



The Yukon Legislative Assembly

Number 5

3rd Session

25th Legislature

HANSARD

Tuesday, March 29, 1983 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

DEPUTY SPEAKER — Andy Phillipsen, 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 Phillipsen	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
Tuesday, March 29, 1983 — 1:30 p.m.

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

Prayers

Mr. Speaker: Before proceeding with the daily routine on the Order Paper today, I would, at this time, like to draw the attention of all hon. members to the presence in the Speaker's and members' galleries to a group of very distinguished parliamentarians from our neighbouring State of Alaska, some of whom will do us the honour of addressing the Assembly following Question Period this afternoon.

I would like to introduce to you Senator Donald Gilman of Kenai, Republican Minority Coalition; Representative Bob Bettisworth of Fairbanks, Republican Majority Coalition; Bette Cato of Valdez; Mitch Abood of Anchorage, Republican Majority Coalition; Milo Fritz of Anchor Point, Republican Majority Coalition; Representative Niilo Koponen of Fairbanks, Democratic Minority; Representative Randy Phillips of Eagle River, Republican Majority Coalition; Representative Jack McBride, Ketchikan, Democratic Minority; and, last but not least, Dick Shultz of Delta Junction, Republican Majority Coalition. I am sure our visitors will accept our very warmest and sincerest welcome to Yukon and to these Chambers today.

Applause

02 Mr. Speaker: We will now proceed to the Order Paper.

DAILY ROUTINE

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

TABLING OF DOCUMENTS

REPORTS OF COMMITTEES

Hon. Mr. Lang: I have for tabling the Second Report of the Standing Committee on Rules, Elections and Privileges.

Mr. Speaker: The Chair will accept that the Report of the Standing Committee has been tabled according to its place on the order paper.

Are there any further reports of committees?

Mr. Penikett: I have for tabling today the Fourth Report of the Standing Committee on Public Accounts, together with evidence.

Mr. Speaker: Are there any petitions?

Reading or receiving of petitions?

Introduction of bills?

Notices of motion for the production of papers?

Notices of motion?

Statements by ministers?

MINISTERIAL STATEMENTS

Hon. Mrs. Firth: I would like to take this opportunity to announce the completion of alterations in the foyer of this building to place on continued exhibition Yukon's permanent art collection.

The preparation of the exhibition area has been a joint project of the Department of Tourism, Heritage and Cultural Resources and the Department of Government Services. The permanent art collection, an on-going project which will grow substantially over the years, is a major activity of the Friends of the Art Gallery.

The permanent collection is intended to continuously exhibit and recognize the best of Yukon artists and art works and serve as a reflection and enhancement of the culture and heritage of Yukon.

Thank you.

Mrs. Joe: I certainly welcome this project that we will have in our foyer, the exhibition area for our artists. We certainly do have some great artists in Yukon and this will provide an opportunity for those works to be seen by many more people than are seeing them now.

Mr. Speaker: Are there any further statements by ministers?
 This then brings us to the question period.

QUESTION PERIOD

Question re: Land transfers

Mr. Penikett: In a *Globe and Mail* article, published February 1st, the Minister of Municipal Affairs, today's acting government leader, is quoted as saying, "If land is available to a segment of our population, it has to be made available to those who will not be the beneficiaries of a land claims settlement".

I would like to ask the acting government leader if that quote is an accurate statement of government policy?

03 Hon. Mr. Lang: In the article that the member is referring to, I would say, for the most part, it is an accurate statement. I think it is safe to say that we cannot justify in our minds — and I do not see how the leader of the opposition or his colleagues could justify in their minds — that a segment of our population, no matter what their ethnic background, be given thousands of square miles, and the majority of the people of the territory would be left with 360 square miles. It just does not add up, and if the member opposite took simple algebra I am sure he would come up with the same feelings that we have.

Mr. Penikett: It is not a question of simple algebra. It is a simple question of, I guess, law and constitution. This statement that the Indian and non-Indian claims to Yukon land are identical, in terms of law and legitimacy, is a clear rejection of the concept of aboriginal land rights. I would like to ask: is it therefore now the position of this government that Yukon Indian people have no more legal claim to land than non-Indian Yukoners?

Hon. Mr. Lang: This is what I deplore about the questions that are coming forward from the other side; the racial overtones that are put forward. I want to point out very clearly that we have accepted the principle of aboriginal rights in view of the fact that we have said that the native land claims must be settled and then a process put into place, with a quantum of land guaranteed to the Government of the Yukon Territory over a period of time. I believe it is reasonable; I believe it is logical; and I believe it is in the best interests of all people of the territory, native and non-native alike.

Mr. Penikett: Let me say that the word "deplore" is a word we also use for the minister's answers. Let me get government policy straight on this important question; is it that Indian land claims have greater legitimacy than non-Indian land claims, or is it that the land claims of Indians and non-Indians are of identical constitutional validity?

04 Hon. Mr. Lang: Mr. Speaker, I thought I answered the question initially on the second supplementary. I made it very clear that we were going to settle native land claims first in respect to land selection. Subsequent to that, land would be transferred to the Government of the Yukon Territory. If the member opposite does not believe the people of the territory should have the right to go to their local government for the purposes of obtaining land, would he please stand up and say so.

Question re: Cyprus Anvil

Mr. Byblow: I have a question also to the acting government leader seeking a policy position on the subject of the Cyprus Anvil Mine.

The minister's government has indicated that it is prepared to contribute \$1 million towards the proposed stripping program for the Cyprus Mine as well as some additional later aid.

Is the government firmly committed to the position that any YTG or federal assistance will not include any equity position of any government in the mine?

Hon. Mr. Lang: First of all it is a hypothetical question because it is my understanding, at least to date, that the Government of Canada is not considering that as a viable option. Our policy is very clear. We believe assistance should be brought forward that can be supported by the people of the territory; that in the long term it will provide the mechanism for that particular mine to go back into production.

I believe we have done that.

Mr. Byblow: I am somewhat unclear on the position of equity participation in the mine and I would like to ask him: is he saying that the position of the government is to have Cyprus Anvil owned by Dome Petroleum with all of its problems, as they exist, rather than to have the mine owned by the people of Canada to the benefit of the people of Yukon?

Hon. Mr. Lang: The member opposite uses the cliché "owned by the people of Canada". The people of Canada own the Post Office and I do not see myself getting a dividend every month. I think our policy is very clear; we are not prepared to buy an equity in respect to Cyprus Anvil, and our preference would be to find a new owner who would take that particular property.

Mr. Byblow: I believe the minister was comparing a mining company to the Post Office — interesting. Would the minister's government be supportive of an ownership structure that would include a consortium of YTG, possibly CYI, possibly Cyprus Anvil employees, of possible participation from the public-at-large as a basis for a stable foundation to the Yukon economy?

Hon. Mr. Lang: That is not in the cards, the way I understand it, in view of the discussions that have emanated from Ottawa. My understanding is that they are looking under section 38 so I would say that that is a hypothetical question and I would say that the Government of the Yukon Territory does not favour the principle of equity participation. We only have to look across this country — we have a fine example that is called Dome Petroleum.

Question re: Food Prices Report

Mr. Kimmerly: A question to the Minister of Consumer and Corporate Affairs about food prices, which I am sure the minister is expecting: yesterday, the minister said about the food prices report, "It is a very biased report". Would the minister indicate in what particular way it is a biased report?

Hon. Mr. Ashley: This food prices report that you are talking about is something that was tabled in another Legislature previous to my coming in, just to make that clear. What I was meaning is that when I read it, I find very biased statements in it. Those statements in the report are dealing with the fact that they could not understand the discrepancy between certain prices. It stated that all through the report. I do not have the report with me or I would read sections to you that I disagree with.

Mr. Kimmerly: Will the minister undertake to provide me with a list of the sections that he disagrees with, as he stated, and will he answer the question: is that statement a statement of government policy?

Hon. Mr. Ashley: Yes, I will provide the member opposite with my views on that report. As far as being government policy, I have not discussed it with my colleagues yet.

Mr. Kimmerly: The minister also stated, yesterday, that some of the recommendations were already implemented. Will the minister undertake to provide a list or statement of which recommendations are now implemented?

Hon. Mr. Ashley: Yes. I do not mind providing that list at all.

Question re: Stokes Point

Mr. Porter: My question is for the Minister of Renewable Resources. On November 11th, 1982, the government leader stated, "Should there be development at Stokes Point, it would have to go through the normal environmental review hearing processes that have been established by the Government of Canada. At that point, all concerns, especially ours, would be made public and would be heard".

Yesterday, the minister did not sound so sure. Has the government's position changed or is it still the government's position that there should be an environmental assessment review process for the Gulf Stokes Point project?

Hon. Mr. Tracey: When the question was asked of me yesterday, it was whether I supported the Department of Indian Affairs or whether I supported the Department of Environment regarding Stokes Point. My position then, as I stated to the member across the floor, was that it is up to the federal government which department it is going to have make the decision regarding the environment. If the Department of Indian Affairs, who has the

authority to manage the Yukon Territory, makes a decision that it is going to be involved in the environmental process, I do not think it is incumbent upon me or any member of this House to tell it how it is going to conduct its business.

So, if the Department of Indian Affairs, in all its wisdom, decides it is going to allow Gulf Oil to have a base in Stokes Point, I think then, if the member has a concern, he should be addressing the concern to the Department of Indian Affairs in Ottawa.

Mr. Porter: Has the Yukon government established a north coast Stokes Point land planning board or committee, under the auspices of the *Territorial Land Planning Act* and has it sought approval from the Government of Canada to examine the proposed Stokes Point project, or is it content to leave this area under federal management?

Hon. Mr. Tracey: Perhaps the member across the floor, when we were dealing with the *Territorial Land Planning Act* last fall, was not aware, but I think we made it quite plain that the *Territorial Land Planning Act* only affects the southern Yukon; it does not affect the northern Yukon. The northern Yukon land planning model was something that was separate and apart.

Our government's concern regarding the North Slope mainly has to do with the wildlife. We do have concerns, naturally, about development there, but I think that we have, in conjunction with the federal government, adequate information for the government to make a decision. Now, if the Department of Indian Affairs and the Department of Environment, in all their wisdom, want to have their little battle in Ottawa, I think that is something that we should stay out of. I think it is up to the departments involved to make their decisions.

Question re: Justice of the Peace appointments

Mrs. Joe: I have a question for the minister responsible for justice. In recent months, at least three people were given justice of the peace appointments. These people had no previous training to qualify them for that position. Could the minister tell us if it is the intention of his government to continue to appoint unqualified people to these positions?

Hon. Mr. Ashley: Justices of the peace are trained after they are appointed. That is the way the system is running now. We do not bother training people and then not appoint them, so they will be trained after they have been appointed.

Mrs. Joe: Two women who had already attended one or more justice of the peace training sessions were denied appointments by cabinet. Since the justice of the peace positions were needed in both communities that the women were from, could the minister tell us, and the people in those communities, why their recommendations for appointments were denied?

Hon. Mr. Ashley: The cabinet has the ultimate right and power to make the choice of JPs in all communities in Yukon. It was a cabinet choice that they be not made, and that is where it stands. There have been appointments made in those communities, subsequent to that, and so the JP roster is full in those communities.

Mrs. Joe: *The Child Welfare Act* presently allows any justice of the peace to deal with child welfare matters in court and, since most justices of the peace do not have the necessary training, could the minister tell us if it is the intention of his department to appoint juvenile court judges or JP-3's so that only those JPs who are qualified may deal with child welfare matters?

Mr. Speaker: The question would almost appear to be making representations; however, I will permit the minister to answer it.

Hon. Mr. Ashley: What we are doing about that is appointing JP-3's, and they are coming up through the training system. We only have one presently — in Watson Lake — and within six months we should have about four, I believe. They are being trained to a certain degree.

Question re: Agriculture

Mr. McDonald: I have a question for the minister responsible for agriculture. As the rules for dispersement of agricultural land have not been established in this House, and the activities of the Agricultural Development Council have not been open to public

scrutiny, what process exists for this government to be held accountable for the decisions of the Agricultural Development Council?

Hon. Mr. Lang: The accountability, I think, comes to all of us at least once every four years, in respect to membership in this House, if the member opposite takes the time to read the *Yukon Council Act*. Further to that, there is accountability. The Agricultural Development Council works very closely with the Livestock Association and those people who are interested in getting into the agriculture industry apply through that particular mechanism. I do not see what the member is getting at. What does he want, a public review of everything?

Mr. McDonald: I guess we can expect some information two or three years from now. How much land will be dispersed before the minister will abide by his commitment to table before this House the land dispersement ground rules?

Hon. Mr. Lang: I would be more than happy to table the regulations or, if the member opposite comes to my office, I could provide him with the copy of the regulations that outline the disposition of agriculture land in Yukon. I would further point out to him that I made a commitment to him that I would be prepared to bring forward legislation, once we had a year or two years of experience with the regulations that are in place, for the purposes of making it law. I concurred with him at that time and I still abide by that particular point of view.

Mr. McDonald: Yesterday, I asked the minister if there was to be public review of the Agricultural Development Council's activities, to which he replied that if there was a public review of the council's decisions nobody would get the land that applied for it. Was the minister suggesting that public scrutiny would in some way hinder the free flow of the council's activities?

Hon. Mr. Lang: No. The point I was making was that if it had to go into a public review process such as the member is obviously envisioning, I would suggest that it would slow down the procedure somewhat. We are having problems as it is with respect to trying to delineate boundaries and various other things — and administrative problems — to try to sort out land disposition. We are doing it as expeditiously as we possibly can and in the best interests of those people involved.

Question re: Land claims

Mr. Penikett: I have another question for the acting government leader. On February 1st, this government's Minister of Renewable Resources was quoted as saying, "We are not going to implement or sign an agreement that is only beneficial to the minority of the people in the territory". Since Indian land claims are designed to benefit mainly the Indian minority, is it now this government's policy that it will never sign a land claims agreement that benefits the Indian minority of Yukon? Is that the government's position?

Hon. Mr. Lang: The question is totally and absolutely ludicrous. The point that is made from this side of the House is: in order to have a fair and just settlement of the land claims, there are six outstanding issues that have to be answered by the Government of Canada. We deem it to be in the best interests of the native people that a settlement be in the best interests of all people in the territory and if the member opposite does not believe that, then I cannot help him.

Mr. Penikett: I look forward to the minister answering one of my questions instead of giving his tired, old speech.

This year, the minister from Tatchun reportedly said, "The majority gets nothing from land claims." Last year, the government leader described land claims as "an important and major economic benefit for the territory". Has the policy of this government changed in this regard in the last year and what is its current position?

Hon. Mr. Lang: I think we have made our position very clear, unlike the members opposite. We have said there are six outstanding issues that the Government of Canada must address to the satisfaction of the people of the territory in order for a settlement to be signed and implemented which will be successful for the native people of this territory and which also will be of benefit to all

people of the territory. I do not know how much clearer I can be with respect to the position of this side of the House.

Mr. Penikett: The answer is infinitely unclear, when the minister talks about a clear position and the government leader has said that their boycott of Indian land claims has nothing to do with land claims. You could not be less clear than that.

Mr. Speaker: Order, please. I believe the hon. member is now making a speech.

Mr. Penikett: I accept your admonition, Mr. Speaker, and I would never do that in question period.

The member for Tatchun has also said, "They can sign a land claim without us, but they will have to go back and renegotiate the agreements; the Indians would have reserves then". Let me ask the Minister of Municipal Affairs: in the light of the finality of the Minister of Renewable Resources' statement, what contingency plans have been made by this government, or are being made by this government, for the implementation of a system of Indian reserves in Yukon, in the eventuality that their boycott brings an effective end to the land claims process?

Hon. Mr. Lang: We do not believe that the establishment of a reserve system throughout the territory would be of benefit to the native people of this territory or to all people of the territory. We feel that the questions that are outstanding are reasonable questions; we believe that the Government of Canada will come to its senses and give a response that the people of the territory are prepared to live with; therefore, we do not deem it necessary to have contingency plans for a reserve system being implemented in this territory because — I will be very frank — we would not accept that on behalf of the people of the territory.

Question re: School bus services

Mr. Byblow: I have an unprovocative question for the Minister of Education.

Last April, I asked the minister's predecessor if she would undertake a commitment to direct her department to investigate the problems of funding for the bus service of the Carcross Indian band that it now provides for students attending the Carcross school.

In light of the impending cancellation of that service by the band, will the present minister undertake to have that situation immediately and more expeditiously investigated?

Hon. Mrs. Firth: The situation has already been investigated. The van was provided by the Carcross Indian Band and the Government of Yukon fulfilled its commitment to those peoples by paying them the busing subsidy for their children. The busing subsidy, in turn, was to be handed over to the driver of the van for the Indian band to provide this service. Apparently, there was a problem with the monies not being turned over to the band and we then told the Indian chief in Carcross that he could pursue the avenue of having the money turned directly over to the band; however, we had to have permission from the individual families involved. We asked the chief to get that permission and he never followed through with it, so we are, again, pursuing that avenue to see if that is a possibility to rectify the situation.

Mr. Byblow: Can the minister advise me whether or not the monies under the subsidy program that are now to be supplied to the driver of the bus will cover the \$5,000 deficit that the band is facing on delivery of that service?

Hon. Mrs. Firth: I have no idea if it is going to cover the deficit. We legislatively have responsibility to those families to provide a busing subsidy; what they do with that subsidy is entirely up to them.

Mr. Byblow: Does the minister's department have any alternate plans to ensure that the 13 students affected by the busing service get to school, should the bus service be suspended?

Hon. Mrs. Firth: The department and the Minister of Education have extreme faith in the parents of the students. Those parents are being provided with the subsidy and I am sure that they will see that their children get to school.

Question re: Greenwood House

Mr. Kimmerly: I have a question for the acting government leader about Greenwood House. I have corresponded with the

minister in the last year or so and he refers to the preliminary design for the renovations of the building. What is the target date for the completion of the preliminary design?

Hon. Mr. Lang: No. As the member knows, the capital budget for 1983-84 contained appropriation for the renovations which he referred to: I believe it is called the Bishop's House. There has been money spent, to date, with respect to making that particular part of the quarters more energy-efficient. There have been draft floor plans prepared and discussed with the tenants of Greenwood Place. I believe that took place in February, 1983, and their thoughts and considerations were then taken into account. Some preliminary work has commenced on the project and we expect that the renovations will be completed by late summer or early fall.

Mr. Kimmerly: Were any applications for federal funding for this project actually made?

Hon. Mr. Lang: I believe that the monies for the energy efficiency part of the construction, was cost-shared with the Government of Canada. With respect to the actual alterations of the facility itself — I am going on memory — I believe that is totally YTG money.

Question re: Porcupine caribou herd

Mr. Porter: My question is for the Minister of Renewable Resources. The Porcupine caribou herd has been the subject of international discussions between the US and Canada. Is the minister actively promoting, with his Alaskan counterpart, the concept of an international management agreement on the Porcupine caribou herd?

Hon. Mr. Tracey: As we all know, there has recently been an election in Alaska. The avenues of communication have not been opened since the election. However, I expect to be speaking with the member who is responsible for the porcupine caribou herd during the next day or so.

As far as an international agreement regarding the Porcupine caribou herd is concerned, we are not convinced in our minds, and I do not believe the people of Alaska are convinced in their minds, that it would be most beneficial for us to have an international agreement. We are responsible for the management of game in the territory; Alaska is responsible for the management of game in Alaska and we do not, at this time, think that an international agreement involving the federal governments would be beneficial.

Mr. Porter: Would the minister please tell the House how this government and the Alaskan government will resolve conflicting management decisions that traverse the habitat of the Porcupine caribou herd; decisions that are brought independent of the governments?

Hon. Mr. Tracey: The same way that any other two groups of people would resolve their situation; sit down and hammer out an agreement as to how it is going to happen.

Mr. Porter: You would think that there would be a more logical governmental approach to solving these issues than that. As the prospect of development at Stokes Point becomes more tangible, has further consideration been given to the idea of an extension of the Dempster Highway, or can the minister assure us that such a road will not be contemplated by his government?

Hon. Mr. Tracey: No, I could not give that assurance. I do not believe that the Dempster Highway would be extended, however, I would not doubt that some time in the future, perhaps, there may be another access road that connects with the Dempster Highway. The consideration has to be given to the fact that there are vast resources up there and perhaps there should be a transportation corridor, and perhaps a road would be the best, who knows? That is something that will be dealt with in the future. I cannot categorically say, no, there is not going to be a road that will go to the North Slope of Yukon as no member in this House could.

Question re: Women's Transition Home

Mrs. Joe: I have a question for the minister responsible for Health and Human Resources. I was happy to learn that the minister's government has directed \$6,100 to the Women's Transition Home to help that facility through the last of this fiscal year. Is it the government's intention to allot funding for Kaushee's

Place in the new fiscal year?

Hon. Mr. Tracey: I think the member across the floor is under a misconception. The \$6,100 that I allotted to Kaushee's Place is an advance on next year's budget. It is money that is allotted to them for next year, not for the balance of this year. As to whether we will be block funding the transition home for next year, I think the member across the floor will have to wait until the budget is tabled.

Question re: Agriculture

Mr. McDonald: I have a question for the minister responsible for agriculture. Last Thursday, the minister mentioned that the government would be prepared to continue soliciting applications for agricultural lands, and also made allusions to seeking federal assistance to provide Yukon farmers with technical expertise. Has the government examined the concept of a preferential tax policy for persons engaged in farming to promote and encourage farming activity?

Hon. Mr. Lang: I want to correct the member opposite in respect to his preamble. First of all, we have a soil pedologist on staff who is helping in respect to the implementation of agriculture in the territory in concert with renewable resources. Further to that, I indicated to the House that time that the Government of the Yukon Territory would be looking at bringing on staff, or going to contract, for some agrarian expertise, which we presently lack; it would not be federal assistance in that case.

In respect to the preferential tax rate, it is something that will be given consideration over the course of this coming year. At the present time, with the policy we have in place, the land in question has not been transferred or, if it has, it has not been assessed so they would not be directly affected in this forthcoming year.

Mr. McDonald: Another issue: as farmers who lease land often have difficulties securing federal farm credit, has the minister considered entering into negotiations with the appropriate federal officials to secure an exception for Yukon in meeting these farm credit rules?

Hon. Mr. Lang: That goes back to my earlier statement of trying to get some administrative capabilities within the government so that we could explore these avenues.

Mr. McDonald: Perhaps the minister could explore this further avenue: as the minister may be aware, many established farmers in the territory worry that health rules for the importation of livestock, et cetera, are inadequate. What plans does the government have to secure health standards for Yukon?

Hon. Mr. Lang: Mr. Speaker, could you repeat the last part of that question?

Mr. McDonald: I will repeat the preamble, which I think the minister missed. As the minister may be aware, many established Yukon farmers worry that the health rules for the importation of livestock in Yukon are inadequate. Can the minister tell us what plans the government has to establish secure health standards for Yukon?

Hon. Mr. Lang: I have to go back to the response I gave earlier in the supplementary, as well as the main question; we are looking at trying to see whether or not we can get some expertise contracted with the government here to give us the necessary advice in this area. Once that happens, then those areas will also be taken into consideration in respect to the question at hand, which is health standards.

Question re: School bus service

Mr. Porter: My question is to the minister of education: in the event that the Band Council in Carcross is forced to discontinue their busing services to the residents of Tagish and, should the parents of those children affected not be able to provide transportation for their children, will the minister make a public commitment to those children who will be affected should those events occur to provide public transportation so that those children will be able to get to school?

Mr. Speaker: The question is quite hypothetical, I must say. However, I will again permit the minister to answer if there is an answer.

Mrs. Firth: There is no answer. I am not prepared to make any

public commitment to any hypothetical 'could' or 'should' situations.

Mr. Porter: The situation is not hypothetical. We have heard a statement from the band today that it will be discontinuing the busing services. Is the government looking at any contingency plans in the eventuality of the service being discontinued, because the band has stated that they will no longer provide that service because they are running in a deficit?

Mrs. Firth: We do not have to look at a contingency plan, because legislatively we are fulfilling our commitment to the parents of those children by supplying them with the subsidy that they are entitled to. What they do with that subsidy is entirely up to them, and if they wish to pay it to the band for the busing service or if they wish to carpool and pay it to another individual, that is up to them.

Mr. Porter: Is this subsidy the only commitment that this government is prepared to make to those parents whose children are affected?

Mrs. Firth: We are not treating these children any differently than we are treating any other children in the Yukon. For example, in the member's colleague's riding of Mayo, we are fulfilling our commitment. However, the department is constantly pursuing new avenues of looking after these problems. I just want to again reiterate to the member that we are fulfilling our commitment to those parents by providing them with the subsidy, and the parents of the children have a responsibility to do with that subsidy what they wish to get the children to school.

Mr. Speaker: At this time, I believe it is the agreement of the House that the question period should end, so, at this time, I will now declare a recess in order that we may receive our Alaskan visitors.

Recess

Members of the Alaska State Legislature spoke to members of the Yukon Legislative Assembly. Transcripts are included in today's Hansard as Appendix A.

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Mr. Speaker: I will now call the House to order. We will now proceed to Orders of the Day.

ORDERS OF THE DAY

Hon. Mr. Lang: Mr. Speaker, I move, seconded by the hon. member for Whitehorse West, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole for the purpose of meeting with our friends from Alaska and for proceeding with any other business that is before Committee.

Mr. Speaker: It has been moved by the hon. Minister of Municipal and Community Affairs, seconded by the hon. leader of the opposition, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole for the purpose of meeting with our friends from Alaska and for proceeding with any other business that is before Committee.

Motion agreed to

Mr. Speaker leaves Chair

COMMITTEE OF THE WHOLE

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

Hon. Mrs. Firth: At this time, I would like to take the opportunity to invite all members present today to the official unveiling of the art collection in the foyer of the Government Building.

Mr. Penikett: At what time will this glorious event take place?

Mr. Chairman: I am advised that it is right now. Before we take a break, I would like to advise all members of the

Legislative Assembly and the Gallery, that there will be a 20 minute break.

Recess

Mr. Chairman: I will call Committee of the Whole to order. Committee of the Whole would like to welcome all members of the Alaska State Legislature who have come to visit us on mutual business.

I would bring to the attention to all members of the Legislative Assembly that we will be having a discussion with members of the Legislature from Alaska and those four members will be the four members seated before the bar. They are Senator Donald Gilman, who is with the Republican Minority Coalition; Mitch Abood from Anchorage, with the Republican Majority Coalition and Chairman of State Affairs; Randy Phillips, Eagle River, Republican Majority Coalition and Vice-Chairman of Rules; and, Jack McBride, from Ketchikan, Democrat Minority.

Hon. Mr. Lang: I want to stress that I think the discussion should be informal and have a free exchange of information. On behalf of the government, I would like to formally welcome you to the Legislature and I pass on Mr. Pearson's regrets, the government leader, who happened to be called away to that faraway place that Mr. Phillips referred to, Ottawa, to try to see if we can address some of the problems that face Yukon today.

I would like to place on the public record, for the Alaskans, and particularly Senator Don Gilman, that I am prepared, if the opposition is prepared to support me, to put my name forward to be a permanent member of the Legislature so that we can be assured of that continuity that the good Senator spoke about, and I am sure that the leader of the opposition will have no problem supporting that.

There is no question that we have a number of areas of mutual interest, of which one key area is, of course, as Mr. McBride said, tourism. I am sure my colleague, the Minister of Tourism, will have some questions on that particular area. Transportation, of course, is a major concern; White Pass, the Shakwak and other various aspects of our transportation network, especially in our regional airlines as it relates to Juneau and Fairbanks.

One area that was not discussed this morning — at least not to my knowledge, and perhaps there could be some further discussion on — is the concept of the production of energy in Yukon for the purposes of sale to our Alaskan neighbours, with the idea that it would benefit both of us; a renewable resource for the people of Alaska, at least in the southeast, as well as for us with respect to encouraging that type of production which would indirectly favour and help our mining industry.

At the same time, we have a number of areas that I would like to thank the State of Alaska for; many of our students who have graduated from high school have gone to the University of Alaska or, at one time, the Alaska Methodist University. We very much appreciate the reciprocal agreement that we have between the State of Alaska and Yukon that provides us the same status as an Alaskan as far as tuition is concerned. We hope that continues.

Of course, one area that we trust that you will be prepared to vote money for when it comes to you for your consideration as legislators is the question of the Arctic Winter Games and the question of monies for the purpose of travel for your Alaskan contingent which always seems to, for one reason or another, in the State of Alaska, come up at the last minute or after the event. We very much appreciate the hospitality you have shown to the Yukon delegation when Fairbanks was good enough to host the games and I can say, on behalf of Yukon, that Fairbanks went that extra country mile, and I do not think that they could have done anything more with respect to being hospitable and providing the accommodations that they did.

On behalf of this side of the House, I would like to say thank you very much and we will be throwing some questions your way and, hopefully, we can get some good exchange going.

Mr. Penikett: I will say how much I enjoy these very unusual opportunities to play a statesmanlike role that the visits from the

Alaskans gives us, and I want to say to Mr. Lang that we would be quite prepared to find him some place where he could be a permanent member of some legislature, as long as it was not this one. We understand that the Alaskans may not know that, within this country, Senate appointments are appointed positions — appointed for life or until you reach 75, whichever is shorter — and, as the minister says, after the next election, if the Conservatives win, he may well go to his reward and we would wish him Godspeed.

I want to, though, revert to my statesmanlike posture, and recall the occasion of the visit to Juneau last year. I guess Senator Gilman talked about the turnover in their House and I guess Mr. Lang and I are the only survivors of that delegation who are still here. It was a very, very important event for us. I cannot think, of all the exchanges that I have made, all the visits I have made to other provinces and other legislatures in this country, that there was ever such a visit in which I learned so much — and not only about the way you did things, but so much about the way we did things, as Mr. Phillips talked about earlier today reflecting on our differences or coming to understand yourself a little bit by seeing the way other people do it. Mr. Lang and I both addressed a joint session of your Senate and Legislature, and that was a pleasant occasion for us; there is hardly any such occasion here when we are received so warmly. In fact, I had the unusual pleasure of having a speech I made being commented on favourably even in a newspaper editorial. I tell you, that was a real rare treat for me. In fact, it was the *Anchorage Daily News*, and they commented in, I thought, a very thoughtful editorial that said "Alaska's Example for our Neighbors" — that was the title of the editorial — and went on to say, "Alaska is often seen by resident and outside observers alike as an undeveloped land and society, a place where the 20th century is forced to play catch-up against the influences of isolation, climate and under-development. Generally that gives Alaskans a focus on the future — on how far we have to go. But a visit this week by a delegation of legislators from the Yukon and Northwest Territories offers a few comparisons of how far we have already come."

"Alaska ..." it was pointed out in the editorial, "has gone through transformations which still lie ahead for its Canadian neighbours to the east; from territorial to statehood status, from grievance to settlement of aboriginal land claims, from planning to completion of a major pipeline project. And Alaska's experience ..." the editorial noted, "may be useful", to the Canadian neighbours, and it repeated the observation we made when we were there; that we were there in Alaska to solicit their neighbourly advice.

Now, we are not so modest, I think, here that we do not think there may be one or two things that you may be able to gain from us; that we sincerely hope you will be as enriched by your experience here as we were by our visit there. I know we will have questions of you today and I hope you will reciprocate with questions to us. And perhaps in a very general and non-combative way, I could ask Rep. Phillips if he might begin by explaining for us exactly what he meant when he mentioned those features of our system that appealed to him, as compared with his own; and also, perhaps, in giving an answer to that, explain what he meant by the evolving system in Alaska. We, in Canada, he may know, have a difficult constitutional arrangement. It is very hard to amend our Constitution. His statement indicated that the Alaskan Constitution was relatively easy to amend, and I wonder if he might explain that a little further.

Mr. Phillips: I do not exactly know what the protocol is here, Mr. Chairman.

Mr. Chairman: You can sit.

Mr. Phillips: I will answer your first question, Mr. Penikett.

I think the most redeeming feature of this Legislature, at least from my perspective — and I only speak for myself, not my colleagues — is that the system that you have, for the outsider looking in, has a great deal of accountability, and I think that is the most redeeming feature of this system. In our system, basically speaking, members can do this if something goes wrong, and everybody rightly should be blamed, but you cannot pinpoint who is

responsible. On this side, you have five ministers and they are responsible for the day-to-day operation of the government, and under our system the Governor is — sometimes it does not work out. We, in the Legislature, have nine standing committees; each committee is headed by a chairman, and we just legislate. We do not execute the law; that is the function of the Governor. Under this system here, not only do you have the legislative head of that committee, you also have what we call the Commissioner, or the Administrator, wrapped up in one. If something goes wrong, the loyal opposition brings it out to the members of the government. To me, that shows a lot more accountability than what we have. That is the thing that sticks in my mind that I wish we had in our system, from comparing the two systems.

What was your second question?

Mr. Chairman: Constitutional Amendment.

Mr. Phillips: Constitutional Amendment.

I will give an example here. Earlier this year I introduced a bill, actually a resolution, in the House; it was a House Joint Resolution Number 1, which basically says — this is a constitutional amendment — that if a legislator is convicted of a felony he is automatically out, as far as the seat is concerned. Mechanically speaking, the resolution passed the House; it has to have two-thirds, or in our case, 27 votes, to pass, or 14 to upset it. The resolution is currently in the Senate Judiciary Committee. I am trying to get Mr. Ray to bring it out of committee. If it should pass the Senate, then it goes onto the ballot in 1984, the next general election, and should the people approve — and it only takes a simple majority in this case — the Constitutional Amendment, it is automatically a law of the land and automatically part of our state Constitution. I was just using that as an example to better explain how our process works.

In closing I just really am impressed about accountability.

Mr. Chairman: Before we go any further I would like to inform the legislators at the bar, that you can sit if you wish or stand up if it feels more comfortable, whichever you prefer.

Hon. Mr. Lang: Mr. Chairman, I do not want to prolong the details on constitutions because politicians could be here for a long time. Am I led to believe that, for example, if you were to propose, and it were to go through both your House and your Senate, that your Commissioners had to be chosen from the duly elected body, Senate and House of Representatives, that that type of constitutional amendment could take place and then become law?

Mr. Phillips: Mr. Chairman, I think I had better ask some questions. Are you asking if it would take a constitutional amendment if the Commissioner is elected? (inaudible)

Mr. Chairman: Senator Gilman.

Senator Gilman: That would take much more than a simple resolution ratified by the voters because those portions of the constitution that deal with the executive powers would all have to be revised, and probably that would require a constitutional convention. We are required to place on the ballot, every ten years, the question to the public: "Shall there be a constitutional convention?", and that was on the ballot in our last election and it failed, and it failed very heavily. People did not want to open up the entire constitution; they want to do it a small piece at a time.

Mr. Kimmerly: I have a general question and it is also a specific matter that I will ask a little later.

Two of you, Senator Gilman and Representative McBride, mentioned a one-man, one-vote concept, and also continuity, and also the relationship of the state government to the federal government. The federal-territorial relationship in Canada and Yukon, of course, is a source of a continuing discussion and frequently argued here.

I am interested in residency requirements and, very specifically, in residency requirements for the franchise, or for state elections. As a lawyer, I know that there was a case in Alaska a few years ago where the courts decided that the one-year residency requirement for the state vote was unconstitutional and you substituted a 30-day requirement; I am interested in that.

In Canada, the residency requirements for federal elections and most municipal elections are approximately 30 or 40 days, or from the time of the issue of the writ of election or the calling the election; however, provincially, some of the provinces maintain a

six month residency requirement and some one year. In Yukon, it is currently one year.

Now, in April of 1982, Canada got a new Charter of Rights and Freedoms and the language in the Canadian *Bill of Rights*, if you will, is almost exactly the same as the American Constitution about freedom to vote, and the concept of one-man, one-vote is quite clear. The Constitution also guarantees mobility rights of citizens of the country to freely move within the provinces or the territories. We are, I believe, going to experience the same kinds of problems as you went through in the last few years and you are probably also going through now.

The general question is; would you care to comment on ability rights, for example, for social assistance or social welfare, student bursaries or scholarships, allowances to senior citizens and those kinds of questions, in a general sense. Also, specifically, when the residency requirement for state elections changed a few years ago in Alaska, was there a significant political change as a result of that?

Mr. Abood: I would like to be allowed to answer that. Alaska has been on this particular path and has had this particular problem for many, many years since the constitution. We have been going along fat, dumb and happy, if I might put it that way, thinking everything was in tip-top condition until, all of a sudden, we came to the point when we declared the dividend. That dividend went to every man, woman and child. It was contested in court. It was contested under the law that it was an unconstitutional law that you had to be here. First, it was that you were going to get \$50 for every year that we were in Alaska starting in 1959; I believe that was the year. The constitutionality of it was challenged in court. It was taken to court and, lo and behold, the state lost the case. The residency problem there was thrown out, so then we began to look at all of the residency requirements. My committee, at that moment, was charged with the responsibility of establishing what is a resident of the State of Alaska.

In the constitution of the United States you have rights. You are speaking of the social need or the public need; you cannot deny that to anyone coming up to Alaska. You cannot deny them the right to go to the hospital, the right for food, the right for welfare or anything. You cannot deny them that because that is in the Constitution. There are some 55 programs that we are looking at, today, as a matter of fact. There is a bill now in the making that establishes residency, and this residency requirement ran from 30 days to 30 years. Each one of them had different levels. In the case of a mortician, as an example, it said a year working as an apprentice. That does not necessarily mean a year in Alaska. But, it does state it so we are going to take out that requirement.

I have a list of every law, every residency requirement for every situation. I would say that half of them were unconstitutional and could be challenged. The point was that we could lose the case as we lost the Dividend case. So, we came up with three things. One, it cannot deny the public need. It cannot deny someone from some state coming to our state and pursuing a way of life. There are things that we have to do to make him a citizen. How do we do it? Simple residency; thirty days. A driver's licence. That is a simple residency.

Now you come into some durational residencies. Let me go to the second one: it has to serve a public purpose also. It must serve a public purpose. In our Constitution it allows those states to designate what is a public purpose by state's rights. And, it must stand the test of law. Is it unconstitutional to a person? Does it violate his rights or does it not?

We have taken all of these residency requirements and, in many, many cases, eliminated the residency requirement. The only time that you will be faced with this, as far as I can see, is for someone to say, "I do not like that. You tell me I have to be here for four years before I can make a living, or four years before I can do this or that". If he challenges it, you must go to your particular courts, fight it out and find out who is right. Now, in our case, it is the Supreme Court of the United States that did it to us. Being right or wrong, it is still the supreme law of the land.

There are four areas that are under litigation at the present time and it is very difficult to come up with a residency requirement. It was challenged under the student loan situation that a person had to

be a resident of the state for two years. It is now in litigation so we are not going to do anything with that. We have reason to believe that because of the many different areas that the two years may stand — I say "may" — we want to be sure that the student who gets it has a real *bona fide* purpose for being a resident; that he is going to contribute to the production of our country. I say country like you say country to your province. We are in countries, not states. You will forgive me that sideline.

We also have problems in the fishing laws. It is a five-year deal now — totally unconstitutional. It is a proven fact that it is unconstitutional, without going to court. However, it is under litigation. Why did they not figure that out before they went to court? Another is the longevity bonus for those people who have been in Alaska for many, many years; I believe the requirement is 25 years. They find that to be unconstitutional, so we are probably going to have to put one year on it. You are dealing with people at this point in time who are much older than I, if there are any.

You are dealing with the older people. You are dealing in the pioneer home situation. Average age — 82. There is a public purpose for providing pioneer homes for the people. It is under litigation and I think that the state will win it. We do have many, many areas in here and it would be proper now, if I may suggest, to look at your laws, to look at your requirements, each and every one through every category, and then down through the inside of the categories. Look and see whether those laws are constitutional according to your law and Canadian law. Then, look at your state laws and see how compatible, perhaps, they are or, in many cases, as we found out, incompatible. Therefore, you have to change that law to be compatible — like, fishing licences. We may go a year on that and I think that will stand up. Driver's licences — 30 days. Many of the occupational licenses; there is absolutely no reason why you have to live in the state for a year to be a doctor. You are certainly not going to operate on the land, you are going to operate on the human body no matter where it might be. Therefore, we are going to knock out the residencies in that, because that is unconstitutional.

I would hope that, perhaps, that may give you some areas now to look into because, sure as I am a foot high, someone, somewhere, as you get bigger, is going to challenge this, and you should be prepared and not get into the bind we are in. There are some programs now, that we must act on during this legislative session or lose the funding for it. It is not fair to those college students or those older folks or anybody who is a recipient of those programs. I would highly recommend that you look into your laws now before it hits. I think you would be well-served by it.

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Mr. Chairman: If there is any follow-up on that question, I think we should maybe follow it up in private, because I am sure there are many members who have many questions of the legislators from Alaska. I would request that we be brief with the questions.

Hon. Mr. Tracey: I would like to follow a different line of questioning of the witnesses. I am interested in the tourism aspect and the paving of the Haines Road and the Alaska Highway. I know that the new Governor of Alaska is very interested in continuing that project, as we are. I believe it is very beneficial for the tourism industry and for the general public, not only in Yukon, but in Alaska.

I was wondering if one of the witnesses would care to comment on the position that is being taken in Alaska at this time.

Mr. Abood: Up until now I have been cautioned that I am a little bit too long-winded; I will cut mine down, but I will defer that. I thought you would like to know that.

Mr. Phillips: Right now I do not know what the Governor's position is and I do not even want to hazard a guess. I just cannot honestly answer that question.

Hon. Mr. Tracey: Could I just ask a short follow-up question? Maybe I am misunderstanding. Do you allocate the money for this or does the governor make the choice on his own?

Mr. Phillips: We allocate the monies but, in a lot of cases, the Governor makes the recommendations, we take a look at it and, if we think it is worthwhile, we fund it; if we do not, we do not fund it.

Senator Gilman: The Governor has not made his full recommendations to the Legislature yet, particularly on the transportation budget. As you know, he was new this year. That is another thing we found in common, we have Sheffield Houses, too.

Being new, he had a previous administration's budget. The Governor was elected on November 2nd and took office on December 9th and had to have a full budget, by constitutional mandate, to the Legislature by the 19th day of January. So he, for all intents and purposes, submitted the previous administration's budget. In the course of declining revenues, and this type of thing, he has actually taken that budget back and we have not seen the capital side of that budget yet, which probably would address those.

But, it is my understanding that the money that goes on the Haines Road is actually federal money that we kind of redesignate to the road. It is not state general fund money.

Hon. Mr. Lang: Senator Gilman is correct. That is, the way I understand it, federal monies. I guess I have one question. Is it then the responsibility of the Legislature to still vote that money?

The other question: and I do not know who could answer it, is there any thought of a refinery in Fairbanks and, if there is, is there any thought of an energy corridor, say, serving Yukon and, in particular, Whitehorse?

Mr. Abood: I do not know the protocol, but I would ask: is there any manner in which I may defer to one of our colleagues who happens to be in the Gallery at this point? Is that permissible or not?

Mr. Penikett: On a procedural point, it would be fairly easy to get them to the bar and perhaps we could have another question in the intervening period.

Mr. Chairman: That is fine.

Hon. Mr. Lang: On a point of order. I think the member could be invited to the bar and, in the meantime, maybe Mr. Porter could put his question. Would that be all right with you, Mr. Chairman?

Mr. Chairman: That is what we were doing.

Mr. Porter: Maybe I will direct my question to Mr. Phillips. The area of interest that I have is the whole question of aboriginal rights and the role that the state played in the successful conclusion of the negotiations in Alaska.

I would like to know, during the negotiating process, did the state take the position of anti-settlement, anti-aboriginal rights? Did they lobby against, or boycott, a successful settlement in the State of Alaska, or did they see it as an opportunity to secure more responsibilities, in a constitutional nature, over land and resources for the State, or did they view the claims process as a process which they would support to bring, to the State of Alaska, a stability, in economic terms, and a stability in terms of the social problems that faced the aboriginal peoples. Did they, in fact, play a supportive or a non-supportive role in the conclusion of the settlement?

I might add, also, at the present time, could you give us some idea as to the economic benefits of the settlement to the State of Alaska?

Mr. Phillips: I will defer that question to Mr. McBride.

Mr. McBride: I am not an expert on this; however, I have worked around native villages quite a little bit and have heard a lot of the background. Basically, the state was supportive of the native land claims and there were probably some good reasons behind that; one of them being that the federal government had tied up our land and we could not get it unlocked. The communities did not have room to expand, so I would say that the territory and the state were supportive of that.

Then you asked about the economics and — I do not know anything about your native land claims — but one of the things that happened the way ours worked out is that this land which, by the way, still is not all in the hands of the native regional corporations and the native villages — a large majority of it is, but there is still some various reasons why not — but this land cannot be passed on or the shares cannot be passed on in this land until 1991. There are various things being talked about now that might prevent — and these would be within the regions themselves — of these being dispersed.

There were 13 regional corporations and I cannot recall how many village corporations, which are within the regions, and they, by the way, have economic interchanges. One of the corporations,

Sea Alaska Corporation, is in the top 100 corporations in the fortune list; so, even though they have had some economic setbacks and lost something in the vicinity of \$25 million last year, they have been quite successful. There was one corporation, called the 13th Regional, which was a member that did not own land and they were a corporation formed of Alaskan natives outside of the State of Alaska; that corporation, on the other end of the spectrum, has had enormous economic problems. And I guess I could say that, anywhere in-between, there was a number of corporations that made good profits last year and there were some that lost money; but, basically, it has probably worked better than most of us would have thought when it started out. And it has bought land that can be used; resources are being taken off of it, everything from gravel to timber and oil. So, it has been of economic value to the State of Alaska and I should hope would be of a great value to the natives of Alaska.

Mr. Chairman: At this point, the Committee of the Whole would like to welcome from the House of Representatives, Mr. Bob Bettisworth, from Fairbanks, Republican Majority Coalition; he is the Vice-Chairman of Finance. Before I ask you to answer the question, I will ask Mr. Lang to re-state his question.

Hon. Mr. Lang: It was two-fold. First of all, does the federal monies that would be made available for the purposes of upgrading the Shakwak rural highway have to be borrowed by the Legislature? My second question was whether or not the refinery was going to be built in Fairbanks and, if so, had there been any consideration given to the idea of perhaps servicing Yukon for its energy needs, so far as petroleum products were concerned?

Mr. Bettisworth: On the question of federal funds for the highway, those federal funds are passed through and, yes, they do have to be voted on by the Legislature. They are in the budget as what we call federal funds. Yes, that is correct.

As for refineries, we presently have a refinery in Fairbanks; it has been operating for a number of years. Right now they make number 1 and 2 heating fuel, A and B jet fuels. They are under a modification program right now to start making gasoline. The regional corporation was going to build another refinery in Fairbanks a couple of years ago; it purchased the land, got the necessary permits and actually purchased the units to start. Due to the decline in pricing and so forth they have foregone building that. It is in a hold position. As far as servicing the Yukon, it would be beneficial to Fairbanks, certainly, if they did expand their markets; and they have more product than they can sell in Fairbanks markets. In fact, they are right now, much to the consternation of Fairbankans, selling what you might say is a surplus fuel product in Anchorage markets at the same price they are selling them in Fairbanks and picking up the tariff. So Fairbanks made some special concessions to get the refinery there in the first place and we are a little bit unhappy about that. So there is no reason why they could not serve the Yukon. The only thing I can say is there may be a freight differential that would make it unfeasible.

Hon. Mr. Lang: Can I follow up on this just a little bit further? Has there been any consideration given to a small pipeline for the purposes of servicing southeast Alaska with products from Fairbanks? At one time, as you know, we did have a pipeline going from Haines to Fairbanks. Is there any thought of reactivating that for the purposes of serving southeast petroleum needs?

Mr. Bettisworth: Yes, the Haines-Fairbanks pipeline is well known to me; I was in Alaska when it was built. A lot of work was done on the possibility of reversing that pipeline and, of course, the stations here in Canada are in better shape than those in Alaska. Considerable study was done on the cost of upgrading that pipeline but it was considered impractical to try to utilize those facilities. They were pump stations; the compressor units were out of date. If I may just add — it may be of interest — Fairbanks is quite interested in getting a pipeline from Prudhoe Bay Slope to bring natural gas into Fairbanks, and the way our construction costs are, we have determined that it is just almost as cheap to build a 24-inch diameter pipeline as it is to build a 10-inch diameter pipeline, because once you get geared up with your personnel, your equipment, your right-of-way, and so forth, the only additional cost is the size of the pipe.

Mr. Byblow: I have a couple of questions extending into the same economic vein. Both Representative McBride and Representative Phillips talked about the commonality of the geographic region and the continuity and the similarities in our mining, transportation and tourism sectors and one very real impact of this commonality is the closure of the White Pass railroad. I would like, very briefly, to have some response, perhaps, in two aspects. Firstly, what is the position of the Alaska government respecting the reinstatement, if that should be the case, of the rail line and, should that not be the case, how is the Alaskan government mitigating against the closure of that railroad? What alternative transportation corridor systems are intended to be put in place and, how does that relate to the Canadian problem in that transportation aspect in a joint measure?

Mr. Phillips: In our state Legislature, when we say "informally", if it appears that we are not going through, we sort of ask each question directly so you have to excuse our not getting used to the system.

To answer your question, first of all I want to state that the Governor has a lot of power in our state. It was purposely built into our Constitution back in 1956. I want to state here and now, which I stated earlier in our workshops, we cannot speak for the Governor. We cannot commit to anything right now because I had a conversation with the Governor's staff the other day. They do not want us to get involved with the negotiations. The Governor and his staff and the White Pass railroad and, I assume, the Yukon Territorial Government will be involved. Once the recommendations have been made by the Governor to the Legislature, we will make those decisions. With that in mind, we have to follow the proper channels. Our purpose here is to learn more about the White Pass railroad from this side, from this point of view.

Representative McBride is here also on behalf of Representative Peter Goll, who represents Skagway. We are very concerned about the White Pass railroad and, not only the railroad itself, of course — that railway has a great impact on the City of Skagway and also Whitehorse — we are here to learn as much as we can and, when we get back, if and when the Governor decides to make a recommendation to the Legislature, I think all of us will be better people, better representatives and better informed on the situation because of this trip. The point I want to make is that the state Legislature is very much concerned about this railroad and we are not ignoring it.

Mr. McBride: I was just going to add that one of the purposes of coming over here was to learn what we could from you folks. It is kind of a two-way thing and being that it is such a negotiation process which we ourselves cannot necessarily be involved in, we just have to express our interest and say that we hope that, with you, we can work everything out. There is lots of interest and lots of caring over there. If there is some way to work it out, I am sure that there are a number of people who will be pushing toward that goal. When you drop the pebble in the Skagway pond, the ripple goes in both directions.

Mr. McDonald: I have a question which essentially asks for an overview of the Alaskan experience with agriculture. As the representative just said, there is lots of interest and caring in agriculture in Yukon but very little experience. We have had some false starts and valiant efforts and I believe there are some good established farms in the territory. We do have a number of technical reports which tend to be very critical of agricultural prospects under the climatic and soil conditions which exist here. Nevertheless, there is a good deal of enthusiasm by those who are currently participating in farming and I think that they have shown enough imagination and had enough commercial resources to make a go of it to a certain extent.

I realize that this is a very broad question. We all have some pamphlets and documents which detail, to a certain extent, agriculture in Alaska. I would like more of a personal, candid account of what your experience has been. In doing so, perhaps you could provide a brief history giving the historical problems; what vehicles the state uses to promote agriculture, what funds are available to support the farming community, what things does the state consider appropriate to fund, what does the state consider to be its natural role in the process, what loan assistance is provided

and what tax amenities are provided to encourage farming?

I have just been told that, perhaps, this question is going to last longer than the time allotted. It will certainly last longer than the answer could possibly be. What sort of land management system is there to secure agricultural land and to dispose of agricultural land, et cetera, and what legislation exists to promote things like health standards? I think we can leave it at that and, perhaps, get a very brief answer.

Mr. Phillips: I would maybe break some rules of protocol here, but I would like Representative Shultz, if he does not mind, to answer that question because his district is the farming community and he knows best; if that is all right.

Hon. Mr. Lang: We are coming into kind of a timeframe situation here, as far as the clock is concerned, and I understand that the Representatives have an appointment at 4:15 to go and see about the White Pass and Yukon Railroad. I would submit that the method to employ is, if we could — as house leader, I am prepared to make the offer that the invited legislators, be invited to Committee of the Whole tomorrow, later in the day, once they have completed their address by the Council for Yukon Indians, which, I believe is at 3:00. So, if we could, perhaps, plan to have them come back at 4:00 or 4:30 tomorrow afternoon, then that would allow Mr. Shultz to prepare himself for the short question that was outlined by the Member for Mayo and also allow these people to keep their other appointments.

Perhaps the house leader from the other side has some comments in respect to that.

Mr. Penikett: On this side, we have no objection to that.

Mr. Phillips: It would be appreciated if we could have the questions beforehand because there are certain areas of expertise among the members of the Alaskan delegation and I would rather just forward the questions to that particular person who is involved in a certain expertise. I will give you an example: Representative Booth, the Chairman of State Affairs, is handling all the constitutional questions dealing with residency; we do have a problem there. He has a staff that is working at it and is knowledgeable in it. Mr. Shultz, since his district comprises mainly agricultural lands, is the best person to answer anything on agricultural lands. I know this is causing some protocol problems as far as getting the witnesses.

Mr. Abood: I know, just like the Assembly here, the day after we got elected, our IQ went up 400 degrees; however, we do not have all of the answers, even collectively. However, to the minority representative in the upper right hand corner, I am sure that we could satisfy his desire by, when we get home, sending the total history of the agricultural problems and the tons and tons of money that we have thrown into it and the sum results that we have seen.

One of my colleagues will probably take exception to what I am saying; however, with the time constraints we have, and knowing that the four of us do not know everything there is to know about government, as the hon. ministers do — We are experts in our own field and we do not try to step into somebody else's field for fear we will get knocked down.

So, as I say, we have 40 representatives, we have got many standing committees and we are not all total experts, as you may expect from our conversation. So, we will send to you all of the information regarding all of the subjects that we are putting ourselves in the position of knowing about. We will have this written down: the history of where we are, where we have been, where we are today and where we think we may be going today and the ramifications of those things. If that would satisfy the speaker in the upper right hand corner — and that is the way we refer to our people.

Mr. Chairman: I was going to say, with the time constraint, actually, I was not too worried about it, the train has been late for a long time now and we can handle that.

Mr. Abood: Have I talked too long, then, Mr. Chairman?

Mr. Phillips: I think it is agreeable to at least most of us; we will be more than happy to be here tomorrow to answer any questions you have.

Maybe, logistically, you can forward the questions to the Clerk and I can just pass them to the particular legislator who has the

expertise.

One thing I want to add, too, in our Legislature, in a lot of cases we do depend on a group of legislators — I will just use Representative Bettisworth as an example — when you asked the question about refineries in Fairbanks, we do rely a lot on each legislator for their expertise. That is not to say that we do not question it, but we respect the authority and the knowledge of each of the members.

Mr. Porter: That would be a welcome change here.

Mr. Chairman: In our system, do you realize the only questions that can be asked are of ministers and answered by ministers during our question periods.?

Hon. Mr. Lang: In view of what Representative Phillips has put forward, I might, on behalf of the Legislature and members of the Committee of the Whole, thank you for appearing and I would like to see us make an effort, perhaps, to have you back tomorrow afternoon, because I think it is a very worthwhile procedure that we are following.

Mr. Penikett: I have nothing further to add to that, except, if the minister opposite would like some help with a procedural motion, I am willing to give it.

Hon. Mr. Lang: I move that you report to the Speaker that we have met with our friends from Alaska and that we have discussed matters of mutual concern.

Motion agreed to

Mr. Chairman: The witnesses are now excused. Thank you.
Witnesses are excused

Mr. Chairman: To the rest of the members of the Legislative Assembly, we will now take a short coffee break and return to our endeavours.

Recess

²⁶ **Mr. Chairman:** I will now call Committee of the Whole to order. We will continue with the *Fourth Appropriation Act*. We were on Schedule A, the Public Service Commission on page 22. Is there any general discussion? Mr. Lang.

On Public Service Commission

Hon. Mr. Lang: The overrun for the \$7,000 is put forward because of the need for extra funds required for conciliation, arbitration and adjudication services. As you know, during 1982-83 contracts were negotiated with both the Yukon Teachers Association and the Public Service Alliance of Canada. In fact, the negotiations with PSAC took over eight months and included costs for the government's negotiator, a conciliation board hearing and a bad-faith bargaining hearing, as well as several grievances referred to adjudication, of which the main costs in most part were borne by the government and subsequently we have a request to the Legislature for consideration of the amount of \$7,000.

Mr. Penikett: I assume that mediation, conciliation and arbitration, have been essentially things of the past since the advent of wage controls; that this \$7,000 amount in fact really pre-dates the imposition of the "six and five" legislation, is that correct?

Hon. Mr. Lang: I cannot put a timeframe on it. I would submit to the member opposite, the legislation, contrary to the Federal legislation that was presented to the House, was a ceiling; it was not an imposition of a flat percentage. It was for the purposes of negotiation, to bargain up to that point, which we felt in view of the economic situation that many of the people in the territory are facing at the present time — including people in the members' opposite ridings — people who perhaps have not had paycheques for up to a year. I know that is the case in my riding. It is to try to have some equity in respect to the present situation we face, and also to make an effort so that public service employment does not become preferred employment, as opposed to other fields of endeavours, which are so important as far as the general economy of the territory is concerned.

Mr. Penikett: I can see the minister wants to debate wage controls again. He mentions the word "equity", and clearly no one is going to suggest that there is any equity in Bill 17, because even

the government leader said it was not fair. If you want to have equity, of course you also have to have price controls, as there are price controls in the federal provision for those administered prices under this territory's control. We have already heard from this minister that he does not intend to put any ceilings on the rents that are going to be paid by some of the people whose wages are controlled; those people who are living in staff housing. Clearly, if you are going to have an equitable situation, you cannot have one without the other.

Hon. Mr. Lang: One can debate one way or the other, but the money all comes from one source and that happens to be the taxpayers of the territory. Subsequently, we have a responsibility to ensure that that money is spent in such a manner that it is going to be distributed in a manner that is going to be of the best benefit to the general public. If you refer to housing, I think the member opposite would concur with me, since I believe he is a private homeowner, that there has to be some equity between staff rental accommodation and those who are privately owning homes and paying the general mortgage rates that you and I are subjected to on a monthly basis.

²⁷ **Mr. Penikett:** The minister, of course, cannot claim any equity in a situation where you are controlling one person's wages and, at the same time, you are allowing inflation to work on their rents. It is not a fair situation and I hope that the minister would not claim that it was fair to control someone's wages but not, at the same time, control those prices that affect those persons who are under the minister's purview.

Hon. Mr. Lang: I am sure that Mr. Penikett and I could debate this for the next half hour or the next five hours if he wishes, and I always say to the colleagues across the floor that the last thing I would want to impose on them is closure. Subsequently, if they want to use this forum, for whatever use, as long as they are within the guidelines, I have no problem debating the question. The point being is that we are trying to be as fair as we possibly can, in view of the economic situation. The Member for Faro yesterday, I believe, said thank you for some of the efforts that we made with respect to Cyprus Anvil.

Mr. Penikett: Yes, the member is quite right. We do want to be fair, but it is not possible to be fair if you are imposing wage controls on those people but are not prepared, at the same time, to control the prices of such basic things as housing that affect those very same people. I think the minister has agreed with me on that. The same kind of government that would impose closure would also impose wage controls and so there is a perfectly consistent pattern there and we would not be surprised if he ended up doing it.

Hon. Mr. Lang: If the member is trying to bait me or if he wants me to impose closure, I have never done it. Life is to be lived, not watched. We could try it.

*Operation and Maintenance in the amount of \$7,000 agreed to
Public Service Commission in the amount of \$7,000 agreed to*

On Department of Finance

Hon. Mr. Lang: I think that the amount of money that is asked for is fairly clearly explained. There were some funds required for the Workers' Compensation allowance for pension awards and medical expenses. I am going on memory, but I believe it dates back to the time prior to the implementation of Workers' Compensation. There were a number of people who were on private pension funds and, subsequently, were grandfathered in, where the Government of Yukon made a commitment that it would honour those previous pensions and allowances. Subsequently, it is an ongoing cost with respect to government, if you refer back to past budgets. In view of the lateness of the transfer of dollars which came our way from the Government of Canada, we did have a surplus of the advance capital grant and, subsequently, those monies will be spent in 1983-84 as opposed to what was first thought, 1982-83.

Mr. Penikett: I would like to express the hope that there is, in fact, no relationship between these two items: the Workers' Compensation allowance and the advance capital grant, other than they are neighbours on page 25 in this estimate.

Hon. Mr. Lang: No, it is a combination of dollars and it is

trying to reflect the final analysis in the cash position.

*Operation and Maintenance in the amount of \$262,000 agreed to
Capital in the amount of a recovery of \$196,000 agreed to
Department of Finance in the amount of \$66,000 agreed to*

On Tourism, Heritage and Cultural Resources

Mrs. Firth: The amounts of funds required for advanced 1983-84 O&M expenditures total \$39,000. That is for library books, brochures, development of new brochures, convention marketing literature, and the funds available due to reduced expenditures for the Carnegie Library project. We were going to start buying period furniture for this and found that it would be extremely costly in the long run and so we decided to not proceed with the project and we were left with the \$15,000.

Mr. Byblow: Was the project not begun at all?

Mrs. Firth: No, it was not.

*Operation and Maintenance in the amount of \$39,000 agreed to
Capital in the recovery of \$15,000 agreed to
Department of Tourism, Heritage and Cultural Resources in the amount of \$24,000 agreed to*

On Department of Renewable Resources

Hon. Mr. Tracey: The majority of the money involved here is the resource corps that amounted to approximately \$270,000. Originally, the implementation of the resource corps project was under the Department of Education and the estimates that were put forward for the work involved was not quite enough to do the job so we had to budget more money in order to complete the jobs. They are all completed except the Dawson conservation office, which we are still working on. Also, most of this is recoverable. The actual total cost to us is about \$79,000.

The remaining money was for wildlife studies. Some of it was the wolf control program, and other wildlife studies that we are involved in. That was also mostly recoverable, leaving us with a net cost of about \$52,000.

So, basically, that is what it is in this department.

Mr. Porter: The monies that are recoverable from expenditure here, are they recoverable as a result of the General Development Agreement? Is that where the funds come from?

Hon. Mr. Tracey: Yes, they are recoverable because of our federal-territorial agreements.

Mr. Porter: Is the wolf control program a recoverable cost item?

Hon. Mr. Tracey: No, that is our own responsibility; the management of game.

Mr. Porter: The Dawson conservation office — is that the only direct renewable resource related expenditure undertaken here other than the wildlife studies? What other areas under the resource corps has there been money spent by the department?

Hon. Mr. Tracey: No, there are a great many areas. We built the conservation office in Haines Junction; we built one in Watson Lake; we have done quite a bit. The resource corps was utilized to, for example, to build the swimming pool in Carmacks; it was used throughout the territory for educational programs — that is what it was basically for. We had a joint agreement with the federal government, and this was an educational type agreement. That is why the Department of Education was involved in the first place. We had a great deal of problems with it, and that is why it is back in my department now. We have tried to finish all those projects by the 31st of March. The only one we did not get completed was the Dawson centre.

Mr. Porter: At this time, I would like to put the minister on notice that, in respect to some of the particular studies that are funded under this program, I will be raising more concerns in greater detail as a result of the budget.

Hon. Mr. Lang: In the Special ARDA program, the joint agreement is defunct as of the 31st of March. We would have to negotiate a new agreement, and I hope we can do so, but that agreement has run out, it has terminated.

Mr. McDonald: The minister spoke of expanding the Dawson office and building a conservation office in Haines Junction. I am wondering if the minister intends to fill the vacant office in Mayo

and, if so, when does he plan to do that?

Hon. Mr. Lang: Yes, we are attempting to fill the vacant position in Mayo; in fact, I think perhaps it will be filled very soon.

Mr. Porter: I really do not know why the minister brought up the question of Special ARDA in the last response, but am I to understand that Special ARDA is now a responsibility of this minister?

Hon. Mr. Tracey: No, that was an error; it was the resource corps that I meant.

*Operation and Maintenance in the amount of \$429,000 agreed to
Capital in the amount of \$36,000 agreed to
Department of Renewable Resources in the amount of \$393,000 agreed to*

On Government Services

Hon. Mr. Tracey: There are some overruns, as well, in Government Services. The major overruns are there because of the fact that we have taken over quite a few different facets of the government and we have run into some extra expenses. Some of those involved are rentals for four buildings; the increased rental fees for space alone was \$131,000 that we had to make up. The other major ones were some increased requirements for professional services to complete the payroll package that was done in Finance, some fairly small equipment rental increases, some increases because of personnel costs and Yukon bonus for some employees; and a \$64,000 increase in *Hansard* transcribing for cost-overruns. We only budget for so many days and, if we run over that period of time, we have to go on a supplementary.

So, basically, it is uncontrolled costs to my department because of the operation of other departments.

*Operation and Maintenance in the amount of \$334,000, agreed to
Department of Government Services in the amount of \$334,000 agreed to*

On Yukon Housing Corporation

Hon. Mr. Lang: Once again, the Housing Corporation has come in with a minimal overage, as far as the overall costs of running the Corporation. As is indicated, we are asking for \$4,000, and this is primarily due to the fact that we had advanced a number of purchases for maintenance programs throughout the territory; subsequently, we are requesting the Legislature to give their approbation for the expenditure which took place last summer.

*Operation and Maintenance in the amount of \$30,000 agreed to
Capital in the amount of a recovery of \$26,000 agreed to
Yukon Housing Corporation in the amount of \$4,000 agreed to*

On Loan Capital

Hon. Mr. Lang: I would just like to indicate to members the \$300,000 revised vote for the purposes of Loan Capital is a result of the \$300,000 loan that we made to the City of Dawson for the purposes of upgrading Diamond Tooth Gertie's.

Mr. Penikett: Since we approved this borrowing authority just over a year ago now, I am curious as to the government's intentions in terms of its new legal ability in this area. Does it have any other plans or commitments? I understand there may be some announced in the new budget, but what kind of things are they exploring? We gave, I believe it was, \$10,000,000 authority by legislation back in — I am sorry, I am confused about the dates — and I am just curious about the government's intention, in terms of the use of that kind of money; I do not mean in the next budget year, but in the long run?

Mr. Lang: We are still trying to establish with the various money markets just exactly what our line of credit would be and what our borrowing authority could be plus, most importantly, the interest rates that one would pay with respect to the purposes of borrowing from outside sources other than the Government of Canada.

With that in mind, we are doing work, within the government, to find out just exactly what our standing would be and, therefore, that translates itself to such a situation where, if the municipalities need money, they can get it at a much more reasonable rate than one could get outside in the banking institutions, because the amount

one would be borrowing would be of much more magnitude than they would be, depending on the capital works or the various programs that they were utilizing that particular money for. I am going on memory, but I believe if it is over a certain amount when they do go to borrow, legally they need our approbation to do that. There is no question about that legislatively. The policy, at the present time, as the government leader indicated, is to have our government lend the money to the municipalities, such as we did for Diamond Tooth Gertie's.

As far as the long term is concerned, we want to establish first just exactly what our financial position would be and it would depend on the projects that were forthcoming for the purposes of borrowing and whether or not we deem it in the public interest to invest money in certain areas. Only time will tell that. As projects come up, one way or another, they will have to be answerable for in this House.

Mr. Penikett: The government leader seemed to indicate to me the other day that the matter of our credit rating was already settled, in that we would be allowed to borrow at the credit rating of the Government of Canada for the time being until they had an established relationship with us. The minister seemed to indicate something different just now. Could he explain that?

Hon. Mr. Lang: That is the problem. At the present time, I am carrying about eight portfolios. Perhaps I should better leave those specific questions to the Minister of Finance because, perhaps, it has gone one step further than what I thought it had.

Loan Capital in the amount of a recovery of \$9,700,000 agreed to

Schedule A agreed to

*On Clause 2
Clause 2 agreed to*

*On Clause 3
Clause 3 agreed to*

Schedule B — Information only

Clause 1 agreed to

*On Title
Title agreed to*

Hon. Mr. Lang: I move that Bill No. 3 be reported out of committee without amendment.

Motion agreed to

Hon. Mr. Lang: Prior to giving the procedural motion to call the Speaker back into the Chair, I would like to inform all members that it is the intention that the House will consider second reading of the *Territorial Court Act* and also will be going into a clause-by-clause discussion of that particular bill, providing time is available. Further to that, as I indicated, if the Alaskans are in accord and the house leader on the other side is in accord, and he gave his undertaking, it would be our intention, time permitting, to invite the Alaskans back to the bar of the House for further mutual exchanges of information.

I 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. Philippsen: The Committee of the Whole has directed me to report that we have met with our friends from Alaska and we have discussed matters of mutual concern. Further, the committee has considered Bill No. 3, *Fourth Appropriation Act, 1982-83* and directed me to report the same without amendment.

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. Mr. Ashley: I move, seconded by the hon. Member for Porter Creek West, that the House do now adjourn.

Mr. Speaker: It has been moved by the hon. Minister of Justice, seconded by the hon. Member for Porter Creek West, that the House do now adjourn.

Motion agreed to

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

The House adjourned at 5:10 p.m.

The following Sessional Papers were tabled March 29, 1983:

83-3-7

Second Report of the Standing Committee on Rules, Elections and Privileges (Lang)

83-3-8

Fourth Report of the Standing Committee on Public Accounts (Penikett)

Appendix A

Yukon Hansard

Whitehorse, Yukon, March 29, 1983

MEMBERS OF THE ALASKA STATE LEGISLATURE SPOKE TO THE MEMBERS OF THE YUKON LEGISLATIVE ASSEMBLY IN THE CHAMBERS, MARCH 29, 1983, WITH THE SPEAKER, THE HON. DONALD TAYLOR, ACTING AS CHAIRMAN

TRANSCRIPTS

Hon. Mr. Taylor: Mr. Clerk, would you kindly escort our visitors to the Chamber.

At this time it gives me a great deal of pleasure to introduce to the House four members from our visiting Alaska colleagues who bear messages for us today, and I really am personally pleased that the Yukon branch of the Commonwealth Parliamentary Association was able to undertake this important interchange between the delegations of these two neighbouring jurisdictions; namely the state of Alaska and Yukon.

The Commonwealth Parliamentary Association is an association of parliamentarians who, irrespective of race, religion or culture, are united by community of interest, respect for the rule of the law and rights and freedoms of the individual citizen, and by pursuit of the positive ideals of parliamentary democracy.

It is then appropriate that under this umbrella of positive principle we welcome our Alaska visitors today to these Chambers. I am sure I speak for all hon. members in trusting that our joint discussions will be informal, informative and beneficial to all.

Before introducing our guest speakers I would like to quote from a couple of messages we have received from some members who were with this delegation, and were unable to attend. "Please accept my apology for my inability to attend the conference between Yukon and Alaska legislators. The group of legislators representing our state are among our finest leaders, ably prepared to discuss our mutual interest and concerns. It is my sincere hope that the conference will prove to be beneficial and will further the excellent relationship between the citizens of our state and the Yukon Territory". This is signed; Stephen McAlpine, Lieutenant-Governor of the State of Alaska.

I have also received a communication, from which I will quote: "I am very pleased that these meetings are being held. I feel strongly that the futures of the Yukon Territory and the State of Alaska will be closely intertwined and we have a great deal to learn from each other, a great deal to share. The commonalities we have make us closer to each other in many ways than we are with some of our respective sister states. It is with considerable pleasure that I recall the visit by some of your members to Juneau last year, and I am confident that each successive meeting between our governments will be increasingly fruitful". This is signed; Joe L. Hayes, Speaker of the House of Representatives.

Now at this time I would like to welcome our first guest to address the members today, and this is representative Mitch Abood, who lives in Anchorage. His republican majority coalition was elected to the House in 1980 and 1982, is the Chairman of the State Affairs Committee.

Mr. Abood: Good afternoon.

Mr. Speaker and Members of the Assembly, it is certainly a pleasure to be here among you today, and an honour to have been chosen by the Speaker of our Alaska House of Representatives to stand in for him at this council. I will neither suggest nor pretend that I can replace him, but I will do my best to convey his regrets in not being able to be with you, his very good wishes for a successful conference and his warm greetings to his fellow northerners.

I am exceptionally pleased to see this conference taking place and I personally expect to benefit from it. I am also hopeful that our

visiting delegations at our respective legislative bodies, our separate governments and our populations will benefit from it.

I had the pleasure of spending some pleasant and enlightening hours with a number of your members and other members from the Northwest Territories when we hosted a delegation in Juneau last year, and I anticipate great returns from the brief time we are spending here.

There will be much made of the similarities of our experiences and appropriately much should be made of them. We are close enough together in historic phase that each may learn from the other; that we may travel quite literally shoulder to shoulder to our separate but very similar destinies. At least, I certainly hope for the great Yukon Territory the same sort of success and satisfaction that we are trying to fashion in Alaska.

Now I do not mean in any manner to try to be a mentor to these of you who are probably not older, but somewhat wiser than I. I would, however, like to call your attention to a set of circumstances in the brief history of Alaska statehood, which may be of interest to you.

We began life as a state in much the same financial fashion as that in which we had lived for so many years as a territory. We were poor — we were perhaps not dirt poor, but we certainly did not have the wealth flowing into our state coffers like some of the older resource producing states. We had a fairly robust but not entirely untroubled fishing industry. We had a timber industry in the southeastern part of the state, which has always had its ups and downs, and I do not mean just for the tree climbers. We had a vigorous but small oil producing province in the southern part of Cook Inlet, and a relatively large military establishment spread into various parts of the state. Fortunately, we did have a fairly well-to-do big brother, as it were, in the federal government. This was a mixed blessing, as we discovered, since our parent government gives little without taking something away. Also, early on, we began to have encounters with those individuals who were soon to be unkindly referred to as "Greenies", the environmentalists, folks both personally and professionally interested in protecting the wild and unspoiled Alaskan environment. No one has ever assessed how much they might have contributed to the economy with their work here. It is certain, at least, that in the short term, they prevented or delayed a great deal of development which may have provided jobs and an economic base in Alaska. Over the long haul, we have learned to live with them and they with the developers among us, and in the final analysis I believe it will be judged that the compromises reached have worked to the long term benefit of all concerned.

In 1968 we had a bonanza. Oil was discovered on the northern edge of the continent, far above the Arctic Circle and on the beach of the Arctic Ocean at the frigid edge of the world and in the most hostile of environments. The black gold financial salvation of Alaska poured forth from the ground and the future suddenly brightened in a quantum leap for Alaska. For the nation's nearly perilous energy picture, and for the petroleum industry in America, new discovery at Prudhoe Bay offered riches beyond even the visionary Alaskans wildest dreams, and perhaps compares only to the discovery of gold.

The first effects on the Alaskan economy were psychological, as men in seven-league boots strolled across the tundra with their oil wealth and wizardry seemingly transforming the future. Then, in the fall of the following year, the first tangible proof of wealth gushed into the state coffers when those oil companies paid nearly a billion dollars just for the right to look for oil in a place where a short time earlier few had thought that anything of value might exist.

Now, of course, the reaction in the legislature was entirely predictable. After all those years of relative poverty, the urge to spend was irresistible. New programs were initiated, major construction projects were undertaken, maintenance matters too long ignored were financed; even a monthly bonus for pioneer Alaskan senior citizens was authorized and funded.

Now, at the same time, and on an on-going basis with the manipulations of the OPEC cartel pushing oil prices even higher, our imaginations went crazy. The giant construction project for the

trans-Alaskan oil pipeline assumed proportions which dwarfed any undertaking Alaska had ever known and expectations grew higher, plans grew wider, fingers got longer.

Although many frustrations were encountered along the way, the oil began to flow and Alaska's dream became a reality. We had more and more money, sometimes more than could be dealt with, or so we seemed to think. Some \$6,000,000,000 was available for appropriations in one year. We established what we called a permanent fund, which became Alaska's savings account. Soon after, a plan to share the permanent fund earnings resulted in the distribution of a cash bonus to virtually every man, woman and child who could demonstrate some reasonable proof that they lived in Alaska. That also brought headlines of crime — many headlines of crime.

None of these events are news to you, but occupied with your own concerns and the development of your own nation-like territory, you might not have noticed a sequence of these and other events which were taking place at the same time. The most dramatic of these latter events was the highly successful effort to conserve energy and its effect upon world prices. Suddenly, we became aware that Alaska wealth had not continued to grow, but had, in fact, begun to dwindle.

This year, we will be able to afford just half of what we had budgeted three years ago. While the value of the American dollar and the oil revenues continue to decline, the Alaskan population continues to grow and the demands on government increase daily. We are faced with the reality of turning back on expectations; we are forced to change our priorities, daily, I might add, for both near and the long-term future.

We are in another transition period, followed very closely upon the heels of an earlier one. We are finding that it is not an easy chore: in fact, it is extremely difficult and, in some cases, almost impossible. We have not entirely wasted the golden and historic opportunity which was ours, but we have been forced to adopt a kind of thinking which so short a time ago was alien to all of us but the most prudent and far-sighted among us.

We find now that we need to hold back an immediate enjoyment of our wealth so that we may effectively protect and preserve some of it, to usefully invest and employ some of it and learn that it simply cannot be expected to continue in an unending stream. We must unhook ourselves from the boom or bust economy cycles of the past.

Each Alaskan Legislature that has convened in the past dozen years has been told that it faced historic decisions; that the legislators would shape the generations of Alaskans in the long years to come; that prudence would now produce grateful heirs down the corridors of history. And, in other ringing phrases, each meeting was told that the future had arrived.

It is perhaps truer now; that the future depends heavily upon what we do today. We have confidence that we will make the right decisions and that we will benefit, as well as learn, from our errors of recent years.

In referring to Alaska and the Yukon Territory, we feel like outsiders to both governments; like we do not belong to our governments in many respects, because of our geographic remoteness.

There is a reason that I attract your attention to these facts at this time. Alaska presents to the Legislative Assembly of the Yukon Territory, its northern cousin or sister, if you will, in a very real sense, a Twentieth Century laboratory example of a population and a government coming into its own and the financial burdens and temptations which lie in its path. You may observe our path and see both our missteps and also where we have done the right thing. You may improve upon our achievements and avoid the pitfalls along the way. We are hoping that we will be able to achieve our expectations. It is our sincere wish that our enthusiasm will not be dimmed by the brief set-backs, but that it will be restrained by appropriate caution.

In conclusion, on behalf of Speaker Hayes and all of the members of the Alaska State Legislature, I would like to take this opportunity to thank you for your great hospitality and also for your invitation to share some of our mutual problems and, hopefully, some of our

mutual joys.

Thank you, Mr. Speaker.

Applause

Hon. Mr. Taylor: Thank you very much for your very informative words. I would like now to introduce to you, from the Senate of the State of Alaska, Senator Donald Gilman, who resides in Kenai, Alaska, is with the Senate Republican Minority Coalition and was elected to the Senate in 1980 and 1982.

Senator Gilman: Thank you, Mr. Speaker. With your indulgence, I would like to read a letter from the President of the Senate, Senator Jalmar Kerttula.

"Dear Members of the Assembly, Friends: It is an honour to have the opportunity to send you best wishes from the Alaska State Senate, care of Alaskan Senator Don Gilman. He and I are organizational competitors and in this mission he wins again. I sit in Juneau and he gets to meet with you in Whitehorse. As an Alaskan, I can say we feel close to northern Canada. We have the same history and believe fervently that the future is ours.

The fact is, Ottawa, Washington, London and Wall Street have used us more than served. This knowledge only makes it more imperative that the northern tier works together and keeps an economic and political tie and always communicates with each other.

"As a youngster, I always knew I was home when my light aircraft or auto crossed into the Yukon and, to this day, I can see the roadhouse operator in late summer, tired of the tourist, give me a hearty smile when he sees my Alaska licence plate. All Alaskans wish you and this conference success. Cordially, Senator Jalmar Kerttula, President of the Alaska State Senate".

I would give that to you, Mr. Speaker.

As usual, I have to follow Representative Mitch Abood and it is not the easiest act in the world. If you would look at his name, Abood, it would not take too much of a scholar to realize that that has an Arabic origin. This, ladies and gentlemen, is the original blue-eyed Arab of the North. I have wanted to do that for about three years on different occasions.

As usual, my colleagues from the House have pre-empted the remarks that I had prepared and I have had to go back through and redraft my comments or run the risk of some redundancy, and I do not think that we need to have that today.

We have discussed, this morning, however, with a number of the ministers and representatives of the bureaucracy, items that we knew were items of mutual concern. We have talked about the resource monies that Representative Abood spoke of. The fact that those of us, states, provinces and even countries, that are heavily dependant on petroleum revenues and mining revenues, really do not always have control of our destinies.

This past year that point in our economy and the world's economy has been dramatically driven home. Decisions that are made in hot and sandy places on the other side of the earth affect whether we can afford to put a sewer system in a village in interior Alaska. I think it is the same here with Yukon mines. We have talked about the employment both here and in Skagway, in Yukon and White Pass Railroad, this morning. And, as neighbours, we also face other issues: management of game was mentioned in question period. Those caribou do not seem to pay any attention as they cross our borders.

Our transportation plans and our tourism plans, we discussed this morning. They must also mesh to yield maximum benefit to all our people. That was one of the reasons that I was particularly interested in coming, because I was so impressed with what I had seen in the highway system, having not been on the highway system for 15 years and driving it just last January. In fact, we have a saying that we discuss in the lounge and on the floor, that we should require every engineer in our Department of Transportation to spend at least one year in the Yukon to learn how to build roads that hold up in a northern climate.

I would like to transgress from this for just a minute, because we had a discussion last night at the social hour and one of the points that seemed to be in question as we talked about the differences in our political system was the points of legislative re-apportion. I have a point to make on this. By the time I get done, I hope it will

come through.

We have 20 senators and 40 house members and an elected executive with immense constitutional power. I am sure that you all know that. What you may not know is that in our process, called re-apportionment, which is under the U.S. Supreme Court Rulings, we must have what we call one man, one vote. Or, each legislator must represent approximately the same number of people.

In our state, the governor, after every decennial census — even 1970, 1980, 1990 - must re-apportion the legislature. The governor re-apportions the legislature. You can imagine what that does to the political system. He has to do that under the guidelines set down by the U.S. Supreme Court. Governor Hammond had a grand plan that he was going to have senators represent much larger, broader interests than house members. He worked with that plan almost a year and, as a result, every legislator but two, in the Alaska Legislature had to re-run. Two senators did not have to re-run and, of course, all the House. We have to live with this plan for ten years. The result, this year, is that we have 26 new House members and six senators who are new out of the 60 members. I mention this because in future discussions between the state and the territory, I think you are going to find the same questions being asked. I think you are going to find that it is possible that we are giving the impression that we are re-inventing the wheel because of the large turnover that we have in our legislative body.

15 Fortunately, I think this may be true, and I hope that, as we have additional visits back and forth, there will be people from our delegation at least, and certainly from yours, who can keep the continuity. I know last year many of the members that visited. It gives you a little bit more continuity in the discussions.

I, for one, appreciate your hospitality and the warmth and openness with which we all have been welcomed. I believe there is much we can learn from each other, in many ways, on how people and governments can cooperate, and I really feel that these meetings are beneficial.

(Applause)

Hon. Mr. Taylor: Thank you, Senator Gilman.

Next, I would like to introduce to you Representative Jack McBride. Jack is from Ketchikan, Alaska, and is with the Democratic Minority and was elected to the House in 1982.

Mr. McBride: Mr. Speaker and Members of the Assembly, I would like to talk a little bit about the continuity that Senator Gilman just talked about. A quick thing that I think we, at least, in southeast Alaska and probably all of Alaska would think about that we have in common with the Yukon Territory would be the White Pass railroad. But I just wanted to show you how important it was; it is just not a situation that affects Whitehorse and Skagway. We have tour ships that come through southeast Alaska that this year will carry about a hundred thousand tourists, just on the tour ships, through Ketchikan. A big number of those will stop in Skagway and a big number will come on to Whitehorse.

Skagway is just part of a package. Ketchikan has totem poles, Ketchikan has Creek Street. As you go on up, Sitka is a real historical town; they have things, so, if you can understand it, Ketchikan and Skagway and Sitka and Petersburg and Wrangell and Whitehorse are all part of a package, which extends then on into Anchorage and Fairbanks.

So, this affects a great many people in the marine industry and now we are talking about extending into the Seattle area and into the Vancouver area. So we now find that we have a connection with what we call the "Lower 48" and which you folks still call, I understand, "the outside". Just a few of us old-timers still call it "the outside" down in our area.

Then we have the importance of getting the minerals back the other way. The minerals you have here, and the same as in Alaska, all go somewhere else so, without the 'someplace else' and the marine industry and all the other jobs that are created, Whitehorse and its mineral industry, is part of the problem right now.

Tourism is connected with the outside; it may go as far away as Los Angeles and Atlanta, Georgia, and I am sure you see a great number of those people up here.

Then, we have energy requirements which are basically the same,

and at one time Ketchikan was talking about having an inter-tie with Prince Rupert in British Columbia.

So I think, as we go on down the road in time, we are going to find that we are going to be connecting in our energy resources. There is talk of the Stikine Dam, which is also in British Columbia. So I think we will find some things such as those.

Then we have fishing issues. It is an economic way of life; instead of cash, we have food to eat. The Yukon River runs many miles through the State of Alaska before it gets into your Yukon Territory. So, those are issues that are just as important as the cash economic issues to both your people and to our people.

So, I just wanted to say — and I agree with Senator Gilman, after this, this guy always goes last — how what happens in Whitehorse stretches and how important it is that we keep working together. What happens in this town here affects Ketchikan and beyond.

Thank you.

(Applause)

Hon. Mr. Taylor: Thank you, Representative McBride.

I would now, last but not least, like to introduce to you Representative Randy Phillips. Randy's home is Eagle River, in Alaska. Randy is with the Republican Majority Coalition and was elected to the House in 1976, 1978, 1980 and 1982. He is also vice-chairman of the Rules Committee.

It gives me great pleasure to introduce Randy and, particularly, to say how much, I am sure, my staff appreciates the very hard work he has done in coordinating this visitation in addition to his other responsibilities.

Mr. Phillips: Thank you, Mr. Speaker, Honourable Members of the Yukon Legislative Assembly and to the people of Yukon. It is a pleasure to be here with you today and, on behalf of my district and the State of Alaska, I want to thank you for the opportunities that these meetings will offer during the next few days.

Both Alaska and Yukon have much in common: geographic location, climate, history, cultural heritage and political situations. Our common experiences and differences can teach us both. The very nearly parallel, although paths we travel will occasionally differ, but they are both aimed at the high goals set for brighter futures for our respective peoples.

As much as each of our jurisdictions is a union of different national governments, there are many ways in which Yukon and Alaska have more in common with each other than each does with its respective federal governments; ours with Washington, D.C., and yours with Ottawa. We share the unique characteristics of new governments, of life in the north, of being sparsely populated with resource-oriented economies and, in some ways, being at odds with our respective federal governments. We, in Alaska, are acutely aware of the covetous eyes cast in our direction by some of our eastern seaboard states, concerning our land, resources and our free and open way of life. A Yukoner is no stranger to such feelings.

The work sessions we will hold here will highlight many of these similarities and differences and will provide opportunities to share possible solutions to the problems we face. As unique as both of our situations are, I have no doubt that we have devised quite different solutions in some cases. Still, we can work together and move together in the future by sharing experiences. We can benefit from each other's history being made.

I have a personal and particular interest in your parliamentary form of government. I have developed a sufficient acquaintance with it to recognize many of its differences — and I must admit that I greatly admire some of the functions which are foreign to Alaskan government. I can appreciate some of the singular strengths which your parliamentary form of government enjoys, and which I feel might well, in a modified form, benefit Alaska. We are, after all, barely a quarter of a century old as a state and we are still developing our institutions and traditions, and our governmental form continues to be toned and refined as we work with it. I am confident that the similar and different experiences you had in working with both the time-honoured and innovative forms of government can be useful for us Alaskans. This is my particular interest in this conference and I will likely approach many of you with questions which seem simple to you, but might embody a potentially exciting adaptation of something I

have seen or heard here.

A major and growing concern in Alaska is its true identity with respect to our federal government. While we seek no greater liberties or independence from Washington than we would expect any other state of the Union to enjoy, we do believe strongly that our very particular circumstances change the effects of the relationship in many ways and we are seeking to have those differences defined and resolved.

It is very difficult to have large areas of what we may or may not do within our federal or state relationship as determined by members of our U.S. Congress, only a few dozen of which have even set foot in our state. I am sure the Yukon experience with Ottawa bears many of these same marks.

Our two freedom-loving and independent peoples have a great deal to share. The international boundary which separates us should never deter us from seeking better and stronger relations between Yukon and Alaska and will help provide a brighter future for all of us.

I want to thank you for extending the invitation to visit with you and look forward to an enjoyable and productive visit. Last, but not least, let it not be said that never the twain shall meet; rather, that always the twain shall meet and shall be side by side in the north.

Thank you very much.

Applause

Hon. Mr. Taylor: Thank you very much, Representative Phillips.

I think at this time it was the will and wish of the House that members may, on a more informal basis, meet with our visitors, so, we will thank you all for your very kind addresses and I am sure I speak for all members in saying that they have been informative and will be given much consideration, I am sure.

Mr. Clerk, I wonder if you would kindly escort our visitors to the Gallery?

Applause