



# The Yukon Legislative Assembly

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Number 16

3rd Session

25th Legislature

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## **HANSARD**

**Thursday, April 21, 1983 — 1:30 p.m.**

Speaker: The Honourable Donald Taylor

# Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake  
DEPUTY SPEAKER — Andy Philipsen, MLA, Whitehorse Porter Creek West

## CABINET MINISTERS

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

## GOVERNMENT MEMBERS

### (Progressive Conservative)

Bill Brewster	Kluane
Al Falle	Hootalinqua
Kathie Nukon	Old Crow
Andy 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

**Whitehorse, Yukon**  
**Thursday, April 21, 1983 — 1:30 p.m.**

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

*Prayers*

**Mr. Speaker:** It is with a great deal of pleasure that I introduce to you a new page, Barb Gee, coming to us from F.H. Collins School. I would now invite Barb and all the pages to attend the House.

#### DAILY ROUTINE

**Mr. Speaker:** Are there any returns or documents for tabling?  
 Reports of committees?  
 Petitions?  
 Introduction of bills?

#### INTRODUCTION OF BILLS

**Hon. Mr. Pearson:** I move that Bill No. 9 entitled, *An Act to Amend the Public Sector Compensation Restraint (Yukon) Act*, be now introduced and read a first time.

**Mr. Speaker:** It has been moved by the hon. government leader that a bill entitled *An Act to Amend the Public Service Compensation Restraint (Yukon) Act* be now introduced and read a first time.  
*Motion agreed to*

**Mr. Speaker:** Are there any further bills?  
 Notices of motion for the production of papers?  
 Notices of motion?  
 Are there any statements by ministers?  
 Are there any questions?

#### QUESTION PERIOD

##### Question re: Cyprus Anvil

**Mr. Byblow:** I will direct my question to the government leader. Extending from the announcement yesterday, regarding the aid package for Cyprus Anvil, I want to confirm a couple of matters relating to this government's financial contribution. Has this government now clearly committed \$1,000,000 in each of the next two years towards topping-up wages under Section 38 for workers engaged in the stripping program at Faro?

**Hon. Mr. Pearson:** Maybe he should more properly ask the Minister of Indian Affairs and Northern Development. There is no doubt about it; yes, we have. We have told him this on a number of occasions; we have made that commitment in writing to the Government of Canada. I honestly do not know what else he can expect from us.

**Mr. Byblow:** I thank the government leader for confirming that fact.

I would like to now ask him if it is this government's intention to table immediately, that is, at least in this session, the required supplementary to release the necessary \$1,000,000 estimated for this year?

**Hon. Mr. Pearson:** It is not required that we table supplementary estimates in order to enter into this agreement or to release, if you will, the money. We have stated very publicly and very, very clearly that we will be tabling supplementary estimates in the future, in respect to this, should the need arise. It is obvious now that the need is going to arise; we will be tabling supplementary estimates, but it is our prerogative when we do that.

**Mr. Byblow:** Yesterday, the acting government leader said that the Yukon government would be foregoing \$600,000 in property taxes from Cyprus Anvil this year. Could the government leader, or the minister who stated it, clarify just what arrangement is precipitating this particular reduction in property tax to the company?

**Hon. Mr. Lang:** I believe it is in the *Taxation Assessment Act*

and it has to do with whether a mine is in production or not in production. Once it goes out of production, then the tax payable is, I believe, 50 percent of what would be payable if the mine were in production.

The same situation would apply to any other mine in the territory, but the point that I was making was to emphasize the lack of revenue accruing to the Government of the Yukon Territory to enable it to carry out its social and economic policies through the budgets that are passed here.

##### Question re: *The Children's Act*

**Mr. Kimmerly:** I have a question to the government leader. It is a matter of government policy that the consideration of *The Children's Act* will not involve a select committee?

**Hon. Mr. Pearson:** Yes, as I have indicated, I believe, on one other occasion, we were hopeful that we were going to be able to leave *The Children's Act* in Committee of the Whole so that if people did have some concerns that they wanted to express to us they would be able to do that. We had to change our thinking, because, in fact, we are required by the federal government to pass this legislation and to have it in force so that when the *Young Offenders Act* comes into force on October 1st, 1983 — which we have been told in no uncertain terms is going to happen — we must have *The Children's Act* in place.

We said then that what we would do is table the bill in the House, and we will leave it tabled in the House for as long as we possibly can before having to deal with it. But we must deal with it at this session.

**Mr. Kimmerly:** As a supplementary to the minister responsible for the bill: what policy reasons are there for the bill not going to a select committee?

**Hon. Mr. Tracey:** The leader of the government has just given the reasons why it is not going to a select committee and that is the long and the short of it.

**Mr. Kimmerly:** A supplementary to the government house leader: in view of the complexity of this bill, will the minister reconsider the select committee procedure in order to expedite House business?

**Hon. Mr. Lang:** I think the member opposite has heard the government leader express the wish of the government with respect to the legislation that the member speaks of, and that is the process that the bill will be considered in.

##### Question re: Wildlife husbandry

**Mr. Porter:** My question is directed to the Minister of Renewable Resources. Can the minister state his government's position on wildlife husbandry in Yukon?

**Hon. Mr. Tracey:** Our position on wildlife husbandry in the Yukon is the same as almost every other Yukoner's. What we want to do is protect the wildlife we have here but make the most, and best, use of it that we possibly can. In other words, we want to operate under the meaning of the word "conservation"; wise use and management of our resources.

**Mr. Porter:** I understand that the government was presented with a proposal regarding the introduction of Wood bison to the Nisling River area of Yukon. What has been the government's response to that proposal?

**Hon. Mr. Tracey:** So far, the response has only come from myself; I am in favour of it. However, it has not gone to Cabinet for a decision and, until that time, I could not give a government response.

**Mr. Porter:** What has been the government's response to the two proposals regarding elk ranching in Yukon?

**Hon. Mr. Tracey:** As far as the ranching of elk, that is a proposal that would have to be put to this government. As far as I know, I have never seen any proposal put to me, so far.

##### Question re: Justices of the Peace

**Mrs. Joe:** I have a question for the Minister of Justice. I understand that Vi Campbell, a recently appointed, untrained justice of the peace in Dawson City, has been signing documents as a JP. Could the minister confirm to this House if this information is

correct?

**Hon. Mr. Ashley:** If, in fact, the person who has been appointed a JP in Dawson City, Vi Campbell, is signing documents, it means that she has been trained by the JP who is sitting and knows what documents are to be signed; that is the only reason she was appointed and sworn in.

**Mrs. Joe:** Could the minister advise this House of the extent of her training and when it took place?

**Hon. Mr. Ashley:** That is rather ridiculous, but there has been a circuit court through, so the judge who was there certainly has put her through one training course, and the JP who is sitting is one of the more experienced JPs of Yukon, one of the other JPs in Dawson, Mr. Billton.

**Mrs. Joe:** Last night, the minister said that the JP appointments were not political. Can he explain to this House why he appointed his campaign manager as a justice of the peace?

**Hon. Mr. Ashley:** I did not recommend Vi Campbell for that position; that came from another source totally. It was the JP Council that recommended her to Cabinet.

#### Question re: Reindeer ranching

**Mr. McDonald:** We have heard about elk and buffalo ranching; can the minister tell us the policy regarding reindeer ranching in Yukon?

**Mr. Speaker:** Again, I would ask the hon. minister to be very brief, as this type of question is very difficult to answer.

**Hon. Mr. Tracey:** There is no policy. None of those agricultural-type operations would be allowed to go on until a proposal was put to the government and was considered by the government and by my department, so there is no policy. If someone feels he has a legitimate operation and could make money at it, or if it is beneficial to the territory, we are willing to consider it.

**Mr. McDonald:** As ranches of this sort require the use of large tracts of land, is the Yukon government willing to assist in negotiations with the federal government on the ranchers' request for the use of the land?

**Hon. Mr. Lang:** I think that, rather than us negotiate with the federal government for the use of the land, I think that it would be much better if we would negotiate with the federal government to have the land turned over to us so that we could make it available if it is required.

**Mr. McDonald:** Can the minister say whether successful reindeer ranching efforts will prompt the government to review its policy of refusing the commercial sale of wild game and will the government consider hiring a meat inspector to facilitate the inspection for sale of herd animals, should commercial numbers exist?

**Mr. Speaker:** The question would appear to be hypothetical; however, if the minister wishes to answer it, I will permit it.

**Hon. Mr. Lang:** It is a hypothetical question, and we are not dealing with reindeer; they are not considered wild animals, they are domestic animals.

#### Question re: Whitehorse Indian band relocation

**Mr. Penikett:** I have a question for the Minister of Municipal and Community Affairs concerning the Whitehorse Indian Band relocation. Since this move was first initiated by the government, could the minister indicate what consultations have occurred about the move among the three levels of government involved?

**Hon. Mr. Lang:** As far as I know, everything that has been happening to date has been reported in the newspaper and subsequently he could refer to any newspaper articles on the subject.

**Mr. Penikett:** A most unusual answer from a minister of the Crown on a very serious question. Since this issue has been previously discussed between governments, the important matter of the form of local government for the band involved has been the subject of intense discussion. Could I ask the minister, specifically, what form of local government has been agreed to by all parties, including this government, for the newly relocated band?

**Hon. Mr. Lang:** As the member opposite knows, this government has always advocated the, quote "one-government system"

and therefore such transfer would have to be under that principle, with the City of Whitehorse agreeing to it. Where the situation now lies is that the Indian band has indicated that it would like to very seriously sit down and look at Hillcrest as a possible area for relocation. There have been some preliminary discussions between the various levels of government and that is where it presently is. It would seem, somewhere down the road, of course, that I and the City Council of Whitehorse will have to become involved, as well as the Department of Indian Affairs.

**Mr. Penikett:** I thank the minister for his answer, and I take it the final determination of that question has not been made.

Could I ask the minister, then, since when the Hillcrest subdivision was first being developed, extensive discussions were held with Hillcrest area residents and their representatives by way of a number of public forums, are similar meetings planned now that the sale of lots is actually at hand?

**Hon. Mr. Lang:** No, not at the present time. The reason for the meetings that the member opposite referred to was to try to develop and complement the existing infrastructures there as well as look at future extensions to the present subdivision. That was the reason for the meetings: to look at plans and the infrastructure that would be put into place. In respect to the actual sale of lots, I think really that is a decision of the Government of the Yukon Territory, in consultation with the City of Whitehorse, since in the short-term as well as long-term they would have to take over the operation and maintenance of that particular facility.

#### Question re: Cyprus Anvil employees

**Mr. Byblow:** My question is, again, to the government leader, on the subject of the unemployed workers who will either be left in Faro or forced to leave as a result of the stripping program announced yesterday. Recognizing the need to retain a necessary workforce for the eventual re-opening of full production at the mine, what steps does this government have in mind to keep as many of the qualified workers as possible from the community in Yukon?

**Hon. Mr. Pearson:** We have, in fact, accelerated capital programs; we have an extensive capital budget for this summer, and we also have a free-balance in our budget that we have said publicly we are prepared to commit a fair amount of towards make-work projects, if we can get similar help from the Government of Canada. We are in no position, as a government, to be able to carry out this kind of work ourselves, and the government of Canada does have a responsibility to participate with us in programs like NEED.

**Mr. Byblow:** Beyond the make-work programs that the government leader has identified, will this government be examining any available funding from the recent federal budget to see if monies that are identified for public works and infrastructure acceleration could be applied in Yukon?

**Hon. Mr. Pearson:** Of course, we will be. I must confess, I have not seen the budget documents yet. One set arrived in the territory this morning. A very quick glance and a careful listen to the budget speech would indicate that there does not seem to be much for the north in that budget. Certainly, one of the things that we thought was going to be highlighted in the budget was going to be the announcement that the construction of the Whitehorse Airport, and some \$3,000,000 worth of work there, was going to be moved up and done this year. I am told that there is no reference to that specific project in the budget documents.

**Mr. Byblow:** Is it the intention of this government to re-examine its own capital spending priorities to consider the possibility of the project of the access road in the community?

**Hon. Mr. Pearson:** No. We have put together our capital projects program for the summer knowing full well that we were going to be facing a summer of high unemployment in the territory. We have tried to work towards jobs that are labour intensive. There is no need for us to re-evaluate that program at this point.

#### Question re: Federal-territorial agreements

**Mr. Kimmerly:** A question to the government leader: as a matter of government policy, are federal-territorial agreements considered public documents?

**Hon. Mr. Pearson:** Yes. We have to get the approbation of this

House for the signing of most federal-territorial agreements. I heard a newscast and understand where the question is coming from. I will be interested to hear what the supplementary is.

**Mr. Kimmerly:** An interesting supplementary to the Minister of Justice: is it a matter of policy in the department that the department keep a copy of documents that it signs?

**Hon. Mr. Ashley:** Certainly, we have working copies of documents. I explained in the House, last night, that a copy of the RCMP Agreement — which is what the member opposite is talking about — had to be left in Ottawa to be ratified by the Commissioner to make it legal. What my intention was, was to table that document in this House once I had it returned. I have still not received it, as I told the member opposite. He has obtained a copy of it; that is great. When I got it, I had intended to table it in this House, but I do not have the legal agreement as of this date.

**Mr. Kimmerly:** The minister said yesterday, and I quote, on page 228, "I have not been back to Ottawa to pick it up". Will the minister not agree that that would be a flagrant abuse of ministerial travel funds?

**Mr. Speaker:** Order, please. That question is quite out of order. Seeking opinions of a minister are contrary to the rules of the question period.

#### Question re: North Slope development

**Mr. Porter:** My question is for the Minister of Renewable Resources.

In a document entitled "Northern Yukon Resource Management Model", there is provision for the creation of four separate, distinct management zones on the North Slope of Yukon. Can the minister inform the House as to the status of this document and the level of progress his government has achieved with implementation of its recommendations? Is there an on-going process set up with the federal government to discuss the document?

**Hon. Mr. Tracey:** The booklet entitled "Northern Yukon Resource Management Model" is the policy of this government and it is our intention, when we bring in the management and land-planning regime in northern Yukon, to follow that document. As of this date, it has not been implemented. We fully expect, through negotiations, to have it implemented as soon as we possibly can; however, it has not taken place as of yet.

We have just passed legislation to deal with land-planning in the southern Yukon.

There are a great many things going on in the North Slope, including negotiations with Gulf Oil and with the federal government, and also the COPE claim and, when some of those are resolved, we will proceed and follow our plan.

**Mr. Porter:** The document also calls for a series of studies and resource inventories to be conducted. Have any of these studies been initiated or completed?

**Hon. Mr. Tracey:** A great many of the studies have been done and some others need to be done, but, yes, over the last few years, there have been a great many of those resource studies done. We have a lot of information on the North Slope; in fact, stacks of information on the North Slope and northern Yukon. There are others that we need and we will be getting those as time goes by.

**Mr. Porter:** Can the minister give the House an update as to the establishment of the Northern Yukon Resource Management Advisory Committee? Is this committee functioning at the present time?

**Hon. Mr. Tracey:** No, it is not functioning at the present time.

#### Question re: Affirmative action for public service women

**Mrs. Joe:** I have a question for the minister responsible for the Women's Bureau.

On March 30th, I asked the minister about his government's commitment to an affirmative action program for women within the public service. He said he was aware of it at that time. Could the minister now tell me what steps the Women's Bureau has taken to develop or implement this program?

**Hon. Mr. Ashley:** I will have to get back to the member opposite on that.

**Mrs. Joe:** I would also like to ask the minister, at this time,

what stage the program is in and, when he does get back to me, I would like that information included in it.

#### Question re: Transfer of land to Yukon

**Mr. McDonald:** I have a question for the Minister of Agriculture. The minister has stated that once Yukon had an agricultural policy the federal government would have to transfer agricultural land to territorial control. Has the minister received any documented verbal or written assurances that the policy is acceptable and that land will be transferred after land claims are settled?

**Hon. Mr. Lang:** When I made that statement, I referred back to the verbal assurance that I got from the Minister of Indian Affairs approximately a year and a half ago. My understanding is that they are trying to identify areas that could be used for the purposes of agriculture. From my perspective, of course, I cannot foresee any problems in transfer because I believe the people of the territory have a right to the land. Perhaps the leader of the official opposition can help me out by phoning his dear friend and seeing just exactly what the position of the Government of Canada is.

**Mr. McDonald:** The key word was "documented" assurance. I wonder if the minister could provide documented assurance? Has the Agricultural Development Council approved applications for federal land, and has any of this land been transferred to territorial control?

**Hon. Mr. Lang:** I understand they are reviewing some areas. To my knowledge there have been no recommendations to approve any particular proposal.

**Mr. McDonald:** I would still like documented assurances if the minister could provide them. Will the Agriculture Development Council be visiting Alaska in the future, to review the Alaskan agriculture experience, and will the opposition agriculture critic be invited to attend along with them?

**Hon. Mr. Lang:** I have no opposition to the member opposite leaving today to review the agriculture program in Alaska, but there is a possibility that I may invite the Agriculture Development Council to accompany me to have a look at some of the areas that have gone into production, to see what ideas can perhaps be implemented here in Yukon.

#### Question re: Private correspondence

**Mr. Penikett:** I have a question for the government leader, but I might say, in passing, to the Minister of Municipal Affairs that, as an old Tory said, "verbal assurances aren't worth the paper they are written on".

**Mr. Speaker:** Would the hon. member please get to the question.

**Mr. Penikett:** I certainly will, Mr. Speaker. Recently, I had cause to be concerned that private correspondence from my office on behalf of constituents to ministers may have been the subject of discussions outside this government. I would therefore ask the government leader if it is his policy to permit such correspondence to be the subject of discussion between officials of this government and private citizens?

**Hon. Mr. Pearson:** I think I would have to know more specifics. If the leader of the opposition could come to see me about it, I am sure I could give him an answer at that time.

**Mr. Penikett:** It is my intention to speak to the government leader privately, but I want to know as a matter of policy: is it the position of the Government of Yukon that public disclosure by Cabinet ministers or Cabinet officials of a private matter that comes to that person's knowledge by virtue of his office is, in fact, a breach of trust and potentially a violation of the minister's oath of office?

**Hon. Mr. Pearson:** Once again, I respectfully submit, it is a very hypothetical question and one that I cannot answer with any certainty at all at this point.

**Mr. Penikett:** I want to ask, not a hypothetical question, but a question of fact. Has the government leader, following the swearing of the present Cabinet, had occasion in his capacity as the presiding officer of the Executive Council to apprise his colleagues of the

specifics of the oaths of office that they are required to swear upon assuming their positions?

**Hon. Mr. Pearson:** No. It is not quite a year ago that my colleagues and I swore our oaths of office. If the leader of the opposition feels that I should remind them of their oaths every so often, I would be more than willing to talk to him about that.

**Mr. Speaker:** This brings Question Period to a close.

#### Point of Order

**Mr. Penikett:** On a point of order. I had intended to put this as a question but it is perfectly acceptable as a point of order. Could I ask the government House leader if he may be able to give the House his intentions as to House business next week?

**Mr. Speaker:** I will permit the answer to that at this time, but if members have questions to ask in the Question Period, please do so. From here on in, when the Question Period is over, it is over, as is the procedure in all other legislatures.

**Hon. Mr. Lang:** It will be our intention to concentrate on the budget, going through it clause-by-clause. I have also indicated to the opposition that they should be ready to discuss, perhaps, even Monday, the second reading of *The Children's Act*.

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

**Mr. Penikett:** I move that Mr. Speaker do now leave the Chair and the House resolve into Committee of the Whole.

**Mr. Speaker:** It has been moved 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.

*Motion agreed to*

#### COMMITTEE OF THE WHOLE

**Mr. Chairman:** I will now call Committee of the Whole to order. We will have a short break.

*Recess*

#### 12 Bill No. 5: Continued

**Mr. Chairman:** I will now call Committee of the Whole to order. I would like to inform members of the House that, after we complete Justice, we will be returning to Municipal and Community Affairs in the budget. We left off yesterday on justice, under court services, on territorial court.

*On Territorial Court, continued*

**Hon. Mr. Ashley:** I have some answers to some questions and that is probably the best way to start. It was asked if all JPs were coroners and if coroners were trained. JPs are not all coroners. We have only 28 coroners in Yukon. The practice now is to have the coroners briefed by the chief coroner and our chief coroner is always available for assistance or for advice, so they are not left out on their own. Our chief coroner is very accessible. That is different from the system that was used when the members from the opposition were in their positions of judge and JP.

**Mr. Kimmerly:** Yesterday evening, I asked a question about the budgetary balancing and priorities concerning the frequency of territorial court circuits outside of Whitehorse. Is the minister able to answer that question?

**Hon. Mr. Ashley:** Yes. The circuits have been arranged by the chief judge. It is one of his duties. I believe that the question was asked about emergency sittings and that sort of thing. We do hold them, if necessary. We would either go to the community or bring the accused in. That all depends upon the discretion of the chief judge; it is totally up to him, depending on when the judge can leave because of other pressing matters that are in front of him here or in whatever circuit he is on.

13 *On Territorial Court*

*Territorial Court in the amount of \$701,000 agreed to  
On Sheriff*

**Mr. Kimmerly:** I wonder if the policies of escorting prisoners outside the territory are in the process of change, and what may we expect next year in this regard?

**Hon. Mr. Ashley:** That process would be extremely expensive for this department. We have managed so far to keep negotiating with the RCMP and do that task with them. It is much less costly to us in that manner, because then it is partially shared with us by the federal government.

**Mr. Kimmerly:** If the minister refers to the new Territorial Agreement, section 10(2)(j), the particular question is dealt with. Is it the intention in the next budgetary year that the Police Services Agreement will not be put into effect with regard to that particular section?

**Hon. Mr. Ashley:** It is being done regardless of this agreement, right now, and that is how we hope to keep it, as long as we can.  
*Sheriff in the amount of \$134,000 agreed to  
Court Services in the amount of \$1,121,000 agreed to  
On Legal Aid*

**Mr. Kimmerly:** Firstly, about the program objectives at the top of the page, there is a reference to people coming into conflict with the law. The program also covers civil cases. I wonder if the objectives will be amended in future years to cover that?

14 **Hon. Mr. Ashley:** Yes, it certainly is a point well taken.

**Mr. Kimmerly:** Concerning the supply of services, I realize that there were discussions with the law society on the point. I would like to make a few points which I believe should be made about two general issues. The first one is the least important, and that is the distribution of work among members of the bar of the Yukon. I suppose I should declare an interest in this area. I will. I am member of a law firm that does do legal aid under the plan and I therefore do have a monetary interest and I do declare that.

After doing that I would like to speak on general issues. Firstly, the *Legal Aid Act* clearly says that the work shall be distributed among the resident lawyers. I forget the exact wording but the intent is an equal distribution to the lawyers who wish to participate in the plan. In good times there is no problem about that but in bad times, there occasionally is. I have no personal conflict or interest in that area, in a practical sense; however, some lawyers do. The issues are these: that occasionally some cases are handled by, and given to, non-resident lawyers, and on at least one or two occasions in the last year there are some resident lawyers who have felt that the expertise to do the case exists in the Yukon, and it was wrong to refer the case outside. I would raise that as an issue that was the subject of comment in the legal community in the last while. It is not a very frequent occurrence.

The other occurrence is: there are some lawyers who, I believe, have actually complained about the distribution of circuit work, especially the more lucrative work. There are some lawyers who are not members of the law society, as the society is currently registered, but may be members of the Canadian Bar Association, which is constitutionally a different body, and are all licensed to practice.

15 Those people may not be adequately represented by the society. I raise that as an issue which ought to be dealt with.

I had asked about the issue in Question Period, a long time ago, and the minister commented that the distribution of cases was within the legal framework of the act. It is my opinion that that is not always true and there are ongoing discussions to correct the process. The legislation needs looking at and I understand the department is doing that presently.

Another issue is that the Law Society has divided lawyers into various categories, senior and junior lawyers, with a view to supplying a better service by restricting some junior lawyers from some kinds of cases. It is my opinion that that is strictly not within the purview of the existing legislation and, if it continues, the legislation ought to be changed to reflect that. It could be a serious issue.

I raise those points simply to ensure that in the negotiations in the future, concerning the legislation expected in the fall sitting, that those points are dealt with. They will reappear as issues, I am sure, under the new legislation.

Much more importantly, I am interested in the scope of the program. I want to make it quite clear that I realize that there are budgetary constraints and I realize that there are policy matters to balance in the planning of the allocation of funds. However, I wish

to say, as a practicing lawyer who participates in the program, it is my opinion that, at some times in the year, there is very little difficulty in getting legal aid certificates in appropriate cases and, at some other times, specifically, at the end of budget years, as everybody knows, when the program is going over budget, or at the end of the budget, there is a tightening up and the certificates are not allocated quite as easily.

<sup>16</sup> Although, from a budgetary point of view, that is understandable, the citizens, or the people who are involved, certainly do not understand it. There is potential for abuse in that a person may get legal aid at one time of year and, for exactly the same case, be refused at another time of year. I say it is my opinion that that does occur and it is to be avoided, and I raise the issue, I suppose, to emphasize my concern to the committee that sits on the decisions concerning the difficult cases.

Also, there are some cases where legal aid is not available as a matter of policy: impaired driving is one of these. I wish to say that, if that policy decision continues, I hope that there is a serious consideration to repriorization within the budgetary framework to correct it, because of the seriousness of the crime and the potential penalties that several people face, especially people with records for the same offence. It is my understanding that the policy generally is that if a person is likely going to jail if they are convicted, then legal aid is made available. I say that it is extremely difficult to decide that question before trial and before sentence. The people who decide it are not always qualified to decide that question, and it is abused in some respects. I do not wish to be argumentative, but those are ongoing issues in the program and I wish to draw the minister's attention to them. I am sure, in the future planning of the department, those issues will be seriously considered.

**Hon. Mr. Ashley:** I thank the member opposite for his observations and will take them into consideration. What the member opposite is talking about as far as taxing of accounts, I believe — or, that is what is happening right now, and that has just been instituted basically since last January — is not a matter of tightening a budget; it is a matter of taxing accounts. Every jurisdiction in Canada does it; Yukon was not doing it, from what I have been able to find out so far. I insisted that it be done. I feel it only right that it be done, because I have to stand up and speak for the taxpayers in this House and make sure that funds are not being spent wrongly. I really felt that the accounts should be taxed, so there is a process now which really was not being followed before; that is certainly slowing things up and it is going to slow things up more frequently. That is probably what the member opposite is talking about, in respect to the slowdown towards the end of the budget cycle. If it is another problem, then we will certainly be looking at that.

<sup>17</sup> There is a slowdown at present, due to taxing of accounts, which did take place before.

**Mr. Kimmerly:** I did not not raise the taxing of accounts question at all; I was talking about an entirely different issue. While on the subject, I wish to put the position of our party firmly on the record; that the taxing of accounts is only a matter of good business. The argument that some professional groups should not be audited or taxed is absolute nonsense. For doctors and lawyers, as well as any other person, the taxing of accounts is only good business and we are not opposing it in any way, shape or form. I am sure it will be adequately looked at on an ongoing basis. I only rise to say that and to say my previous comments were about completely separate issues.

**Hon. Mr. Ashley:** I thank the member opposite for the clarification, in my mind, at least, and as I have stated before, their suggestions will certainly be taken into consideration. A lot of these talks that the Law Society and the government are holding regarding legal aid, right now, are discussing some of these problems he has raised.

**Mrs. Joe:** Is the minister aware of any cases that have come before the courts this year, under the legal aid program, where there has been a large amount of money spent on one case, as has happened in the past? For instance, we did have one last year which, I think, totalled some \$40,000, which was quite a lot of money. Is the minister aware of any of those cases in this past year?

**Hon. Mr. Ashley:** I am aware of some cases that have run fairly high but not that high. I am aware of circuits that have run fairly high and that is one of the procedures; taxing will be looking at all of this.

**Mrs. Joe:** Since I am not in the court anymore, I do not know all of the things that are happening. I mentioned last year, and I mention it again: the persons who are charged with an offence and have had to go into debt to pay for a lawyer — and, in most cases, I speak for the people who have been acquitted — I always believed, and still believe, that they should be compensated for the money that they have put into paying for their legal requirements. I know that our government does not have the money for it now, but it is something that I would certainly like to see the government look at sometime in the future.

It is very difficult for a person, who has been wrongly accused, and has had to go into debt to prove that he was innocent. For instance, I know of someone who had to sell his business to hire a lawyer to go to court and then ended up being acquitted. There are cases that I would certainly hope the government would look at in the future if, in fact, we ever have any money for something like that.

<sup>18</sup> **Hon. Mr. Ashley:** I am mixed-up with what the member opposite said. The judge does and can award court costs, if that is what the member opposite is talking about; that is already there. She may be talking about victims of crime and compensation; but, if it is just court costs, it is already there. We can certainly look at it.

**Mr. Kimmerly:** On the last topic, the court costs is a method correcting the problem in civil cases, but not in criminal cases. It is an on-going problem; I suggest it is not a legal aid problem, per se, but there undoubtedly will be developments in the law in the future on the point. The famous case of Susan Nelles, in Toronto, is a case in point, where there is, I believe, a law suit on the question of costs.

I rise on another issue I forgot to mention. It is a policy consideration concerning the allocation of legal aid. It frequently occurs in matrimonial cases, where, for example, if one of the spouses is working at a fairly menial or middle-class wage and the other spouse is not working and there is a separation, the non-working spouse gets legal aid and the working spouse does not. However, that person is not able to pay the occasionally exorbitant legal fees which arise, what occurs is that there is an imbalance and the person on legal aid, who is not paying his or her own bill, is more motivated to take more costly and more complicated legal steps than the other party is motivated to take, as cost is a factor in the determination of the eventual issue.

I raise it because I hope that, in a case like that, the legal aid committee would consider that imbalance in allocating either the extension of special services for a legal aid client or, possibly, the extension of services to another client who is working but is involved in a law suit beyond the person's financial means. It is potential abuse of the legal aid program that does arise and, if the committee is aware of it and considers it, it may reduce the problem.

<sup>19</sup> **Hon. Mr. Ashley:** I will certainly make our committee member aware of that.

*On Criminal*

*Criminal in the amount of \$336,000 agreed to*

*On Civil*

*Civil in the amount of \$84,000 agreed to*

*Legal Aid in the amount of \$420,000 agreed to*

*On Policing*

**Hon. Mr. Ashley:** I thought I should just maybe make an announcement for the member opposite. I have been in contact with Commissioner Simmons of the RCMP and he will be here May 3 to discuss the replacement for our Commanding Officer, who is retiring this summer. There are a number of things on the agenda; that is one of them. You gave advance notice of a few questions. I have been working very closely with the RCMP, meeting at least monthly, if not bi-monthly, with them since this agreement has been signed. We are working on the things that are in the agreement now.

**Mr. Kimmerly:** Perhaps I ought to make a comment on the record as well. I thank the minister for that information, and I wish to make it absolutely clear, because the particular appointment was mentioned by the minister, that I have absolutely no intention of personalizing any issue that may have been publicized in the media in this particular question. In fact, I have no concern about the particular appointments that the minister is talking about.

I do wish to say, and this is not really a question but a lobbying effort, or comment, that I questioned last year about the allocation of police services, and also in Question Period, I believe, yesterday. I wish to publicize for the record that it is my view that the minister should raise at least two issues concerning the objectives, priorities and goals concerning policing in the next year. Those two issues are: firstly, and most importantly, enforcement for impaired drivers; and secondly, the question of foot patrols in downtown Whitehorse on weekend evenings. Those two things are almost contradictory because they might possibly both occur at exactly the same time. Although the police-per-capita ratio in Yukon is extremely and substantially above the national average, the number of policemen actually on duty, especially when the bars close on a Friday or Saturday night, is not in any way excessive and, in my view, is deficient.

<sup>20</sup> If there are only a few cars on the road at that time, and if the policeman stops a suspected impaired driver, the process is that a breathalyzer is given, and it takes, in most cases, an hour or so to fulfill the requirements and the car is off the road for an hour. I would recommend that the battle against impaired driving be stepped up in the enforcement area; specifically, that on Friday and Saturday evenings there be an increased apprehension by the public that the police are out on the streets in full force. That will be, in my view, a better deterrent than the increase in the penalty might be. As far as foot patrols go, it is a long-standing issue, especially in downtown Whitehorse. The abuse of the downtown businesses is well-known and I am sure that a scientific study of when and where most of the break-ins occur will enable the police to be increasingly efficient in the future in this area.

**Hon. Mr. Ashley:** Just to refer back to the first part of the statement by the member opposite: what I was referring to was notice of a question from last night, in number 6 of the Police Services Agreement, where it states that the appointment of a commanding officer or CIB officer by the commissioner shall, at the discretion of the executive member, be preceded by the consultation between the executive member and Solicitor General. That is what I was referring to — your notice of that question — when I said that. Our chief superintendent is past his retirement age and that is why that is going to happen now. That is what I was trying to advise the member about.

Now, I have discussed a number of policing things. I do leave the actual policing up to the RCMP though; they are the experts. As far as street patrols, as I advised the members last night, there is a very high cost and very low beneficial recovery, and they have proof of that. It is only if there is an extra member on duty who does not have a specific duty to do will that function will be performed. That has been explained to the Downtown Business Association as well.

As far as the other question is concerned, I will discuss it with the RCMP. I believe it has been mentioned a couple of times through our discussions already, but I will raise it again. I forget right at this moment exactly what the answer is.

<sup>21</sup> **Mrs. Joe:** In terms of the retirement of the present commanding officer, or whatever his position is, he has been here for a great length of time. Is there any input from the people in the Yukon as to the person who is going to be coming up here to do the job, and whether, in fact, the person has — and he probably has — experience in the north, and is familiar with northern people such as the Indian people, who are the largest majority of people who get into trouble, as far as the law goes. Are there any stipulations or anything; I do not know how it works and I want the minister to tell me.

**Hon. Mr. Ashley:** That is exactly what Commissioner Simmons is coming to discuss with me, so that we do have that input.

**Mrs. Joe:** With regard to this posting, will the minister be having discussions with other groups from the territory with regard

to that person? For instance, with CYI, or with other people.

**Hon. Mr. Ashley:** The first meeting will be in May with the Commissioner and, after that, I may consider that. I will certainly discuss it with Commissioner Simmons.

*On Police Services Agreement*

**Mr. Kimmerly:** I feel, as an elected member currently in the process of scrutinizing the public budget, that what we are doing is voting for \$5,000,000 with extremely little accounting. The same argument is true on the \$10,000,000 for hospitals. Is there going to be an effort, because of the large size of federal budgets for policing and because of the increasing portion of the cost that Yukon bears under the new agreement, to particularize the \$5,000,000, so that it can be scrutinized in the normal way, and that the priorities can be debated as are other programs?

**Hon. Mr. Ashley:** I do not believe that that can happen the way it is set up right now. We pay a percentage of what they apply toward us. What we can, if we do not like it, is create our own police force, but we cannot afford that.

**Mr. Kimmerly:** Will the minister say whether or not it is the policy of the government that it would be desirable to particularize the amounts, for example, by community or by allocation of capital, those sorts of things, so that, in future, we could work towards that goal in some form or other?

<sup>22</sup> **Hon. Mr. Ashley:** It certainly would be desirable to do that. I do not know if it is possible, as I have already explained, but it would be desirable.

*Police Services Agreement in the amount of \$5,012,000 agreed to On Native Indian Special Constable*

*Native Indian Special Constable in the amount \$200,000 agreed to*

*Policing in the amount of \$5,212,000 agreed to On Criminal Injuries Compensation*

**Hon. Mr. Ashley:** This used to be, I believe, a \$1 line item. Because the members want it to be more of a realistic figure, it reflects actual costs incurred. The Public Accounts Committee, in actual fact, suggested that it be put in as a fixed dollar line item. It has been averaged out and that is why this figure has been chosen.

**Mr. Kimmerly:** This is a policy question, and a comment, as well. I have been aware of at least one senior official, who is no longer active with the government, talking about the question of publicity for this program.

The issue is that the program was put into existence many years ago and very few applications were made. Probably, few applications were made because the public knowledge of the program was minimal. It was actually said, I believe, that if we publicize the program, it is going to cost us more money. That, I am sure, is not the minister's current attitude, as the objectives of the program are clearly good objectives — we agree with them.

The citizen and the public generally pay more attention to victims of crime than was the case in the past. This is entirely understandable and, in my view, entirely healthy. This is a program whereby the perception of the entire justice system can be enhanced if it is well delivered. It is my opinion that many more losses than \$32,000 occur and the program, in terms of public knowledge, ought to be expanded. It is within the context of the total expenditures for justice, and money well spent, in that most people would agree with balancing the priorities of, for example, corrections and compensation for victims. Most non-criminals would come down on the side of compensating victims, as opposed to comforting criminals.

I would recommend that increasing efforts are made to publicize the program and, within the context of the total budget, this program be emphasized in the future.

<sup>23</sup> **Hon. Mr. Ashley:** I would like to inform the member opposite that this year we are documenting all of the cases and the awards that are made, and we are going to put that out in pamphlet or brochure form for that very purpose. I agree with the member opposite.

*On Criminal Injuries Compensation*

*Criminal Injuries Compensation in the amount of \$32,000 agreed to*

*On Yukon Courtworkers*

**Hon. Mr. Ashley:** The Yukon Courtworkers Services Society is



funded by the Government of Yukon and by the federal government 50/50 joint funding. What they actually do is explained, I think, fairly well by the program objectives. I will leave it at that, other than I had already informed the members opposite yesterday that we had our internal auditor looking at their books this year; not at the program, but at the dollars in the program, for both ourselves and for Canada.

**Mrs. Joe:** The amount budgeted for them is \$101,000, and I understand that they are going to be moving from their present location. I doubt if they are going to be able to find anything for the amount of money that they are paying for that. I just wondered if there was a possibility that if they could not keep within their budget, that there would be provision for applying to the government for more money within this year, or possibly, to the Secretary of State, or wherever the money does come from?

**Hon. Mr. Ashley:** They could always make a submission to us and we would look at it. Aside from that, I cannot guarantee, without knowing the full facts and everything else, what would happen.

**Mrs. Joe:** For the money that is allotted to them — I am not really familiar with it and I hope the minister can tell me — do they apply each year to the Yukon government or do they apply each year to whoever else it is who cost-shares this program?

**Hon. Mr. Ashley:** They apply through us and it is DIAND and ourselves who cost-share this.

**Mrs. Joe:** I was always under the impression that they received part of their money from the Secretary of State, but I thank the minister for correcting me. I wonder if the minister might tell me if they did indeed apply for more funding than what they received?

**Hon. Mr. Ashley:** From what I am aware of and informed, no, they did not.

**Mr. Kimmerly:** I made a general comment earlier about the coordination of this program with other programs; specifically, legal aid. I would like to make a very concrete proposal, and that is that it is my view that the courtworker program could be improved if the board of directors of the society were in greater consultation and coordination with other segments of the justice system. I am aware of the present efforts, which have improved this situation now, over what it was say two or three years ago.

In view of the interconnection of the programs, it is my view that the legal aid committee and the law society and other segments of the justice system — for example, the RCMP and Crown attorneys — ought to be more interested in the board of directors of the society and actually sit on the board. I realize the issues around the reason for the independence of the society and the structure of the funding. I am interested in maintaining that independence but also in increasing the coordination at the managerial level.

**Hon. Mr. Ashley:** I will certainly look into that. What I believe the member opposite is saying is that he wants members of the whole justice system to be members of the committee. Just to clarify, is that correct?

**Mr. Kimmerly:** I realize the chief Crown attorney is actually on the board of the society now. It is that concept that I wish to encourage. The legal aid committee, which actually approves or disapproves legal aid applications, ought to be coordinated with the society. If a member of the committee, possibly the government's member, were also to sit on the board of the courtworkers, it may assist communications. There is always an effort to include on the board representatives of various agencies; for example, the Law Society. It is my view that if a specific representation were encouraged and that, for example, if a member of a legal aid committee were specifically on the board, elected by the society with a specific objective and that is to improve the managerial cooperation that that would assist.

**Hon. Mr. Ashley:** I thank the member. Yes, I will look at that. I do not have a major problem with it, but we do have to watch the independence of that society. That is where the hang-up would come into it, from what I have heard today.

*Yukon Courtworkers in the amount of \$101,000 agreed to  
On Administration*

**Hon. Mr. Ashley:** This is the main administration of the department. It is broken down in here as to deputy minister and

administrative services. There are two people in the deputy minister's side, and six person-years in the administrative services.

**Mr. Kimmerly:** I would like to make a few comments about the policy considerations around the current personnel problems in the department. It really boils down to a lobbying effort, I suppose, on the minister, when the minister and the government leader talk about "new deputy minister", whenever that occurs, that consideration be given to the Yukon awareness of the potential applicants, or potential persons. I am not interested in talking about the individual attributes of any particular person, but it strikes me that the administration of justice is a sensitive political issue. The debates around the *Territorial Court Act*, and the debates around *The Children's Act* accentuate that, I believe. It would be, I believe, a mistake to appoint an "outside expert" if it can be avoided at all.

The justice system, in the past, I believe, is taken in, or fed a line, by some experts in the various fields. In the Yukon, where things are different from the rest of the country, the sensitivity to a rural environment and the cultural makeup of the communities is, I believe, absolutely essential. I would make those general comments for what they are worth, if they can be useful to the decision-makers in the future.

**Hon. Mr. Ashley:** I would like to thank the member opposite for his observations and input. I will certainly take that into consideration.

*On Deputy Minister*

*Deputy Minister in the amount of \$121,000 agreed to  
On Administrative Services*

*Administrative Services in the amount of \$257,000 agreed to  
Administration in the amount of \$378,000 agreed to  
On Corrections*

**Hon. Mr. Ashley:** This area of the department is made up of probations and the correctional institute. There are 11.5 person-years in the probation services side and 51.5 in the correctional centre, and another two casual person-years.

Firstly, under the 1982-83 forecast, there are two typographical errors: the first figure of \$432,000 should actually be \$382,000 and the second figure, \$2,216,000, should be \$2,266,000. The total remains the same.

In the later stages of the 1982-83 fiscal year, the opportunity was taken to replenish stock items — food, cleaning materials, et cetera — and to advance-purchase items such as inmate clothing and staff uniforms, to the total of some \$150,000. The net effect is to understate the 1983-84 expenditures by \$150,000 and to overstate the 1982-83 by the same amount, which we did in our supplementary. We accelerated those expenditures in the last year.

Had these actions not been taken, then the 1982-83 forecast would have been \$2,498,000 and the 1983-84 estimates would have been \$2,611,000, an increase of \$113,000, rather than a decrease of \$188,700, as shown.

**Mr. Kimmerly:** I have previously commented in general debate about the program objectives and I have clearly stated a position about the employment of people and also the maintenance of people, as opposed to rehabilitation, of some classes or kinds of prison inmate.

I wish to simply re-emphasize, I suppose, positions stated last night on the probation department. An increasing tension on under-age drinkers and problem young people is, in my view, an extremely cost-effective expenditure, considering records of past corrections' budgets.

There was a debate last time about recidivism rates and I am interested in any new information in that area. I am also interested in the fine option program. It used to be, anyway, that approximately one-quarter of admissions in the correctional institute were for non-payment of fines and that is an area that requires work and repriorization. The minister is well aware of the problems around the fine option program, I know, but I wish to emphasize the issue at this time.

I am not specifically aware of the inventory stocks that the minister just spoke of; however, with regard to the general situation, I understand that, with the supplementary federal monies received late in 1982-83, some inventories were built up. In

1983-84, I hope that program monies may be expanded on account of that.

**Hon. Mr. Ashley:** In answer to the last question, no, that amount has been taken out. As I partly explained, that amount of \$150,000 is taken out of this year's budget; it was put in last year's budget in the form of a supplementary. There were no real extra dollars involved. It was just replenishing stock.

You asked about the fine options program. That, as you know, was found illegal by our current Crown prosecutor and so we have still not been able to find something that is acceptable; we are working on it and would sure like to come up with something, but at the moment we still have not found it.

Another question you asked was about the under-age drinking problem, recidivism; and dealing with probation, in particular. This area of probation does not look after anyone under 16 at the moment, under the *Juvenile Delinquents Act*. As soon as the *Young Offenders Act* is proclaimed, then up to 18 will be handled under that, so that will have very little or nothing to do with corrections.

**Mrs. Joe:** I would just like to let the minister know that I have some information from the Manitoba government on how they are going to deal with their fine option program, and you might want to look at it. It could be of value to you.

While I am on my feet, I would also like to make a comment on some of the objectives of this department. The one I am looking at is, "the services of the correctional institute is to provide inmates with an opportunity to improve their behaviour and return to the community as law-abiding citizens and thereby protect society", which is a good objective. I think that, in some cases, that does work, but I often wonder why these things have to be done after the crime has been committed and the person has been committed to the institution. I keep going back to preventative type programs.

I could stand here for hours and talk about what happens to a juvenile when they are very young, and follow the process up to what happens to them in this case. However, one that does come to mind is a young person who did follow the whole process and ended up going to the pen when he was very young, along with his brother. Of course, that experience completely ruined the two boys. They are now adults, and one of the reasons that they were sent out to the penitentiary previously was because there were not the services up here that were needed. For instance, he did have mental psychiatric problems and they could not deal with them up here. There were not the resources available, so the only other alternative was to give him a sentence in excess of two years so that he could probably take advantage of those resources out in BC. I am not sure, but I do not think they were that successful because I am not sure how willing the people were out in BC to try to deal with that.

It is a very big problem. What happens is that they get sent out there and then they come back, and the problem is greater than ever, simply because we do not have the services here in the Yukon to deal with those young people with very big problems.

**Hon. Mr. Ashley:** I thank the member opposite for her comments. I would be interested to see what she has from Manitoba on that. We have so far not been able to find anything. A lot of areas of Canada have tried. The problem is the *Criminal Code* of Canada. That is where the jurisdiction is, and that is why it has been found to be illegal to run that program.

Now, as I was saying previously, any young people will not be dealt with in this system at all, under the *Young Offenders Act*. They will be dealt with under a totally new system, with diversion programs and a whole change. I believe that is being looked after; at least, a lot of problems that the member opposite has just explained to us will be.

<sup>28</sup> *On Probation*

*Probation in the amount of \$420,000 agreed to*

*On Correctional Institute*

*Correctional Institute in the amount of \$2,041,000 agreed to*

*Corrections in the amount of \$2,461,000 agreed to*

*On Revenue and Recoveries*

**Mrs. Joe:** I have just one question. I noticed that under expenditure recoveries, legal aid was \$208,000. I wondered how the minister came up with that figure?

**Hon. Mr. Ashley:** That is what I was explaining the other

night. Through very fruitful negotiations with the Attorney General of Canada, we have managed to negotiate a much larger sum from them on a 50/50 cost sharing basis, whereas prior to this agreement that we have just put through at the end of March, it was limited to a maximum of \$50,000. We have just raised that up to, I believe, 50 percent or \$250,000, or the lesser thereof.

*Department of Justice in the amount of \$10,312,000 agreed to*

**Mr. Chairman:** We will now take a short break, after which we will return with the Department of Municipal and Community Affairs, page 110.

*Recess*

<sup>29</sup> **Mr. Chairman:** I will now call Committee of the Whole to order. We will continue with the Department of Municipal and Community Affairs.

*On Department of Municipal and Community Affairs*

**Hon. Mr. Lang:** As you can see, the department's overall budget has increased six percent over last year to a total of \$6,597,000. There is no increase in person-years and this figure includes the reversion to the 10-day fortnight. A significant increase in grants in lieu of taxes will be experienced this financial year. As well, the distribution of taxes to local improvement districts will increase as the disbursement will be a full year as compared to three-quarters last year.

In view of the economic situation that we face in Yukon, municipal grants will be held to the same level as previous years' contributions, and the contribution towards the Whitehorse Transit deficit will exclude any pay increases made to their employees in excess of six percent. Also, I should point out that the staff of the department, and when convenient and necessary, I, will be continuing discussions with the various local governments and organizations regarding the *Municipal Act 1980* with the hope of implementing the legislation this coming year.

At the same time, I have requested a review of the *Municipal Finance Act*, which was implemented in the past year, since we did experience some difficulties with the implementation of it. It should be pointed out that the present legislation does not provide for stable grant allocation to the various communities in order to provide for the incentive to practice sound management practices over such things as water and sewer operations. We are looking for various options in this area.

I intend to be discussing this legislation with the Association of Yukon Communities, and any other organizations interested, in the ensuing months seeking possible enhancements of this act towards the fall of this year, if possible.

The lands branch budget has increased over last year by 28 percent. This is largely due to the position in the branch remaining vacant for a portion of last year.

As far as land development is concerned, lots in the Golden Horn subdivision will be offered for sale later this year and plans are also being made to develop country-residential lots in Carcross, Haines Junction, Watson Lake and Whitehorse. As the federal transfer of recreational lands continues, we are issuing titles to those cottage lots that were transferred from the federal government during the summer of last year.

<sup>30</sup> I should point out that we have run across some problems in respect to some areas for the purpose of the recreational cottage lots. When I refer to some problems, I am actually referring to what problems are perceived by the federal government, in respect to such a transfer. We are trying to iron out the difficulties with them so that that land could be transferred to us for the purposes of offering those people who have leases the option for title.

It should be pointed out that, although it has not been identified in the budget, plans are being made to secure an agricultural development officer to assist the Agriculture Development Council, the department and myself in the disposition of agricultural land in Yukon. It would be our intention, if we are successful, to convert a vacant position in the protection services branch to secure the appropriate resource person.

As indicated by the budget, the protective services branch, at \$1,141,000, will be allocated to fire protection services, examinations, inspections of buildings, mechanical and electrical systems to ensure they comply with all of our legislation and regulations. Also, approximately \$500,000 will be spent on providing ambulance services throughout Yukon. Provisions have been made to provide further training to Whitehorse ambulance personnel to upgrade their skills. At the same time, emergency telephone service has now been installed in the Burwash Airport to provide for better emergency ambulance response in the community, which I am sure the member for Kluane will be pleased to hear.

It is anticipated that the fire service section will be arranging a volunteer firefighters' competition with Yukon communities and, perhaps, one or two communities from the State of Alaska. We are actively pursuing this idea, which was presented to the Association of Yukon Communities by the State of Alaska. Things do look positive at the present time.

The assessment services branch has increased only slightly over the previous year. Reassessments of all Yukon communities have now been completed and annual updates will be implemented in future years to avoid massive increases in any given year. I would like to take this opportunity to commend the assessment branch. As you will recall, approximately three and a half years ago, I believe, the *Assessment Taxation Act*, which is now in effect, was brought forward to the Legislature. We told the Legislature of the day that it would take approximately three years to do a total assessment throughout the territory; overall, that has been completed and I think it will bring some equity to our property tax system throughout the territory.

It should be pointed out that the municipal services branch has held the line on administrative programs, with emphasis placed on financing the communities. Funds previously identified for road maintenance of the unincorporated communities program have been transferred to the Department of Highways and Transportation, and at the same time the municipal engineering budget has exercised restraint in its program, with only a marginal increase over last year. The 1983-84 budget is one of restraint, with emphasis being placed on the importance of local government in Yukon and demonstrates, I believe, all members' commitment to strong and viable local government units throughout the territory.

There are just a few other general comments I would like to make. With the new federal government budget that has been brought forward, it was announced, I believe, that there was \$4.1 billion for capital intensive programs throughout the country. We will be trying to find out exactly what monies are available to Yukon for the purposes of capital monies for infrastructure, and I am sure if some are available we will see what we can do to perhaps channel some through to the various municipalities throughout the Yukon.

I should also point out that I will be meeting with the Association of Yukon Communities this weekend for the purposes of discussing the various pieces of legislation that I have indicated should be reviewed, with the idea of perhaps some changes.

Also I have indicated to the Council for Yukon Indians that I would be more than pleased to meet with them at some point with respect to hearing their concerns, if they have any, as far as the Department of Municipal Affairs is concerned.

I should further point out that we have, over the past year, worked very hard on a number of areas. Some of them we have not completed, as such, such as, in the City of Whitehorse, the question of the Marwell flooding situation funding, which we are going to be continuing work on.

The squatter policy, unfortunately, I do not have completed. It is one of a very contentious nature, and it is one that the member for Whitehorse West raises on various occasions, with some justification. I am trying to clarify what the policy should be. I have run across some problems and I just want to assure the member opposite that I am doing everything I possibly can to get a policy in place that can be compatible throughout the territory. I want to assure the member for Whitehorse West that this is no easy task.

Further to that I think people will be pleased that the Porter Creek Alternate Access Road will be completed this year. We are doing

everything we can to expedite this, because I know it is a project that is very dear to the heart of the leader of the opposition, as well as the member for Porter Creek West. I can assure the members opposite that I will continue to make this project a priority.

Further to that I just want to inform, as an aside, the member opposite that I intend to have the project done well before another election, and in conversations with the chairman, the member for Porter Creek West, we thought perhaps maybe a swimming pool would be more appropriate in the area of Porter Creek, perhaps at some given time, down the river here, which I am sure the member opposite would have no trouble supporting.

I should also point out that a number of our capital projects are getting underway within the communities. We are doing everything we possibly can to expedite them, and we are working with the communities where necessary. For an example, the Watson Lake sewage lagoon system clearing, I understand, has been completed, as well as for Haines Junction. We will be working at getting a further contract out in Watson Lake over the course of the next couple of weeks.

Further to that we have discussed with the city, and made a commitment, to transfer the Robert Service Campground to the administration so that one level of government is dealing with the issue at hand, as opposed to having two levels of government involved, which makes things more complicated.

The other question outstanding of course is the question of fire protection, especially outside of the Whitehorse area, which has caused some problems. I want to assure the MLA for Hootalinqua that I will be working as closely as I can with him to see what kind of options can be developed for the people in those particular areas to look at, to see whether or not they want service and, if they do want service, what type of service. I think I have pretty well covered the situation and I am prepared to answer any questions.

**Mr. Porter:** Knowing the minister's fondness for the taxpayer's pocket-book, I do not propose to take up too much time of the Legislature this afternoon. The minister is correct that, when you do examine the overall budget, you find that there is virtually no increase in the expenditure for this department; in some instances, that is a welcome sign, but I think I believe, overall, in this particular time of economic recession — and in many instances, in communities of the Yukon, it is a situation of depression — capital works and capital expenditure in the area of community infrastructure is usually something that can be seen to alleviate the problem. As to how bad the problem is in the communities, it was reported on the CBC that in the LID of Teslin, they did not even have enough money to service the tires on their trucks. I think that the budget we have just seen has not, in any way, alleviated the problem that exists within the communities. Many people in the communities can only look forward to an increase in taxes, an increase in medicare premiums, an increase in school taxes; and they see, from their perspective, very little being done by the government to offset those increases in terms of the cost of living.

In specific instances, municipal workers who are employed by the LIDs are facing a situation of zero growth in the area of wages.

So, having said that, I would like to thank the minister for his commitment to sit down with the federal government and examine what kinds of municipal capital expenditure can be brought to the Yukon to be distributed throughout the Yukon to the various communities that are desperately needed; not only the facilities that could be constructed, but also the jobs that would come with construction of those facilities.

Returning to specific questions under the area of general debate, in his opening address the minister talked about the area of reviewing acts such as the *Municipal Finance Act*, and also I believe he talked about the issue of the *Municipal Act* and the proclamation of it. I would like to know if the minister has an intention to bring the *Municipal Act* before the House in next fall's session for proclamation?

**Hon. Mr. Lang:** Just a couple of comments in respect to the budget, I think it is safe to say that, as far as our capital budget was concerned, which we voted on in the fall, there was a significant amount of money for the various communities in respect to infrastructure that should be put into place, and I think it is going to

help. In a number of our communities, the problems that some of the smaller contractors as well as people who are looking for employment, as far as finding some work over the course of the summer months, I do not think I would be responsible by indicating the government was going to solve everybody's problems, because that is not the case. All I can say is, in respect to Mr. Lalonde's budget, that of the \$4.1 billion that is available, all I want is one percent of it, not eighty percent or ninety percent of the \$4.1 billion. There is no question in my mind that Quebec and Ontario will probably get their fair share.

But we will examine it, through the Government of Canada, and find out exactly what they do have available. I think I have to caution members here that people's expectations should not be raised until we find out exactly what the intent was and what monies or dollars would be ear-marked for the territory.

As far as the *Municipal Act* is concerned, I should inform the member opposite that, if it was our desire, we have the authority to proclaim the *Municipal Act* in an Order in Council. I have examined the bill and I think the Association for Yukon Communities foresee a number of areas where there could be problems, and we are going to be looking at that. If I and my colleagues decide that there are a number of areas that perhaps should be changed, it would be my intention to come forward to the House this coming fall with the necessary changes. I am not prepared to make the commitment that there will be changes, but if there are some areas that should perhaps be revised, we are prepared to consider it. As the member for Whitehorse West knows, I am very open and always prepared to listen to suggestions from members on both sides of the House, as well as the various organizations that are concerned with legislation such as the *Municipal Act*.

So, I am not going to make a commitment that it will be in the fall. All I can say is that I will do everything I can to try to make it happen. I know that previous ministers in this area have made commitments and politics of the day sometimes dictated that it could not happen. I can assure the member for Campbell that I will do everything that I can to make it come to fruition and I am sure it will make his life a lot easier, as well as mine.

**Mr. Porter:** Coming back to the area of grants and contributions as well as capital expenditures, can the minister, as I know that he does not have the figures here with him today, undertake to provide for me a community-by-community breakdown of the various levels of grants and contributions that will be flowing from his department to the communities? Could he also tell the House if the present level of capital expenditures within the communities, on the various projects that have been set up, by-and-large, proceeding on schedule?

**Hon. Mr. Lang:** I think things are going fairly well. Within the capabilities we have of trying to get these things out to contract, I think the department is doing everything it possibly can and, in some cases, consulting with government services to try to get out the contracts as early as we possibly can. With respect to the breakdown as far as what dollars are going to the various communities, I am just checking to see whether or not I have the dollars that we are talking about. I do not necessarily have a breakdown, community-by-community, but if one takes a look under municipal services on Page 120, grants in lieu of taxes is \$794,000; cemetery grants, which go to Whitehorse, Dawson and Faro, are \$4,000; Whitehorse Transit deficit is \$261,000; water delivery deficit in Dawson is \$4,000; water and sewer subsidy, Dawson is \$240,000; and the municipal grants operating municipal services tax disbursements are \$2,571,000, which he can see is a significant amount of money and is prorated throughout the territory to the various communities.

The major changes from the previous year is in the increase in the grants in lieu of taxes, \$67,000; increase in the Whitehorse Transit deficit, \$16,000; and an increase in grants to communities of approximately \$198,000. So, there has been an increase in this area.

Also, in the unincorporated communities, we have allocated \$250,000, which represents costs for providing basic services to unorganized communities: street lighting, heating fuel for fire halls, payment of fire volunteers, et cetera. I think that gives a pretty

general breakdown with respect to the number of dollars that we have, and a general sense of how it is distributed throughout the territory.

I could provide him with a breakdown of the various communities. I do not want to hold up the time of the House so, if the member wishes, I am prepared to send a letter to all members of the House giving a breakdown of the allocation of dollars.

**Mr. Porter:** We, on this side of the House, would be appreciative of that gesture on behalf of the minister. With respect to the area of unincorporated communities, the responsibility for the delivery of services rests with the territorial government. How is that process handled and, in some instances, is there provision for the contracting out of services to individuals and, if there is, how is that process brought about?

**Hon. Mr. Lang:** If there is a contract that has to be let out in a community for a territorial service — and, in this particular case he is referring to an unorganized community — there is a tender call, and, hopefully, somebody local will bid on it and, in most cases, that is the case. We generally go to the lowest bidder; it is in very exceptional cases when we do not. If we do not, then, of course, it needs the approbation of Cabinet to make a decision not to go with the low tender.

Also, there are strict requirements for the jobs. If you are talking of some type of trucking that is involved with the contract, they may need the necessary PSVs, and this type of thing. That, of course, is under other territorial legislation, which would be a requirement that we would ask for in our tendering procedures.

I think it is fairly simple and straightforward and, as far as I know, I have had few complaints in this area; things have gone fairly well.

**Mr. Porter:** In the particular area which I represent, there has been an incident that has been brought to my attention that suggests that, in the tender process, there was the stipulation that a PSV was required for the successful applicant to obtain a job and to obtain a contract; however, apparently the eventual applicant did not produce a PSV. Should this situation prove to be true, is there a process by which the situation would be reviewed and, should it be found that there was some breach of the rules and regulations set up governing the tendering process, would there be a situation where the contract could be re-tendered?

**Hon. Mr. Lang:** If the member opposite would see me privately and give me the facts the way he has heard them, I would bring them to the department. We would investigate them and then, perhaps, an appropriate decision could be made at that time. I am not prepared to make a commitment on a hypothetical situation that I really do not have the facts on.

**Mr. Porter:** The one area that has the potential of being very contentious is the whole area of the tax situation with respect to the City of Whitehorse. However, the minister can very quickly erase that possibility here this afternoon in answering the following question: can the minister assure the House that the grants and contributions that are paid to this city by this government will in no way be affected as a result of the decisions taken by the city council?

**Hon. Mr. Lang:** I think, and I am sure the member opposite would agree with me, that the action by the city brings into question the philosophy of helping small business. We are facing an extreme situation in our economic climate as we know it today in Yukon. I am not prepared to make any commitments of any kind; I am reviewing the situation in respect to the financial implications to this government. I will have further confirmation, but it is my understanding that there will be an increase of \$60,000 in grants in lieu of taxes required by this government with the present percentage levy that is in effect.

It would seem to me that what the city council is asking of me is to find another \$60,000 that I do not have budgeted in this budget that the member opposite has before him for the purpose of deliberating and debating in this House. It has put us at a disadvantage, as far as our situation is concerned financially within the government. It also, I think, puts the situation into perspective, as far as the City of Whitehorse is concerned — that we had received a provisional budget approximately one month ago. We

based our budget on that provisional budget and now that has been altered, extremely.

I should also point out that, with the increase in business percentage levy in the City of Whitehorse, that just means the consumer pays more, and that means the residents of Whitehorse will be paying more.

Secondly, with the increase to this government in grant in lieu of taxes of the buildings that we have, that means there is another \$60,000 that, territorially, the taxpayers of the territory will have to pay more, both in business and, perhaps, in personal tax, depending on how we collect it.

So, I would say that I want to look at all the ramifications of it prior to making a conscious decision of exactly what is going to transpire over the next couple of weeks.

<sup>35</sup> **Mr. Penikett:** I would just like to get in a couple of questions on this subject. As the minister knows, it has long been an area of interest of mine.

I would like to ask the minister, first by way of a general question, if he accepts the proposition that as a matter of convention and tradition that property tax policy is — I will not say exclusively — principally, an area of municipal domain? I ask him that question as a question of policy, because he is the Minister of Municipal Affairs. In the context of the decision, which I understand he made some time ago, to alter the city's budget prior to the territorial budget, I want to ask that question because I understand that there was a change made from the time the city adopted a provisional budget, to the time it came to the territory for Commissioner's approval, as required under the municipal legislation. There was some change required by the territory in the municipal budget.

I want to ask him as well about the point he has made about the grants in lieu, because I understand that the effect of the budget proposal to help small business in fact produced a greater net benefit for this government than it did for small business, because it meant that if you were to reduce the school tax rate on the non-residential properties, which it did, the majority of those properties were not commercial but institutional. That is the city's point of view. I would be pleased to hear a response to that.

Another thing is, I wonder if the minister would accept this arithmetic — just to put a mathematical question to him, because I am sure he has been through all these numbers; this is all part of the same question and we can go back to the details later — that the effect of the change in property tax policy introduced by the recent budget meant that the reduction in school taxes, was in fact, financed by a reduction in grants to the communities that they might have reasonably expected this year.

**Hon. Mr. Lang:** The member opposite, I could say, could be accused of seeing ghosts when they are not really there. I should point out that the municipal area of property taxation is, exclusively, theirs, when they utilize the *Taxation Assessment Act*, the laws that are passed by this House. The levy of the school tax is the responsibility of the Government of the Yukon Territory for the purposes of collecting an amount of money to go towards the cost of education in our territory. Our policy presently is, as the Minister of Finance has indicated, 11.5 percent of the basic education costs to try to bear some relationship with the cost of education to the general taxpayer throughout the territory. It should be pointed out that I think the split, in view of the decision made by the city council, is approximately 50/50. I think it is \$100,000 as far as government institutions, both federal and territorial, and another \$100,000 for business. So, it is roughly a 50/50 split and small business will be picking up a good portion of that. As I indicated earlier, I will try getting the figures to know exactly what the implications are, and I will be better informed as far as the specifics of that particular area are concerned.

<sup>36</sup> As far as the school tax levy and the differential between small business and residential is concerned, it had no relationship to the decision that was made that the grants to the municipalities would be the same as they were last year since, with the advent of the *Municipal Finance Act*, there was approximately a \$750,000 increase over the previous year and gave a significant amount of an increase to all communities. It was felt by me, with not that much argument from the Association of Yukon Communities, in view of

the economic climate we face in Yukon, that they could see their way through this year with the grants that had been made available the year previous.

I should point out that a lot of the municipalities thought that there might be a cutback in grants and we are very pleased to see that we did not proceed in that manner. That was a conscious decision on our part; we felt we should keep the existing rate structure and transfer up to 1982-83 dollars as it relates to 1983-84, as opposed to cutting back, recognizing their various responsibilities as far as the services are concerned. I think we have been successful throughout the territory.

The only area that is having problems, as I have acknowledged in the House, is the community of Teslin. That, for a large part, is not their fault because of the fact that their assessment base is not that high, yet they have to provide very similar services as the LIDs of Mayo and Haines Junction. Subsequently, they did have some problems and we have worked out an arrangement where we will make a special grant available to them, through the *Municipal Finance Act*, so that they can carry on their affairs over the course of this year. I want to assure the member opposite that I think they will have some dollars to buy a spare tire for a fire truck, or whatever the case may be.

**Mr. Penikett:** Just let me finish this question about municipal finance, quickly, before I return the minister to the tender mercies of my colleague from Campbell. He suggested that I was reaching in my proposition about the effect of grants on the changes in the school policy. I have to be perfectly frank in saying that I was reaching no farther than a memo I received from the Association of Yukon Communities on this subject. It consists of copies of copies of correspondence to the minister, as a matter of fact.

I want to serve notice of this question, as I do not expect the minister to respond to it right at this moment. I understand that AYC have been discussing the grant situation with the minister and there is some proposal from AYC called "Square Root Formula", or some such thing, and I would be interested in hearing the minister's response to this proposal, and its implications. However, I obviously do not expect to hear a dissertation from the minister on this subject today. I am not sure if the minister is standing up; I cannot tell.

When the minister talks about restraint, I would like to mention that it has been pointed out to me by a municipal politician that there is now more money spent to run five Cabinet ministers, \$1,600,000, than there is to run five LIDs, \$1,300,000. I will just let the minister dwell on that for a moment. While I have the minister's attention, I would like to ask a question on the subject of municipal finance, which I have raised before with the Minister of Finance. The Minister of Finance had not yet got back to me and I thought this was an appropriate time to, perhaps, close this matter.

I drew the Minister of Finance's attention, during Question Period, to a press release from his office stating that municipalities would be required to do their borrowing from the territory. It was my view, from reading the *Municipal Act* that that law does not require municipalities to source their borrowed funds from the Yukon government. I wanted to find out if that was the government's view or if it was the intention of the Yukon government, by law or by regulation, to, in fact, change the present law?

<sup>37</sup> **Hon. Mr. Lang:** There is no question that I would probably be much more adept than the member opposite to discuss the square root since my background tends more towards mathematics, as opposed to my social-minded-thinking friend. It should be pointed out that we are looking at a number of formulae — that is one — and no decisions have been made, of course. We are trying to find a better formula for the purposes of disbursement of dollars. I think it is safe to say we are never going to find any perfect answer, either. On the \$1.6 million for the executive council office, I think the member should refresh his memory. There are quite a number of responsibilities under that particular area of government, including public affairs, and the list goes on. I do not know if the member was in the House when it was discussed. I can assure the member opposite that none of the members on this side of the House have experienced a major increase in salary or benefits, so to speak.

As far as the approval of dollars is concerned, the intent is, with

the ability of the Department of Finance to go out into the marketplace, to require our municipalities to come to us for the purposes of borrowing, because it is our intention that the more dollars we can borrow the better off the borrower is, as well as the lender; you can get much more reasonable rates. Therefore, it is to the benefit of the municipalities if they can go that route. For example, we are working with the municipalities through the Department of Finance to see if we can come up with a method of refinancing the very high interest loans that a number of the municipalities have taken on over the past couple of years, which would be in their interest as well as ours. There has to be a certain amount of cooperation in a working relationships between the cities of the Yukon. I use Dawson City as an example. We worked very closely with them trying to resolve problems, and of course the only time you ever hear about how the department is working with a certain community is when there is a major problem. It is amazing how many of their very real concerns as well as ours are resolved.

I am very often on the telephone to the various mayors across the Yukon as well as chairmen of the LIDs to find out what is going on and in what areas we can help them with, such as the Town of Faro. I was speaking to the mayor yesterday, during my unplanned trip to that community, about their problems as far as their present taxation system is concerned; and I should point out that we agreed in Cabinet today to an Order-in-Council that we will extend the timeframe for the levying of their tax rate, which was a request of the Town of Faro, and we will continue to work to see if we can at least in part resolve some of their problems.

So, I do not want to have it inferred in *Hansard* or in the Votes and Proceedings that we have some preconceived ideas about how we are going to run a municipality. Our idea is to try to work with them. I want to emphasize that it is a two-way street, and that is why I feel badly about what took place in the City of Whitehorse, and their move to take up the dollars that we thought were going to be left with the business community to help them get over this current year. It brings a question into my mind, as the Minister of Municipal Affairs, and I am sure all members in this House, cooperation is a two-way street. I was a little put out, to be quite honest. I did phone a number of the aldermen when I read in the newspaper what was being contemplated. I offered to meet with them, to explain the budget, and how we it would affect the general situation, not only in Whitehorse, but in the territory; they chose not to do that and subsequently we got the decision that we have all heard about. As I indicated earlier, I am concerned about it and I will make it very clear: I am looking at it very closely. I am not happy and I do not think anybody in small business should be happy either, when you have your senior government trying to bolster morale, both psychologically and financially, in your business community, which is so important to any community to survive. It may have only been a few dollars to each particular small business, but it was an effort within the limited financial dollars that we have to distribute throughout the territory. I just want to say that I will probably have some further things to say on this within the next 10 days.

**Mr. Penikett:** I look forward to hearing what the minister has to say further on this subject, because I expect I will have something to say, too.

I say this now to the minister, not in any partisan way, but I believe this is a matter of a serious constitutional principle. I think property tax, of which school tax and property are a part, in my view, is basically an area of municipal jurisdiction. I think the problem the minister now has, because of the fact that the territory, in a budget measure, invaded that area of jurisdiction.

The government leader says, "baloney" and the Minister of Municipal Affairs says, "poof", I think it was. I am not very sure how you spell that word.

When the minister debates this statement ten days or so from now, I am sure we can debate this further, as we have in the past. Mr. Chairman, you may have missed some of the debates in the past on this subject and I am sure this is a great gap in your experience that you would want to fill, but probably we should not do it this afternoon.

What I want to get back to is the question I asked the minister,

which I think he answered, but I am not sure. I accept that it makes good sense, so long as the territory can borrow money at the interest rate that is available to the federal government, for the municipalities to pool their needs and for the borrowing to be done in co-operation with the territory. I accept that. I think that is good management, that is good business sense.

The question I ask the minister, though, grows from the press release which was issued — I forget the date, but I did mention it in a question period — which said that the municipalities would be required to do their borrowing from the Yukon government. I want to find out if the minister is planning to introduce a change to the law or a change by regulation to require that, or is this being done right now as an act of cooperation and consultation? He used the word "require" and I want to make sure whether it is required or whether, in fact, it is by consent, because I believe that, if you are talking about "requiring", you are talking about a change in the law.

**Hon. Mr. Lang:** The member should be informed that, right now, each municipality, if they are going out to borrow money over a certain amount, has to have both the taxpayers' consent and this government's approbation: those are the checks and balances.

What we are saying is that, by policy, they should be borrowing from this government so that we can pool, throughout the territory, the needs that have to be met. I can assure the member opposite that if some community were to come to us and say that a rich uncle had died and he was prepared to lend money at two percent, it would be very difficult for us to turn that down. I think it is safe to say that we are looking at working with the communities and if a municipality were to say, "Look, we can get money at a better rate over here", for whatever reasons, I would say it would be very unlikely we would not permit it.

**Mr. Penikett:** Just to nail it down, and I am not trying to get in a protracted debate with the minister about this, I think I understand what he is saying, but I do want to nail down the precise point.

He suggested that someone may lend money at two percent. Fair enough. There may be somebody selling some commodity or some item to a municipality who might offer a favourable interest rate. My understanding is that, right now, under the law, the municipality could borrow from a vendor or have an interest rate from a vendor or from a private source. They can do that.

There was a press release from the government that said that they would require the municipalities to do this. The minister used the word "require" minutes ago; just now he indicated that it was, in fact, by consent, that this was, in fact, the policy, something on which there had been an agreement.

I want to make it clear because that is, in my view, a good thing. I agree that is a good thing to do. What I want to be clear about is that the minister is not planning to change the law to require all borrowing from the municipalities to go through the territory. That is the only point I am asking.

**Hon. Mr. Lang:** Not at this time. However, if I am put into a situation where a municipality is blatantly going against the financial policies of this government, for whatever reason, I may well have to contemplate that as the senior level of government. I would like that not to happen, of course. All I am saying is that, at the present time, we are not entertaining legislation and, if that decision were made, the member opposite would have full rights and privileges as a member of this House to debate the pros and cons of such a measure.

**Mr. Penikett:** I am glad to have that clear from the minister because, I say this to him, the only reason I am pursuing the question is that there was some confusion about government policy as a result of the issuance of one press release. I accept that what he is saying is that he may have to consider it in the future but it is not now government policy or that they do not plan to bring in into law. I just want to get that nailed down because it is a small but important point before I turn the minister back to my colleague from Campbell.

**Mr. Porter:** Just before we leave this area, when the minister does complete the review of the recent decision of the city, by way of raising the taxes, will he undertake to table in this House any decision that he may make that would have the result of altering the

contribution dollar flow between this government and the city?

**Hon. Mr. Lang:** The member opposite knows that I am very open. If the House is sitting, of course, it would be a matter of debate in the House. If it is not sitting, obviously, it would have to be a public statement by myself and I know how the member opposite loves to read the newspaper to hear what I am saying and it would all be there, hopefully, word-for-word so that the member opposite would not get confused or, perhaps, shall we say, get the wrong impression of what the government is trying to do. I will try my best, as I always have in the past.

**Mr. Porter:** Having established the fact that the member likes to appear in newspapers and is also a derivative of the square root, I would like to leave this area now and move on to discussions with respect to the Hillcrest subdivision.

Earlier, the member made some statements in Question Period with respect to the whole area of negotiations that are presently underway with the federal government and the Kwanlin Dun Band and suggested that at an appropriate time the YTG and the city may be caused to be involved in those talks. The question that I would like to pursue is in the area of the financing of that particular subdivision. I realize that the minister may not have those answers here but I have been unable, looking through *Hansard*, to find specific cost breakdowns as to what the total cost to this government was for the development of that subdivision. Also, I would like to know from the minister what the dollar amounts were that the government has borrowed and what the rate of interest is on those dollars that are now outstanding.

**Hon. Mr. Lang:** I do not have the actual costs of the subdivision. I am sure the member for Whitehorse West probably has them since he is the member for that constituency. If I recall correctly, and perhaps the MLA for Whitehorse West can correct me on this, I believe the costs were approximately between \$6,000,000 and \$9,000,000. A number of those dollars were allocated for the purpose of making a further expansion, as far as the trunkline was concerned, and various other key infrastructures that had to be put into place so that once Hillcrest was completely sold, we could expand it, as far as the trunklines and the water reservoir were concerned. I can give an undertaking to get that information for the member opposite, and he can do what he will.

**Mr. Porter:** In the recent budget tabled by this government, we have seen an increase in the level of tax that will be paid by cottage owners. In respect of that increase in tax, the budget also stated that we will see an increase of service to the cottage lots. Aside from road plowing in the winter, what other services can we expect the government to undertake on behalf of cottage lot owners?

**Hon. Mr. Lang:** The actual increase to the recreational cottage lot owners was not that great in deference to the costs of maintaining our roads even to date. I should point out that there will be a general tax application of .51 plus .34 for school which is a total of .85. The idea was to try to level out inequities in the property tax question throughout the territory, and of course, it is all based on the assessment of the home that you live in. We are finding, in some cases, people are living there year round, and in some cases, taking advantage of the program such as subsidy for transportation, in some cases school buses if there are enough children there to warrant it. All those are costs that are incurred to the government and the general taxpayers of the territory. We felt that, in view of that, we should take the necessary steps to try to bring some equity across the territory, as opposed to having these varying percentage levies in various regions of Yukon.

I think most people find there will not be that much change in the actual tax dollars that they have to pay to the government, other than those who are actually living there and have a major investment, which is a home. I think it is safe to say, we are looking at upgrading the main roads in those recreational areas where it is necessary, and we will also be going in on a when-necessary basis after the main roads are done to clear the major arteries into the recreational subdivisions. It is a considerable cost across the territory. When we made that commitment, we were looking at \$40,000 to \$50,000 in rough figures. The increase in property tax was roughly \$26,000 so actually, in effect, throughout the territory, the balancing of the tax application really does not pay

for the service that we are going to provide, but, in part, it does at least. At least the numbers that we are presently looking at appear to give some rationale to the services we are providing.

The reason we decided to do that was for equity purposes, but also the fact the member for Hootalinqua was getting calls all the time "Are you going to grade my road?" — whatever was coming across my desk. I just made the decision, we have other things to deal with, let us make a conscious decision: are we going to maintain them or are we not? I was very pleased that the Cabinet came along and agreed with me that we might just as well get out and do the job, in view of the fact that there are people living there year round. Also the fact is — I could probably speak for Porter Creek East and I could probably speak for Whitehorse West — there are a lot of people who have cottages who use them in the winter time as well. We were very fortunate this past year; we did not have that much snow, but in past years there has been quite a few snowfalls that require maintenance. It is a significant cost to those people who want to use their cottages in the winter months and only two or three of them order the necessary equipment. It can be substantial. We thought we would just deal with the issue and make a decision.

**Mr. Porter:** Is it then understood that it is the policy of this government, where there are substantial users of a cottage lot development area, that the government will undertake to not only maintain the major road artery into that cottage lot division but they would also plow the roads in the winter?

**Hon. Mr. Lang:** We will be plowing the major artery roads. If the member opposite is asking me whether or not we are going to plow into everybody's cottage lot, no, that is not the intent; not driveways. The idea is to maintain the overall approaches into the recreational subdivisions. We would, where necessary, upgrade them and also be maintaining them on a year-round basis under one policy, of course, and that is that the highways are taken care of first.

**Mr. Porter:** With respect to assisting in the areas where there is not a cottage lot subdivision, look at a situation where outside of the communities people are residing in their homes and they are paying, in some instances, a property tax level that is greater than what is paid in the municipality, yet they do not have their roads plowed during the winter season at all; what is the policy of the minister in this regard?

**Hon. Mr. Lang:** Of course, with any policy there are some people who are a little different; they do not quite fit into what is deemed to be general government policy. All I am saying is that our general application of tax, if one compares it across the country, is quite low and we intend to keep it that way, if we possibly can. We provide services that people can avail themselves to, as I indicated earlier. If you examined the tax bill, when it is all done and finished — and if one is living there year-round, they are eligible for the homeowner grant and, if they are seniors, they are eligible for the Pioneer Utility Grant — it would seem to me that the member opposite would share my view that the taxes actually paid are really not that significant with respect to even the cost of maintaining the general highway to get to where you live.

**Mr. McDonald:** I am somewhat encouraged with all the talk of open government this afternoon. In the interests of a rather informed debate, in our short discussion on agriculture, I think that we could perhaps discuss some of the issues that we have been pursuing in Question Period. To a certain extent, I have been subject to the artful dodge during the Question Period and, while it is all interesting and fun to participate in, it does not really do much to increase the public's knowledge of what is happening with agriculture in the territory.

Perhaps the minister could listen to my comments. We all do welcome the Minister of Education back to the House and, after having done that, we could get into a short discussion on the government's agricultural program. I notice that the minister, in his opening remarks, suggested that they might be considering attempting to remove one person from protective services and taking that position to fill the position of an agricultural expert, or some such thing.

This does not show up in the budget, but I guess we can take the

minister's word for it, perhaps against my better judgement. Whereas it was not mentioned in the budget, it was certainly mentioned publicly last November by the chairman of the Agriculture Development Council, and I am a little bit puzzled as to why it would not be shown here. Perhaps the minister would like to comment on that? Perhaps he could also comment on the position of the agricultural expert; when they propose to advertise this position. I understand that the minister was suggesting that perhaps they would not advertise; perhaps they would, with their extensive agricultural expertise, go throughout the country and pigeon-hole some expert and try to convince him to come up and do a job for us.

2. Perhaps he could elaborate a little bit on this selection procedure, which I find rather interesting, and perhaps he could speak a little bit of the expertise which he expects to get from this particular person.

I am somewhat interested in the relationship between the Agriculture Development Council, which was supposed to fulfill a certain role or purpose in the territory, and the agricultural expertise which this person is meant to represent. I remember, while the Alaskans were here, that they were suggesting that, for the size of the territory, perhaps we should contemplate the filling of a county agent position, a similar position which is found in the mid-western United States, where a single person provides advice, technical expertise and even does things such as inspect meat, et cetera — certainly an all-round position. I am wondering if the minister could elaborate to a certain extent on that, before he falls asleep?

**Hon. Mr. Lang:** The member opposite has been pursuing this line of questioning in the House and I have to commend him for his persistence. I have done my best to answer his questions as well as I possibly could.

I should point out, for the member's information, that he spoke at great length on those people who were perhaps not getting what they were requesting and various other elements of discussion that may have been problems with the program. I should inform the House that I have had a number of people come out and congratulate me personally for getting this underway and people are getting their land — at least, territorial land. We are running across problems with the federal government, of course.

We do have a soil pedologist staff, through Agriculture Canada, in the Department of Renewable Resources, who is supplying us with certain expertise and help. I should point out that the agricultural community is very happy with having that type of expertise so they can go and discuss questions that are so important to them; and that, of course, is the ability of the soil and what it can do in respect to agriculture.

I indicated to the House about a week or two ago that we were not going to go out, perhaps publicly, for the purpose of advertising, that we were going to perhaps go to contract with an individual who had been recommended to us by a previous employee of the experimental farm in Haines Junction and who is very well respected in the agricultural community. Unfortunately, the individual we approached could not take on the responsibility so we will be advertising.

I understand that our advertisement has gone out, or, at least is in the process of going out, and I will have to wait to see exactly what response we get to it. The individual we are looking for is someone who has a general knowledge of agriculture, a general knowledge of government, can provide technical advice to farmers, as well as giving us an understanding of the federal government and what we should be pursuing in cost-sharing with the Government of Canada. These are the types of things that we would see this individual doing, as well as working with the deputy minister, me and the Agriculture Development Council. It is a general over-all view, as the member referred to. I cannot see the individual as being a meat inspector, to be quite honest, but I could see him giving general advice in the area of agriculture and providing a source of expertise that we generally lack in the territory at the present time.

I just want to assure the member opposite — he can take my word for it — that the position, if it is filled, will be taken from protective services, where there is presently a vacancy.

3. **Mr. McDonald:** I thought that, for a second, I was going to be receiving just a litany of the answers that I have been receiving in

Question Period for weeks. The mention of the soil pedologist and the fact that the minister received a lot of accolades for all the work he was doing, and the fact that we were looking into a whole range of activities — which is fine, it is all in the right direction — I am glad to see that he is not actively participating in the group of people who are dumping on agriculture, so to speak.

I do understand that a lot of the agricultural program is on hold at least until the agricultural expert arrives, and that a lot of the experience which the Agriculture Development Council harbours is not sufficient to the task — certainly to the administrative tasks — that is all fair enough. The House of course is still waiting for a list of the rules for the dispersement of land, a motion for which was passed last week. I am certainly looking forward to it. The next step, of course, as I have given the minister notice, was to ensure that the House could at least scrutinize the activities of the Agriculture Development Council or the lands office — whoever is in charge of distributing land — to ensure that the distribution of lands is fair and just. That will be the next step for us all, I am sure.

I am interested in a few general statements by the minister on what the government considers to count as farming. I know that the rest of the country has wrestled with this problem in the past when it came to things such as determining tax policies for farms; whether or not to distribute benefits to people who call themselves farmers. I am wondering, in the minister's mind or in the government's opinion, what constitutes farming and what constitutes agriculture? Is it anything from a plot of land which supports a horse and a hayfield, or is it market-gardening specifically, or is it grains, vegetables; what, specifically, constitutes farming? The minister looks very reluctant to answer this question, but nevertheless it is going to eventually be a significant question in terms of distributing land for this purpose. So perhaps we can get on to that now.

**Hon. Mr. Lang:** I think the member is fully aware of this; we have provisions in our land regulations for extensive as well as intensive types of activities, as far as farming is concerned. It dictates the size of the properties that can be applied for. In respect to their ability to grow things, whether it be grains or whether it be market-gardening, it largely dictates what they will receive as far as the amount of lands for the purposes that they are requiring it for, the way I understand it. I just want to assure the member opposite that the Agriculture Development Council is doing everything it can to supply the necessary pressure for the purposes of land release, and working very hard at it, and we are accomplishing it. I do not have much more to add. I do not pretend to be a farmer; the member opposite, I understand, is an unemployed miner. I am doing the best I can with the expertise I have, to provide an opportunity for people to get into an area that I think, over a time, will provide a certain service to the general public of the territory, as well as themselves, and maybe a few bucks while they are doing it. What more can I add?

4. **Mr. McDonald:** The fact that the minister has nothing more to add is a little bit frightening. It is true that there is provision for extensive and intensive plots of land that delineate size alone; it does not delineate activity on the land. I think that that is going to be a significant factor eventually. Obviously, neither of us have long histories of farming expertise; we are both obviously trying to wrestle with the problem as generalists. I hope we both try to wrestle the problem at some length and try to get a handle on it. Whereas I might be an unemployed miner, the minister is an unemployed grader operator — I understand — and so through mining and grader operating perhaps we can develop some sort of a workable agricultural policy. I am not sure that the farmers in the territory would appreciate that bit of news but nevertheless we have been elected to do the job.

The reason I bring up this particular problem is that in other jurisdictions, I understand — I have not lived through this problem myself — they do have problems determining whether or not a person qualifies for certain benefits as a farmer, and, in this case it would be whether a person qualified to receive land for agricultural purposes. If a person had four quarter horses for racing and wanted to provide himself with 20 acres of hay and oats, would that person be entitled to the same land as a gentleman farmer, as somebody



who wanted to seriously market garden in the way of vegetables or whatever. This is actually a very serious problem and it has been dealt with in other jurisdictions, for better or worse. I wonder if the minister could comment on that, and if he cannot comment on that perhaps he could at least make another undertaking to look into this problem?

**Hon. Mr. Lang:** I have vowed to my colleague on the far left, at the other side, I would suggest that, as he indicated he has consulted other jurisdictions, perhaps he could share the knowledge he has with us.

**Mr. McDonald:** Generally speaking, the minister has a swelled head, to a certain extent, on certain other affairs and the fact that he is sort of admitting his ignorance in this subject is rather disarming. I would be perfectly happy to sit down with the Agriculture Development Council on our way to Alaska together to discuss this and other problems. I, too, am not an agricultural expert, but then again I do not have the Agriculture Development Council, or the bureaucracy, on which to base informed opinions on. I only know that there is a problem in the territory; as an opposition member I am trying to grapple with that problem and I am hoping that the minister flows along.

Perhaps the minister could also clarify something that has been disturbing me somewhat regarding the rules for the disbursement of land. We have discussed this very superficially in Question Period and we have also discussed it to a certain extent with a motion last week. The minister has promised to make public a full list of the rules for the disbursement of agricultural lands. There is one area I do find rather puzzling, because it was one area which we dealt with specifically during Question Period, and that was the financial capabilities of particular persons applying for land.

When the Alaskans were here, and Bob Bettisworth in particular, they mentioned the fact that when they were developing the Big Delta area in Alaska, they had a number of rules for the disbursement of agricultural land. They said that, at one point, they required that a person who claimed that he could develop a large acreage, at least in a rudimentary way, had to prove that he had the financial capabilities of working the land. The minister has suggested I have taken him out of context. I would like to read into the record the question that I asked and then, perhaps, get the minister's reaction. I asked him, "Before signing over title of agricultural land to prospective farmers, is there any stipulation ensuring that there is adequate financial resources or access to credit which would permit a successful start-up?" The minister replied, "I am sure that the Agriculture Development Council, if they believe that the operation is of such magnitude that we ask questions of that nature, will assure itself that whatever is being applied for can be done within the financial capabilities of the individual in question."

At the time, that seemed to be in concert with the opinion of the Alaskans who were here. I thought that we at least tied down that one obligation. Since then, however, the chairman of the Agriculture Development Council seemed to believe that he "could not care less", in his words, whether or not the person had the financial ability to perform what he said he could perform in the original contractual agreement and, further, that if he could not make it, the land would just revert back to the territorial government. That was a rather interesting policy in the Alaskan's eyes, in that they try to prevent a high degree of farm failures before they occurred. I am wondering what the government policy is regarding this particular obligation and if the minister could elaborate to a certain extent to suggest whether or not there is a conflict between the minister and the chairman of the Agriculture Development Council or whether I am just misreading the situation.

**Hon. Mr. Lang:** I admit to you that I find the McDonald Report very interesting. I would ask the member opposite to clarify, perhaps on Monday, how the various jurisdictions solved the problem between market gardening and other methods of farming. I am sure all members of the House would be interested in hearing it.

I am very pleased to hear that some day old McDonald may have a farm, but I have to say to the member opposite that, as far as expertise today, I am sure he is pleased to know that we have two MLAs on our side of the floor — one who has been very much

involved with farming and another with ranching. It has helped me a great deal with respect to trying to resolve some of these problems.

It would seem to me that we are going to continue into the McDonald-Lang debate on the question of agriculture in a very general sense, in view of our knowledge on the subject, but I am sure it will be very entertaining for everybody involved.

I move that we report progress on Bill No. 5.

*Motion agreed to*

**Hon. Mr. Lang:** 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. Philipson:** The Committee of the Whole has considered Bill No. 5, *Second Appropriation Act, 1983-84*, and directed me to report progress on same.

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

**Some Members:** Agreed.

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

**Hon. Mrs. Firth:** I move that the House do now adjourn.

**Mr. Speaker:** It has been moved by the hon. Minister of Education that the House do now adjourn.

*Motion agreed to*

**Mr. Speaker:** This House now stands adjourned until 1:30 p.m. Monday next.

*The House adjourned at 5:22 p.m.*

