



The Yukon Legislative Assembly

Number 4

3rd Session

25th Legislature

HANSARD

Monday, March 28, 1983 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

DEPUTY SPEAKER — Andy Philipsen, MLA, Whitehorse Porter Creek West

CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Chris Pearson	Whitehorse Riverdale North	Government Leader — responsible for Executive Council Office, Finance, Public Service Commission, and Economic Development and Intergovernmental Relations.
Hon. Dan Lang	Whitehorse Porter Creek East	Minister responsible for Municipal and Community Affairs, Highways, Yukon Housing Corporation, and Yukon Liquor Corporation.
Hon. Howard Tracey	Tatchun	Minister responsible for Health and Human Resources, Renewable Resources, and Government Services
Hon. Clarke Ashley	Klondike	Minister responsible for Justice, Consumer and Corporate Affairs, and Workers' Compensation.
Hon. Bea Firth	Whitehorse Riverdale South	Minister responsible for Education and Tourism/Heritage and Cultural Resources

GOVERNMENT MEMBERS

(Progressive Conservative)

Bill Brewster	Kluane
Al Falle	Hootalinqua
Kathie Nukon	Old Crow
Andy Philipsen	Whitehorse Porter Creek West

OPPOSITION MEMBERS

(New Democratic Party)

Tony Penikett	Whitehorse West Leader of the Official Opposition
Maurice Byblow	Faro
Margaret Joe	Whitehorse North Centre
Roger Kimmerly	Whitehorse South Centre
Piers McDonald	Mayo
Dave Porter	Campbell

(Independent)

Don Taylor	Watson Lake
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Clerk of the Assembly
Clerk Assistant (Legislative)
Clerk Assistant (Administrative)
Sergeant-at-Arms
Deputy Sergeant-at-Arms
Hansard Administrator

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

01 Whitehorse, Yukon
Monday, March 28, 1983 — 1:30 p.m.

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

Prayers

DAILY ROUTINE

INTRODUCTION OF VISITORS

Mr. Penikett: I am sure all members would wish that I draw the attention of the House to the presence in the gallery today of a distinguished visitor, the President of the Native Council of Canada, Mr. Smokey Bruyere, who is visiting Whitehorse at this time.

Applause

Mr. Speaker: Are there any returns or documents for tabling?

TABLING OF DOCUMENTS

Hon. Mrs. Firth: I have for tabling five legislative returns from the last session.

Mr. Speaker: Are there any reports of committees?
 Petitions?

Reading or receiving of petitions?

Introduction of bills?

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.

QUESTION PERIOD

Question re: Land transfer to Yukon

Mr. Penikett: I have a question for the acting government leader. Last fall, the government said it had "written proof" that Ottawa promised to transfer the rest of the land in the territory after an Indian land claims settlement. This February, the Minister of Municipal Affairs told the *Globe and Mail* that no written evidence to that effect had been found. Which of these two statements is correct?

02 Hon. Mr. Lang: If the member refers to the document that was tabled Thursday, there were two specific statements made by, I believe, the Minister of Indian Affairs of the day, Mr. Allmand, in writing, as well as a public statement made by the Minister of Indian Affairs, Mr. Buchanan. If you recall, we did go through a series of ministers over a very short period of time — it seemed to be either a very unpopular or popular position in the Government of Canada — including the Conservative minister, Mr. Epp, when he was there.

I want to assure the members opposite, along with that transmittal in writing, also the assurances that were made by their deputies and top officials within the Government of Canada, that assurances were made to the Government of Canada that there would be land transferred to the Yukon Government. It would seem to me that if the member opposite reads the statement of November 27th by the Minister of Indian Affairs and Northern Development, Mr. Munro, those rules were changed.

Mr. Penikett: The item that the minister referred to, which was tabled in this House Thursday, contains references to documents but none of the documents themselves.

In furtherance of the minister's assertion that the federal government has changed its position on this substantive issue, could I ask the minister if, during this Session, he will be tabling in this House written proof that Ottawa promised to transfer the rest of Yukon land to the territory after a settlement of Indian land claims and, if not, why not?

Hon. Mr. Lang: If the member goes back to some time ago, I believe the letter that I referred to from the Minister of Indian

Affairs of the day, Mr. Allmand, was published in a number of the newspapers here, locally. In respect to the statement made by Mr. Buchanan, that was a public statement, as well.

In respect to correspondence between the officials and the various minutes of meetings, it would not be our intention to table those particular documents, since they are various minutes and various other statements on that type of correspondence or minutes that were taken by people from our side of the negotiations with the Government of Canada.

03 Mr. Penikett: I fail to see how the government can quote from documents that it refuses to table. That is another matter. Let me ask this direct question: if Ottawa refuses to transfer the land demanded by the territory, is it the position of the territorial government that the Indian land claims process is over and done with as far as the territory is concerned.

Hon. Mr. Lang: It is obviously one of the outstanding questions with the Government of Canada and one that we are prepared to sit down and discuss with the present minister and his officials in respect to the transfer of land. I think that the point the member is missing is what we are asking for is a process and that a certain quantum of land be transferred to the Government of the Yukon Territory. If that particular condition along with the other five are not met, then we claim we will not have a successful land claims settlement.

Question re: Cyprus Anvil

Mr. Byblow: I have a question to the acting government leader on the subject of Cyprus Anvil.

The Yukon government appears to have converted its \$1.6 million dollar aid program towards the reopening of the mine into a million dollar wage topping up incentive towards the stripping program. Considering that the one million dollars constitutes less than one percent of this government's total budget and that an operating mine constitutes 20 percent of the Yukon economy, I would like to ask the acting government leader why this government has proposed so little towards the reopening of that economic cornerstone of this territory.

Hon. Mr. Lang: I question the member's temerity in telling the people of the territory that they are not putting forward enough, when, if it is a two year program we go into with the government of Canada and Cyprus Anvil, it will cost approximately \$2 million, or in that neighbourhood, if the stripping program was to be implemented. The assumption that the \$1.6 million has been converted is not correct. The \$1.6 million we refer to, and that the member opposite has referred to, is dependent upon the mine going into production and actually producing concentrate. If the mine does that, our offer still stands. We are prepared to negotiate for some housing; we are prepared to contract for the purposes of the road and the maintenance of the road. We are also prepared to discuss with the municipality, in concert with Cyprus Anvil, the question of the recreation centre.

04 Mr. Byblow: The acting government leader, being at a public meeting in Faro last Friday, would have realized that the public perception is that not enough was given. Upon what basis is the acting government leader saying that this government is taking a position that the people of the territory would not wish any greater contribution by this government to seeing that mine open?

Hon. Mr. Lang: Perhaps the member opposite would be in a better position to stand up and say that; he is an elected member of the House. How much does he expect the Government of Yukon to put forward in view of the limited funds that we have? There is \$2,000,000 plus \$1,600,000. Of that \$1,600,000, \$750,000 is ongoing operation and maintenance costs that would be incurred by the Government of the Yukon Territory, and a direct saving to the Cyprus Anvil mines, which is significant in my view. I am sure anybody from Porter Creek East would say that, and I am sure anybody from Faro would, once they got the full figures and the member opposite was prepared to put them all forward.

Mr. Byblow: The minister is fully aware that \$750,000 of recreational aid is simply the same figure that all other communities received in proportion. I would like an assurance from the acting government leader that, given the tremendous revenue loss to the

territorial government and the difficulties being faced by the community, even if a stripping program goes ahead, educational, social and recreational services will not be cut in the next year?

Hon. Mr. Lang: We will deliver services where they are necessary and where there are enough people to warrant those services being delivered. To make a carte blanche commitment would be irresponsible on my behalf, or any member of this House. If circumstances changed to the point that, for example, there were no children to go to a particular school, one would then have to assess whether the taxpayer was prepared to provide that same service.

I am optimistic, in trusting the political will of the Government of Canada, that something will come into place over the course of the next two weeks. I want to assure members opposite that we have very seriously considered what we can offer, and we have offered in good faith, and, as the government leader indicated, and the Throne Speech indicated, we were the first ones to put forward any kind of financial commitment with respect to that particular mine. To date there has been no financial commitment forthcoming, firm and fixed, by the Government of Canada.

Question re: Select Committees

Mr. Kimmerly: A question to the same minister as acting government leader: does it continue to be the policy of the government to refer certain bills to a select committee and will there be a select committee this Session?

Hon. Mr. Lang: It would depend upon the nature of the particular bill and, if any bill is going to be referred to a select committee, the member opposite will be duly notified.

Mr. Kimmerly: Does the minister not agree that the *Territorial Court Act* and the new children's act are prime candidates for select committee treatment?

Mr. Speaker: If the hon. member is asking an opinion of the minister, it would be out of order. Is this what the hon. member is asking?

Mr. Kimmerly: Yes, sir.

Is it the policy of the government or the intention of the government to refer those two bills to a select committee?

Hon. Mr. Lang: It is not our intention to refer the *Territorial Court Act*, which has already been tabled. As to the other act that the member refers to, if any act is going to be directed to a select committee, as I indicated in my first statement to the House, the members opposite would be duly informed and, subsequently, a committee would be set up.

Question re: Poisoned animals near Burwash

Mr. Porter: My question is to the Minister of Renewable Resources. Subsequent to the discovery of three poisoned animals near Burwash last fall, a dead wolf was found in the same area during the first week in February. Can the minister tell the House if this animal had also been poisoned?

Hon. Mr. Tracey: To the best of my knowledge, it was poisoned. I know that the previous animals were poisoned; I am not sure about the wolf, so I cannot give a firm yes or no to that, but I can report back to the member later.

Mr. Porter: A representative of the minister's department has stated a suspect in the earlier poisonings was under investigation. Can the minister tell the House if any charges have been laid as a result of that investigation?

Hon. Mr. Tracey: No, there have been no charges laid up to this time; we are still continuing the investigation. At this time, we do not have enough evidence to lay charges.

Question re: Land claims negotiator

Mrs. Joe: I have a question for the acting government leader. The Yukon Conservative land claims negotiator is paid \$800 to negotiate a settlement for Yukon Indian land claims. Is he also paid \$800 a day to address public and private meetings around the territory?

Hon. Mr. Lang: The negotiator, on behalf of the Government of the Yukon Territory, is paid by the hour, similar to any other lawyer, and it is dictated by the number of hours he works in a day.

So, if he works an hour a day, it is \$100 an hour. It should be further pointed out that if he is speaking on land claims, I would assume that he is getting paid by the hour.

Mrs. Joe: On March 23rd, in answer to a question about the cost to Yukon taxpayers of Mr. Phelps' presence at a meeting in Burwash, the minister replied, "I am sure he was paid similar to any other lawyer". I wonder if the minister could now tell us just how much this particular lawyer was paid for his attendance at a meeting to which he was not invited, and how much he is being paid for similar appearances?

Hon. Mr. Lang: I would assume that it is by the hour or by the contract that the Government of the Yukon Territory has with the individual in question. I think it is safe to say that any place I have been the negotiator has put forward, in a very factual and unemotional tack, the actual process that led up to the situation that we face. Most people are very appreciative of the fact that he making himself available.

Question re: Agriculture

Mr. McDonald: I have a question for the minister responsible for agriculture.

Last Wednesday, the minister tabled an answer to a question that I asked last year, in November, regarding the allocation of agricultural lands. Can the minister tell the House when approved applications for Commissioner's lands will be turned over to the successful applicants?

Hon. Mr. Lang: Once they have been notified in principle that the area they have applied for has been agreed to, it is up to the individual to contact the department and sit down with the chairman of the Agricultural Development Council for the purpose of delineating boundaries. Once that has been done, the legal transaction and legal survey are completed, the land would be transferred under the caveats presently enforced in regulation.

Mr. McDonald: Will the minister table the list of factors used to determine land dispersement and, further, the specific reasons why each parcel of land already approved will be dispersed?

Hon. Mr. Lang: I am sure that I can provide it to the member opposite, and if I cannot do that, perhaps I can loan him a copy of the various studies that have been done in respect to the areas in question. They date back to approximately 1950. The Agricultural Development Council makes the decision as to whether or not the area in question is suitable for agriculture. If there is a question in their minds, they will delay the application until a time when a soil test of the area can be done. I am happy to report that we do have a soil pedologist from Agriculture Canada who is prepared to do the necessary soil testing. The Agricultural Development Council is supplied with that particular information in order to make a decision.

Mr. McDonald: I have a two-part final supplementary: can the minister state that the soil analysis is the only factor which is used by the Agricultural Development Council to determine whether or not a person receives agricultural land? And, can he also state what sort of public review process will be established to review the activity of the Agricultural Development Council and, more specifically, to review each decision of that council?

Hon. Mr. Lang: On the last part of this question, I should point out that, if we had a public review of every decision made, nobody would really get access and be able to work the land that they have applied for. I do not know what the member opposite is getting at in respect to the type of public review process that he refers to. The Agricultural Development Council has been set up to review and screen these particular applications which they are doing. Aspects that are considered, along with the soil, is the question of water and the ability to irrigate, the geographical location and road access, as well as other factors.

Question re: Yukon Housing Corporation

Mr. Penikett: I have a question to the Minister of Municipal and Community Affairs. Last year, about this time, the minister announced a new program for the Yukon Housing Corporation, namely a municipal employees housing buy-back scheme. When exactly is this program to go into effect?

Hon. Mr. Lang: I have met with the Association of Yukon

Communities on this particular item. I think that I indicated in the course of the last Session that it was not our intention to come forward with the amendments to the Yukon buy-back scheme in view of the economic situation that we face. If it turns around somewhat, maybe we will be prepared to consider it.

Mr. Penikett: Since the territorial employees' housing buy-back scheme is not exactly over-funded at this point, how was it the minister's intention to fund this new program when it was announced a year ago?

Hon. Mr. Lang: When it was announced over a year ago, and discussed with the Association of Yukon Communities at that time, it was not thought that the economy would be facing the difficulties it is today. It was thought that we would be able to financially meet the obligations that would be incurred under such an amendment to the buy-back scheme.

Right now, the buy-back scheme has approximately \$351,000 outstanding. As the member opposite knows, the total amount allocated by the Legislature is \$500,000.

Mr. Penikett: If I remember correctly, this program was announced during the election and before the government discovered that it had no money. Could the minister indicate when it is his intention to proceed with this scheme? Can I take his previous undertaking as fact that, when the economy recovers to its 1979 or 1978 level, the scheme will be going ahead then; is that his intention?

Hon. Mr. Lang: We would have to consider it at that time. There is one problem with respect to this particular scheme and it relates to the previous legislation that was passed for the employee benefits package that was put together in consultation with the Northwest Territories, Yukon and in concert with the Association for Yukon Communities. We found that there were only one or two communities that took the opportunity to avail themselves of that particular plan because they had other arrangements, which was fair enough. The point is that, if we are going to go ahead with a plan of this kind, I think it has to be applied to the various communities throughout the territory, and it is one that I would discuss with the Association of Yukon Communities at what stage, if we were prepared to consider going forward with it.

Question re: Travel agencies

Mr. Byblow: The acting government leader can have a break as my question is to the Minister of Consumer and Corporate Affairs. It is my understanding that in the last month the Consumer and Corporate Affairs Department has required that all travel agents register their insurance agency status with the Yukon government in addition to travel agencies being required to appoint salespeople who look after the insurance from amongst their staff — this relates to flight insurance. Can the minister explain the reason for this sudden new set of government regulations being imposed on travel agencies and, as well, why a new set of fees is being imposed to apply to these regulations?

Hon. Mr. Ashley: I find it incredible that the member opposite could not have given advance warning to me on this question if he wanted a decent answer to it.

Mr. Byblow: I would have assumed that, on such an important matter as creating regulations and creating fees in such a difficult year facing agencies, the minister would be aware. Is he aware that in British Columbia, last year, the very same set of regulations and fee structures were taken out from government regulation as being unworkable and unnecessary?

Speaker's ruling

Mr. Speaker: I would rule that question out of order as not being a question but a statement.

Mr. Byblow: I will direct my final supplementary to the Minister of Tourism, perhaps for a better assurance of an undertaking. Could the Minister of Tourism undertake to investigate this new creation of regulations as it may affect tourism, particularly in light of the very difficult year that travel agencies and the general industry at large are facing?

Hon. Mrs. Firth: Just for the member for Faro, I will make a commitment to investigate that for him.

Question re: Food Prices Report

Mr. Kimmerly: I have a question for the Minister of Consumer and Corporate Affairs. Has the minister now read the recommendations of the Food Prices Report?

Hon. Mr. Ashley: Yes, I have certainly read it.

Mr. Kimmerly: When will the minister be acting on the report?

Hon. Mr. Ashley: I believe I told the House last Session that certain parts of it had already been implemented; very possibly all we ever will be doing with it. It is a very biased report that I do not really totally agree with. That is my answer to the member opposite — we have already implemented some of it.

Mr. Kimmerly: Is it the policy of the government and the minister to adopt any other recommendations of the report not already implemented?

Hon. Mr. Ashley: As I have just said, it is not necessarily the policy of this government that we will be adopting it.

Question re: Stokes Point

Mr. Porter: Again, my question is for the Minister of Renewable Resources. In recent newspaper articles, the federal Minister of the Environment has stated a position that favours implementing the Environmental Assessment Review Process concerning Gulf Canada's application to develop Stokes Point. My question to the minister is this: does his government support the ERP process being applied to Gulf's application to develop Stokes Point?

Hon. Mr. Tracey: We passed a resolution in this House last year saying that we supported the development of Stokes Point, if it was shown to be environmentally sound. I think that Gulf's application is to the federal government; we are only there on a peripheral basis. I think it is up to the federal government to make the decision of whether they are going to go ahead, whether there is enough environmental protection there to develop the base or whether they should reinstate the environmental review process.

I would not be acting in my capacity rightly if I was to say that, yes, I support the environmental assessment review process or the Department of Environment. I think that is something that should be worked out between the two departments at the federal level.

Mr. Porter: Let me put it this way: is this government satisfied that the necessary environmental studies have been conducted and undertaken concerning the Yukon's north slope, and is it this government's position that the north slope can now be developed without any further environmental studies being conducted?

Hon. Mr. Tracey: I did not say that and I do not think that the northern affairs program of the Department of Indian and Northern Affairs says that, either. I think what they are saying — and I think I have to concur with them — is that Stokes Point could go ahead; if there are other environmental aspects that should be looked at and counteracted, they can be done at the same time.

I am not fully knowledgeable of what Gulf's position is or what their total involvement would be, so I could not comment on whether I totally agree with what they want to do or what they do not want to do. They did not make their application to us.

Mr. Porter: Should the federal government decide to engage the ERP process on the question of Gulf's application in the north slope, would this government support the federal government's initiative?

Mr. Speaker: The question seems somewhat hypothetical but if the Minister wishes, he may try to answer it.

Hon. Mr. Tracey: It is hypothetical, Mr. Speaker, and we would not have the option of whether we want to support it or not. If the Federal Government makes a decision that is the decision.

Question re: Fine options program

Mr. Joe: I have a question for the Minister responsible for Justice.

Since the latest records that I have seen indicate that 130 persons were unable to pay their fines and had to spend time in jail in default of payment, could the Minister tell us what his department is doing to replace the fine options program.

Mr. Ashley: The fine options program is being looked at right

now. There are no firm commitments or any known decisions that have been made as to what direction we will be going with that.

Mrs. Joe: Since the cost of each inmate is in excess of \$80 a day, could the Minister give us an indication as to how soon the fine options program will be implemented.

Mr. Ashley: I cannot give a commitment as to time. It will be as soon as we can.

Question re: Employment skills program

Mr. McDonald: I have a question for the acting government leader.

As I am sure he is aware, the government is currently conducting the surveys of employment skills and businesses in Yukon which might take advantage of opportunities in the Beaufort Sea. Can the acting government leader state what agreements exist between Beaufort employers and this government to use local skills and businesses?

Hon. Mr. Lang: There is active discussion underway with the various proponents, and if development does go ahead then we would be expecting to go into some sort of letter or memorandum of understanding with the proponents with respect to hiring locally, et cetera. It would seem to me the members opposite have their wires crossed. We have one member hoping that there will be a major environmental assessment review which would curtail development and the member opposite is asking questions about whether or not people are going to be able to go to work there.

Mr. McDonald: Last Wednesday I asked the government leader why the training interest and skills survey for the Beaufort Sea required the persons surveyed to provide union affiliation. Can the acting government leader now provide an answer to that question?

Hon. Mr. Lang: It is not within our authority. If the member opposite looks at the Labour Code and the memorandum of understanding we would be signing with the various proponents, it would detail various general commitments about hiring locally, et cetera, and these are the things that would be of the utmost concern to us, especially in view of the economic climate that we face.

Mr. McDonald: I asked the question of why the government required union affiliation in their own Beaufort Sea questionnaire. On Wednesday the government leader said that these questionnaires would be made public to anyone who wanted the information. Can the acting government leader explain why the questionnaire itself promises that the information on the form would be used on a confidential basis?

Hon. Mr. Lang: I am sure the government leader was referring to the general reaction in respect to responses and the correlation of that information to give a general perspective of what was brought forward in respect to individuals. As far as the confidentiality between the individual and the government, that would be maintained.

Question re: Squatters

Mr. Penikett: This question is not about wire but rope. A question for the Minister of Municipal and Community Affairs. In a March 1st letter the Minister assured me that a government policy position on the issue of squatters might, after several years and many questions, be expected in this Session. Is the Minister now prepared to reveal his government's policy.

Hon. Mr. Lang: As the member can well imagine, I am having problems with that particular item. I think the leader of the opposition knows full well, the squatting policy within the City of Whitehorse would have to be worked out with the City of Whitehorse and I intend to be meeting with the Mayor on that particular subject very soon. If the member reads the letter very carefully, I said I hoped that I would have something to bring forward. I am still working on it, and it will depend how long the members opposite speak in this house — as far as the Session is concerned — and if I have it ready I would dearly love to bring it to the member's attention.

Mr. Penikett: Hope springs eternal. The minister is no doubt aware, he has just referred to recent assessments of back taxes by the City of Whitehorse against properties occupied by squatters in

the city limits. Since this is a matter directly under the minister's area of responsibility, could I ask if the government has a policy in regard to the assessment of back taxes on squatter-occupied territorial properties?

Hon. Mr. Lang: As far as I am concerned, the policy is very clear. Any improvements that are assessed are taxed and they shall pay the money outstanding, and I think that should be a consistent policy throughout the territory, because then you have a situation where people are paying taxes in one segment of the population and you have another segment of the population who have decided that they will not pay taxes because they are squatting. I think the member opposite knows full well that the *Taxation Assessment Act* provides the ability to the assessors to assess any improvements, no matter what the ownership of that particular land is. As far as I am concerned, they should pay.

Mr. Penikett: Over the years, I have asked both this minister and his predecessors a number of questions on behalf of a family in my constituency who live in Block 591, Group 80, a particularly difficult case that the minister is aware of. Can the minister tell me now if his government, as registered owner of the land concerned, is prepared to apply to the City for rezoning of the property so that it could be purchased by the family in question?

Hon. Mr. Lang: If I am thinking of the same case, it is a question of squatting, as I understand it, and I am sure that the City will want to establish general guidelines as far as what they are prepared to do for squatters within the City prior to giving their consent for the purposes of rezoning any property within the territory. I would bring this to the Mayor's attention or, perhaps, the member opposite should.

Question re: Faro request to defer interest

Mr. Byblow: I have a question of the Minister of Municipal and Community Affairs. Because of the very serious economic erosion at Faro, the municipality of that town has requested to have deferred some payments of its interest and principal on \$600,000 of debentures for the 1983 taxation year. Has the minister received the request of the municipality on the subject?

Hon. Mr. Lang: No. Perhaps the member opposite could give me a copy of it.

Mr. Byblow: Would it be the position of this government to supply the interest and principal deferment that the municipality is requesting?

Hon. Mr. Lang: I am hardly in a position to answer that since I have not had any formal receipt of such a request. For the member's information, I should point out that we are looking at all the loans outstanding to all the municipalities to see whether or not there is any method of refinancing those loans that were taken out at a higher interest rate than what is available at the present time.

Mr. Byblow: Is the minister saying that there is a problem with straight deferment of third-party loan money on debentures from municipalities?

Hon. Mr. Lang: That is a question that would have to be put to my Cabinet colleagues, but I think that we would find it very difficult to accept a principal of that kind in respect to loans that are outstanding, because it is delaying the inevitable. Those loans still have to be paid. I indicated earlier that perhaps we may be prepared to look at the question of refinancing those particular loans that are outstanding to see whether or not we can get a better interest rate and, subsequently, it would be a less onerous financial burden on the taxpayers within those communities.

Question re: Land claims information package

Mr. Kimmerly: A question to the same minister about the land claims information package tabled on Thursday: there is obviously a mailing list for the information package. What is the government policy with regard to access to the mailing list and, specifically, will members of the PC caucus and the Yukon's Conservative Member of Parliament be given access to the list?

Hon. Mr. Lang: The names were brought forward in various public meetings. If the member opposite has some members within his constituency to whom he would like us to mail that particular document, too, I can assure the member opposite that, if he

provides me with such a list, I will undertake that action.

Mr. Kimmerly: The minister is not answering my question. For those people who asked for an information package, either by mail or otherwise, will the list be made available, or is it available to members of the PC caucus?

Hon. Mr. Lang: To my knowledge, it is not available. The names are being sent to the land claims secretary and the information is being sent out.

Mr. Kimmerly: Is it the government policy that that list will be made available to any other groups such as, for example, the opposition party?

Hon. Mr. Lang: I see no need for that. As I indicated to the member opposite, if he has some names he wants to add to the mailing list, I will undertake that the information be sent.

11 Question re: Highway signs

Mr. McDonald: I have a question for the Minister of Tourism, Heritage and Cultural Resources. On February 17th of this year, the minister issued a press release stating that commercial enterprises outside communities would be in a position to erect advertising signs on highways. When can we expect an extension of that policy for businesses within communities?

Hon. Mrs. Firth: We are presently discussing what policy the particular communities are going to have and we have been receiving information from each community. We are of the opinion right now that we hope to give the communities input as to whether they want to allow that kind of sign policy within their community.

Mr. McDonald: As the minister is aware, for communities such as Mayo and Keno, which are between 35 and 80 miles from the main tourist corridor between Whitehorse and Dawson, there exist special problems. Can we expect a policy allowing signs at highway junctions prior to the start of the tourist season?

Hon. Mrs. Firth: We are aware of the special problems that the communities are facing; that is why we have asked for input from the communities. As for the junction signs, it is the concern that we have already addressed and, as soon as we have a formulated policy on that, I will indicate that to the member.

Mr. McDonald: Will the minister be soliciting further representation from interested parties or groups to assist in the formulation of a highway junction signing policy and, if so, what form would such a request take?

Hon. Mrs. Firth: We already have solicited input from the communities and, depending on numbers of businesses concerned, we may solicit further input from those businesses.

Mr. Speaker: We will now proceed to the order paper, under government bills and orders.

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS

Bill Number 2: Third reading

Mr. Clerk: Third reading, Bill Number 2, standing in the name of the hon. Mr. Pearson.

Hon. Mr. Lang: I move, seconded by the Minister of Education, that Bill Number 4, *Interim Supply Appropriation Act, 1983-84*, be now read a third time.

Mr. Speaker: It has been moved by the hon. Minister of Municipal and Community Affairs, seconded by the hon. Minister of Education, that Bill Number 2 be now read a third time.

Motion agreed to

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

Hon. Mr. Lang: Yes. I move, seconded by the Minister of Education, that Bill Number 2 do now pass and that the title be as on the Speaker's report. It has been moved by the hon. Minister of Municipal and Community Affairs, seconded by the hon. Minister of Education, that Bill Number 2 do now pass and that the title be as on the order paper.

Motion agreed to

Mr. Speaker: I will declare that Bill Number 2 has passed this House.

May I have your further pleasure?

Hon. Mr. Lang: I would move, seconded by the hon. member

for Faro, 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 hon. Minister of Municipal and Community Affairs, seconded by the hon. Member for Faro, the Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Motion agreed to

Mr. Speaker leaves Chair

COMMITTEE OF THE WHOLE

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

We will take a break and, when we come back, we will continue with the committee's business.

Recess

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

We will now go to bill number 3 which is the *Fourth Appropriation Act, 1982-83*.

Clause 1, is there any general debate?

On Fourth Appropriation Act, 1982-83

Hon. Mr. Lang: As members know, Mr. Pearson had to leave and I have been assigned the responsibility of piloting this particular bill through committee, which I was not expecting, so I trust members opposite will bear with me if I perhaps do not have the direct answers to their questions, because I have only had a day's notice in respect to trying to prepare for the particular bill at hand.

As members can see, we did manage to pay our bills for this year. It has been a very difficult year; we have had to take various cost-cutting measures in respect to government. One of the most high profile ones was the implementation of the nine-day fortnight, which did save us a fair amount of money and enabled us to pay our bills. I would like to express our appreciation to the public service for recognizing the economic constraints that we were under and respecting the policy that we brought in; and in fact I understand that quite a number of people would perhaps like to stay on the nine-day fortnight, depending on their own individual cases; but as indicated by the Government Leader, the ten-day fortnight will be back in force as of April 1st. I think it is only logical, in view of the fact that there are a number of departments — and I use highways for an example — where we would not be able to get the necessary maintenance done under the nine-day fortnight, if we were to continue with that particular policy.

Overall, I think the budget reflects a very honest effort to try to cut costs and at the same time service the public to the best of our ability. I think it is safe to say we did not receive that much criticism, since the general public, I believe, understand the situation which we, as government, and they, individually as home owners or whatever the case may be, are facing in view of the national and, in turn, to some degree, international, consequences of the recession that we, as Canadians, face.

I think, with those few comments, I am prepared to put myself open to questions from the opposition.

Mr. Penikett: Before we proceed to detailed deliberation on this item, I wonder if I can put a few general questions to the minister.

During the time the House was adjourned, there were a number of newspaper stories about the financial situation of the Government of the Yukon, including, I recall, one which talked about imminent financial collapse; and talked in rather alarming terms about the seriousness of our financial situation. In one of those stories — I think I saw it in the *Globe and Mail* — the minister opposite who has just spoken was quoted extensively. Could I ask the minister the relationship between this appropriation and the recent injection of federal funds, about which there were newspaper stories and one press release from this government. Specifically I would like to

know the nature of that \$7 million item, I think it was — \$7.2 million dollars? 7.3 million dollars? — which came from the federal government? It was not clear from the news reports I read whether this was an advance against the 1983/84 deficit grant, whether it was a one-time gift to the Government of Yukon in view of the special circumstances and the shortfall of revenue or whether it was a loan in some form that we would have to return at some point. I specifically would like to know the answer to those questions because, as I understand the situation, we normally receive quarterly transfers based on income tax revenue projections and resource revenue projections and so forth.

Because of the calamitous state of the mining industry in the territory and the consequent depression in other industrial sectors of the economy, those transfers or those revenues were not due, and at some point there is an automatic quarterly adjustment in those transfers as the revenues perhaps do not meet expectations. As I understand the situation, at the last quarter we were left, in essence, with very little money coming in from the federal government. The \$7 million — at least, judging from the press column — was, in some sense, a compensation for that shortfall. But I wonder if the minister could explain whether it was an advance, a loan, a grant, or whatever?

Hon. Mr. Lang: As I indicated, I did not realize that I was going to be defending the principle of the bill. I will try to relate to the member opposite as much as my memory will allow me. If I need further clarification, I would be prepared to make the commitment to elaborate further when we get into the main budget.

The \$7,300,000 was an advance, in part, with respect to the financial situation that we faced in 1982/83. If you will recall the sequence of events, last summer we met with a committee of the Cabinet of Canada to indicate our financial difficulties as far as this year and the forthcoming year were going to be, in view of what the member referred to, the economic situation as far as the mining industry in Yukon was concerned and the adverse effect that it was having on our ability to, hopefully, raise funds; i.e. income tax, fuel tax and, as we all know, it just goes throughout the system.

Subsequently, the monies that we had forecasted that would be coming forward to us were just not there. I think that the sum, for example in income tax alone, projected for 1982-83 as far as a loss was concerned, was in the neighbourhood of \$8,000,000. In total numbers to the government, and I will have to have these figures verified, we locally lost out. Revenues being raised locally were between \$15,000,000 and \$20,000,000 in total. Of course, this had a financial implication on our total 1982-83 budget.

We were fortunate to one degree, in that we had a working capital of approximately \$8,000,000, which offset our costs for 1982-83. Some of the monies that were put forward which, incidentally, resulted from negotiated agreement with the Government of Canada, was a transfer of payments as opposed to a loan, and helped offset our situation for this year. The remainder will be put forward into 1983-84, which you will hear more about when the budget is finally prepared and brought down; to look at costs and the various programs that government will be delivering as far as the service to the general public is concerned, for 1983-84. I hope that answers your question to some degree.

Mr. Penikett: It answers it in part, but could the minister be more specific. He referred to the emergency aid package requested by this government and, I believe, taken to the Cabinet Western Canadian Committee — whatever it is called — that met in Edmonton some time late last summer, a meeting which, I understand, the government leader and the Minister of Education attended. The Minister of Education met with her friend, Mr. Axworthy and some other people — Mr. Lalonde, I believe. At that time, as I recall, the government was looking for an aid package in the neighbourhood of \$12,000,000 to handle the revenue shortfall. Am I correct in assuming that the \$7,000,000 is a partial response to that request and the rest of the package, which involves capital money, may yet be seen when the main estimates come down some time next month?

Let me just ask the minister to keep that question in his mind. Since he also referred to the working capital deficit that was budgeted this year — there was a deficit forecast in the revised

main estimates that were introduced last fall — has the working capital deficit forecast proved accurate or has the deficit exceeded the government's expectations?

Hon. Mr. Lang: Your your last question first, if I may — it is my understanding that the \$7,300,000 that was put forward helped offset us going into a deficit position by March 31st. You have to understand we will have another supplementary, once we get the audited statement for this current year, which will be tabled in the fall; it will give us an accurate financial assessment of 1982-83.

You are correct that the \$7,200,000, the way I understand it, is, in part, an answer in respect to the request that we put to the Government of Canada to recognize our financial needs in the territory and to see whether or not they were prepared to come up with some financial commitments, as far as the territory is concerned. The \$7,300,000, in part, meets that.

Now, as far as the capital side of the budget is concerned, we passed our budget; there are a number of decisions in the offing, in respect to the Government of Canada, which could help our situation here locally, as far as jobs and improvement in public infrastructure. That is, for an example, the question of the Whitehorse Airport. If the Government of Canada gives the go-ahead, which is their direct responsibility and in no way tied in with the Government of the Yukon Territory, then that would be an expenditure, over the two year period, of approximately \$18,000,000. I understand that that decision is pending in the very near future, within the next couple of weeks, unless it has already been made.

Secondly, we are negotiating in Highways with the Department of Indian Affairs and Northern Development with respect to further improvements on the Dempster Highway; also, a possibility on the North Canol. Now, these things are all in the offing, and I do not want to raise expectations, but we are pursuing them with the department who, incidentally, I have to say and I appreciate it, are very sympathetic to the situation and also recognize that the work has to be done and if it can be escalated, it would help the economic situation that we presently face in the territory.

It should be pointed out that we have advanced a number of the capital projects that we voted in the fall; therefore, those are some monies that will not be carried over to 1983-84. I think, specifically, of the sewage lagoon in Haines Junction — the clearing — and Watson Lake, as well. We advanced a number of these particular projects so that we could have some work over the course of the winter. I think it was indicated in the Throne Speech that a number of these projects had gone ahead.

Now, there are some monies outside of that to help our situation, as far as government expenditures are concerned, and that is through my colleague, the Minister of Education, through the various federal programs that have been put forward by the Government of Canada. As you know, they are advertising for sponsors in, I believe, the NEED Program. In fact, I get confused with all these programs. It seems to be that some of the programs are going to result in further bureaucracy but I guess only time will tell.

There are some other monies through advanced education, which I am sure the minister will be expounding on when she gets into her supplementaries, as well as the main budget, in respect to that aspect of it. For example, we also made the conscious decision that we would be prepared to put \$1 million towards Cyprus Anvil per year, if the Government of Canada and Cyprus Anvil were prepared to come forward with a project that could qualify under Section 38 and which would be of some importance to the territory as a whole, as far as the work force is concerned. It would be in the area of 200, if not more, workers employed directly, as well as the service industry, of course.

Further to that, it would also permit the overburden, which has to be taken off the new ore body at Cyprus Anvil in order to be able to get to the ore lode to be removed, and would be an investment as far as the future is concerned, in respect to selling that particular ore once the international situation straightens itself out.

Mr. Penikett: I want to say to the Minister: what an unusual pleasure it was to hear him speak positively about the federal Department of Indian and Northern Affairs. That is also, I believe,

another first. He did on one other occasion speak kindly of federal Department of Indian and Northern Affairs — 1974.

The Minister also referred to the alphabet soup of make-work programs that we now have and I am sure other members on this side want to say something about that.

Let me just respond with a general question about the federal government's response to our request for emergency aid, a response that the Minister found sympathetic, and I understand that at a time of great need one will discover new friends. I want to ask — perhaps the Minister of Education might be in a better position to answer it, but either Minister — since we made the request very publicly back in August or September, as I recall, and since the citizenry of the territory were not aware of the public response to this request for emergency aid until early March, could I ask if it did take the federal government almost six months to respond to this request for emergency aid, because that seems to me a rather, if I might put it this way, not very speedy response in an emergency? If my house caught fire, I hope some government level will respond a little faster than that.

Hon. Mr. Lang: I would ensure the member opposite that if his house was on fire we would answer to that call. It might not take six months, but I have to concur with the member opposite it did take a length of time. At the same time, if you have had to deal directly with the Government of Canada and the bureaucracy and the various procedures that they have built in, six months actually is probably a very short time to get a response to the presentation we made. I think it is safe to say, and I think it has to be very clear to members here as well as to the general public, the \$7.3 million over and above what we have negotiated for a financial agreement 1983-84 is going to help to a degree but we are still not going to raise the revenue that we did approximately two years ago. I think I quoted the figure of approximately \$15-20 million in total that we are now down because of the lack of activity within the territory, and it is going to be a very tough year for 1983-84. Anybody who is of the impression, because of the headlines, that the \$7.3 million is going to save the government, and the government would not be still subject to some restraints, is not an accurate portrayal of the forthcoming year. Similar to anyone in business, we are going to still have to curtail, to a degree, our activities and the service to the general public. We are fortunate in one respect; we think we can go back on the ten-day fortnight and still pay our bills, which of course is of paramount importance to members of this side of the House and I would like to think, too, for members on the other side of the House as well.

With respect to new friends, I think it safe to say, and I say this from a non-partisan point of view, the national government does have a certain responsibility, probably more so in Yukon than in the provinces because they are directly responsible for the resources of the territory and the management thereof. I want to impress upon members that that responsibility is direct. It is not indirect, as for the provinces. It is important, as I think the general public recognizes, that Cyprus Anvil and the future of that particular mine is a direct responsibility of the Government of Canada. We do have a part to play but it is not the lead part which, if we were a province, it would be in most cases.

The member for Campbell referred to Stokes Point. As the Minister of Renewable Resources earlier said, it is up to the government of Canada to make that decision in respect to a process for that area, depending on the information that has been provided to them, which we do not have access to. The point I am making is that for other than tourism, for which we have direct responsibility — which, incidentally I think the government, in concert with the private sector, does a pretty good job encouraging people to come here — and as far as public contracts are concerned, those are really our direct responsibilities and I think that has to be put on the record.

Mr. Penikett: I appreciate the minister's remarks. I would only want to note, in passing, that it did not seem to take the federal government so long to respond to assist the Government of the Northwest Territories' request for aid. Perhaps there may be a political issue there that I do not know anything about.

The minister also talks about certain direct responsibilities that

the federal government has here. I am afraid that the more of our bills that the federal government picks up, the more direct responsibility they are going to claim in our affairs.

Since I have pursued the question of the aid package requested late last summer, if this is in respect to the operations and maintenance budget of the territory, is it the last we shall hear from the federal government about it? I mean, is this, in substance, their response or can we expect there will be, perhaps, a second stage or further developments that we can still expect as a result of that aid package late last summer?

Hon. Mr. Lang: I would not like to cut off all my options but, right now, that appears to be a fairly accurate assessment of the situation for 1983-84. There are a number of exceptions. The ones that I cited earlier, through the northern program, with respect to further highway construction dollars coming into the territory, and such. Also, I think it is safe to say that we are presently going to be going into negotiations, over the course of this year, for an economic development agreement for Yukon. If we can reach an agreement with the Government of Canada, perhaps, that can be cited as "new money" into the territory.

I would say, that from our perspective today, I think we have to look at our financial situation and govern ourselves accordingly.

I want to refer back to the "aid package" that the member opposite referred to. I think it should be pointed out that one of the reasons that we were able to get through 1982-83 was because of the curtailment of public expenditures on our side, which was in the neighbourhood of \$6,000,000. We managed to offset these expenses through curtailment of services. I think that that figure is fairly accurate, if my memory serves me correctly. So, we have done our part, as a government, recognizing the economic situation, recognizing the ability of the public to pay and, also, walking that fine line as far as what public service you are prepared to provide and what you are prepared to curtail. I think we did get through 1982-83 fairly well, in view of the circumstances.

Mr. Byblow: Is the minister saying that there is clearly no implication on next year's financing from the federal government because of this \$7,000,000 advance?

Hon. Mr. Lang: We have negotiated a framework for 1983-84. The monies that were brought forward in March, which the leader of the opposition referred to, will be built in to 1983-84 to project our expenditures for that particular year. I do not think I can say much more about it because, first of all, the budget has not come down and, secondly, I am really not the Minister of Finance. As I indicated earlier, I did not really know that I was going to be in this position today talking about the principle of this particular bill.

Mr. Byblow: What it amounts to, then, is that the \$7,000,000 is really supplementary financing for the fiscal year that we are in and its only implication is that it is used as a base for the formula financing for next year. Is that fairly correct?

Hon. Mr. Lang: No. It was brought forward for 1982-83. We had made significant cuts. It had also allowed us to pay bills. Otherwise we would have been in a deficit situation. I do not have the breakdown, but some of that money will be put forward to 1983-84 and, in part, help pay us for advanced capital over this past year, 1982-83, especially during winter.

Mr. Byblow: I think I understand what the minister is saying; we just do not have a clear breakout of how the \$7,000,000 is going to be spent.

Hon. Mr. Lang: I think there will probably be much better debate on that particular item in the 1983-84 budget, on the operation and maintenance side, with respect to the allocation of dollars. You will get a further breakdown, with respect to 1982-83, in the fall when we have received our audited statements and have the final supplementary for 1982-83.

Mr. Byblow: Does the minister know whether or not we are clearly into a fixed formula of financing for the next year?

Hon. Mr. Lang: We have had some discussion at the official level, but there is no agreement between the Government of Canada and the Government of Yukon which would require Cabinet approbation here, locally. I do not know what the timing for any consideration of that is, but it is going to be some time off.

Mr. Byblow: I asked that for a couple of reasons because it was a subject of considerable debate last fall and, at the same time, it would seem to be to be very difficult to put it in place in this current state of tremendous flux, with respect to projecting revenues and expenditures.

The minister made some references to Cyprus Anvil and the money that was advanced in that regard. I recall, when we were doing some preparatory work on the submission for the Ottawa delegation, the calculations that established the loss of revenue over the next two years, should that mine not reopen, were quite accurately estimated in the magnitude of \$61,000,000. I repeat: that is over two years. I would be curious — from the acting government leader — what would take place territorially in the financing arrangements should that mine not reopen? Clearly, fixed financing or formula financing cannot be put in place; clearly it would seem to be almost a day-to-day negotiation. Is that what would happen?

Hon. Mr. Lang: I do not think it would go quite so far as day-to-day negotiations, but, obviously, if firm decisions are made in the negative, in respect to the Cyprus Anvil situation, it is going to have some ramifications throughout the territory. We are trying to put forward a budget for 1983-84 which is small "c" conservative — large "c" Conservative, as well, I might add — in respect to projects so that we can meet our bills at the end of the year.

I can only forecast as well as the member opposite, in respect to what the future holds for that particular mine. All I can say, and I think the member opposite would agree, is that we are doing everything we possibly can to ensure that something will be happening in that particular mine over the course of the next couple of years. All I can say is that my information is that we will know within the next two to three weeks what the outcome of that particular situation is and we will have to predicate our actions after that on what the final decision is. It is well beyond the realms of this government, as the member well knows; it is actually between the Government of Canada and Cyprus Anvil.

Mr. Byblow: I certainly do not want to enter into a vicious debate with the minister, but I have indicated to him previously, as I have to the government leader — and it was substantiated, certainly in some circles last week — that the amount of aid this government has put forth is not very much when it is laid up against a relative comparison to the total budget. As I said, it constitutes about three-quarters of one percent in this next year. We will just talk about a single year's set of figures: \$1,000,000 is about three-quarters of one percent.

I appreciate that the acting government leader would like to consider their portion of aid as quite substantial and he may think so, but, certainly, when we compare that against the economic return from anything like an operating mine — and that is not just to his government, but that is through the entire business, commercial and labour circles in the territory — it is quite safe to say that the investment of several more million would be probably quite in order, rather than the single million.

Mr. Chairman: Before we go any further, I would like to remind committee that we are discussing the Appropriation Act and it is not really appropriate to get into any debates, at this time.

Hon. Mr. Lang: I am talking about the general principle of the bill and I submit to you that the member opposite is inquiring why there was not any money in the particular bill in question, in respect to the Cyprus Anvil situation.

I just want to make it very clear to the member opposite that it is a very short and concise mathematics lesson, and if he still does not understand it, I would be prepared to spend some time after work with the member opposite. The Government of Canada, in view of our situation, put forward \$7,300,000, along with the cuts that we made within government, to help us pay our bills. Now, the member opposite seems to think that we have a printing press, either hidden underneath these particular seats in the Legislature or somewhere else in this building, and I want to assure the member opposite that we do not.

I may well think we should, but we do not. The point is that we have managed to pay our bills and, at the same time, we have

managed to husband our money in such a manner that we are prepared, over the course of the next two years — it is not a one year commitment, but a two year commitment — to assist both Cyprus Anvil and the Government of Canada in respect to going under Section 38, similar to what was done with Brinco, in British Columbia.

I might add that in respect to the stripping program in question, we are putting forward more money than the Government of British Columbia in the fact that we will be paying so much per week per man as well as their workers' compensation.

So, I think that the member opposite should, rather than criticize the taxpayers of the territory, be standing up and saying to the taxpayers of the territory, "We appreciate the effort that you are putting forward, as a territory, as a total entity, to see whether or not we can continue to take various steps to make Cyprus Anvil a more viable enterprise than it is at the present time."

Mr. Byblow: I do not think I disagreed with too much of what the minister has said. I raised nothing relating to printing presses; I raised nothing relating to a criticism of the \$7 million that is being brought forth in this appropriation. I simply raised the point that there is a question as to the amount of aid that this government has put forth to the recovery of that mine. And I just leave it simply there, in response to, and in a translation of, the points of view that I have heard in many circles.

Hon. Mr. Lang: I would just ask the member opposite, when he is speaking to these "many circles", that he should be pointing out to them that we are doing everything possible within the financial limitations that we face. And that is the point I am making. In your previous statement, you said you agreed with what I had to say. As opposed to always thinking, "Because I am in opposition I have to be totally critical of government," perhaps the position that should be taken is: "Yes, what they have done is fairly reasonable in respect to what has happened in the other provinces and in respect to the offer that has been made to the Government of Canada and Cyprus Anvil, and especially in view of the financial limitations that the people of the territory presently face as far as government expenditures are concerned".

Mr. Byblow: This will be my final statement. I think the point must remain that the Cyprus Anvil operation has a far greater significance than any comparison he can draw anywhere else in the country, in terms of economic importance to the territory. And if he considers three-quarters of one percent of his total budget an adequate contribution, he can stand on that record. I appreciate what the government has done, and I have said so. I am simply saying that I am reiterating the points of view that say it is not enough.

Hon. Mr. Lang: The member opposite has the audacity to tell me that he does not think it is enough, yet at the same time he goes through this budget and the only time he ever speaks to any portion of the budget is "how come it's not more?" I submit to the member opposite, and this will be my final statement on this, that you cannot have it both ways, and we are trying to provide the same type of service to the best degree that we possibly can across the territory — whether it be in education, municipal, highways, renewable resources — in respect to the general responsibilities that we have. And with that in mind, at the same time, we are managing to assist more significantly than, for example, the province of British Columbia was able to in respect of the Brinco situation, the way I understand it, in Cassiar.

Mr. Penikett: I am sure the minister who has just spoken would not want to embark on a long debate about the history of government rescues of various major enterprises in their jurisdictions in order to either say that the jobs of the people working there or the community was affected, because the history is long and varied, and some of the most generous governments have been Tory, some of the most miserly have been democratic, and some of the most indescribable in all their various manifestations have been Liberal. The minister appeals to the people to give credit where it is due and I want to assure him that we will give credit where it is due to the other side as soon as the favour is returned. The minister wants to make sure we do not have it both ways. We would not want him to have that privilege either.

Let me, if I can just for a moment, return to the bill we have before us and ask the minister a general question about the extent to which this estimate represents the variance from the main estimates which we finally got around to discussing two-thirds of the way through the year, last fall, or we got around to adopting on, what was it, December 1st last year? Can I ask the minister, without indicating in advance of an audit obviously, if the final supplementary we will get for the year will be a very significant one or does this bill represent, in general, pretty closely, with its adjustments, what we can expect the final financial picture for the territory to be for the fiscal year?

Hon. Mr. Lang: I guess I will dare to tread where perhaps I should not. I think that it will not be that significantly different, as far as the supplementary that you have here today. Now, I could check with Finance and see what their projections are. We have come from variance nine reports and I think, overall, that we will not be requesting the Legislature to vote all that much more money. Now, that is supposition on my part; I trust the leader of the opposition will take it accordingly. I accept the question as one of goodwill, in trying to look ahead, but that is my understanding and I will double-check with Finance and get an answer, perhaps later on today or tomorrow.

Mr. Penikett: As the member knows, I practically never quote him, even accurately. I do him that kindness. Could we now proceed to clause by clause on the items.

On Yukon Legislative Assembly

Hon. Mr. Lang: I think it is safe to say that we are pretty much within budget with respect to this particular area. We are asking, as indicated, for \$4,000 to fund the brochures on the Yukon Legislative Assembly, which are really utilized for visitors to the territory and the public when they come to this building.

Mr. Penikett: Is this work complete? Are they ready now? Will there have to be an additional expenditure on this subject in the next year?

Hon. Mr. Lang: I am told that they are not prepared yet. They should be finished within two to three weeks and then they will be made available to the public.

On Yukon Legislative Assembly in the amount of \$4,000 agreed to

On Executive Council Office

Hon. Mr. Lang: I think it is important to correct the record for the members opposite as well as the media. It indicates in the supplementary estimates that the \$51,000 was required for the expenditures for the Royal Visit. That is not an accurate assessment. \$22,000, as indicated some months ago, was expended for that particular purpose. There is some possibility that we may get reimbursed by the Government of Canada but that question is still outstanding.

In any case, the money was spent and the remainder is basically for increased costs with respect to outside travel. A number of ministers had had to go out, especially the government leader, in view of the Cyprus Anvil situation. The Minister of Education has informed me that she had to make a number of trips that she did not adequately budget for. I think that clarifies that particular portion of the budget.

Mr. Penikett: Could I just get that clarified. Is the minister saying that, of this \$51,000, the \$20,000 that was the amount that was allocated to take care of the Princess' visit last summer is within budget, or approximately on budget?

Hon. Mr. Lang: It is over.

Mr. Penikett: Over? Perhaps the minister could clarify how much. And the other approximately \$30,000 is not for entertaining royalty but for ministerial travel. Is that, in essence, what he is saying?

Hon. Mr. Lang: No. There are a number of areas in here. The funds for the Royal Visit was \$22,000. I want to clarify it because it appeared to be \$51,000 in the appropriation. Further to that, there were a number of things — for example, the Commissioner's secretary was on a nine-day fortnight but was put back in January in view of the fact that there is only one member of the staff in that particular office. It goes throughout the system.

The only thing I wanted to clarify was that the \$51,000 was not, the way I understand it, the cost of Princess Anne's visit. That was in the neighbourhood of \$22,000.

Mr. Penikett: Would the minister be prepared, in the interest of saving the time of the House and not stretching out this debate, to table the detail with respect to the extra amounts required for ministerial travel, rather than us having to ask a lot of detailed questions?

Hon. Mr. Lang: I will provide the member opposite with the exact amount for travel:

Executive Council Office in the amount of of \$49,000 agreed to

On Department of Recreation, Education and Manpower

Hon. Mrs. Firth: This increased funding is required, specifically, for employment bridging programs as indicated in the supplementary estimates. There were also some increased fuel and utility costs that we had budgeted would go down, but did not, and we required extra funding for that. When we discuss employment bridging programs, the whole four phases of YTG employment development programming was funded for over \$1,000,000. That includes the four phases, and I will briefly go through them so that the members opposite are familiar with what we are talking about.

Phase One, the Incremental Job Creation Program, includes the various operation and maintenance jobs for the Yukon Territorial Government that include things like highway slashing, interior painting and maintenance for the Yukon Housing Corporation.

Phase Two, which is referred to as the Employment Retention Program, is for wage subsidies for small business. In this program we funded some 63 jobs for 36 businesses.

Phase Three was the Yukon Canada Community Recovery Program, as it is referred to, or the Bridging Assistance Program or the Top-Up Program or the Section 38 — it is called all of those things for the clarification of the Member for Faro. It is the Top-Up Program for the people who are receiving unemployment insurance; \$240 per week from the federal government, topped up by the Yukon Territorial Government by \$60 per week, with an additional top-up for some capital costs per employee.

Some of the projects were the Watson Lake and Mayo fire breaks; the Yukon Outdoors Club. The Town of Faro received 220 person-weeks of work under this program; the Faro Recreation Society received some 180 person-weeks of work, as did the Dawson Indian Band.

For the final phase, Phase Four, which is the new Employment Expansion and Development Program, or NEED Program, — we have just signed the agreement and the federal government — is giving us funding of \$1,000,000. The Yukon Territorial Government's contribution is \$200,000. That program is being advertised presently. The committee is in place and we anticipate that funding and job creation should start at the beginning of April with this program.

Mr. Byblow: The Minister may want to get back, the next time she rises on her feet, to advise in detail the expenditure in advance capital projects that may have taken place for that amount of money. On the employment programs, I would conclude that of the four phases the minister outlined, two of them did not require benefactors of the program to be on unemployment insurance, and two of the programs did; in other words, the NEED program, or bridging, or Section 38, or whatever.

On the subject of the government services upgrading, phase one, could the minister advise what portion of the \$1.4 million was used towards that, and perhaps at the same time indicate how much money was used in phase two — or in other words to the 63 small businesses — and, of course, I would assume the largest portion was the bridging program, because I would conclude that NEED has not yet been put in place. When she is giving those figures perhaps she could indicate which of the programs are concluded as of March 31 and which are going to be continued, or are in the process of being continued. Certainly NEED is going to be one of them, but of the other three, is there going to be any continuation, or has there been any negotiation taking place to extend the funding under the programs?

Mrs. Firth: Before I proceed with the advanced money for

capital projects, I am not quite sure what the member is talking about — the government services upgrading? Perhaps he could clarify that for me later.

However, the funding had to be identified for the programs in the four phases of job creation programs. In some we did not use up all of the monies. The ones that were due to expire March 31, some incremental job programs and the small business retention program — I have already announced that the small business program is extended in order to avoid the businesses who were involved laying off employees and then finding out that they could have an extension. So we did identify monies to extend that program for another two months; however, without getting into a lot of detail that would reveal what is happening with the O&M budget that will be tabled later, I prefer not to get into a lot of detail as to how the other programs are going to be funded, if they are, and if they are going to be continued — and I am speaking specifically of the incremental job creation program.

As for the funds advanced for capital projects, that was mainly for design work that was being done; a lot of renovations on some of the schools, Christ the King for example. We had some increased expenditures with the Pelly School resulting from the woodchip furnace having to be installed and we did some pre-design work on the Whitehorse Elementary School renovations.

Mr. Bylow: Just to clarify, my reference to government services was phase one, because the majority of funding under that seemed to have been for employment in government-related public works projects: road clearing, building upgrading. I appreciate what the minister has said about extension of programs as possibly revealing the contents of the budget so I will wait for the details on that. I recall reading about some additional financing required on one of the road contracts pertaining to the Old Crow School. Would that be something from the capital budget or would that be an O&M cost, when the government had to pay out the additional monies?

Mrs. Firth: That is not from the Department of Education; that comes under the Minister of Government Services.

Hon. Mr. Tracey: That was insurance money that was used to fix that road up for the school. That was all part of our insurance costs for that school.

Mr. Bylow: I am concluding from the minister that there was no additional cost out of any budgetary allocation when it was found through the courts that it had to pay some additional monies.

Hon. Mr. Tracey: Yes, there was some extra. There were also things that we did in regard to the Old Crow School; we cannot expect the insurance company to pay all of our government costs for various things that we did, so there were some extras but most of that has come under the Department of Finance. The money that was just awarded in court was part of the original contract. That was not extra.

Mr. Bylow: In relation to the NEED program, I understand the minister has made an appointment to the board of that program. I do know the members of the board and I would be curious, from the minister, to hear what kind of representation allocation she gave when she made those appointments? Is there a cross-section of representation; that is really what I am seeking?

Hon. Mrs. Firth: Yes, there is a cross-section of representation. We have this government's appointments, we have someone from Foothills, we have private enterprise represented, we have a homemaker and a retired civil servant, all of them relatively long-time Yukoners and, to this government, they were extremely well-qualified people for the board.

Mr. Bylow: Can the minister tell me how frequently this board is going to now meet to help set guidelines and review projects under the New Employment Expansion and Development Program?

Hon. Mrs. Firth: I am anticipating that they would have probably several meetings in the beginning to formulate the guidelines and to start reviewing the applications. However, it would be as the committee that meets to qualify small businesses needs. They would meet on a need basis — a pun. It would depend on the numbers of applications that were piling up. The job creation coordinator, in the Department of Education, accumulates a set number of applications and then, when it is fit for the committee to meet to review these applications, a meeting is called.

Mr. Bylow: The NEED committee meets as needed.

A question on the capital projects: in this allocation of \$638,000, the reference is to advanced capital projects. Am I correct in assuming that something like the repair of the foundation deterioration-caused damages on the Van Gorder School would be come out of this?

Hon. Mrs. Firth: What it means is that any monies that are spent under the advanced capital are then deducted from the capital budget that we passed when the House was in session last. So, any money spent, for example, for design work for renovations to the Grey Mountain Primary School roof repairs or the Whitehorse Elementary or for the Carcross School expansion, would be deducted from the total allotment that was identified in the capital budget for that particular project.

Mr. Bylow: The \$1,400,000 identified here; is that money now spent or just identified?

Hon. Mrs. Firth: Spent.

Mr. McDonald: I have just one or two brief questions. The first is: in the allotments for NEED and for the Community Recovery Program, allotments for capital expenditures, is that directed towards overhead costs associated to the program or can that be applied directly for capital expenditures to enhance a program?

Hon. Mrs. Firth: No, that was overhead costs for the program itself.

Mr. McDonald: One last question: of the Yukon Canada Community Recovery Program, can the minister state what funds remain of what was originally budgeted, and what provisions are being made for those projects which are being established or solicited now and may run over the deadline of March 31st?

Hon. Mrs. Firth: You are talking about the Bridging Assistance Program?

Mr. McDonald: Yes.

Hon. Mrs. Firth: Without getting into a lot of detail as to what projects there are, of the ones that were due to expire, we are making some provisions in the Operations and Maintenance budget for that. Like I have told the Member for Faro, I prefer not to reveal all of the Operation and Maintenance statistics for the Job Creation Programs.

The funds generated, I believe, we identified somewhere in the vicinity of \$300,000. The total unemployment insurance funds generated was \$400,560; the YTG cost of that was almost \$200,000, between \$150,000 and \$200,000.

Mr. McDonald: One brief question: in the synopsis of available programs which we all received, I believe, around the middle of February, can the minister just say quickly why the special response feature, which is number five, is for Whitehorse only?

Mrs. Firth: I am not sure which list the member is referring to. However, I can take notice of the question and bring back an answer.

On Operation and Maintenance

Operation and Maintenance in the amount of \$1,457,000 agreed to

On Capital

Capital in the amount of \$638,000 agreed to

On Consumer and Corporate Affairs

Mr. Ashley: This department is very close to being within its budget. As you can see it is \$5,000 out. I will entertain any questions.

Mr. McDonald: Can the minister state whether the departmental objectives listed on page 10 reflect new objectives or old objectives?

Mr. Ashley: These objectives, I do not believe, are the ones that will be coming in the new budget. I think they are the same ones that were in the last one. I will check that and get back to you.

Mr. McDonald: I realize that this does represent only a figure of \$5,000. However, one question: are the costs for the Director of Labour Services, Mr. Dornian, who has been seconded to Education and Manpower, being charged to that department?

Mr. Ashley: Those charges are still being charged against

Consumer and Corporate Affairs. Although he has been seconded, we are still paying his salary.

Mr. McDonald: Can the minister explain in what way has his absence affected the Labour Services department, as I believe the minister did suggest that the development of legislation was held back as a result of his absence from the department.

Mr. Ashley: As I stated, Mr. Dornian is the Chief Administrative Officer of that section, so it is the labour standards and occupational health and safety changes that were being developed that are being held back.

Mr. McDonald: Not to prevent an expeditious passage of this rather small amount in comparison to other departments, can the minister explain in some detail what the \$5,000 represents, because I am not sure I understand what "funds required for position reclassifications" means.

Mr. Ashley: What has happened is that the classification of the labour services administrator position has been reclassified retroactively to April 1982, to the tune of about \$19,000. Do you want me to go through and explain what the other costs are and then why it was knocked down?

There were other increases as well, which brought it up to twenty-four thousand; those other increases were increases in vehicle lease costs to the occupational health and safety officer in increased travel around the territory — an increase from what was budgeted for — and a major increase was required to conform with the PPSA, which came to a total of about \$24,000. To be deducted from that, there were fewer meetings of some of the boards — Medical Review Board, Driver Appeal Board, Real Estate Insurance, Licensing Appeal Board, and that sort of thing — to the tune of about \$2,000 off of that amount. There was another \$14,000 for the Credit Union, to be deducted from that \$24,000, which was an allowance for loss and related legal expenses that they had for a sale of property which was not budgeted for, but they did not sell the property. That comes off that amount as well. Also, there were vacancies in the clerk typist and regulations officer positions on the Utility Boards of \$3,000, to bring it down to the \$5,000 total.

²³ **Mr. McDonald:** Has the minister for this department established what savings were made by the nine-day fortnight and what costs, if at all, in terms of overtime were incurred by the nine-day fortnight?

Hon. Mr. Ashley: I do not have that information but I will certainly get it for the member.

Mr. Porter: That change probably will not happen until after the next election. Can the minister give an explanation as to what is meant by the statement "to develop and promote consumer competency in the exchange of goods and services"?

Hon. Mr. Ashley: This is just educating the consumer, I believe. Mainly education of the consumer. I believe these goals and objectives of the department, as was stated earlier, are being realigned and they will be presented to the Legislature.

Consumer and Corporate Affairs in the amount of \$5,000 agreed to

On Health and Human Resources

Hon. Mr. Tracey: I think that it should be fairly obvious to the members; our big over-run in this department was in the hospital insurance services, which amounted to \$658,000. The other large one was general health services in the amount of \$90,000. There was one other fairly large one, which was residential facilities. There were some over-runs in costs in that area as well. We had some reductions in other areas such as speech pathology because the positions were not filled. Most of the reductions were because we did not have positions filled or we cut back on the service because of our nine-day fortnight.

Mrs. Joe: Could the minister give a little clarification on the figure of \$658,000 for the health insurance services? I am not sure what that includes.

Hon. Mr. Tracey: Hospital insurance services is the cost of running the hospital, which we have no control over. The bill is handed to us by the federal government. We pay the cost of operation of the hospital. They run the hospital and just give us the bill. So, if their costs of operation run over, we are stuck with the

bill. If you recall, early last year, we were talking about closing one wing of the hospital. Part of that was to try to reduce the cost to us.

Mrs. Joe: What were the residential facilities you mentioned that were part of that over-run.

Hon. Mr. Tracey: Because of the fact that we had the nine-day fortnight, we had increased casual workers in order to maintain the staff levels at the facilities, which run into the neighbourhood of \$42,000 for salary and then \$1,000 for incidentals.

Mrs. Joe: Was the \$6,100 that was given to the Women's Transition Home included in this amount?

Hon. Mr. Tracey: No. That \$6,100 was part of next year's budget. That is the first phase of their budget. It is the interim supply for their operation for the first month of April.

Mrs. Joe: Was there an over-run in the amount budgeted for welfare recipients?

Hon. Mr. Tracey: No. Earlier on, in the first supplementary that we had last year, we approved enough money to run the social assistance program. We already budgeted an extra \$700,000 so that we could maintain our social assistance program.

24 Operation and Maintenance, in the amount of \$709,000, agreed to

Mr. Chairman: We will now take a short break for coffee and we will return after that to Municipal and Community Affairs, on page 14.

Recess

On Municipal and Community Affairs

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

We will continue with Municipal and Community Affairs, on page 14. Is there any general debate?

Hon. Mr. Lang: The \$62,000 is primarily a result of the funding for ambulance attendants, overtime and severance pay, as well, for long-time ambulance employees.

As members know, the Whitehorse Ambulance Station is required to be staffed 24 hours a day, seven days a week. Each shift consists of three ambulance attendants in order to respond to emergency calls and, when a call is received, two of the attendants respond while a third attendant remains at the station. In order to provide subsequent service should another call be received before their return, the attendant is often summoned on a call-out.

So, basically, what it does is reflect overtime and casual employees' salaries, where necessary, and I think it is safe to say, we do not budget for overtime in the department and, subsequently, this is the result of it.

Mr. McDonald: Has the minister of this department performed any sort of cost savings analysis of the nine-day fortnight, apart from ambulance drivers? That is to say, what savings were incurred as a result of the one day off every two weeks and what costs were incurred in terms of overtime?

Hon. Mr. Lang: I am going on memory, but the rough calculations were presented to us not too long ago. It looked like we saved in the neighbourhood of about \$2,000,000 throughout the government. I do not have a breakdown for the Department of Municipal Affairs and, to be quite frank, I am not prepared to ask for it because it is going to take some time and work, on behalf of the department and, right now, we are short-staffed.

Mr. McDonald: Can the minister state whether any funding for agriculture not previously budgeted has been included in this new estimate?

Hon. Mr. Lang: This is money that has already been spent in the past year. There was a transfer, if I remember correctly, from Renewable Resources to Municipal Affairs. In respect to 1983-84, you will just have to wait for the budget.

Operation and Maintenance, in the amount of \$62,000, agreed to

On Economic Development and Intergovernmental Relations

²⁵ **Hon. Mr. Lang:** I think it is straightforward in respect to this particular department. The only outstanding area was the \$136,000

for the Beaufort Sea studies and, from the way I understand it, those are fully recoverable.

Mr. McDonald: It also shows a \$135,000 draw due to early winter cancellation of construction projects associated with the Special ARDA program. Can the minister state what projects are being referred to here?

Hon. Mr. Lang: As the member knows, I am not directly responsible for this area at the present time. It is my understanding that a surplus of funds was identified here because there were fewer than approved projects brought forward in respect to this area, and also there were fewer participants in the remedial tutor program that is funded through the Special ARDA program. As well, with the early winter, there was a slowdown in a number of the construction projects and, in fact, some cancellations, but I do not have a list in front of me. Further to that, there was some surplus in the Renewable Energy Conservation program, which accounts for \$55,000 — I should maybe break that down: \$79,700 was for the various Special ARDA, \$55,000 for Renewable and Energy Conservation project. There were not the number of applicants that were projected and therefore the monies were not expended, and these are cost-shared arrangements with the Government of Canada. I believe, and I am going on memory: 75/25 on the energy agreement; on the Special ARDA, depending on the project, 50/50 or 75/25 or 100 percent federal.

Mr. McDonald: Can the minister commit to provide a list of the ARDA cancellations? And then, further, regarding the Beaufort Sea studies, I have a couple of questions: the first being that, during question period recently, the minister suggested that the government leader's real intention was that the tabulated results of the questionnaires be made public and not the individual questionnaires. Can you tell me if that is the case?

Hon. Mr. Lang: I am assuming that if it said on the document that it would be confidential between the individual who applied and the government, that that confidence would not be broken. I am assuming the member opposite would say that he would honour such a commitment. In respect to the breakdown of the various projects, I would appreciate perhaps if the member could await that particular question in the main budget when the minister responsible is here and perhaps you could get a more detailed accounting in respect to the situation today, as well as talking about the future year, 1983-84.

Mr. McDonald: During question period today, one question that I did ask, and unfortunately to which I did not receive an answer — a rare event — was why the government had questioned persons responding to the questionnaire as to whether or not they were union members. I wonder if the minister could suggest a reason for this?

Hon. Mr. Lang: They were trying to find out as much information as they possibly could to get an idea of what the workforce consisted of and what their skills are. One of the reasons, the way I understand it, for asking for information in respect to whether or not they were union was to find out what training they had. Perhaps they were in a union-sponsored type of training program, and this type of thing, to get a clear understanding within the labour force of exactly what courses or programs various people had taken and where and what accreditation they had, along with the other information that they had, so that they could say to Gulf — or for that matter any investor — "Here is our work force; this is what it consists of; these are the people you can draw from in the future in respect to the jobs that have to be filled". I think it aids, to a great degree, the proponents, which in this case we are referring to on the north slope, Gulf Oil, et cetera. I also understand that they are working in conjunction with the Whitehorse Chamber of Commerce to some degree in respect to this as well. But I think it is good information to have. It is fine for us to stand up and make the general statement "hire locally", but until you know exactly the general background of the workforce, it gives us a much better case politically as well as administratively to say, "Look, we do have people who can perform these functions". I do not know what is wrong with that.

Mr. McDonald: I am at a total loss as to why the government would request the people answering these questionnaires to provide

union affiliation. I do not know where the minister gets the idea that there are union-sponsored training programs in the territory. I am not aware of any. Perhaps he could suggest where these are and what they are? I would be interested in knowing about them.

Hon. Mr. Lang: I do know that 115 does some particular programs. Perhaps the member opposite is not aware. If you look at a lot of the unions, they do offer various courses. Cyprus Anvil is an example of that and the Member for Faro can give you that information. I am just astonished at the member opposite, in view of his previous union activity, the way I understand it, with United Keno Hill Mines, when they were out for nine months.

Mr. McDonald: I would question whether or not it would be more expeditious to determine whether or not people are actually recipients of these training programs, of which I am not aware, and which certainly the United Steelworkers does not provide, in terms of journeyman skills training programs. They certainly do provide, I am sure, shop steward training programs, arbitration training programs and industrial relations training programs but, when it comes to providing programs such as journeyman upgrading, I am not aware that a large number of unions in the territory do that.

I was wondering whether or not it would be more expeditious, in terms of providing this sort of information in a coherent manner, to question the unions involved to determine whether or not such programs, if they do exist, are in fact useful for the purposes at hand.

Hon. Mr. Lang: We are here, with respect to the Beaufort, looking at a general survey of our workforce and, just as importantly, once we find out what the general backgrounds are, to help them seek employment there and, also, for the purposes of my colleague, the Minister of Education, to put on various training programs in conjunction with industry so that these people have the necessary skills to go to work. If the member opposite is opposed to that, that is his God-given right. I am saying that it makes sense to me. Maybe the member opposite does not think so.

Mr. McDonald: To suggest that I might be opposed to the very simplistic explanation for these questionnaires is an incredible leap of the imagination. However, the minister still has not provided a satisfactory answer as to why the questionnaire should require that a person provide whether or not he is a union member and what union he is a member of.

Hon. Mr. Lang: I bow to my friend across the floor. I thought I explained it as accurately as I could. As I indicated, we are trying to get a cross-section of the workforce to see how we can help upgrade their skills and, also, coordinate with the various companies, such as Gulf, to seek employment similar to Norman Wells or any other place that is on the extremity of our border. I have tried to give a satisfactory explanation. Maybe the member opposite would argue that they should not ask how old they are. I do not know.

Operation and Maintenance in the amount of \$136,000 agreed to Capital in the amount of a reduction of \$135,000 agreed to Department of Economic Development and Intergovernmental Relations in the amount of \$1,000 agreed to

On Department of Justice

Mr. Ashley: I would like to explain the \$894,000 over-expenditure in Justice. The book itself does not explain that very well at all. What it says in the book, as you all can read, is that it is just for the police agreements, both native special constable and police services. That is about one-half the amount — \$495,000. There is also the corrections steam heat expenditure. The police services agreement, native special constable and corrections steam heat should total \$495,000. The rest is made up of \$150,000 of advanced O&M 1983-84 budget for corrections materials and supplies. Then there is another \$249,000, of which \$62,000 is for legal services, \$50,000 is for court services, \$76,000 is for legal aid, \$18,000 is for criminal injuries and compensation and \$43,000 for corrections.

Mrs. Joe: In terms of the court services, is \$50,000 the correct amount that you indicated?

Mr. Ashley: \$50,000 was the amount.

Mrs. Joe: Of the amount of the advance on the O&M for corrections, \$150,000, can you tell me what the materials and supplies were?

Mr. Ashley: That is just regular food, supplies, bulk food supplies, anything that can be materials and supplies used at the correctional centre.

Mr. Chairman: It just advanced it.

Mrs. Joe: If that was an advance of the budget for next year, what is going to happen for next year when you need things that you are using the money for now.

Mr. Ashley: This is just advancing it again. They can buy now and the monies will be deducted out of next year's budget. It will be specified what it is for in the budget as we are going through the budget. It will be deducted from that amount and that is where it will be specified.

Mrs. Joe: It is about as clear as mud. One question here: the department's objectives are to provide facilities for the custody of persons apprehended or sentenced by the courts and to develop programs which will assist such persons on their return to society. I am just wondering what those programs are that are being developed and also, while I am still standing up, if there is any thought as to any kinds of prevention programs, so that a person does not have to end up in the courts, as a result of alcohol, for instance, or end up in jail where it would cost probably double the amount of preventative type programs.

Mr. Ashley: First, I think there are about ten questions in that. I think your first question was on the objectives of the department. It was to do with the education facilities?

Can I get the member to rephrase that question?

Mrs. Joe: What I was trying to find out from the minister was that it indicates here that one of the objectives is to develop programs which will assist such persons on their return to society. I am just wondering if he could explain to me what those programs are?

Mr. Ashley: I thank the member opposite for the clarification of the question.

We have pottery wheels; we have teachers at the correctional centre now, and there are programs developed to assist in returning people to society, as I said, in pottery and in different classes that are held there. I do not have a list of all those programs. I will certainly get that for the member opposite.

Mrs. Joe: I would request that I do get a list of those programs that are being offered.

Hon. Mrs. Firth: Maybe I could just elaborate a little, because that comes under Advanced Education and Manpower. I do not know if the member recalls from the opening of the Vocational School, when they were explaining the organization of the Yukon College, and how one of the services provided in post-secondary education or advanced education or upgrading was the service that we provided to the Correctional Institute, whereby we sent instructors to give the inmates some additional help with their education upgrading.

Mrs. Joe: Thank you.

The other question that I asked was if the department had considered any kind of preventative type program to help prevent people from ending up in the courts, for instance the alcohol awareness type programs or any other kind of program that they have in other provinces across Canada?

Hon. Mr. Ashley: We have a worker at the Correctional Centre who is working with the inmates on those types of problems. The Probation Services also works with the people there.

On Operation and Maintenance

Operation and Maintenance in the amount of \$894,000, agreed to Justice in the amount of \$894,000 agreed to

On Highways and Transportation

Mr. Chairman: We will then go to Highways and Transportation, on page 20. Is there any general debate?

Hon. Mr. Lang: What you see here is the cause for the supplementaries; a number of things. First of all, there was a closure back in 1978-79 of the Dempster Highway on the NWT side

of the border, but the contract provided for compensation if a road closure were to take place. Subsequently, we had the claim reviewed by Legal Affairs and got the legal opinion that we had a responsibility. The original claim was for \$449,000, but, upon discussing it with the owner of the Eagle Plains Lodge, it was agreed that we would pay \$239,000, in view of the obvious revenue that was not coming forward for the Lodge because the road was closed.

The other area of concern was the lease agreement that we have had with the Eagle Plains Lodge. There was a great deal of work done looking at audited statements, et cetera, in respect of the viability of that particular lodge along the highway, in view of the fact that the agreement that was brought in was predicated, to some degree, on the thought that the Dempster lateral was being considered as well as the Beaufort Sea Development. We had to make a decision in respect to whether or not we were prepared to renegotiate that particular agreement or, perhaps, allow the particular business in question to go into receivership, which would probably have the ramifications of us having to build our own accommodations, which would have been estimated at between \$2,500,000 to \$5,000,000, depending upon the type of accommodation that would have to be built there. Subsequently, we renegotiated the particular agreement in question and that was at a cost of \$275,000.

In respect to the remainder of the work that was involved, it was a cost in respect to the actual maintenance of the highway. I do not really have a breakdown, point by point, but, as you can see, it was not as substantial in respect to the amount of money we were speaking of — of, I believe, \$11,000,000, there was \$154,000.

Mr. McDonald: The minister referred to the revised lease agreement. When was this lease agreement revised? Could the minister provide the significant terms of reference of the new lease agreement, in the sense of how it differs from the whole lease agreement? Further, the minister mentioned three figures, one being \$239,000 for payment of claims to the Eagle Plains Lodge. He mentioned a figure of \$275,000 and one further figure. These are the shortfall, I believe, of some \$800,000. I was wondering what that shortfall is directed toward.

Hon. Mr. Lang: I indicated that the \$239,000 was the consequence of a road closure back in 1978. The \$275,000 amendment to the agreement was negotiated this past year, approximately two months ago. It was a culmination of the discussions between Finance and Highways and Transportation, in conjunction with the owner of the particular lodge in question. I do not have a breakdown for the remainder. The amount of money that we are speaking of was in a general area of highways in totality. I can provide that breakdown, through the main estimates, if the member wishes.

Mr. McDonald: The minister neglected, or forgot, to mention what the terms of the new lease are with Eagle Plains Lodge and how they differ from the terms of the old lease.

Hon. Mr. Lang: I apologize; he asked a number of questions. The road closure clause is no longer in the agreement. We are leasing less office space in the particular dwelling in question. Those are the major changes as far as I can make out.

Mr. Byblow: If I am understanding the minister's figures correctly, in addition to the agreed claim amount of \$239,000 and the renegotiated higher cost of the agreement at \$275,000, the rest of the money has to do with some cost related to the highway itself. I am not clear.

Hon. Mr. Lang: No. It is a question of space rental with respect to the establishment in question. As you know, we rent the shop space and various other sundry amenities that are necessary for running a road camp, whether it be there or any place else in the territory. It is the only one of that nature where we have had the private sector go ahead, put the capitalization in, and we then rent the space from them — as opposed to putting our capital into the major expenditure of a highway camp, if you like.

If you know the history, the idea behind that was that there were not going to be that many lodges built along the highway. We needed a camp, and we thought that there should be an establishment built in such a manner that it would not only provide service

for the government employees but, just as importantly, provide a top, modern-type of establishment for the travelling public in view of the fact that Tourism is looking at the area as another northern attraction.

Mr. Byblow: I have no problem with what the minister is saying. I was simply trying to establish, generally, what the \$800,000 missing portion of detailed costs related to. I know that there is an increase in the cost of the new agreement. I know that there is a cost related to the claims. I am just curious about this other \$800,000, as to generality, realizing that he does not have the detail there. Does it relate to the lodge or does it relate to the road?

Hon. Mr. Lang: It relates to the department in totality; it has nothing, from the way I understand it, to do with the lodge. I outlined the ramifications as far as the Eagle Plains Lodge was concerned; I do not have a detailed breakdown for the remainder of what the Member for Mayo has asked about, but it would apply to highways in general.

Mr. Byblow: As I recall, it was the former member from Teslin who raised some concern about the contract with the lodge and, when I say that, I refer to that firm which made the initial capital outlay. I believe it was a Saskatoon firm. In the new agreement that was struck, was it a condition of the old agreement to extend the present one, or was there an option to re-tender?

Hon. Mr. Lang: In this particular case, it was an agreement to modify the present agreement in view of the financial situation that the particular establishment in question faced. We could not re-tender because the building was already there, and it was already owned, and subsequently it was felt that we had a responsibility; we knew from the audited statements that it was losing money and it could not continue on unless we renegotiated a lease. And, if we did not do that, we would probably have had to look at acquiring it, which we did not really want to do because it would take money away from other expenditures that would help the construction industry and provide jobs. Also it would put us in a situation where the lodge in question would perhaps have to close down and we would have to maybe build our own, which was another option that would take \$2 to \$5 million out of our capital, and the story goes on. So that is the situation.

In respect to the amount of money that we are speaking of — I should refer to some information I have just received — the increased requirement for general administrative personnel due to a large casual payroll coupled with unanticipated cost of pay for senior operations staff was \$91,000. We had to have consulting services for the VHF system, and that was \$30,000 higher than anticipated. If you recall, we had a debate on that last year. That amount was \$121,000. The payment of claim to Eagle Plain Lodge, due to the Dempster road closure, was \$239,000. I have already referred to the revised Eagle Plains lease agreement, which was \$275,000. The special winter maintenance of the North Canol Road to facilitate the barite haul was \$68,000. Repairs to the Dawson ferry, which was required by the Coast Guard, amounted to \$96,000. And also, we were unable to meet the \$1,093,000 fall budget cut for crushing and resurfacing due to progress in work at the time, which was \$197,000. And then we have \$45,000 budgeted for 1982-83 for the early opening of the boundary roads which, I might add, has been favourably received by the placer mining industry.

So, I think that gives you a breakdown there. I guess that gives the breakdown that the Member for Mayo was asking for in respect to general expenditures.

Mr. McDonald: Can the minister explain just briefly the savings of \$154,000 in the engineering services agreement?

Hon. Mr. Lang: My understanding is that that was \$126,000 in administration which, under the Alaska Engineering Services agreement, is 110 percent recoverable. The remaining \$32,000, I do not really have a breakdown for.

Mr. Byblow: I just have one last question relating to the revised agreement with the Eagle Plains Lodge.

The minister has said that there were no substantive changes to the agreement other than the reduction of space being rented by the government. Is that the only major change to the agreement, plus an additional increase in the cost of that annual rent of the total

facility?

Hon. Mr. Lang: That is roughly it, in respect to the agreement, other than the fact — going on memory — I believe we can open it up with a year's notice if things do change in respect to the financial situation.

Mr. McDonald: On the \$154,000, perhaps I can run down it very briefly. There was a \$75,000 for the purposes of maintenance camp facilities; \$5,000 for South Canol Road drainage replacement; there was a \$12,000 over on the Klondike Highway; \$150,000 on various buildings that was over; \$1,000 in tools for the VHF; \$300,000 on the Engineering Services agreement. You have to understand, this all breaks down.

There was \$8,000 under for the Mayo airport; \$40,000 for the Klondike Highway right-of-way, which was under by \$40,000; Cassiar Junction weighscale, which was under by \$29,000; and in the advanced capital for gravel crushing and exploration we were down by \$150,000. All of this totals \$154,000, if you break it down.

Operation and Maintenance in the amount of \$1,432,000 agreed to

*On Capital
Capital in the amount of \$154,000 agreed to
Highways and Transportation in the amount of \$1,432,000 agreed to*

Hon. Mr. Lang: In view of the hour and in view of the fact that we do have visitors from Alaska coming, I would move 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. Philipson: Mr. Speaker, the Committee of the Whole has considered Bill Number 3, *Fourth Appropriation Act, 1982-83*, and directed me to report progress on same.

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

Some Members: Agreed.

Mr. Speaker: May I have your further pleasure?

Hon. Mrs. Firth: I move, seconded by the hon. member for Faro, that the House now adjourn.

Mr. Speaker: It has been moved by the hon. Minister of Education, seconded by the hon. member for Faro, that the House do now adjourn.

Motion agreed to

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

The House adjourned at 5:18 p.m.

∞ The following Legislative Returns were tabled March 28, 1983:

83-3-15

Educational System (Firth), W.Q. No. 23, 2nd Session

83-3-16

Changes to school busing policy (Firth), W.Q. No. 16, 2nd Session

83-3-17

Protection of Yukon's Heritage Resources (Firth), W.Q. No. 7, 2nd Session

83-3-18

Projects funded under Canada/Yukon Tourism Agreement and ARDA sub-agreement (Firth), W.Q. No. 18, 2nd Session

83-3-19

Yukon Recreational Advisory Committee (Firth), W.Q. 19, 2nd Session