best time to do it. I do not think there is any doubt in anyone's mind in the North now, that this would be the best all the way around for everyone. So, yes, I have tried to get in touch with them, but I have not been successful yet.

Mr. Speaker, the federal government and the Standing Committee are well aware of our concerns and our aspirations with respect to NCPC. We did not think that it was worth the effort to appear before the Standing Committee at this particular point in time to

put forward this argument once again. I would suggest, Mr. Speaker, that next time we do put it forward, that, rather than talking philosophy, we will be making pretty definitive statements.

**Mr. Penikett:** I asked the question because I had a call from a member of the Standing Committee this morning seeking our views. Obviously there is one member who has not been apprised.

Let me ask the Government Leader whether he is aware, since I accept his views about the timing being critical, that previous indications that there might be a move north by NCPG from Edmonton imminent have in fact caused a flurry of resignations from that office, particularly by engineers who are unwilling to come to our beautiful country.

**Hon. Mr. Pearson:** Mr. Speaker, I am not aware of that particular point. I am aware, Mr. Speaker, that the Northern Canada Power Commission had a consultant do a survey of all of their employees in their head office in Edmonton. A question was put to them as to what their reaction would be vis-a-vis their employment, should NCPG accede to the oft-mentioned wishes of the people in the North and move north.

Now, Mr. Speaker, at that point in time, I understand they gave their employees a list of communities in Yukon and the Northwest Territories that they were looking at as possible headquarter sites for the Northern Canada Power Commission. I do not know the final results of that survey, but I do understand, Mr. Speaker, that Whitehorse was far and away the most popular spot to come to if you were living in Edmonton and working for NCPG. Other spots were very, very unpopular, but I do not have all of that information.

I believe that, as a result of that survey and other information that the Northern Canada Power Commission has been able to gather, they have now put a proposal to the Minister in respect to the move, but I do not know what that proposal is.

**Question re: Energy/Hydro Electric Development**

**Mr. Byblow:** I have a question on the same general topic but I will direct it to the Minister of Economic Development, Mr. Speaker.

In an address to a federal committee on alternative energy and oil substitution, on September 18th of this year, the Minister advanced a case for the development of small hydro-electric sites, as opposed to major development. Can the Minister say if this philosophy is being advanced by his Government to NCPG in their continuing plans for development?

**Hon. Mr. Lang:** Yes, Mr. Speaker, there is no question in my mind. As all Members know, I am a pragmatist, and I recognize when the Government of Canada is either broke or on the verge of being broke. As one knows, there is a requirement for loan assistance from the Government of Canada if there is going to be an installation of a hydro facility that will be paid by the users — you and I and industry in Yukon. Subsequently, it seems to me to be a logical progression to say that perhaps we should lower our sights and try to look at a number of smaller sites, as opposed to the major megawatt concept, which has been talked about so often by all Members in this House, and for that matter, the public.

**Mr. Byblow:** Can the Minister say at this time at what stage of feasibility NCPG's studies are presently, with respect to development?

**Hon. Mr. Lang:** I cannot at the present time, Mr. Speaker. Once I do get updated on it, I will inform the House.

**Question re: Alcohol Problem in Yukon**

**Mrs. McGuire:** I have a question for the Government Leader. The Government Leader said during his interview on the Jack Webster show that Yukoners themselves did not have a high alcohol consumption and that the tourists accounted for a high per capita consumption. Yet the Liquor Corporation Report clearly indicates that Yukon's higher sales of liquor are not during tourist season. I ask the question, Mr. Speaker: is this an indication that the Government Leader is not aware that we have an alcohol problem in the Yukon, or is it simply distorting the truth to make us look good?

**Hon. Mr. Pearson:** Mr. Speaker, I think any time that I can distort the truth to make Yukon good, I am going to do it. But that was not the object of the exercise at all. Mr. Speaker, I do not care what the Yukon Liquor Corporation says or what anybody else says. Common sense dictates to me that Yukoners do not drink any more alcohol per capita than anyone else in Canada or if they do drink any more, it is very little. A major portion of the sales of alcohol in Yukon Territory go to the 300,000 tourists that we get

each year and that was all that I said.

**Mr. MacKay:** Supplementary to that, does the Government Leader know what the statistics are with respect with the per capita gallonage drunk by Yukoners versus the rest of the country? Is he aware that they are double, even allowing for the tourists?

**Hon. Mr. Pearson:** Mr. Speaker, that cannot be said, that cannot be said, "even allowing for the tourists" because, Mr. Speaker, we cannot tell, nor can anybody else how much the tourists buy, or drink.

**Question re: Pipeline Impacts**

**Mr. Penikett:** I am sure most of us use anti-freeze.

I have a question for the Government Leader. Given the approval of the pipeline terms and conditions, none of which oblige the pipeline company to do anything about inflation, and in view of the Government Leader's commitment earlier this Session to manage indirect impacts, could the Government Leader outline for us now what plans he had; what he was thinking of in terms of managing pipeline inflation impacts in his statement earlier this Session?

**Hon. Mr. Pearson:** Well, Mr. Speaker, it is every aspect, really, of Yukon life; especially in those communities along the Highway, along the pipeline right-of-way. They are all going to be directly affected. We are hoping that what we are putting in place, what we are working on, is going to minimize that effect to the greatest degree possible.

I think, Mr. Speaker, that probably the two most obvious things, as I might have stated at the time, are the education facilities and the health delivery facilities that are going to be required. We are in liaison all the time with the RCMP; there will be justice and policing requirements that will be necessary.

But, Mr. Speaker, the list of requirements is just unending.

**Mr. Penikett:** All Members will, I am sure, share the Government Leader's concern that education, health and justice costs do not increase, but given that 60 per cent of the average family's budget is made up of food, fuel, and housing, and given this Government's previous stated reluctance to implement any controls on those kind of prices during the pipeline period, could the Government Leader say what, if any, proposals he has in mind in connection with those immediate inflationary impacts?

**Hon. Mr. Pearson:** Mr. Speaker, the requirements put on the proponent with respect to housing: they are going to be required to establish and maintain their own camps, which must be specified distances away from communities. We are hoping that we can minimize the impact of that kind of a requirement to whatever degree possible. They are not going to be allowed to have their workers move into a community a hundred at a time and look for housing; go to the grocery store and buy all the groceries in the store. For the sake of the grocery store owner, I certainly hope, Mr. Speaker, that they will be allowed to go to the communities at some point to do their local shopping and this type of thing. But with respect to their actual living, they should be self-contained.

**Mr. Penikett:** Given that the inflationary impacts, which the Government Leader referred to, will probably not be directly caused by pipeline workers but the camp followers and immigrants looking for jobs, as well as the service workers, can the Government Leader say how advanced plans which he indicated may be under consideration are, for either food or rent subsidies or controls — particularly for those people in Yukon on low or fixed incomes who might be most seriously affected by this kind of inflation?

**Hon. Mr. Pearson:** Mr. Speaker, I am going to be brutally frank with the Honourable Member. We are not considering food subsidies or rent controls with respect to the pipeline at this point in time.

**Question re: Grants-In-Lieu-of Taxes**

**Mr. Fleming:** I had a question answered by the Minister of Community Affairs and that answer simply led to more questions. I would ask him, Mr. Speaker, this afternoon, and I will quote his answer of the other day: "Indian lands and improvements thereon are subject to the full grant-in-lieu of taxes from the federal government". I would then ask the Minister where, in the Budget — in Recoveries, or where — does the Government define these monies which the Government considers are in lieu of taxes in this case?

**Hon. Mr. Lattin:** Mr. Speaker, that is part of the money that goes to the communities.

**Mr. Fleming:** My question was not really answered, so I have a

problem. If this is the case, although I do not know because the Minister did not answer, really; where to find that money, and it is paid, does this not make the native people of that area, that it was paid for, actual taxpayers, in such areas such as our new community ordinance, and so forth?

**Hon. Mr. Lattin:** Mr. Speaker, at this particular time I will take notice of that question.

**Mr. Fleming:** In his answer, in the same area, and I quote, "What uses the land-owner makes of his land is at the owner's discretion: subject, of course, to any municipal zoning."

I would ask the Minister, Mr. Speaker, has there been a case to date where the Government of Yukon negotiated with the Minister of Indian Affairs or the native peoples and does have the right to zone Indian lands?

**Hon. Mr. Lattin:** Mr. Speaker, while I am taking the other question under advisement I will also consider that and bring my answer back.

**Hon. Mr. Pearson:** Mr. Speaker, on October 22nd, the Honourable Leader of the Opposition asked me a question in respect to the number of employees hired locally in the middle management and senior management levels of this Government.

Mr. Speaker, in 1979-80, we advertised 150 competitions for what we considered to be middle management jobs. Of those 150, 136 were local hires and 14 were outside-of-Yukon hires. In the senior management positions, Mr. Speaker, there were 38 advertisements; 23 were local hires and 15 from outside Yukon.

#### Question re: Pipeline Environmental Impacts

**Mr. MacKay:** That sounds like an improvement.

My question is to the Government Leader with respect to the pipeline again. There are apparently some difficulties in the environmental protection being provided by the NPA in southern B.C., where the Foothills pre-build is going on; and the BC Government, Mr. Speaker, has sought an equal say on these matters with NPA. Has the Government Leader considered a requesting similar equal say, in Yukon environmental matters with NPA?

**Hon. Mr. Pearson:** Mr. Speaker, we have had absolutely no complaints about the say that we have had, with respect to environmental matters on the proposed pipeline construction. The Minister of Pipelines established a committee called the Yukon Advisory Council, which advises him directly. That committee is comprised solely of local Yukoners, and they look very hard at particularly the environmental impacts of the pipeline. There have been a series of meetings conducted by the federal environmental people. We have had input to them. In fact, we had membership on that particular hearing board. Mr. Speaker, we have just no complaint at all about being able to get our concerns to the Northern Pipeline Agency, whose responsibility it is to gather those concerns.

**Mr. MacKay:** Is the Government not at all concerned about the fact that no final environmental impact statement has been approved even at this late stage by the NPA?

**Hon. Mr. Pearson:** Oh yes, Mr. Speaker, we are very concerned that the final impact statement has not been approved. Mr. Speaker, the problem arises in the area right around Whitehorse here and we made our feelings known to the environmental people. The Minister's committee has also made their feelings known and I understand, Mr. Speaker, that the environmental group will be making a submission to the Northern Pipeline Agency fairly soon in respect to what they feel should happen next.

I do not know whether they are going to recommend more hearings. Personally I hope not. I am sure we all feel that we have been studied to death, but they may recommend more hearings. The alternative is that they may submit their final report to the Northern Pipeline Agency.

**Mr. MacKay:** Is the Government aware at all at this stage of what the contents of those final reports are?

**Hon. Mr. Pearson:** No, Mr. Speaker, not at all.

#### Question re: Dawson Day Care Centre

**Mr. Penikett:** Mr. Speaker, I have a question for the Minister of Justice. Yesterday the Minister said that his department advised the Government Leader and the Minister of Health and Human Resources that it would be improper to give or loan Dawson City \$7,000 for the Dawson Day Care Centre. Could the Minister say when he was asked for this advice and when the advice was given?

**Hon. Mr. Graham:** Mr. Speaker, it is difficult to answer that question because at the time these discussions were taking place

among my colleagues, I was, unfortunately, out of the Territory. When I returned, the message from, I believe the Government Leader, was on my desk and I dealt with it as quickly as possible. I am not exactly certain of the date.

**Mr. Penikett:** I thank the Minister for his frank answer. I would like to know, can the Minister say whether the advice in the form in which he and his officials prepared it, was given to the Government Leader; to the Cabinet; to the Minister of Health or in what manner?

**Hon. Mr. Graham:** Mr. Speaker, although I find it difficult to believe that this is really suitable questioning at this time, I will advise the Member opposite that I gave the answer to the Minister of Municipal Affairs, whose department would have had to approve the loan to the Municipality of Dawson. The advice, I imagine, was given from my honourable colleague's department to the rest of the Ministers.

**Mr. Penikett:** I thank the Minister for his answer and I direct a supplementary to the Minister of Municipal Affairs and ask him: upon receipt of this advice, did he then convey this advice to the Dawson City Council and, if he did, could he tell us when?

**Hon. Mr. Lattin:** Mr. Speaker, I do not know really whether we did or not.

#### Question re: YTG Logo

**Mrs. McGuire:** I will direct this question to the Minister responsible. The Yukon Government has been reported as having decided to phase in its new logo and there appears to be some concern with costs. My question is, what is the estimate cost of phasing in the new logo?

**Hon. Mr. Graham:** I believe, if my memory serves me correctly, the approximate costs for phasing in the logo, if we phase it in over a period of time, are some \$15,000.

#### Question re: Dawson City Day Care (Continued)

**Mr. MacKay:** I have listened with some interest to the debate between the Minister of Human Resources and the Member for Whitehorse West. It seems to me I would like to zero in on an issue.

For the record, can the Minister say if it is still her desire to find the necessary funds to assist the children of Dawson in a day care centre?

**Hon. Mrs. McCall:** Mr. Speaker, it would certainly be my wish. I might say, for the record, that I do not think I would have much luck at this point.

**Mr. MacKay:** For the record, would the Minister be kind enough to explain to the House why she does not think she would have much luck, at this point, in helping the Dawson Day Care Centre?

**Mr. Speaker:** Order, please. I think I will have to rule that question out of order. The question is asking for a personal opinion from the Minister, which I do not think is really in order, and I think is an abuse of the rules of the House.

Would you care to re-phrase the question?

**Mr. MacKay:** Since the Minister is partially committed to the funding of a Dawson day care centre, is she also committed to the funding of all other day care centres of the same nature as the Dawson Day Care Centre?

**Hon. Mrs. McCall:** Mr. Speaker, I am committed on principle; I am not committed in any other way. I would like to make that quite clear, but I am definitely committed morally and philosophically to helping all day care centres.

**Mr. MacKay:** I certainly appreciate the human desires of the Minister, but will she be prepared to bring forward a Ministerial Statement as to what the Government's policy is on day care funding, since it seems to be a great contradiction between what she wishes to do and what the Government is prepared to do?

**Hon. Mrs. McCall:** Mr. Speaker, no, I am not prepared to do that.

#### Question re: Faro/Government Housing

**Mr. Byblow:** I have a question that I would like to direct to the Minister of Municipal and Community Affairs, relating to a local issue. In view of the fact that the Minister has received a petition from a number of my constituents over the matter of government housing and in view of the fact that I have made a number of representations to the Minister on the same topic, can he advise at this time how his department is handling the problem being posed?

**Hon. Mr. Lattin:** Mr. Speaker, the problem is under review at this particular time; I have nothing to report.

**Mr. Byblow:** I would like to ask the Minister further whether he has had an opportunity to apprise himself of the situation surrounding maintenance, and if he has made a decision on that matter.

**Hon. Mr. Lattin:** Mr. Speaker, again under this particular aspect, we are pursuing all the various options that are open to us. We have not come to a decision. When we do come to a decision, we will put the decisions into action.

**Question re: YTG Employee Housing Buy-back Scheme**

**Mr. Penikett:** I would like to ask the Minister of Municipal Affairs if he has had a chance yet to prepare an answer to my questions of October 21 concerning the territorial employee buy-back scheme?

**Hon. Mr. Lattin:** Mr. Chairman, no, I have not got the answer for that at this time. When I do have the answer I will certainly bring it in.

**Mr. Penikett:** When the Minister is seeking advice on this question, would he also investigate or inquire of his officials, and report back to the House, the case of Lot 973 in Riverdale particularly, but as a matter of policy generally, whether the Government ever has the practice of buying back employee houses other than under the employee buy-back scheme?

**Hon. Mr. Lattin:** Mr. Speaker, when I bring the information back, I will certainly review that also.

**Mr. Speaker:** There being no further questions, we will proceed to Orders of the Day.

**ORDERS OF THE DAY**

**Mr. Speaker:** On Monday, November 3rd, the Honourable Member for Whitehorse Riverdale South raised a question of privilege relating to a Notice of Motion given by the Honourable Member for Mayo. The Motion to which notice was given stated:

"That the Standing Committee on Rules, Elections and Privileges investigate and report to the Assembly on: (a) the position of the Member for Whitehorse Riverdale South in relation to Section 10 of the *Yukon Council Ordinance* and (b) any recommended amendments to such legislation.

The Honourable Member noted that such a Motion raised a question about his right to occupy a seat, and suggested that the matter be immediately referred to the Standing Committee on Rules, Elections and Privileges with the Committee being directed to report as soon as possible.

The Chair has reviewed the remarks of the Honourable Member, the Standing Orders of the Assembly, and the Parliamentary authorities to which this House refers, and has been unable to find that a *prima facie* case of privilege has been made in this instance.

It must also be noted that the Honourable Member has not fulfilled the requirement contained in annotation 81(2) of *Beauchesne*, 5th Edition, which states that a complaint of a breach of privilege must conclude with a motion providing the House with an opportunity to take some action.

The Chair, however, has taken into consideration the notice of motion which bears reference to the subject matter raised by the Honourable Member for Whitehorse Riverdale South, and which stands on the Order Paper for consideration on Wednesday, November the 5th.

In conclusion, it would appear that this matter will be duly considered by the House through normal parliamentary options when the question is under debate at that time.

**Mr. MacKay:** Mr. Speaker, while I cannot disagree with your ruling, I would like to express some disappointment. My disappointment stems, Mr. Speaker, from the fact that it is very important to me and to my constituents that I am allowed to clear my name.

Mr. Speaker, as a result, I would like to ask this House for a unanimous consent to debate, now, Motion Number 23, in view of the fact that motions to refer to Committee require no notice; the utmost speed and expedition is required, I think, to dispatch this matter. I would therefore ask unanimous consent from the House to debate this matter.

**Mr. Speaker:** Does the Honourable Member have unanimous consent to discuss Motion Number 23 standing on the Notice Paper?

**Some Members:** Agree.

**Some Members:** Disagree.

**Mr. Speaker:** The Honourable Member has not obtained unanimous consent.

May I have your further pleasure?

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

**Mr. Speaker:** It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Mayo, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

*Motion agreed to*

*Mr. Speaker leaves the Chair*

**COMMITTEE OF THE WHOLE**

**Mr. Chairman:** Committee will be discussing Bill number 61, Bill Number 45, Bill Number 55, and Bill Number 48. I declare a short recess at this time.

*Recess*

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

I would like to refer the Committee to Bill Number 61, *Third Appropriation Ordinance, 1979-80*.

*On Clause 1*

**Hon. Mr. Pearson:** Mr. Chairman, this is a supplementary ordinance, the *Third Appropriation Ordinance*, and it is to allow this House to vote the necessary funds to balance our books to the year ended March 31, 1980.

This money has been transferred between departments during the course of the fiscal year just past. We find it necessary to table a bill of this sort, after all of the bookkeeping for the year is done, so that the requirements of the *Financial Administration Ordinance*, with respect to the voting of funds, can be met.

What we are talking about in this bill, Mr. Chairman, is \$1,305,900. The various departments the money has been allocated and switched to are outlined on page two.

Capital is on Page 3 of the Blue Book entitled *Supplementary Estimate Number 2*. I do not know that there is anything further to say at preliminary discussion other than that this is an exercise that we must go through each year.

**Mr. Fleming:** I wonder if the Government Leader could just tell us why the *Third Appropriation Ordinance*, Bill Number 56, has been put out? Some figures I think that did not correspond, and of course did not add up to the final total either. It was put aside. Now, I am presuming that is put aside and finished and we have just been handed another book. Is there a difference in the two books or is this all the same now?

**Hon. Mr. Pearson:** No, Mr. Chairman, you have not been handed another book. It is exactly the same book. What happened, Mr. Chairman, was that, in the explanatory notes and then in the Schedule, the department reflected the total revised vote for each of these departments that we are going to deal with: Education, Human Resources, Municipal and Community Affairs, et cetera. It can be done either way, but it is very confusing if we are dealing with a Supplementary Estimate and then at the same time dealing with a total revised vote number in the Schedule.

You are told in the blue book what the total revised vote is but what we are actually voting is only \$1,305,900; no more and no less. I just felt, Mr. Chairman, for the sake of clarity, that we should use the consistent figures: the ones that we are actually dealing with all the way through.

**Mr. Fleming:** I just want to be clear because I am not a book-keeper and I do not really understand everything, so if the Honourable Leader of the Government can explain it just a little more. For the Department of Education, the \$86,400 is the amount that we are voting now; then you go to Page 3 of the blue book and you find Department of Education is \$7,113.6—now explain those two to me and then I think I will have it.

**Hon. Mr. Pearson:** Mr. Chairman, the Honourable Member is correct. We are dealing with \$86,400 in respect to the Department of Education. Now, Mr. Chairman, what that means is that during the fiscal year 1979-80 that department spent in total \$18,656,100 on Operation and Maintenance costs. Those two numbers are on Page 2: the \$86,400 as a supplementary number 2, and the \$18,000,000 as

the revised vote.

On Page 3, Mr. Chairman, are the capital monies that we vote each year. There is only one item. It was in the Department of Tourism and Economic Development. We had a short-fall in capital of \$6,100, and it has to be dealt with as a separate item.

We are dealing with two kinds of money here. In the one case, in all but the Department of Tourism and Economic Development, we are dealing with Operation and Maintenance money. However, in the Department of Tourism and Economic Development, we are dealing with \$6,100 of Capital money. That is the difference between the two pages.

**Mr. Byblow:** With the lack of financial expertise on this side, you are probably going to have quite a few questions to answer.

If I understand what the Government Leader has been saying, the figures presented are, in essence, a Capital and an O&M. Is that correct?

**Hon. Mr. Pearson:** Mr. Chairman, no. The \$1,305,900 is Capital and O&M. But, Mr. Chairman, in Supplementary Number 2, there are seven numbers. They total \$1,299,800. That is O&M money. Then we will also be dealing with \$6,100 in Capital money, in respect only of the Department of Tourism and Economic Development.

**Mr. Byblow:** Okay; this is, just curiously, a slightly different arrangement of voting supplementary estimates than we used last year?

**Hon. Mr. Pearson:** No, Mr. Chairman, this is exactly the same as the system used last time. That is why I want to put it forward this way. Mr. Chairman, I respectfully submit that this is the only way to do it so that it is perfectly clear to every Member of the House.

*Clause 1 agreed to*

*On Clause 2*

**Mr. Chairman:** In considering Clause 2, the Committee will refer to Schedule A and deal with it department by department. First the Department of Education, \$86,400. I also refer you to page 4 of the blue booklet, Estimates Supplementary No. 2 — 1979-80.

**Hon. Mr. Graham:** Mr. Chairman, the explanation provided on page 5 pretty well sums it up. "To provide funds for utility costs, relocating portables to Faro, and increased cartage, advertising, communication and rental charges."

I think the largest single contributor to the \$86,400 over-run was the relocation of portable classrooms to Faro from Watson Lake. That expense ran us some \$72,000 more than we anticipated, that is in the O&M.

**Mr. Fleming:** So the Minister is saying that \$72,000 out of the \$84,000 was totally on one project up there, so we are looking at, for other sundry things here and there, around \$14,000.

**Hon. Mr. Graham:** That is correct, Mr. Chairman.

**Mr. Fleming:** I wonder if the Minister could elaborate just a little bit on that, too.

**Hon. Mr. Graham:** Mr. Chairman, at the beginning of the last school year we had not intended to move these portables to Faro. We felt at that time that the anticipated school population in Faro could be handled by the school that was under construction at that time. However, we experienced some delays in construction, and we found that additional classrooms were necessary. We had not budgeted for the movement of those classrooms; hence, we moved the classrooms, even though we had not budgeted for them, because they were necessary to Faro. Consequently, we had to absorb the expenditure at a later date, even though we had not budgeted for it.

The rest of the money is quite simply an increase in utility costs and small dollar amounts here and there throughout the Department.

**Mr. Fleming:** I might just ask the Minister, in these utility costs and relocating portables: I know that we do not have very much of an opportunity or we should not to anything to hinder the children from getting their education in schools, such as turning out lights like we might do here, we do not need them anyway, really, we do not need to see that well.

Is the Minister, at all times and in all cases, doing such things as checking with the schools and this type of thing to see that we do not spend money where it is not absolutely necessary?

**Hon. Mr. Graham:** Mr. Chairman, not only is the Department doing it, we have also been receiving some help from the Department of Municipal and Community Affairs and Highways and

Public Works, who are involved in the energy conservation program. It is an active program with the principals and the janitors and the teachers in schools throughout the territory.

**Mr. Byblow:** The Minister referred to the cost of relocating those portables as being \$72,000. Is that correct?

**Hon. Mr. Graham:** To the best of my recollection, yes.

**Mr. Byblow:** Would that have been the entire cost or relocating them: that is, transportation and setting them up?

**Hon. Mr. Graham:** Yes, Mr. Chairman, I believe that was the entire cost: dismantling them at their location, transporting them to Faro, and relocating them there.

**Mr. Byblow:** Mr. Chairman, with respect to those portables, there have been a number of questions as to why the government, through their Public Works which I believe set them up, put them on perimeter concrete foundations? Lending to the argument that they are a fairly permanent institution, could the Minister indicate if there was any long term intention by doing it that way?

**Hon. Mr. Graham:** Mr. Chairman, I believe that back in 1966 there were some temporary portables put in at the Selkirk Elementary School here in Whitehorse and they were not moved until 1978 so plans have a tendency to change. However, we intended, when we set up those portables in Faro, for them to be a temporary shelter, and we feel that it is necessary to ensure that they are done properly. That was why the concrete foundation was put in.

**Mr. Byblow:** I will not pursue this much longer. It is my understanding that those portables are located on leased property. When that lease expires and the portables are to be removed, what happens to those types of structures, from previous Territorial experience?

**Hon. Mr. Graham:** Well, Mr. Chairman, the temporary portables that were put in at Selkirk Street have, I believe, found their way to Jack Hulland School in Porter Creek. The temporary portables that were put in at Teslin later found their way to Watson Lake, and later to Faro. So they have a tendency to move around. Wherever there is a need in the Territory we move the portables to that area, until such time that we get a chance to build a permanent structure.

**Mr. Byblow:** The whole concept of portables is one that is always up for debate, because of the question of their cost of maintenance and their quality and so on. It is probably just a rumour and I would not confirm it as fact, but I have been informed that those portables in Faro will self-destruct in about a year or so.

**Mr. Chairman:** Shall the supplementary figure of \$86,400 carry?

**Some Members:** Agreed.

**Mr. Chairman:** I refer Committee to the Department of Human Resources, \$50,500

**Hon. Mrs. McCall:** Mr. Chairman, that is to provide funds to increase social assistance expenditures, due to case loads and inflationary growth.

**Mr. Fleming:** Mr. Chairman, I have a question, because the monies are spent usually to increase social assistance. I might ask where that increased social assistance comes from? Is it due to people moving into the Territory? Is it due to inflation alone in the Territory? Or what is it? "Inflationary growth" covers quite a wide range and quite a number of things. I would like the Minister to explain just what she or the Government means by "inflationary growth"

**Hon. Mrs. McCall:** Mr. Chairman, there is an increased case load. I do not know about the increase to the population, but there is an increased case load. The inflationary growth is simply the cost of social assistance that goes along with the increase in the cost of living and so on. Part of that cost may be in the group homes with an increased cost of materials and supplies and so on.

**Mr. Penikett:** Without getting too specific, Mr. Chairman, I wonder if the Minister could say what the rates of assistance are now in the department? Group homes were mentioned. Presumably there must be a daily rate for children in care now. What are the rates for, what must be a typical case of say a mother with a young child on assistance? What kind of income does the department support them with?

**Hon. Mrs. McCall:** Mr. Chairman, that depends on the circumstance. I can furnish the Member with a table of amounts.

**Mr. Chairman:** Shall the Department of Human Resources — carry?

**Some Members:** Agreed

**Mr. Chairman:** I will refer Committee to the Department of Municipal and Community Affairs, \$81,200.

**Hon. Mr. Lattin:** Mr. Chairman, I would like to outline how the \$81,000 is made up.

The \$3,400 is made up of administration; this is for funds for office supplies and internal equipment, rental charges. On the Community Planning and Land Development, because we put fewer ads in the paper this year on our land transactions, we had a minus quantity of \$2,200.

Then you get on to Protective Services; in Protective Services this year we had to employ a part-time boiler inspector, which cost us \$1,900.

Our Assessment Services provide funds for salary re-classification, and increase the costs; we had an increase of \$8,300.

On Municipal Services, the great majority of this was made up from the deficit of the water and sewer installation in Dawson. Also in that, there was a Timberline TV Contract, an increase in utility cost; but the basic amount of that \$58,800 was in the Dawson water and sewer deficit.

**Mr. Penikett:** Mr. Chairman, I wonder if the Minister could say if he now knows as yet what the final cost is going to be on that project, and the more important question: who is going to be bearing that cost?

**Hon. Mr. Lattin:** Mr. Chairman, it is an interesting question, I must admit. Right now I cannot give him an answer, but I am sure that between now and the Spring is when the answers will be provided.

**Mr. Fleming:** I am just interested in one article really and that is TV contracts. I was hopeful that the Government might be able to get a more reasonable contract than we had in the last three to four years since the Government has put in the TV stations. Now I see you are voting more monies. I wonder if we could have the amount of monies just for that alone, if the Minister has it; if not, okay, but could he inform us as to whether it is costing us more, now that we have negotiated another agreement, or is it costing us less?

**Hon. Mr. Lattin:** Mr. Chairman, I am sorry I do not have the figures at my command now. I would be glad to bring them in for the Member's information and I would also tell him the new costs.

**Mr. Fleming:** I am presuming the Minister said that he would show us the price that the contract was arranged for, how much they really contract for.

**Mr. Byblow:** I missed the figure that the Minister gave, out of this portion that was applied to the Dawson sewer and water.

**Hon. Mr. Lattin:** Mr. Chairman, there were some other things, TV contracts and so on that were in, but the basic, the greatest portion of it was the Dawson Sewer and Water deficit, and the figure was \$58,800.

**Mr. Byblow:** So, it was a substantial portion of this budget.

I have one question, perhaps a couple, with respect to Protective Services. It is my understanding that the Protective Services are looked after by this Municipal and Community Affairs; and you look after, essentially, ambulances, fire protection equipment, in the smaller communities. Could the Minister perhaps elaborate the degree to which they look after Protective Services?

**Hon. Mr. Lattin:** Yes, Mr. Chairman. I might point out to the Honourable Member that on this particular increase in the Budget, the questions that he has asked of me are not applicable because it is not this particular portion or these particular services that have an increase.

Basically, the increase in this one has been to the Boiler Protective Services. We had to hire a part-time boiler inspector and it was made up mostly of that.

The other ones — we do the building inspection, I think we do the plumbing, we are responsible for, as you mentioned, the ambulance, and also the fire protection. We provide the instructions and the inspections for those particular things. We have a local fire marshall.

**Mr. Chairman:** Shall the supplementary figure for this Department carry?

**Some Members:** Agreed.

**Mr. Chairman:** I refer Committee to page 10, Department of Tourism and Economic Development, a figure of \$6,100.

**Hon. Mr. Lang:** Mr. Chairman, you will note that in the pre-

vious Budget of 1979-80, there was \$99,000 voted. We are requesting an increase of \$6,100. This is primarily related to the tourism agreement: pre-planning projects that were underway during that year. There was a study done on the steam train restoration, there was more work done in the Whitehorse downtown planning study, the prospects of a Watson Lake interpretive centre and Whitehorse convention centre study were investigated, which came in higher in respect to the dollars allocated or estimated for those particular studies.

**Mr. Penikett:** Mr. Chairman, this is not a large sum of money in total. Just so I am sure that I understand the Minister's answer, what he is saying is that he had a series of small cost over-runs on a number of studies relating to tourism development. I am not sure I can remember all the particular studies, but presumably we were talking about a few hundred dollars on each study, or was there one that made up most of the deficit?

**Hon. Mr. Lang:** Mr. Chairman, I can go through the whole situation here. The Dawson Tourism Contribution was \$30,000; it was voted the previous year and it was spent through the Tourist Advisory Board. There was the Dawson City Information Centre, which was estimated at \$5,000; there was only \$400 spent because we did not proceed with the water and sewer in view of the prospect that there would be a visitors' reception centre put in Dawson, which would hopefully get underway this coming spring in Dawson.

Dawson City was also allocated \$14,000 for a washroom to accommodate the museum in Dawson City, which I do not think the Honourable Members would vote against. The Tourism Development Project planning was estimated at \$50,000; I do not know how the breakdown per study went, but it exceeded that by \$10,500 of the \$50,000 originally allocated.

So what it works out to is that overall we request \$6,100 in additional funds. You can rest assured, Mr. Chairman, it is under good management.

**Mr. Chairman:** Shall the figure for this Department carry?

**Some Members:** Agreed.

**Mr. Chairman:** I refer Committee to page 12, Department of Public Service Commission.

**Hon. Mr. Pearson:** Mr. Chairman, this \$71,600 is required to offset re-hirings in the Department at higher rates of pay than were originally estimated. We also, Mr. Chairman, did a deputy heads' or deputy ministers' review of salaries for those 20 employees. We had some increases in removal expenses that this Department covers for the Territorial Government that just simply were not estimated; the costs went up faster than we did anticipate.

**Mr. Penikett:** I think the Government Leader's supervision of the Public Service Commission has some good news and some bad news. I think we have heard some of the good news today, and I just want to, in passing, because I did not have a chance to comment, commend him for coming through with his commitment about local hiring and training inside this Government. I thought the figures in connection with the middle management seemed to be, if I remember the figures accurately, something like less than 10 per cent were now being recruited outside the Territory; that was not only significant but highly commendable and I congratulate him for that.

I notice, however, upper management is still less than — 50 per cent I think are locally developed.

The sour note I want to express — and I do not want to sound too Scrooge-like or niggling on this — but I think we heard, in another connection, that the salaries of deputy ministers in this Government were now equivalent to their counterparts in the Prairies or close to their counterparts in the Prairies. The Government Leader can correct me if I am wrong, but that was the impression I might have got. If I am wrong about that, I want to be corrected.

If I am generally correct, I have a small concern in this respect: obviously deputy ministers in this Government are busy, talented people. But I have some problem with the notion that their responsibilities, in terms of the number of employees and the size of their budgets are anything like comparable to their counterparts in the provinces. We all know that the Province of Alberta, I believe, is 1,000,000 plus population; it is considerably larger than ours and the departments involve many millions of dollars. I would expect that, apart from their relationship with the minister, the equivalent person who is running a budget like the deputy ministers here, with the same number of employees would be much lower down in the public service in Alberta, and therefore might not be as well



paid as they are here. I would like the Government Leader to comment on that, because I think that, while we want to take seriously the matter of responsible government and the positions, I think it would be a mistake to pay people for titles rather than for their real responsibilities.

**Hon. Mr. Pearson:** Oh, yes, Mr. Chairman, this is the very reason that I insisted that there be a review, that we hire a consultant, because it would have been a fairly easy matter for me, as the responsible Minister, to make four telephone calls to the four western provinces and to the NWT to get a list of salaries for deputy ministers and apply them.

Mr. Chairman, I want to assure all Members that what resulted was that a very close study was done of the job responsibilities; of the work that a deputy minister does in this Government. Then a like job, with like responsibilities and like work, was used as a comparison in each of the four western provinces and the NWT. Once all of that data was gathered for the 20 positions that we were reviewing, then the comparison started — cost of living in one place as opposed to another; fringe benefits one place as opposed to another.

We came up, Mr. Chairman, with what we think was a very, very fair package for the deputy ministers, that meant some salary increases in some cases, none of them extraordinarily large salary increases, and in other cases, no salary increase, but at least we could justify what we were doing. I have not heard any untoward comments from the deputy ministers with respect to that package. It was a study that was done by Western Management Consultants of Edmonton, and I submit they did an excellent job for us.

**Mr. Fleming:** I would like the Government Leader to just elaborate a little bit on what the removal expenses are. I think I know but I am not really positive what removal expenses he is speaking of.

**Hon. Mr. Pearson:** Yes, Mr. Chairman, when we hire employees from outside, or conversely terminate the employment of employees for various reasons, this Government can be liable to pay the removal costs: either moving them into the Territory or moving them out of the Territory. These costs of course are subject to bid, as we do not know how much the costs are going to be. We have quite an elaborate set of regulations in respect to removal costs.

**Mr. Byblow:** My question was to enquire of the Government Leader whether any portion of this \$71,000 under the category of salary requirement were for any new positions?

**Hon. Mr. Pearson:** I believe, Mr. Chairman, we transferred one person from the Executive Committee Office to the Personnel Department, and there may be a reflection of that particular salary in there. But generally, the salaries are for the people that work in that department, and it was a person leaving and then our having to hire someone else at a higher rate of pay, for instance, than the person that was leaving. You get fluctuations in salaries there.

**Mr. Fleming:** I appreciate the answer from the Honourable Leader of the Government, but is this also some expense incurred in transfer within the Yukon Territory, too?

**Hon. Mr. Pearson:** There may have been, Mr. Chairman, but I do not know that there would be that much money involved; I doubt if there would be very much money involved there.

Primarily on the removal thing, Mr. Chairman, these are bids, and the costs go up. To start with, we cannot really tell at the beginning of the year how many people are going to be eligible for removal costs during the course of the year; we have to guess at that number to start with. Then it is a case of guessing, to a great degree, at how much each one will cost.

**Mr. Fleming:** I appreciate the answer and I maybe should have brought it up to the Minister of Public Works, too, because Public Works does quite a bit of moving back and forth in the Territory.

Just a word of caution to the Government, which I like to give once in a while, that they should check very carefully on this situation, because while I believe fully in private enterprise, I do not believe in private enterprise ripping off the Government or anybody else. I think, in some instances, and I am quite sure I am right, in fact I am ready to stand behind it and prove it, that the moving companies are a little bit on the high side in many cases, and the Government might look into other ways of having people move within the Territory, where it is just a short move or something, to maybe not do them out of business but make them realize that they just cannot do anything like that.

**Mr. Penikett:** While we are talking about removal questions and removal costs, Mr. Chairman, I wonder if I could ask the Government Leader, since I have commented on the commendable improvement in the percentage of people who are locally hired, if, in his capacity as the Minister responsible, he has as yet been able to notice any improvement in the turn-over rate as a result in the increase in local hire?

**Hon. Mr. Pearson:** I think there has been a slight improvement in the turn-over rate, but, once again, Mr. Chairman, I think also we should not forget that we voted in our Estimates this year, in respect to removal expenses, 50 per cent of what we voted in 1979-80, because we felt that strongly that our local hire policy was going to save us that amount of money.

Removal expenses are really where the dollar impact is.

**Mr. Penikett:** Mr. Chairman, just let me say how interesting it would be to see a situation where you tell an employee they cannot leave because there is not enough removal money. I do not think that will happen. I look forward in the Spring to the Budget. Perhaps I can give the Government Leader notice now that I would be very interested in seeing how the removal costs have been affected by the local hire policy.

**Mr. Chairman:** Shall Supplementary Figure, \$71,600 carry?

**Some Members:** Agreed.

**Mr. Chairman:** I refer Committee to Page 14, Department of Finance.

**Hon. Mr. Pearson:** Mr. Chairman, I regret to point out that this is the highest number in this whole supplementary estimate, and here it has to happen to me. Mr. Chairman, the amount of \$830,700 is made up primarily of one number which is greater than this amount. We have a supplementary of \$994,300 in Establishment Number 1210 which is titled, "Prior Year Adjustments". Mr. Chairman this is to provide, to make an adjustment, a bookkeeping adjustment, in respect to our land inventory. This \$994,300 was to take back into inventory lots that were recorded as sold in 1978-79.

In other words what happened was people put down deposits on them, or bought the lots, put a reserve on the lots, which were then assumed to be sold. We, at that point in time, reflect that money as revenue. For one reason or another, they turned the lots back to the Territorial Government and we have to give them refunds, and we also have to do the bookkeeping entry of moving it back into our inventory. What this supplementary is doing, is moving \$994,300 back into land inventories. That is offset, Mr. Chairman, by a couple of savings in the department. One was \$168,600 that was left over; we had voted \$168,000 more in anticipated claim funds for the Dawson flood.

In other words, there was \$168,000 that we did not spend on the Dawson flood. So that offset some of that \$994,000. Also, approximately \$30,000 in the Department of Treasury for travel, rental and so on and so forth, was not spent during the course of the year.

**Mr. Fleming:** I am just wondering whether or not the Honourable Member might agree with me in thinking that possibly our system should be changed a little bit? As an example, a person moving on to federal lands on a cottage lot — when they are available, and that is very seldom of course — has a couple of years, I believe, to put \$2,000 or \$3,000 into it in chattels or improvements on that land. In our agreements with people buying Territorial land, it is normally one year in which they are supposed to build a \$4,000, \$8,000, whatever, building in whatever area. That price may range anywhere from four or five to eight or nine or 10,000. Would the Government Leader feel as I do, that maybe our legislation or agreements should be changed a little bit to give them a little more time to build? Then not so much of that land might come back. It is possible, of course, that the effect might be the other way; but I am wondering what the Government Leader's thoughts are on that.

**Hon. Mr. Pearson:** Mr. Chairman, I very much appreciate what the Honourable Member is saying. I would like to advise him that we are looking at that very problem at this time. I think you will see that there is going to be a change. Mr. Chairman, we do not have to amend the legislation to make that change. It is a matter of regulations and we will deal with it as quickly as we can.

However, Mr. Chairman, this kind of thing is not the result of our system of dealing with land. It is strictly the result of timing. The lots are sold at just the wrong, or right time, and then the year-end comes along and we are caught in the box. This is strictly a reflection of timing; nothing else.

**Mr. Penikett:** I would like to ask a question about the development costs policy in the selling of these lands. One of the problems

of having a large bank of land such as we have now, and I want to make clear I continue to support — I would much rather see a large bank than have shortages the next time there is a demand increase — is the carrying cost to the government for such a bank.

Well, I guess we have had to borrow the money to develop the land in the first place and we are having to pay for those costs.

Now, as I understand it, the development costs charge that we now calculate does not include the interest. If it does include the interest, I am concerned about the rate of interest. I just want to get the Government Leader's assurance that when that land is eventually sold, the full cost to this Government, if you like, of that land is received. I know we often receive many comments about the cost of the land and how costly it is and how it is not cheap, and I can understand people's grievances on this score, but I still think we are getting it on the market a lot cheaper than any private counterpart in the south.

**Hon. Mr. Pearson:** Yes, Mr. Chairman, I agree 100 per cent with the Honourable Member.

Mr. Chairman, the interest rates that we have to pay are added into the development costs on an annual basis. Those interest rates are the rates that we have to pay for the money we borrowed and are, as a rule of thumb, about 1 per cent below prime. That is because we have been borrowing the money from the Government of Canada. All Members will recall that we amended our borrowing legislation at this Session so that, should the need arise, we can borrow money on the open market. I mentioned to the House at that point in time that I anticipated that very likely we would pay about one per cent more in interest rate than on the open market than what we do borrowing it from the Government of Canada.

**Mr. Penikett:** Mr. Chairman, I am sure that, from the planning point of view, the Government Leader, as Minister of Finance, has a great deal of difficulty in trying to anticipate what the prime rate will be in coming years, and what interest rates will be.

Perhaps I could just pass on to him a little advice from the streets of Whitehorse. I was talking to one of the economists down at the Bus Depot Cafe the other day, in the Minister of Municipal Affairs' riding, and he advised me that you can make a fairly accurate estimate of what the inflation rate is going to be in the following year by what the Government of Canada is paying on its Canada Savings Bonds.

They upped the percentage yesterday to 11.5. This bus depot economist calculated that since the Government is bound to want to make money on these things, that you can be reasonably sure that the interest rate will be slightly higher than what they pay on Canada Savings Bonds. If that would help the Government Leader at all, I pass it on.

**Mr. Fleming:** On the same topic, I think, and I agree with the land bank system totally. I am wondering about the case where a small place such as Teslin, or any place, the Government must cautiously open up the land; of course the big expense would not be the planning to open it up or the receiving of the land, there would not be an actual heavy cost there. The heavy cost would come in if you serviced all of that properties at one time and then did not sell it, and it sat there for many years. Of course the interest on each lot would have to go up each year and you would end up paying an immense price sooner or later.

I would take it then from that, that the Government must probably be cautiously trying to prepare land, but not really servicing or putting it on sale all at one time, but only as needed.

**Hon. Mr. Pearson:** Mr. Chairman, where we really run into the problem is in the conscious decision that had to be taken to develop a subdivision in Hillcrest. In order to put that development into place — it is a very large one; it has potential for a large number of lots — but in order to recognize or realize that potential large number of lots, it was necessary to immediately put in major trunk sewer lines and immediately build major trunk roads, and of course, those costs are something that had to be recovered immediately, even though they are amortized over all of the eventual lots in the subdivision; the necessity to put in these trunk services immediately of course, did help.

Since then, as everyone is aware, there has been a definite slow-down in the sale of lots, particularly in Whitehorse in the past year, so we do have a fair land bank now, but, Mr. Chairman, we do not have any more line-ups for lots either.

**Mr. Byblow:** The land in question that we are talking about, is this strictly residential properties?

**Hon. Mr. Pearson:** Yes, Mr. Chairman, most all of the land that

we develop is for residential purposes.

**Mr. Chairman:** Would the Department of Finance figure, \$330,700 carry?

**Some Members:** Agreed.

**Mr. Chairman:** I refer Committee to page 16 in your blue book, the Department of Library and Information Resources, for a supplemental figure of \$2,900.

**Hon. Mr. Graham:** Mr. Chairman, this \$2,900 is basically for additional photographic supplies, mainly in the area of micro-filming. We did a great deal of additional micro-filming for several departments, notably Health and Human Resources, health records. The additional funds were for that type of processing, photographic equipment.

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

**Some Members:** Agreed.

**Mr. Chairman:** I refer Committee to page 18 of your blue book, Department of Health, a supplementary figure of \$176,500.

**Hon. Mrs. McCall:** Mr. Chairman, the funds are for exactly what is designated in the explanation: the increased usage of doctor services in Yukon.

**Mr. Fleming:** What the Minister is telling us is that this increase is just due to doctors' fees being raised according to inflation or whatever.

**Hon. Mrs. McCall:** Yes, Mr. Chairman, the negotiated fee schedule put the services up.

**Mr. Byblow:** I am not clear. Have the fees -for-service gone up or has the number of clients gone up?

**Hon. Mrs. McCall:** The fee schedule was put up and the number of clients, of course, is up as well.

**Mr. Fleming:** I wonder if the Minister could bring us a break-down? I do not presume she has that break-down now, but I wonder if she would mind bringing it? I am prepared to go along with the vote, but I would just like to see how much the doctors' fees went up and how many extra clients we have.

**Hon. Mrs. McCall:** I believe we did bring that to the House, Mr. Chairman, but I will bring that information again for the Member.

**Mr. Chairman:** Shall the Supplementary Figure carry for this department?

**Some Members:** Agreed.

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

**Mr. Chairman:** The Chairman will now read the preamble to the bill. "Whereas it appears by message from the Commissioner, and in the estimates accompanying the message, that the sums mentioned in Schedule A of this Ordinance are required for the purpose of defraying certain expenses of the public service of the Territory, and for related purposes, for a period of twelve months ending on March 31, 1980. Shall the preamble carry?"

**Some Members:** Agreed.

**Mr. Chairman:** Shall the title *Third Appropriation Ordinance, 1979-80* carry?

**Some Members:** Agreed.

**Hon. Mr. Pearson:** Mr. Chairman, I move that Bill Number 61, *Third Appropriation Ordinance, 1979-80*, be reported out of Committee without amendment.

**Mr. Chairman:** It has been moved by the Honourable Mr. Pearson, that Mr. Chairman do now report Bill Number 61 without amendment to the Assembly.

*Motion agreed to*

**Mr. Chairman:** I would like to refer the Committee to Bill Number 45 at this time, *An Ordinance to Amend the School Ordinance*.

*On Clause 1*

**Hon. Mr. Graham:** Mr. Chairman, as I mentioned in my second reading speech, the reason for this amendment is that the Arctic Winter Games are to be held in Fairbanks, Alaska in 1982. The Committee in Fairbanks has requested that the Games be held earlier than the third Monday in March as is the custom. In order for school children in the Yukon Territory to attend those Arctic Winter Games, we require a change in our spring break. Our spring break is named in the legislation and we believe that this should not be so. So what we are saying with this amendment is that

any holidays or vacation days, any days named in the ordinance may be changed by regulation by the Cabinet to suit any need in that specific year.

That is the whole intent and meaning of this change.

*Clause 1 agreed to*

**Mr. Chairman:** Shall the title of the bill, *An Ordinance to Amend the School Ordinance* carry?

**Some Members:** Agreed.

**Hon. Mr. Graham:** Mr. Chairman, I move that you report Bill Number 45, an *Ordinance to Amend the School Ordinance*, without amendment.

**Mr. Chairman:** It has been moved by the Honourable Mr. Graham that Bill Number 45 be now introduced to the Assembly without amendment.

*Motion agreed to*

**Mr. Chairman:** I wish to refer Committee to bill number 55, an *Ordinance to Amend the Cooperative Associations Ordinance*.

*On Clause 1*

**Hon. Mr. Graham:** Mr. Chairman, basically, as I said previously in second reading, this bill is basically concerned with the ability of a Registrar of Companies to properly provide consistency in the corporate name approval policies of this Government. It also is in keeping with the other pieces of legislation that were recently passed by this Legislature, providing cooperative associations with the ability to waive the appointment of an auditor.

*Clause 1 agreed to*

*On Clause 2(1)*

*Clause 2(1) agreed to*

*On Clause 2(2)*

**Mr. Penikett:** I think I understand what the Minister wants to do in this section. I do, however, want to ask him what provisions he is making against the unfortunate event that transpired not too long ago in British Columbia, where the government of that province, I believe it was, late one night, in a rush to get through a bunch of legislation, happened to strike from their register the incorporation of a very large company; I believe it was a life insurance company in the province. As a result, they had to summon the Legislature back into session some weeks later in order to resurrect this company.

**Hon. Mr. Graham:** Mr. Chairman, those, I think, are companies that are created by an act of the Legislature. We do not have any companies created by an act in this Legislature. They are only created through the Registration Office here in the Government Building. They can be created or struck off the register by the Registrar with a simple stroke of a pen. So, I think if we ran into that problem we would also be able to rectify the problem immediately the next day.

*Clause 2(2) agreed to*

*On Clause 2(3)*

**Mr. Penikett:** I wish Mr. MacKay were here right now. I understand, if you like, the financial common sense or the economic common sense in not requiring a small operation to undergo the expense of having an auditor, but I just wonder what the Minister — since the Department of Consumer and Corporate Affairs and the officials in it, presumably still have some powers to make regulations about the books — exactly what he has in mind as a substitute. I know some organizations, I think it is in British Columbia, are permitted to appoint audit committees or something. I think it is so many of their members; a certain percentage of their directors must function as an audit committee and carry out certain duties that way. I just wonder if the Minister has any ideas about how his Department would ensure that there are no financially improper activities by societies, now that we are relieving them from the duty of having to pay for an auditor?

**Hon. Mr. Graham:** Mr. Chairman, all of the financial goings-on of these cooperative associations, as well as societies and everything else, that we are giving the ability to waive the right of audit to, have to leave their books open to the public on a daily basis in the Registrar's office. We hope that simply due to the fact that this is more or less a disclosure-type law, that citizens off the street will be in a position to go to the Registrar, ask to look at the financial statements of these companies, and then be in a position to ask questions if necessary. We are giving the Registrar the power to request an audit, and to enforce that request if necessary. Either an audit will be performed at the request of the Registrar, or the company or society will be struck from the register.

**Mr. Penikett:** Mr. Chairman, I know there are such things as private companies, but I do not know if there are such things as private cooperatives, ones that are very closely held or tightly held. Presumably then what the Minister is saying is that even if you had a co-op involving ten people or something, perhaps a fuel-buying co-op or something like that, still any citizen would be able to in fact avail themselves of any financial information about that outfit, so long as it continued to function as a co-op, or would it just be a member of the co-op who was going to get that information?

**Hon. Mr. Graham:** I stand to be corrected on this, Mr. Chairman, but I believe that the financial statement of that co-op would be available to any member of the public.

**Mr. Penikett:** Just to make absolutely sure, I would appreciate if the Minister would check that out absolutely. It might have certain implications if you had a co-op which might be in competition with a private company, and the private company's books might not be open in the same way at all. I do not know whether that could produce problems but it seems to me there is that possibility.

**Hon. Mr. Graham:** Mr. Chairman, I will undertake to ascertain that definitely for the Member. I wonder if the Members are requesting that I hold this section over until such time as I do that?

**Mr. Penikett:** If it would not cause any great inconvenience to the Minister's legislative agenda, I would be happy to request that, Mr. Chairman.

**Hon. Mr. Graham:** I think we can agree to that then, Mr. Chairman.

**Mr. Chairman:** Does the Committee agree that section 3 be stood over?

**Some Members:** Agreed.

*Clause 2(3) stood over*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 4*

**Mr. Byblow:** I would simply enquire, was this provision not in the old ordinance: the opportunity to refuse the striking of a cooperative?

**Hon. Mr. Graham:** Mr. Chairman, basically the Registrar could not refuse any documents submitted to him, for the reasons outlined here previous to this section's being included. So in other words, a Registrar might have received a document that he felt was illegal, because of the fact that somebody had not signed the document properly. He could not refuse that document. Now he will be in a position to refuse any documents that he feels do not go along with these four sections.

**Mr. Penikett:** I have just one problem: section 4(1)(2)(b). I am sorry that the Leader of the Opposition is not here, so I feel bound to ask the question for him. Does Mr. Trudeau know about this clause; and is it constitutional?

**Hon. Mr. Graham:** Mr. Chairman, I asked the same question, so the Honourable Member should not feel badly.

Mr. Chairman, the official working language of the Yukon Territory is English. Therefore we can only register documents submitted in the English language, or accompanied by an English translation of a French language document. As I understand it, the same section is in legislation in all of the English-speaking provinces.

*Clause 4 agreed to*

**Mr. Chairman:** Since Clause 2(3) has been stood over, would the Minister proceed with a motion to report progress?

**Hon. Mr. Graham:** Mr. Chairman, I move that you report progress on Bill Number 55.

**Mr. Chairman:** It has been moved by the Honourable Mr. Graham that we report progress on bill number 55 and beg leave to sit again.

*Motion agreed to*

**The Chairman:** We will take a short break at this time.

*Recess*

**Mr. Chairman:** I call Committee to order.

I refer Committee to Bill Number 48, *Dependants' Relief Ordinance*.

*On Clause 1*

**Hon. Mr. Graham:** Mr. Chairman, as I said in second reading remarks, this is a uniform bill with a few changes made to take into consideration unique Yukon responsibilities.

The basic policy point in this total ordinance, Mr. Chairman, is that those who have the responsibility should pay for that responsibility, even after they have died.

**Mr. Penikett:** Mr. Chairman, I notice that the Minister is proving his universal soul and his tri-lingualism in here; we have French this time, not Latin. "...A child of the deceased en ventre sa mere at the date of the deceased's death...", according to the book I mentioned yesterday, the *Law Dictionary for Non-Lawyers*.

I bought it at Mac's for \$6.45, and I recommend it to all Members. It means, according to this: "in its mother's womb". So (a) means a child of the deceased in its mother's womb at the date of the deceased's death. Since "in its mother's womb" is really only four little words and "en ventre sa mere" is only four little words, I just wonder why it was in French; is this a concession to bilingualism or what?

*Clause 1(1) agreed to*

*On Clause 2*

**Mr. Fleming:** I just have one question. In the case of an illegitimate child, and happily this is one of the instances where I do not get involved, as I do most of the time in these things; if there is a will or something, this ordinance would not apply is what I am trying to say. This ordinance will not apply against a will; it would have to be an area where there was no will, and then the will would take priority over doing something like that with an illegitimate child.

**Hon. Mr. Graham:** Mr. Chairman, no, that is not the case. This ordinance basically states that even if there is a will, if that will is unfair, in that it disinherits totally dependants of the deceased, then it is up to the courts to ensure that those dependants are paid from the proceeds of the deceased. In other words if I were to die tomorrow and I had left a will which gave everything to my girlfriend, and my wife and children would then be left destitute, the will can be overturned, simply on the basis that it is illegal, under this ordinance, to leave your dependants with absolutely no support.

**Mr. Fleming:** Well, this brings up a very interesting question: just how much support? Not that it bothers me personally, but just how much support is needed, or who makes the judgment in these cases, as to whether they really should or should not have it? Is it the court in this case that makes that judgment?

**Hon. Mr. Graham:** Yes, Mr. Chairman. Section 2(1) states that the court "...may order that such provision as it considers adequate be made out of the estate of the deceased for the proper maintenance and support of the dependants, or any of them". So, yes, the court has the ability to order support in the amount that it considers reasonable for the dependants of the deceased person.

**Mr. Fleming:** I think I should have understood a little more of what the bill is about. I looked through it, but I could not quite figure it out, not being a lawyer. I would have said something on second reading about that principle, because I do not agree with the fact that if a person lives all his life here and he or she makes their will, in some circumstances that it can be altered. I realize that in some circumstances somebody might be put out, in the making of a will. They may have a legal claim, but I feel that leaving it to the lawyers is not the best approach because a lawyer who is smart can outdo a lawyer who is not so smart, the way the law works today. That alone would be too much for me, on this bill. To me, that would be the end of it, unless I can find in here something a little different than that.

**Hon. Mr. Graham:** Well, Mr. Chairman, I think that the point has to be made that in most cases, where you have a person dying and leaving dependants who have no visible means of support, then, logically, the only choice they have is to fall back on the government for social assistance, usually.

We have, I think, taken the position in this ordinance, as we have also in the amendments to the *Matrimonial Property Ordinance*, that the government should not be the one that must support these people. The person who had the responsibility for those dependants should be the one to support those people. Be that person dead or alive, if there is an estate, they should support the people that they are responsible for. You know, I would say that is a fairly serious policy point, because that policy governs this total ordinance. Once that policy has been accepted, the rest of the ordinance just deals with exceptions to rules and methods of doing things. That, however, is the policy point in this ordinance.

**Mr. Fleming:** On that very same thing, and in this case I may be involved, because I have relatives who are out of this Territory, not in Canada.

I have no problem with the Ordinance, I will assure you, but in this case if, for instance, I passed away, and I did not leave anything to somebody for some reason or another and he was in another country, this still would apply, would it not, if he came to this country to fight that cause?

**Hon. Mr. Graham:** No, Mr. Chairman, because on the first page in the definition of dependant, it sets out pretty strictly what the definition of dependant is: in parts (1) through (6), I believe, on the first page, it sets out exactly what a dependant is and only those things will be considered.

**Mr. Byblow:** I have just one question with respect to Clause 2. In the event of the requirement for the distribution of the assets to a number of dependants, what are the qualifying criteria to be used? Are there legislated criteria for this? Let us assume you have five dependants and a minimal amount of distribution of the assets following the decease.

**Hon. Mr. Graham:** Mr. Chairman, in the first place we are not dealing with assets. Assets are dealt with under the matrimonial property settlement legislation. We are here with support, only support, on a monthly basis, support payments to dependants of the deceased.

I think you will find as we move along in this exactly who gets support, who qualifies for support, and the amounts of support that they should get, but that comes later in the ordinance. It is all set out and it is all under the jurisdiction of the court.

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 4*

*Clause 4 agreed to*

*On Clause 5*

**Hon. Mr. Graham:** Mr. Chairman, maybe just one section here, 5(1)(d) gives the court the right to refuse or to make an order in favour of a dependant, so I think this qualifies Mr. Fleming's concern that he had earlier.

*Clause 5 agreed to*

*On Clause 6*

**Mr. Byblow:** Just part of what the Minister said earlier, 6(2) at the top of Page 4, provision may be made out of income or capital or both. That disqualifies the sale of accumulated assets of the deceased.

**Hon. Mr. Graham:** Mr. Chairman, it does not totally. We have eliminated it, except where it is necessary to sell assets in order to support the dependants; then again we get into that later on, but the court has the ability to force sale of some assets in order to support the dependants.

*Clause 6 agreed to*

*On Clause 7*

**Hon. Mr. Graham:** I think, Mr. Chairman, there is just one small policy point here in Section 7, and that is that the court may at any subsequent date check and see if the dependant has received any other means of support, or does not require the support ordered in the first order. The policy point here is that we are encouraging dependants to get out and make their own way as quickly as possible. We are discouraging them from staying as long as possible as dependants on the deceased's estate.

*Clause 7 agreed to*

*On Clause 8*

**Mr. Byblow:** I just wonder if the Minister could explain some of the terminology in (a), second and third lines.

**Hon. Mr. Graham:** Mr. Chairman, what we are basically doing with this section is allowing an executor of an estate to receive from the court a section of the estate. That section of the estate would be relieved of any debt by the court, and the court would be able to order that executor to handle the estate in such a way that support payments can be paid to the dependant for as long as the court deems necessary.

I can see this type of thing happening in the case where you have a couple of children whose parents are killed in an automobile accident, say. The parents' estate would be turned over to an executor, and he would be responsible for providing support payments from that estate over a specified period of time.

**Mr. Penikett:** I believe Mr. Byblow asked some questions about the meanings of some of the terms and I would like to help him out. According to my little dictionary, legatee is a person who inherits something in a will. Devisee is a person to whom land is given in the will; that seems to make sense.

Commutation is one I have some doubts about, though. Commutation, according to this dictionary, is changing a criminal punishment to one less severe. I am not quite sure that that fits in with the meaning of this clause. Perhaps the Minister can help me out.

**Hon. Mr. Graham:** Mr. Chairman, I cannot remember exactly what the Clause 8(1)(a) says, so I will have to reserve comment on that.

**Mr. Byblow:** I guess 8(1) is the section that in essence spells out that you can dispose of some of the estate to provide the support payments.

**Hon. Mr. Graham:** Mr. Chairman, I understand that is what it says. I believe anyway, that a person who gets an inheritance under an estate could be ordered to pay the proportion of the support payment that falls on that part of the estate, or else he can give up that part of the estate. The second part would relieve the estate from that portion of the money necessary to be paid.

*Clause 8 agreed to*

*On Clause 9*

*Clause 9 agreed to*

*On Clause 10*

**Mr. Penikett:** Perhaps the Minister could explain what "falls rateably upon that part of the deceased's estate" means.

**Hon. Mr. Graham:** All it basically says is that that portion of the estate which you own, you pay support in that portion. If the jurisdiction of the court extends to 50 per cent of the estate, then that 50 per cent of the estate pays 50 per cent of the support payments. What we are trying to do here is, in the case of businesses, shall we say, where you have a partnership, and 50 per cent of the business is owned by the deceased partner; then obviously the business is not going to pay 100 per cent of the support payments.

**Mr. Penikett:** That sounds fair, Mr. Chairman. I just wonder is the Minister absolutely sure that "rateably" is spelled correctly here: I believe it should be r-a-t-a-b-l-y; I think the 'e' is not necessary.

**Mr. Byblow:** I believe the Honourable Member is correct if you follow the rules. When you add a suffix beginning with a vowel, you drop the silent vowel of the word previous.

**Mr. Penikett:** We are just checking the spelling of the word, Mr. Chairman. It will not mean what they think it means if it is not spelled the way it is supposed to be spelled.

**Hon. Mr. Pearson:** Mr. Chairman, according to the *Shorter Oxford English Dictionary*, it is r-a-t-e.

**Mr. Penikett:** Well we have heard from the English; according to the Americans it is r-a-t-a-b-l-y. I guess we could flip a coin; we will go the American way today.

*Clause 10 agreed to*

**Mr. Byblow:** On a point of privilege, Mr. Chairman: I did qualify that that was a rule. Computer analyses have shown that rules are true in only 44 per cent of the cases, when applied to the English language —

**Mr. Chairman:** There is no point of privilege.

*On Clause 11*

*Clause 11 agreed to*

*On Clause 12*

*Clause 12 agreed to*

*On Clause 13*

*Clause 13 agreed to*

*On Clause 14*

*Clause 14 agreed to*

*On Clause 15*

*Clause 15 agreed to*

*On Clause 16*

*Clause 16 agreed to*

*On Clause 17*

*Clause 17 agreed to*

*On Clause 18*

*Clause 18 agreed to*

*On Clause 19*

*Clause 19 agreed to*

*On Clause 20(1)*

**Hon. Mr. Graham:** Mr. Chairman, in anticipation of Mr. Penikett's question, it means "in contemplation of death".

**Mr. Byblow:** If I am reading this section correctly in relation to Clause 15, then a contract that was entered into by the deceased while he was alive, for disposition of property to something or someone, does not qualify now to be attended as part of this disposition for dependants.

**Hon. Mr. Graham:** Mr. Chairman, if the disposition of property is made with the intent of preventing his dependants from receiving proper support, then that is not correct. That is not allowed under this ordinance.

In other words, what we are saying is that if I have a million dollars in the bank and I am very upset with my wife and child and do not want them to get that money, and then I find I am dying of cancer, if I gave that money away or made some other arrangements to dispose of it, that could be overturned by a court of law, if it was shown that I did that in order to avoid paying support payments to my dependants.

**Mr. Byblow:** I guess, Mr. Chairman, where the conflict would really come in is when a disposition has been made, and there is some question raised whether or not that disposition should be applied or not. You could easily have a case where something is given to a foundation, but enough assets and remuneration are left for the dependants. At that point, then, perhaps this other cannot be touched.

**Hon. Mr. Graham:** Yes, that is true, Mr. Chairman. Here we are talking about only support. There are other laws that consider wills and that type of thing. We are only concerned about supporting the dependants in this ordinance. Let us face it, when we are talking about the transactions before death as set out in Clause 20, we are generally speaking about people who have a whole lot more money than you and I have, or ever will have. So, they are not generally applicable, shall we say, to the general populace.

*Clause 20(1) agreed to*

*On Clause 20(2)*

*Clause 20(2) agreed to*

*On Clause 20(3)*

*Clause 20(3) agreed to*

*On Clause 20(4)*

*Clause 20(4) agreed to*

*On Clause 20(5)*

**Mr. Penikett:** I just have a question about that section 20(5). Subsection (a) of section 20(1), "gifts mortis causa," as I understand it, is a legal expression which normally describes an effort to avoid having the property taxed by gift taxes, a fairly common tax. "In thinking about approaching death", I guess is what the thing means. And a gift mortis causa may be treated in law as an attempt to avoid tax on property, given by the will, if the gift comes too close to death. Okay, that is fair enough. That is the legal term.

And Clause 20(1), that "Subject to section 15, for the purposes of this Ordinance, the capital... et cetera ...shall be considered to be part of his net estate for purposes of ascertaining the value of his estate;" That way they cannot cop out of their obligations to the dependants.

But section 20(5) seems to indicate, if I read it correctly, that you can transfer this money to an entitled dependant, and thereby avoid any gift taxes or inheritance taxes. In other words, you can make the transfer to avoid the tax, but this law is saying you cannot make the transfer to someone other than a dependant; so it is okay as long as it goes to the right person. The normal meaning of gifts mortis causa does not apply.

That seems to be a slight contradiction. I wonder if the Minister could explain it?

**Hon. Mr. Graham:** Well, no, Mr. Chairman, because what we mean in 20(1) is that you cannot give the gifts in contemplation of death, in other words to avoid to tax. But in this case, subsection (5), that is not what we are talking about; it is in order to avoid paying support payments to dependants.

You are getting rid of the money in order to avoid paying support payments to dependants. In 20(5), I think the important line there, the important phrase, is "to any person otherwise entitled thereto"; so in other words, you can give money to persons that are

entitled to that money, even though you may be dying of cancer and it is going to place undue hardship on your dependants. But as long as the person was entitled to that money, or the Corporation was entitled to that money, you can pay it. In other words I would not avoid paying my loan off at the bank, just to make sure there was money in my estate left to pay support payments.

*Clause 20(5) agreed to*

*On Clause 20(6)*

*Clause 20(6) agreed to*

*On Clause 20(7)*

*Clause 20(7) agreed to*

*Clause 20 agreed to*

*On Clause 21(1)*

**Mr. Byblow:** My question on 21 is on the meaning of it. Does it say in effect that anyone who has received a benefit from the deceased while he was alive, may have to return that benefit?

**Hon. Mr. Graham:** That is basically what it says, Mr. Chairman, yes.

**Mr. Penikett:** I have got some more Latin here. "Inter vivos", according to my book, means "between the living".

"Between the living" seems to make sense. "As an intermediate gift between the living, whether by transfer, delivery or declaration..." This thing goes on to describe an ordinary gift as opposed to a gift made shortly before dying to avoid estate taxes, which is gifts mortis causa, I guess. It also describes an ordinary trust as opposed to one set up under a will.

*Clause 21(1) agreed to*

*On Clause 21(2)*

*Clause 21(2) agreed to*

**Mr. Fleming:** I think I understand (2)(b), but I am not sure. I wonder if the Minister could elaborate a little bit on it.

**Hon. Mr. Graham:** Mr. Chairman, here it says basically that if a person were a multi-millionaire, and he gave a million dollars away to seven of his friends, thereby disposing of his total estate, and if the court has decided that his dependants require \$1,000 a month, or shall we say \$700 a month, then each of the seven people who received the million dollars would be requested to pay one-seventh of the total \$700 a month relief that was requested for the dependants.

So, in other words, they are not going to be requested to return the whole million dollars to the estate. What they are going to be requested to do is return that portion necessary to pay the dependants the \$700 a month support.

**Mr. Fleming:** Mr. Chairman, just one question of the Minister. The amounts are coming back and to whom? They say dependant here, they use the word dependant. Just how far does dependant go?

**Hon. Mr. Graham:** In the first of the Ordinance it says that a dependant is the widow or the widower of the deceased, or a child of the deceased who is under the age of 16 at the time of the deceased's death.

**Mr. Byblow:** I think I understand the section. I have some curiosity about (c), where it makes reference to the consideration for the "injurious effect on a person to whom property was disposed of..." I am not sure what that means. From my understanding, any time somebody would give me some money, I would certainly not have any injury.

**Hon. Mr. Graham:** What we are talking about here is the \$100—if you were one of these seven people we are talking about here, the \$100 that you would have to pay back to the court in order to provide support to the dependant. What we are taking into consideration here is the injurious effect that that payment of \$100 would have on you in paying that \$100 back to the court for support. So that is the injurious effect. If you lost that million dollars in a poker game and you were totally flat broke, then we would not expect you to pay your share of the \$700 to the court. The other six members would pick up your \$100. That is basically what section (c) says.

*Clause 21(2) agreed to*

*On Clause 21(3)*

*Clause 21(3) agreed to*

*Clause 21 agreed to*

*On Clause 22*

**Mr. Penikett:** Mr. Chairman, do we not have the right to take this for granted now; the Commissioner is bound by this ordinance.

**Hon. Mr. Graham:** No, Mr. Chairman, the Commissioner is not bound by any ordinances unless it so states in the ordinance itself.

*Clause 22 agreed to*

*On Clause 23*

*Clause 23 agreed to*

*On Clause 24*

*Clause 24 agreed to*

**Mr. Chairman:** I refer the Committee to the title of the bill, *Dependants' Relief Ordinance*. Shall the title carry?

**Some Members:** Agreed.

**Hon. Mr. Graham:** Mr. Chairman, I move that you do now report Bill Number 48, *Dependants' Relief Ordinance*, without amendment to the Assembly.

**Mr. Chairman:** It has been moved by Mr. Graham that Bill Number 48, *Dependants' Relief Ordinance*, be reported to the Assembly without amendment.

*Motion agreed to*

**Hon. Mr. Graham:** Mr. Chairman, perhaps I can suggest that we move right along to Bill Number 53, *An Ordinance to Amend the Judicature Ordinance*. I know Mr. Penikett wants to learn how to say that word, and I feel that it is only proper that we allow him to say it a number of times, until he gets it right.

**Mr. Byblow:** Perhaps I could request a short recess. I did not bring that particular bill in. I did not anticipate that bill's coming up.

**Mr. Chairman:** I declare a short recess.

*Recess*

**Mr. Chairman:** I call Committee to order at this time.

I refer Committee back to Bill Number 55, *An Ordinance to Amend the Cooperative Associations Ordinance*; Clause 2(3) was stood over, on top of page 3.

*On Clause 2(3)*

**Hon. Mr. Graham:** In reply to a question, Mr. Penikett, that you asked, the Cooperative Association Annual Reports are open to the public; however, we have five cooperative associations currently registered in Yukon. We have never had a request to see a financial statement, to date.

The other thing that I should point out, also, is that we have the power in this Ordinance for a member of that cooperative association to request an audit, and an audit must be held if a member requests that audit. So, it is basically the same as all other associations and societies.

So, I think that the safeguards are in place and I think that that section should be cleared as a result.

**Some Members:** Agreed.

*Clause 2(3) agreed to*

*Clause 2 agreed to*

**Mr. Chairman:** Shall the title to the bill carry?

**Some Members:** Agreed.

**Hon. Mr. Graham:** Mr. Chairman, I move that you report Bill Number 55, *An Ordinance to Amend the Cooperative Associations Ordinance*, without amendment to the Assembly.

**Mr. Chairman:** It has been moved by Honourable Mr. Graham that Bill Number 55, *An Ordinance to Amend the Cooperative Associations Ordinance* be reported to the Assembly without amendment.

*Motion agreed to*

**Mr. Chairman:** I refer the Committee now to Bill Number 53, *An Ordinance to Amend the Judicature Ordinance*.

*On Clause 1(1)*

**Hon. Mr. Graham:** Mr. Chairman, the purpose of the *Judicature Ordinance* is to enable the Government, through the Public Administrator and the Department of Justice, to legally take over ownerless property and hold it indefinitely in the Government coffers. The obligation will continue to exist: that if the true owner comes forward we will have to give the property back to the owner, or the equivalent of that property back to the bona fide owner. Meanwhile the Government has the use of the ownerless property. That is the intent of this ordinance.

**Mr. Penikett:** I just have one question for the Minister of Justice. Given the Minister's explanation now, does David Joe know about this bill?

**Hon. Mr. Graham:** I have no idea, Mr. Chairman. I think I should point out that at the current time any ownerless property in the Yukon reverts to the Government of Canada. At the present time, we, as the Government of Yukon, are holding that property on behalf of the Government of Canada. Now, the Government of Canada from time to time requests, it is not a huge sum, I believe it is under \$100,000, be turned over to them, however, we have held on to the property, pending passage of this *Judicature Ordinance*, which will legally enable us to retain the ownerless property which has been gathered up over the years on behalf of the Government of Canada.

**Hon. Mr. Graham:** Mr. Chairman, in subsection (d) of clause 1(2), the Public Administrator shall be deemed to be a trustee, within the meaning of the *Trustee Ordinance*. As everyone knows, we passed the new *Trustee Ordinance* last Session. It sets up fairly strict guidelines as to the disposition and the retention of property. That is the reason we put it in that manner. We are making sure that the Public Administrator does safeguard ownerless property that he or she takes possession of.

Clause 1(2) agreed to

On Clause 1(3)

Clause 1(3) agreed to

On Clause 1(4)

Clause 1(4) agreed to

On Clause 1(5)

Clause 1(5) agreed to

On Clause 1(6)

Clause 1(6) agreed to

On Clause 1(7)

Clause 1(7) agreed to

On Clause 1(8)

Clause 1(8) agreed to

Clause 1 agreed to

On Clause 2(1)

Clause 2(1) agreed to

**Mr. Chairman:** I refer Committee to the title of the bill, *An Ordinance to Amend the Judicature Ordinance*. Shall the title carry?

**Some Members:** Agreed.

**Hon. Mr. Graham:** Mr. Chairman, I move that you do now report Bill Number 53, *An Ordinance to Amend the Judicature Ordinance*, without amendment, to the Assembly.

**Mr. Chairman:** It has been moved by the Honourable Mr. Graham that bill number 53, *An Ordinance to Amend the Judicature Ordinance*, be reported to Assembly without amendment.

*Motion agreed to*

**Hon. Mr. Graham:** Mr. Chairman, can I suggest, being as the Members of the Legislature are in such a good mood today that we should move along to *An Ordinance to Amend the Defamation Ordinance*, Bill Number 39?

**Mr. Chairman:** Is it the wish of the Assembly?

**Mr. Penikett:** I am sure the Members of the Opposition would agree, if the Chair would permit a short recess to obtain this bill, because copies of it do facilitate debate.

**Mr. Chairman:** I shall declare a short recess?

*Recess*

**Mr. Chairman:** I call the House to Order at this time.

The Committee will consider Bill Number 39 at this time, *An Ordinance to Amend the Defamation Ordinance*.

On Clause 1

**Hon. Mr. Graham:** Mr. Chairman, the *Defamation Ordinance* is a Uniform Law Conference bill. As I outlined in my second reading speech, this is basically to protect news media people from suits from people who are a target, as it were, of letter writers to the Editor, or commentaries on radios, where the newspaper disagrees with the idea being presented. That is the basic policy behind the *Defamation Ordinance*. As a result we are hoping to further protect the members of the press.

**Mr. Penikett:** I had not noticed, Mr. Chairman, that the Government was spending a lot of energy on protecting the members of

the press, but I am sure they will be pleased. Just so I understand what the problem is, the Minister did give a little talk at second reading about this. Have we had any cases where some editors or reporters in this jurisdiction have been financially threatened by the courts as a result of publishing something which was not their opinion or even fair comments but in fact somebody else's ideas?

**Hon. Mr. Graham:** Mr. Chairman, we have not had any cases that come to my immediate recollection in Yukon. However, in justice circles this ordinance has been known as the "Chernesky Ordinance". It came about as a result of a letter written to an editor in a paper in Saskatoon. It was an attack on a MLA Chernesky, by name. The facts were not totally accurate in his letter to the editor but Chernesky did lose the next election. He then sued the local newspaper on the grounds that the letter that was written to the editor, untrue in some cases, was the result of his loss. The judge would not accept the newspaper's defence that they felt the letter had been written in good faith so the newspaper was found guilty of libel, I guess, based on the fact that the ideas presented in that letter were not the opinions of the newspaper itself.

The person who had written the letter, meanwhile, had left, gone to the States and he would not come back to Canada. Because all the newspaper would have had to do to avoid being convicted was to get that person back there to Saskatchewan, have him testify that the ideas he put in that letter were his own ideas and at the time he wrote the letter, he believed those things to be true. If that person had come back, as I understand it, and testified to those facts, the newspaper would not have been found guilty.

This ordinance will correct that real injustice to newspapers.

**Mr. Penikett:** I have some problem of credibility in believing that newspapers could be sued every time they print something that is not entirely accurate, because I suspect that there would be many more lawsuits floating around, judging by private comments, than is the case.

Let me just understand the extent of this protection. If somebody says something which is untrue or libelous about someone on the street; if we repeat it in this House, that remark is privileged; if we repeat it outside the House, we can be sued. If a newspaper prints it as having been remarked in this House, presumably they are still protected by simply reporting what we said.

If a person, though, instead of going to their MLA, writes a letter to the newspaper about it, the Minister is saying that previously the newspaper might have been sued if they could not get the correspondent, but in normal cases the correspondent will be sued for libel if it could be demonstrated there was any bad faith or any malice involved. That is what the Minister is saying?

**Hon. Mr. Graham:** That is it, Mr. Chairman, exactly. So, the onus is not on the newspaper to ensure that the statements made in a letter to the editor are those of the letter writer. You naturally assume that if a letter writer is going to go to the trouble of writing a letter to the editor, then the opinions he expresses are opinions that he does hold at the time that he writes that letter. Therefore, the newspaper's defence will not collapse because they could not get that letter writer in court.

**Mr. Penikett:** I not want the Minister to think I am pursuing this for no good purpose. He may have heard that in the province to the south of us there was a political party that was writing letters of fiction to newspapers, alleging things about members of my Party, for example, MLAs of my Party. I cannot remember what it was called — Lettergate, yes, that is what they called it, down in Victoria — that they were persuading campaign workers to write letters with false names or names similar to someone in the phone book.

Now, previously, presumably, there may have been some protection, because a newspaper, unless they could establish that someone lived at that address or that that was probably a real person, might have been hesitant to publish the letter, and I gather it is standard procedure in a newspaper to check the phone book and see if there is such and such a name at such and such an address, or that the address is real.

If the newspaper is now absolved of that responsibility and absolved of the responsibility of identifying, or of certifying in some way that a correspondent is a real person, it seems to me that there is an awful possibility here that certain fictitious letters, or false letters, with an author who cannot be identified, could end up in the newspaper. The newspaper is not libel and therefore feels free to publish them. The correspondent can never be identified, so you could have all sorts of malice and libel being printed in the newspapers in the Letters to the Editor page and the citizens who were libelled would have no protection, it seems to me.

**Hon. Mr. Graham:** No, Mr. Chairman, that does not really happen as a result of this ordinance. This ordinance does not protect the newspaper, if the person who wrote the letter is a fictitious person, it does not protect the newspaper, or absolve the newspaper from the responsibility of ensuring that the person who wrote the letter is a real person. All it does is protects the newspaper in instances where a letter writer held the opinion which he expressed in a letter to the editor at the time he wrote that letter. The newspaper's defence would not fail because they could not get the letter writer to this jurisdiction to testify to that effect. Of course, no letter writer in his right mind is going to come back to Yukon if the newspaper is being sued, because he knows perfectly well that he will be sued also. So he is not going to come back and appear for the defence.

**Mr. Penikett:** Just so we are perfectly clear on this then: so the newspaper still has a responsibility to ascertain that the letter is a real letter from a real person and not a piece of scandalmongering fiction or something?

**Hon. Mr. Graham:** Yes, that is correct, Mr. Chairman, and in my understanding, that will not change.

*Clause 1 agreed to*

**Mr. Chairman:** I refer Committee to the title of the bill, *An Ordinance to Amend the Defamation Ordinance*. Shall the title carry?

**Some Members:** Agreed.

**Hon. Mr. Graham:** Mr. Chairman, I move that you report Bill Number 39, *An Ordinance to Amend the Defamation Ordinance*, without amendment, to the Assembly.

**Mr. Chairman:** It has been moved by the Honourable Mr. Graham that the Chairman do now report Bill Number 39, *An Ordinance to Amend the Defamation Ordinance*, to the Assembly without amendment.

*Motion agreed to*

**Hon. Mr. Graham:** Mr. Chairman, I think that, in order to satisfy the requirements of the House, we will have to look at Bill Number 57 and report progress. May we now consider Bill Number 57?

**Mr. Chairman:** I refer the Committee to Page 121 on Bill Number 57, Clause 263.

**Hon. Mr. Lattin:** Mr. Chairman, I move, that you do now report progress on Bill Number 57 and beg leave to sit again.

**Mr. Chairman:** It has been moved by the Honourable Mr. Lattin that the Chairman do now report progress on Bill Number 57 and beg leave to sit again.

*Motion agreed to*

**Hon. Mr. Lattin:** Mr. Chairman, I move that Mr. Speaker do now resume the Chair.

**Mr. Chairman:** It has been moved by the Honourable Mr. Lattin that Mr. Speaker do now resume the Chair.

*Motion agreed to*

*Mr. Speaker resumes the Chair*

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

May we have a report from the Chairman of Committees?

**Mr. Njootli:** Yes, Mr. Speaker. The Committee of the Whole has considered Bill Number 61, *Third Appropriation Ordinance, 1979-1980*, Bill Number 45, *An Ordinance to Amend the School Ordinance*, Bill Number 48, *Dependants' Relief Ordinance*, Bill Number 55, *An Ordinance to Amend the Cooperative Associations Ordinance*, Bill Number 53, *An Ordinance to Amend the Judicature Ordinance*, and Bill Number 39, *An Ordinance to Amend the Defamation Ordinance*, and directed me to report same without amendment.

Further, Mr. Speaker, the Committee has considered Bill Number 57, *Municipal Ordinance*, and directed me to report progress on same and beg leave to sit again.

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

**Some Members:** Agreed.

**Mr. Speaker:** Leave is so granted.

May I have your further pleasure?

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

**Mr. Speaker:** It has been moved by the Honourable Minister of Justice, seconded by the Honourable Member for Mayo, that we do now adjourn.

*Motion agreed to*

**Mr. Speaker:** This House now stands adjourned.

*The House adjourned at 5:04 o'clock p.m.*

**The following Legislative Return was tabled Tuesday, November 4, 1980:**

80-3-20

Department of Education - Comparative statistics (Written Question No. 5)