



The Yukon Legislative Assembly

Number 18

3rd Session

25th Legislature

HANSARD

Tuesday, April 26, 1983 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

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

CABINET MINISTERS

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

GOVERNMENT MEMBERS

(Progressive Conservative)

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

OPPOSITION MEMBERS

(New Democratic Party)

Tony Penkett	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
Tuesday, April 26, 1983 — 1:30 p.m.

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

Prayers

DAILY ROUTINE

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

TABLING OF DOCUMENTS

Hon. Mr. Ashley: I have for tabling the Territorial Policing Agreement dated February 10, 1983. I would like to advise the members opposite that if it had been here in time for my budget, it would have gone through in the normal process.

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

PETITIONS

Mr. Clerk: Mr. Speaker and hon. members of the Assembly, I have had the honour to review a petition, being petition No. 2 of the Third Session of the 25th Legislative Assembly, as presented by the hon. member for Whitehorse South Centre on April 25, 1983. Pursuant to Standing Order 66(1) of the Yukon Legislative Assembly, it is my responsibility to report whether a petition conforms to the rules recognized by the House. This petition does not conform in the following respects: 1) It is not addressed to the Yukon Legislative Assembly, as required by Standing Order 65(1) and Appendix 2 of the Standing Orders; 2) It is not dated as required by Appendix 2 of the Standing Orders; 3) It assumes the style of a declaration and does not specifically request any action of the Legislative Assembly, which is in violation of Annotation 670 of *Beauchesne* which states "a paper assuming the style of a declaration will not be received".

Mr. Speaker: I must, therefore, rule that the petition may not be received.

Are there any introduction of bills?

INTRODUCTION OF BILLS

Hon. Mrs. Firth: I move that Bill Number 11, *Employment Expansion and Development Act, 1983*, be now introduced and read a first time.

Mr. Speaker: It has been moved by the hon. Minister of Education that a bill entitled *Employment Expansion and Development Act, 1983* be now introduced and read a first time.

Motion agreed to

Hon. Mr. Pearson: I move that Bill Number 12, entitled *Third Appropriation Act, 1983-84*, be now introduced and read a first time.

Mr. Speaker: It has been moved by the hon. government leader that a bill entitled *Third Appropriation Act, 1983-84* be now introduced and read a first time.

Motion agreed to

Hon. Mr. Pearson: I move that Bill Number 13, entitled *Interim Supply Appropriation Act, 1983-84, (No. 2)*, be now introduced and read a first time.

Mr. Speaker: It has been moved by the hon. government leader that a bill entitled *Interim Supply Appropriation Act, 1983-84, (No. 2)* be now introduced and read a first time.

Motion agreed to

Mr. Speaker: Are there any notices of motion for the production of papers?

Notices of motion?

Are there any statements by ministers?

Are there any questions?

QUESTION PERIOD

Question re: *The Children's Act*

Mr. Kimmerly: I have a question for the minister responsible for *The Children's Act*.

A government lawyer stated yesterday that there was no legal reason why the diversion sections of the bill could not be severed. It was stated at the Conservative Convention that the bill could not be severed. Which statement is correct?

Hon. Mr. Tracey: It is possible to sever the part of the act dealing with diversion, but there are a great many other parts of the act that also deal with the diversion council and diversion committee and those could not be severed. The controversial part of *The Children's Act* is section four, which deals with diversion committees and diversion councils. That is the controversial part. The other three parts of the act are very uncontroversial and so there is no reason to separate them in order to deal with one section of the act.

Mr. Kimmerly: Is it possible to sever the admittedly controversial sections?

Hon. Mr. Tracey: No, for exactly the same reasons as I just stated.

Speaker's Ruling

Mr. Speaker: Order, please. I should have ruled that question quite out of order because it is asking for a legal opinion.

Mr. Kimmerly: In the federal Parliament recently the opposition delayed normal business in order to get a bill severed. Does the minister know the name of the federal MP who engineered this tactic?

Some Member: (Inaudible)

Question re: Cominco Red Dog property

Mr. Porter: My question is for the government leader.

Has the government leader studied the implication of Cominco's Red Dog lead-zinc-silver deposit on the economy of the Yukon?

Hon. Mr. Pearson: No I have not studied the implications of it. I do not know exactly what impacts that particular enterprise is going to have on Yukon. I am confident that our people in the Economic Development Branch, who in fact do look after things like this, would have some comment if they felt there was going to be any direct impact at all.

Mr. Porter: If the minister has not already done so, will he in the near future be arranging for meetings with officials of Cominco and his counterpart in the Alaskan government on the issue?

Hon. Mr. Pearson: I do not know. I think I would have to be convinced that in fact there are going to be impacts on the Yukon government.

Mr. Porter: Given the obvious threat that the development of the Alaskan deposit of Cominco will have on Cyprus Anvil's share of the lead and zinc market, will this accelerate this government's plans to bring the Cyprus Anvil mine back to production?

Hon. Mr. Pearson: The member should have been in the House yesterday. We went over this government's responsibilities and role in respect to the extraction of ores in this territory. He would have learned that it is virtually nil. I expect that the development of the Red Dog property will have some impact on Cyprus Anvil's world market picture, but I also respectfully suggest to you that this government is going to have very little impact, if any, ever, on such a problem.

Question re: *The Children's Act*

Mrs. Joe: A question for the Minister of Health and Human Resources: in a letter dated April 22, 1983 to interested Yukoners, the minister indicated that Yukoners would be given two extra weeks so that they would have a chance to have further input in the new *Children's Act*. Could the minister tell us how that input will take place?

Hon. Mr. Tracey: First of all, I did not say we would give two extra weeks; that is a misquote. I said that by dealing with it at the end of the session of the House, it would probably be an extra couple of weeks. I am hopeful that it will. We are right now, in fact, setting up meetings. There are various meetings being set up

throughout the territory; we are receiving briefs from interested people and written presentations. For example, there will be two meetings held in Whitehorse tonight: one in Jack Hulland school and another that I will be attending in the Hootalinqua riding. Anyone who has concerns, I would hope they would express them to me in the intervening time.

Mrs. Joe: The letter states that comments and suggestions will be given the fullest consideration towards the finalization of this act. Does this mean that interested citizens will be able to make representation to this House?

Hon. Mr. Tracey: No.

Mrs. Joe: Will the minister make available to the opposition 100 more copies of *The Children's Act* before tomorrow night?

Speaker's Ruling

Mr. Speaker: Order, please. I will rule that question out of order as being a representation.

Question re: Yukon Federation of Labour

Mr. McDonald: I have a question for the Minister of Consumer and Corporate Affairs. Yesterday, the Yukon Federation of Labour presented a comprehensive brief to Cabinet regarding various issues facing the Yukon. Can the minister state why he, as minister responsible for labour services, was unable to attend?

Hon. Mr. Ashley: Certainly I will state why. I was not aware of the meeting. It took place at very short notice, as I was informed. I was called yesterday morning, but I already had prior commitments.

Mr. McDonald: I find that somewhat incredible. Was any commitment made by the government to the federation to touch base or to hold regular meetings on an ongoing basis throughout the year regarding labour and economic matters facing the territory?

Hon. Mr. Pearson: If the member was well informed, he would know that we, as a Cabinet, like every Cabinet that I am aware of in Canada, meet annually with the Federation of Labour in the region that is involved. I am quite prepared to meet annually with the Yukon Federation of Labour. I have regretted that this meeting has not taken place earlier. I have been cognizant of the fact that the Yukon Federation of Labour has been in place for some considerable length of time. However, there have been a couple of meetings scheduled and they have been cancelled each time for reasons not emanating from the government.

We met yesterday morning, and I cannot guarantee anybody, ever, that every one of my Cabinet colleagues is going to be available for a meeting on any given morning; that just cannot happen. It was regrettable that Mr. Ashley could not be there, however, there were other members of Cabinet there. We heard their brief and were very interested in it. The answer to the question is, yes, we know that there is a Yukon Federation of Labour and, yes, we will be meeting with them on a regular basis. We are committed to meet with them annually.

Mr. McDonald: Surely, the Minister of Labour Services would be the primary participant in these meetings.

To the minister responsible for labour services: as stated previously this session, the minister has committed to reviewing and developing employment standards legislation this summer. Does the minister plan to solicit input from the Federation of Labour and does he plan to make public a position paper regarding proposed changes to the act before the commencement of the fall session?

Hon. Mr. Ashley: I think I have answered these questions many times before. We have received a lot of input from the past governments; I will be going through that. The department has that and that will be taken into consideration and then, at that time, we plan another strategy.

Question re: Land claims

Mr. Penikett: It smells like something is burning in here, but I cannot tell who it is.

I have a question for the government leader. Forty-one agreements have been signed in the Indian land claims process, leaving only a few outstanding. I would like to ask the government leader, does his government intend to honour the agreements which it has

already signed and shall this remain the policy of the Yukon government if the land claims continue to be negotiated without his government's presence at the table?

Hon. Mr. Pearson: There are some 40 agreements signed. The few, I respectfully suggest to the leader of the opposition, are about 20 more to be signed?

We have indicated that we are quite prepared to have the *status quo* remain as it is, as long as we are carrying on our negotiations with the Government of Canada. We have made moves to honour some of those agreements, where it has been necessary, in the past four months. We will continue to do so in the future, given that these negotiations, we think, are going to be concluded to everybody's satisfaction.

Mr. Penikett: As the government leader knows, the Yukon Indian chiefs are meeting this week to reconsider their commitment to a one-government system, in light of the crisis created by the territory's boycott of the claims talks. Could I ask the government leader specifically what contingency plans has the government planned to deal with this eventuality; the eventuality of claims being settled or negotiated on the basis of a two-government system?

Hon. Mr. Pearson: We have not developed any sort of contingency plan at all because, frankly, I do not think it is going to happen. I honestly believe that a majority of the Indian chiefs, like a majority of the Indian people, like a majority of the white people in this territory, a large majority of the people in this territory want a one-government system.

Mr. Penikett: The government leader may have trouble convincing me that he really wants that. A land claims settlement based on a reserve system of Indian government could mean, as the government leader said last night, that non-status Indians will become the direct responsibility of the Yukon Territorial Government, as they are in the provinces. Has the government obtained an estimate of the costs providing social and other services to non-status Indians in the event that a land claims agreement is negotiated on the two-government model?

Hon. Mr. Pearson: The member answered his own question. They are our responsibility now.

Question re: Cyprus Anvil sale prospects

Mr. Byblow: My question is to the government leader.

Dome Petroleum has indicated its desire to sell its Cyprus Anvil property and the government leader has indicated previously his knowledge of several parties who may be investigating possible purchase. Can the government leader advise, to his knowledge, what parties have considered or are considering a Cyprus Anvil acquisition, and if Cominco was in fact one of them?

Hon. Mr. Pearson: No, I am aware that some time ago Dome contacted, on behalf of Cyprus Anvil, I believe, some 140 Canadian companies that they thought might be interested in purchasing Cyprus Anvil. I am in absolutely no position at all to say who I think might be interested, or who I hope might be interested.

Mr. Byblow: Irrespective of whether or not Cominco has expressed an interest in Cyprus Anvil, but definitely in light of Cominco's interest in the Alaskan Red Dog properties, does the government leader know if any Yukon residents sit on the board of directors of Cominco, and if so has he had any meetings with the member?

Hon. Mr. Pearson: I believe that Mr. Rolf Hougen is a member of the board of directors of Cominco, although I am not absolutely certain. I saw Mr. Hougen about a week and a couple of days ago at a very very successful convention that we held in Whitehorse. We did not discuss this subject, and, no, I have not discussed it with him.

Mr. Byblow: The government leader is correct in identifying a member of the board of directors. Stemming from that, can the government leader indicate, to his knowledge, if there is any connection at all between the closure of the department store in Faro recently and the president of that company assuming a directorship on the board of directors of Cominco?

Mr. Speaker: I think I would rule that question out of order. If you are seeking an opinion from the minister as to something, that

would be clearly out of order.

Hon. Mr. Pearson: With all due respect, Mr. Speaker, I believe that I have to defend the accusation made by the member because I happen to know that Mr. Hougen has been on the board of directors of Cominco for at least three years. The member for Faro knows full well that Mr. Hougen was a businessman in Faro and was running a business. I am quite confident that he can substantiate, to anyone's satisfaction, that he has taken a purely business decision. This is a free enterprise world; it is a free enterprise place and he has that right.

Question re: *The Children's Act*

Mr. Kimmerly: I have a question about *The Children's Act* and the process involved. The minister is circulating a letter to persons picking up copies of the bill. The letter states, "Much clearer and stronger protections are built into this legislation for the parents of children believed to be in need of protection". That statement is not true.

Mr. Speaker: Order, please. I believe the member is making a speech and it is not proper to read from documents in Question Period. However, proceed with your question.

Mr. Kimmerly: Will the minister delete this line from future copies of the letter?

Hon. Mr. Tracey: No, because it is true.

Mr. Speaker: I will not permit any further questions relating to the letter as read by the hon. member. I ought to have interfered earlier because I will draw the attention of members to Annotation 362 of *Beauchesne* "reading telegrams, letters or extracts from newspapers as an opening to an oral question is an abuse of the rules of the House. It is not good parliamentary practice to communicate written allegations to the House and then ask ministers either to confirm or deny them. It is the member's duty to ascertain the truth of any statement before he brings it to the attention of Parliament". In any further questions on this matter, I would ask that the hon. members phrase their questions in such a manner to keep them in concert with the rules that you have laid down for yourselves in Question Period.

Mr. Penikett: On a point of order. To assist the House, could you direct us to which of the 14 rules, adopted by this House, that instruction is contained in?

Mr. Speaker: I would direct the hon. leader of the opposition to rule No. 16, which states "in all cases not provided for within these guidelines the usages and customs of the House of Commons of Canada is in force at the time shall be followed".

Mr. Kimmerly: Will the minister state that the issue in question is, in fact, a controversial one and will be decided by the Legislature in due course?

Hon. Mr. Tracey: No, but I will say that the member is raising a question that should be a matter of debate in this Legislature when we are debating the bill. That is the time he should be raising it, not in Question Period.

Mr. Kimmerly: Has the minister considered obtaining an independent legal opinion on this issue?

Hon. Mr. Tracey: No.

Question re: *An Act to Amend the Public Sector Compensation Restraint Act*

Mr. Porter: My question is to the government leader. In the drafting of Bill No. 9, *An Act to Amend the Public Sector Compensation Restraint Act*, did the government solicit or receive any public input or private submissions from those groups who would be affected by the legislation?

Hon. Mr. Pearson: I have had correspondence from groups that were affected by the original legislation. Of course, it is still the same groups who are affected by the amendments. The amendments are not a surprise to anyone. We stated in correspondence to the affected groups that we would be tabling amendments at this session of the Legislature. It came as no surprise to anyone who is affected by the legislation.

Mr. Porter: It has been reported that the City of Whitehorse has approached the Yukon government to delay passage of Bill No. 9 until YTG offers the city an opportunity to discuss the

consequences of the bill. Has the government responded to the city's request and, if so, what is the nature of that response?

Hon. Mr. Pearson: I must say that I received a letter from the acting mayor this morning, at about 11 o'clock. It is obvious that a blind copy has gone to the member for Campbell. I find that most interesting.

Mr. Porter: I must say the government leader's answers really smell today. The question came from the CBC report that was aired at 12:30. Previous to the introduction of Bill No. 9, had the City of Whitehorse requested an opportunity to provide input on the proposed changes to the restraint act and, if so, was that opportunity provided?

Hon. Mr. Pearson: I have spoken directly to the mayor on occasion. I believe that the responsible minister, whom the city council deals with, has dealt with the council on this issue. We were quite cognizant of where the City of Whitehorse was until the mayor left town.

Question re: *Women's Bureau*

Mrs. Joe: I have a question for the minister responsible for the Women's Bureau. On two occasions earlier this session, I asked the minister about an affirmative action program for women working in the public service of YTG. Can the minister now inform this House what steps the Women's Bureau has taken to draft or implement such a proposal?

Hon. Mr. Pearson: With your permission, Mr. Speaker, I will attempt to answer the question once again. We do not have an affirmative action plan, per se, in operation in this government. However, we do have in place procedures whereby we work with the Council for Yukon Indians, we work with the federal government, we work with the Women's Bureau of the Yukon government, with respect to the hiring of people. We intend to continue that.

If the member has any specific problems that she would like to bring to our attention, she can contact me. I am responsible for the Public Service Commission and the Public Service Commissioner, who would be more than happy to talk to her, or the Minister of Justice.

Mrs. Joe: Thank you, I have finally got an answer to that question. In 1978, of the 46 percent of YTG employees who were women, eighty percent earned less than \$17,000 per year while of the 54 percent who were men, only 22 percent earned less than \$17,000 per year. Can the minister inform this House of any concrete steps which have been taken to redress this situation? Has the situation of women working for YTG improved since 1978?

Hon. Mr. Pearson: I respectfully suggest to you that if you ask any woman working for this government, the situation has improved since 1978. I do not know that that is the result of any affirmative action. Also, the member has given us some statistics. Now, statistics can be made to prove anything, I respectfully submit. Yes, we have a lot of women working for this government and, yes, a majority of them are in the lower paid jobs; but, yes, they have the same opportunity as anyone else to apply for any job in this government. Nobody has ever been turned down because she was a woman.

Mrs. Joe: I have a supplementary question to the minister responsible for the women's bureau. Since this government has passed legislation which will widen the gap between its lower paid workers, women, and its higher paid workers, men, will the minister confirm that the effective policy of his government is now negative toward, rather than improving, the situation for women employees?

Hon. Mr. Pearson: With your permission, Mr. Speaker, I will answer this question as well. We might as well get it right out into the open. The union has been negotiating for years, trying to, what they call, close the gap. This government has a pay plan in place that is based on the merit system. Any movement to close the gap, as they refer to it, does in fact do away with the merit system plan; and I have said time after time after time that I was not going to negotiate the collective agreement in this House, and we are not affecting it by the legislation. It is a fact of life that this is an item that is on the table at every negotiation and it is negotiated every

time; and it was this time as well.

Question re: Diamond Tooth Gertie's

Mr. McDonald: Yes, it has been negotiated in this House. To the minister responsible for tourism — who is probably feeling lonely and neglected over there — it has been reported that an Edmonton-based firm will receive the contract to improve Diamond Tooth Gertie's in Dawson, despite two lower bids offered by two local companies. Does the minister support the award of this contract to the Edmonton-based firm?

Hon. Mrs. Firth: The awarding of that contract was the responsibility of the Klondike Visitors Association, not this government.

Mr. McDonald: Are any local hire provisions tied to contracts involving the expenditure of public money?

Hon. Mrs. Firth: In the situation that the member is asking about, I believe the reason that the Klondike Visitors Association awarded the contract to that particular firm was because they wanted the project finished as soon as possible and the other two firms that had bid on the contract were not able to give a commitment to have the project in question finished on time.

Mr. McDonald: Has the Edmonton-based firm provided any guarantees to hire locally and to purchase supplies locally?

Hon. Mrs. Firth: Perhaps the member should get in the touch with the Klondike Visitors Association. If he would like some names and telephone numbers, I can accommodate him.

Question re: The Children's Act

Mr. Kimmerly: Concerning the process to be followed on *The Children's Act*, is there now the government position concerning the calling of expert evidence at the committee stage?

Hon. Mr. Tracey: If I feel that I need expert witnesses from my department, or wherever, I will call them.

Mr. Kimmerly: Is there a government position concerning the calling of expert witnesses to discuss the divergent views of experts on controversial sections?

Hon. Mr. Tracey: No. If the member across the floor thinks he is one of those experts, I think he is mistaken.

Mr. Kimmerly: Is there a government position concerning calling Yukon citizen group witnesses concerning the controversial sections of the bill?

Hon. Mr. Tracey: The answer to that has been reiterated in this House approximately four or five times and the answer is no.

Question re: Trucking of sodium chloride

Mr. Penikett: I have a question for the Minister of Consumer and Corporate Affairs. Local residents have complained that sodium chloride road salt, purchased by this government, has been hauled into Yukon by BC truckers under the authority of permits issued by this government. Could the minister explain this policy that permits most of YTG's salt purchase to be hauled by BC truckers rather than Yukon operators?

Hon. Mr. Lang: This responsibility is shared between me and the Minister of Consumer and Corporate Affairs. If the member reads the *Transport Public Utilities Board Act* that he helped pass through this House a number of years ago, he can see where the authority is granted. For the information of members, the initial contract was let some time ago because the White Pass and Yukon Rail decided they were no longer going to provide the service that they had. Subsequently, we needed someone to truck calcium chloride to Yukon.

In the initial stages, there were a number of local truckers utilized. I am happy to report to the House that, I understand, for the second part of the contract, all of the trucking is going to be done by local truckers.

Mr. Penikett: Perhaps I could direct a question to the same responsive minister, who is not responsible for the Transport Public Utilities Board. Well over a month ago I brought this matter to the attention of the secretary of the Transport Public Utilities Board. Could the minister explain why, in spite of follow-up telephone calls, I have yet to receive an answer to my enquiry?

Hon. Mr. Lang: It was probably misdirected. The calcium

chloride was being purchased by the Department of Highways. If the member had phoned me, I would have given the response three weeks ago.

Mr. Penikett: It appears that this government's mail moves even slower than Ottawa's. Could I ask the Minister of Consumer and Corporate Affairs if he will be reviewing his department's handling of this matter, with a view towards preventing repetition in the future of a situation where Yukon truckers felt aggrieved and felt that they had lost work that could have been appropriately theirs?

Hon. Mr. Ashley: Yes, that is exactly what the Transport Public Utilities Board is doing right now, in the review of the act and the regulations. That letter was signed today, actually, by myself.

Question re: Heavy equipment operator training

Mr. Byblow: I have a question I will direct to the Minister of Education.

Yesterday the minister stated that the equipment for the Yukon College heavy equipment operators course is being used by the Department of Highways. Since there is presently no heavy equipment operator training course being offered at the college, will the equipment be used to at all provide vocational training or skills upgrading to employees with the Department of Highways?

Hon. Mrs. Firth: We do have a heavy duty equipment mechanics course. I believe some of the equipment is also being used on that mechanics course. The equipment is being repaired or rebuilt or upgraded to accommodate that other course. I should add for the member that there are presently 200 heavy duty equipment operators on the union waiting lists looking for jobs, and that would not seem feasible that we should train more at this time.

Mr. Byblow: I would like to ask if the minister would be prepared to have our government work on the Faro access road with those operators, but I would much rather direct my question to the Minister of Highways. Is it the policy of this government that employees of the highways department, including so called casual employees, should be provided with opportunities for on-the-job vocational training and skills upgrading, so that, for example, a labourer can learn heavy equipment operations?

Hon. Mr. Lang: There are some provisions to allow for that within the scope of our operation. Of course, I think the member opposite would have to agree with me that we have to, overall, have a work force that is capable and competent to do the job that we are asking them to do. There is an opportunity for apprentices, as well, within the Department, of Highways and I am pleased to report to the House that it seems to be working fairly well, over all.

Mr. Byblow: My supplementary is back to the Minister of Education. Could I ask what arrangements have been made between the Department of Education and the Department of Highways for the use of the college's heavy equipment presently under repair by the mechanics course people. Is the Department of Highways paying any lease rental in the form of an internal chargeback? In other words, is the education department at all in any way subsidizing the highways operation through this exchange?

Hon. Mrs. Firth: I do not believe we are although the Minister of Highways said he hopes so.

ORDERS OF THE DAY

GOVERNMENT BILLS

Mr. Clerk: Second reading, Bill Number 10, standing in the name of the hon. Mrs. Firth.

Bill No. 10: Second Reading

Hon. Mrs. Firth: I move that Bill Number 10, *An Act to Amend the School Act*, be now read a second time.

Mr. Speaker: It has been moved by the hon. Minister of Education that Bill Number 10 be now read a second time.

Hon. Mrs. Firth: I believe that the concept of this bill, the general idea of the bill, was presented as a resolution at two annual general school committee meetings. The Education Council has

conducted a survey which indicated that 66 percent of the parents were in favour of this change in the length of the Christmas vacation. There was also recognition on behalf of the department, teachers and parents that after four months of school, September to December, that is, that the school age children are in need of a holiday, in particular where the winters are long. The change is in keeping with what occurs in the provinces.

The length of the school year will remain at 190 days and the change will affect the time that the children get out of school in June; however, it will be only some three to four days that they will have to stay longer in school.

Mr. Byblow: The minister will be pleased to know that we are going to support this bill. Contrary to our earlier suspicions that the bill would continue, in this government's legislative authority to undermine the bargaining rights of teachers by, perhaps, a lay-off clause, or perhaps to exact further wage controls, this bill is clearly not any sort of threat and I am glad.

In fact, I am very pleased that the minister has responded to the school council's recommendations with regard to a request for this type of change. The minister did not mention it, but I also understand the YTA was even consulted.

As the minister says, the bill tidies up the Christmas holiday period and guarantees, through a formula, the length of it. I would note that the last time that we opened the *School Act* we passed an amendment that allowed a regulation authority to change the school year. I think, by way of notice, I will have some questions in committee on Section 109 in the *School Act*, with regard to the full implications of this change as it affects the previous sections of the act.

I think, also, I would like to say to the minister that I hope we can, in the near future, debate a full re-opening of the *School Act* instead of the type of incidental changes that have been looked at. I think that kind of an exercise would be very fruitful and it would require the kind of public discussion about our education goals, its philosophy and direction that, from time to time, we do debate in the estimates. I believe that kind of discussion is long overdue and it seems to me that we ought to be inviting, in an organized way, some public discussion and debate on this.

The act is about 10 years old and, certainly, educational expectancies are not the same traditional concepts they once were. As a territory, we are in full control of our education and in full control of our educational responsibilities. It is something we can begin to re-examine as required, as it is being demanded, as education becomes a much more integrated and a much more complex process in our society today.

On that philosophical and positive note, I will leave the minister with the challenge that we will certainly be pursuing that aspect of the *School Act*, but, for today, we certainly will be supporting Bill Number 10.

14 Motion agreed to

Mr. Speaker: May I have your further pleasure.

Hon. Mr. Lang: I move that Mr. Speaker now leave the Chair and the House resolve into Committee of the Whole.

Mr. Speaker: It has been moved by the hon. Minister of Municipal and Community Affairs that Mr. Speaker do now leave the Chair and House resolve into Committee of the Whole.

Motion agreed to

COMMITTEE OF THE WHOLE

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

Recess

Second Appropriation Act, 1983-84

Mr. Chairman: I now call Committee of the Whole to order. We will continue with the Second Appropriation Act 1983-84; we were on the Department of Economic Development and Intergovernmental Relations, on general debate.

Department of Economic Development and Intergovernmental

Relations — continued

Mr. Penikett: I wanted to, before I move off the subject of land claims on which we spent some time last night, discuss the statement in the minister's introduction which talked about the efforts to maintain public awareness of the issues at hand and on the land claims question.

I must say that I take a somewhat less benign view of the activities of this branch and this question than the minister obviously does. I do want to say that, apart from the political content of the acts — and I mean political, in part, in the sense that they presented one side of a story and provided no means for the other information on the question to be heard — that the information was, I think, scandalously incomplete in respect of informing the public. I, however, will concede that since the publication of the thicker document, "Fair Deal for all Yukoners", and the subsequent information which the House was promised, may provide a better basis for an education of this issue than the advertisements certainly did, which I regarded as quite pathetic from that point of view.

Unfortunately, because a similar kind of information is not available to this side of the House or to the general public from the other two parties to the talks — or perhaps the only two parties to the talks, now — we are not in a very good position to assess the veracity of the information provided by the Government of Yukon.

I should tell the government leader, though, that my party this weekend had a successful convention. He mentioned that his party had a successful convention the weekend before, but leaders, of course, have different ways of assessing what is a successful convention than the delegates sometimes, but I think probably everybody in my party felt it was a successful convention.

We, as did the Conservatives, invited the Council for Yukon Indians to speak to us in partial compensation for the refusal of members opposite to hear them here. We talked to them at some length about some of the issues, probably not nearly enough length, as I suspect it would take weeks and months to be fully informed. One of the observations by the person who addressed us, Mr. Mike Smith, was that there was a lot of misinformation and distortion in the government advertisements. I must say, again, to the government leader, that it is impossible for any fairminded or objective person to come to any fair conclusion about the accuracy of the information provided in the advertisements because what was published was such discreetly selected scraps about the land claims process that one could not imagine, at all, what the whole picture would have looked like.

I want to say to the government leader that, whatever decision they have taken in this session, and at this moment — I believe it is the wrong one — to hear from the Council for Yukon Indians and to allow them to give their side of the story of the issues that the government says are important, I certainly hope that some opportunity will be provided to this House to receive information from more than one source so that we can have the kind of information about the land claims issues that I think we really do require at some point.

I want to make a transition from that subject to the inter-governmental relations branch, which is cited as being responsible, in the government leader's statement, for policy analysis. As I said, I think there are four references in the government leader's statement to policy analysis. I do not think it was described so explicitly as an activity in any of the previous introductions to this estimate. I know that the federal government spends an enormous amount of money and talent on what they call policy analysis. I would respectfully suggest, for the federal government, much of that money and time is wasted. In fact, some of the effort expended by highly trained and highly educated public servants in this regard is, I think, more properly the responsibility of political people. That is another issue.

Could the government leader describe for us what the policy analysts do and how they work? Is it this government's policy options it is analyzing? In other words, are they performing some sort of policy planning function or is it the policy of, perhaps, federal agencies and federal departments they are analyzing? Or, if you like, is it more broadly a work of political strategy in terms of

some kind of assessment of public needs and demands and the recommending of political responses to it? The government leader can answer the question any way he would like but it might help us if he would pick one example of one policy area — perhaps even a land claims issue — a land issue or resources issue, and tell us how these officials function or perform their policy analysis. He might illustrate the point better, I suspect, for us, if he were to use one case and one example or, perhaps, two cases and two examples.

Hon. Mr. Pearson: I anticipated that kind of question in the detail. I have information here that I will be happy to give the member.

I recognize that the leader of the opposition has left land claims and has gone to intergovernmental relations; however, I feel compelled to go back to land claims for a moment in view of a couple of things that he has said.

At our highly successful conference, when Mr. Smith was there, he subjected himself to a question and answer period. During his general statement to our convention — I realize it was not reported by the media — he did say that there was misinformation and there were distortions in the information that we had been giving out. Either the first or the second question that was asked of him — and I might say that it was not asked by a member of this government, was, "Be specific. Where have they given out misinformation? Where are the distortions?" Mr. Smith, being a lawyer, was speechless, at this point. I could not answer the question.

There is no misinformation. There is no distortion, and I am not going to apologize for the federal government. The other side of this argument is the federal government; it is not the Council for Yukon Indians. That is why Mr. Smith could not point out where there was misinformation or distortion. I did not want that left on the record because it is simply not a fact, at all. We have been factual, and we have documented everything that we possibly can in respect to our argument with the Government of Canada.

In respect to intergovernmental relations, there are five officers working in this branch. They worked on things like the Alaska Highway Pipeline Project and the Beaufort Sea Development. They have ensured our close relations with the oil and gas industry, ensured Yukon's representation on committees such as the Energy Supplies Allocation Board and the Federal/Provincial/Territorial Committee on Government Relations, and, as a consequence, they have ensured that our positions as a government are known in those two areas. We are going to be appearing before the National Energy Board.

These are the people who are doing the ground work so that we can make these appearances before senate committees on the Northern Pipeline. They look after, as I mentioned in my opening statements, protocol; they look after Emergency Measures; they are very active in respect to intergovernmental meetings, particularly with the State of Alaska and, to some lesser degree, the Province of British Columbia, because of the first ministers' meetings that are held each year. They have been involved in the negotiation of manpower and training agreements with the federal government, they were very active when both the Governor General of Canada and Her Royal Highness Princess Anne were in the territory. This branch actually spearheaded the work, the great amount of work, that has to go into such an occasion by this government.

The policy analysis that they are primarily dealing with just about on a full-time basis has to do with Beaufort, almost exclusively now. That is where our major emphasis is. That is where we are trying to get some sort of agreement with the proponents on the north slope, in respect to Yukon benefits. A major portion of their time, at this point, is devoted to that. They are also going to be participating, to a large degree, at a workshop that is going to be held in Yellowknife in June. It is a workshop being sponsored by the Canadian Arctic Research Institute.

¹⁷ They have a multitude of projects like that on the go all the time. A lot of these projects are not of our making but rather things that we are asked to participate in. This is normally the branch where we, as a Cabinet, go for our first advice.

Mr. Penikett: I will leave that point, at the government's suggestion, for some kind of detailed debate. In passing, I must mention that Mr. Smith did not only subject himself to a question

and answer period at our convention too, but seemed to thoroughly enjoy it.

The specific question about distortions and misinformations was also asked at our convention, the government leader would be pleased to know, and like the good lawyer he is, Mr. Smith was well briefed on this occasion and gave us an elaborate reply. Because I will not want to distort Mr. Smith's statement or misinform the House, I will not attempt to repeat it now. I only leave the government leader with this thought about the territorial government's boycott, which he says has nothing to do with land claims, which he says is against the federal government, that the fact of the matter is that the federal government is not suffering because of this boycott; it is the Yukon Indian people who are suffering.

I want to move on to the point in the Inter-Governmental Relations Branch where it describes the activities of the branch in respect to the employment development programs, and the statement that they provide assistance to the Department of Education. I appreciate that. It talked about it being this agency that developed the job creation programs that have now been put in place. I would be curious to hear from the government leader whether there is any continuing involvement in that activity or whether that has been largely assumed by the Minister of Education and her officials, and if there is some continuing involvement, whether the plans or the activities in this department are sufficient to be able to describe in terms of numbers of jobs the plans or programs that they hope to develop or are developing in this coming year.

The reason I ask the question, I should explain to the government leader, is not to anticipate a detailed answer, is that the report in the estimates on the ARDA program, for example, is quite specific in terms of numbers of jobs, but the specific number of jobs created by some of the other programs is not contained in this estimate. I recognize that some of the things are spread out for the other departments. It would be useful, I think, for the House to have, at some point, a report on the total number of jobs created by all these programs. I will not ask the minister to give that now. I know the Minister of Education may have it in some form, but since some of these things may still be in the development stage, and the new federal budget may have had an impact on some of them, I would very much like to see a fairly detailed report on that question — not in this session, but at some point — when the information becomes available. I leave that as a question.

In the Inter-Governmental Affairs Branch activities, there is also described the negotiations about a flood damage reduction agreement. Later on, there is a reference to the Marwell flooding problem. Could I ask the government leader: in respect to the flood damage reduction agreement, is this to cover situations like the Dawson flood or the Marwell flood or both?

Hon. Mr. Pearson: It covers both. It is a national program. It is being negotiated with the federal government and all of the provinces are involved, as well. However, the Marwell problem is rather a unique one, in that it is our contention that that was flood plain when the federal government sold that land, in the first instance, and turned the rest of it over to the Government of Yukon and, subsequently, to the City of Whitehorse. They have a special responsibility with respect to the Marwell area that goes back, as I say, to the early 1950s.

They sold the land knowing, in fact, that it was a flood plain area and they also turned it over to the territory knowing that it was a flood plain area. We are hopeful that, over the course of time, we are going to be able to get some sort of assistance from the Government of Canada to reclaim the Marwell area so that we do not have to worry about flooding, given normal circumstances, in the future. The problem, of course, now is that flooding is virtually an every-year occurrence.

These negotiations are ongoing and, hopefully, it will be resolved soon. With respect to the flood reduction plan, that is a national plan and it is being negotiated with the federal government, as well.

Mr. Penikett: Other members may want to return to some of the questions in general debate but perhaps I could just press on and ask a couple of very general questions about the Beaufort work which the government leader indicates is the principle activity of

the branch at the moment. Some time ago, my colleague the member for Mayo, asked some questions about the survey that was circulating which were similar to questions I had put to the government leader by way of a letter some months ago.

The questionnaire asked for the union affiliation of potential prospective employees. Sometime prior to that, I had written to the government leader expressing the concern of many union members in this town that the employers concerned had a reputation for refusing to hire union members. The reputation may or may not have been fairly earned but the image of the employers in the Beaufort Sea is that they are non-union operations and they have every intention of keeping them that way; therefore, the government leader will understand that, should the information contained in the large number of questionnaires that were filled in be conveyed as is to the employer and should those employers have an anti-union bias, then they are in an excellent position to screen out people who are already union members or might be inclined to be pro-union.

As a civil libertarian issue, I would ask the government leader if some screening, reorganization, re-writing or assembling of this information is going to be done by this government or by the federal officials before the information contained in those questionnaires is conveyed to the prospective employers? I leave a very serious question with the government leader about the real prospects of a potential employee who has identified himself as a union member.

Hon. Mr. Pearson: The question is answered in detail on a legislative return. I think the two points that have to be made are: one, nobody was required to answer the question; it was not a compulsory answer required. It was also found that on questionnaires which went out without the question on them, that the information was being added to the questionnaire voluntarily by union members. Without having the actual answer in front of me, it is my recollection that, in fact, the reason for the question from the CEIC point of view was that they have to know in respect to qualifications of people and it is not information that is transmitted to potential employers.

Mr. Penikett: I accept the government leader's assurances on that point and I understand the importance from the point of view of assessing qualifications and the potential problems for Manpower in terms of dispatching certain employees. However, I should tell the government leader, if he does not know, that the concern with this form is sufficiently grave that one union based in this town, with a hiring hall in this town, advised its members not to fill in that space because of their experience with those employers in the Beaufort Sea. I leave it at that. It was an important enough concern to them that they raised it with me and, in fact, I subsequently raised it with the government leader.

I have one other question about the Beaufort in this general debate on this estimate, and that concerns our jurisdiction in the area. I am not asking about what we hope to assume in respect to resources or other controls. I am talking about the long-standing, if I may call it, border dispute, of which the government leader is fully aware. What, if anything, has developed as the result of the legal situation I believe we are in, where our border is literally limited to the coast? We do not, by virtue of the *Yukon Act* or the way the Yukon was covered under the Northwest Territories, in fact, have any offshore or, I understand, probably any very good legal claim to the offshore in the Beaufort Sea?

Hon. Mr. Pearson: The situation is still the same as it was the last time we discussed it in the House. However, we do have an undertaking from the federal government that, when there are amendments to the *Yukon Act*, the act will be changed to recognize that Yukon, in fact, has a share or a portion of the Beaufort in its jurisdiction. In respect to the proponents, all I can say is that I know that, when those ships are working in what we consider to be Yukon waters, they fly the Yukon flag.

Mrs. Joe: I just have one question of the government leader in regard to the information that he just gave on the review that was being done and the information on the Marwell flooding problem. I was not really aware of anything that had been done. I had asked for information last year and was told it was the responsibility of the city. According to what you have said here, the inter-governmental relations branch has coordinated a review of all three

levels of government on the Marwell flooding problem, is it possible to get any more information than that? I ask because I will soon be going to residents of that area and talking to them and, of course, the most important subject will be: what is going to happen about the flooding?

Hon. Mr. Pearson: If the member would contact Mr. Ferbey — he should be back in town, I would anticipate, by the weekend — I am sure that he would be more than pleased to bring her up to date exactly on where it sits. We are very much actors in this Marwell flood control situation because it is sort of the same as the escarpment problem. Although it is a municipal problem — it is within the municipality — we feel that we have a responsibility to help the junior government in its dealings with the senior government. We are sort of the middle and we are in a fairly good position to be able to coordinate.

If the member for Whitehorse North Centre would contact Mr. Ferbey, the deputy minister, I am confident that he will bring her up to date very, very quickly.

Mr. Kimmerly: I have a general question following Mr. Penikett's question about boundaries. It may, at first blush, appear to be impractical and, if so, I apologize in advance, but I want to raise it in any event.

The boundaries of Yukon were established by a colonial force somewhere to the southeast. Some of the boundaries appear to be unrealistic when considering the actual geography of some areas and also the cultural and land use patterns. There is an on-going debate about the COPE Claim: I understand that and I am well aware of it. There were also, in the last election campaign, advertisements about the possible claim that various Indian bands may have on parts of the territory.

It appears to me that it would be practical and sensible for the people involved to actually negotiate some of these potential areas of conflict. I remember comments made by the Alaskans on this particular point. It appears to be very impractical to change boundaries within the context of Canadian Confederation; however, in the Northwest Territories, this is being done; and is a slow process, I am sure. Is there any practical consideration given to negotiating the changing of the boundary with Yukon and the Province of British Columbia, in order to make some practical sense about the jurisdiction of the Alaska Highway where it dips into BC and comes back again and also the area in the far northwest tip of BC that borders, substantially, on Alaska?

Hon. Mr. Pearson: I have to agree that sometimes you have to wonder how they did it. There are some impracticalities, but I think the most glaring ones are on the border between the Northwest Territories and Yukon, where they just arbitrarily — it has never been surveyed — said, "It will be the height of land", then, low and behold, we get an exploration company that decides it has a very highly mineralized area and there is a battle raging about whether it is in the Northwest Territories or whether it is in Yukon. I guess there is a strong possibility that the mill might be in the Northwest Territories and the townsite in Yukon, or vice versa. It is possible that the mill could be in Yukon and the tailings pond in the Northwest Territories. Of course, we would not mind too much, but it is a critical issue there.

The issue of the six claims by outside groups is very real. It is one of the outstanding issues, as far as we are concerned, with the Government of Canada. It is one that they must bite the bullet on. I think there is no doubt in anyone's mind with respect to jurisdiction of the Alaska Highway where it dips into British Columbia between here and Watson Lake, nor on the Skagway Road where there are a number of miles through BC, nor on the Haines Road where there are a number of miles through BC. The BC government has turned that jurisdiction over to this government to the point where we have two maintenance camps in British Columbia. They are our employees and it is our money that is spent; it is our money that we get from the Government of Canada. The Government of British Columbia does not contribute one red penny to the maintenance and upkeep of any of those three roads; none at all. They were happy to turn over the responsibility to the Government of Yukon for the maintenance of them.

Mr. Kimmerly: On the Northwest Territories-Yukon border, it

appears to me that that border could be altered fairly easily by the Parliament of Canada. Is there any consideration for negotiations between the Government of Yukon and the Government of the Northwest Territories to come to an agreement on solving any unclear areas and possibly a trade-off of some land for some other in order to make the delivery of service and the cultural and traditional use patterns more sensible and practical?

Hon. Mr. Pearson: Yes, we are working directly with the Government of the Northwest Territories. We have a committee set up. They are not meeting on a very regular basis yet, mainly because of the downturn in the economy. We anticipated that it was going to be a big year for Mac Pass. When there is a big year in the Mac Pass, of course, that precipitates the problem. I respectfully suggest that there will not be another Cantung situation, where the company is located very definitely in the Northwest Territories and yet all of the servicing that is done for Cantung has to be done from Yukon.

It is a burden to the Government of the Northwest Territories and it is unfair to the people in Cantung, and it is also unfair to the Government of Yukon and the people in the territory. I do not think that you will see another Cantung. In fact, we will find that we can negotiate border changes. Border changes are going to have to be, in the final analysis, done by amendment to the *Yukon Act*; that is the only place that they can be done.

With respect to this BC thing and the roads, there was a lot of talk for about two years before the Skagway Road was built. You will recall that the Alaska government built its road to the BC border. The Yukon government built its road to the BC border and then there was a gap inbetween that was all bush. The Minister of Indian Affairs and Northern Development interceded on behalf of this government and tried to negotiate some sort of a land swap to allow that road to be built. W.A.C. Bennett was the premier of British Columbia then and he made it very clear that the Government of Canada and the Government of Yukon could go ahead and build that road; he did not care. However, it was always going to be BC.

That was sort of a backlash to a scheme that he had evolved a few years before; where he was going to have Canada divided into five regions and he was going to be the chief Pooh-Bah of one of these five regions; the region was, in fact, British Columbia and Yukon. I was not in politics in those days, but I recall that the reaction in this territory was that we were going to line up all the guns on the 60th parallel and face them all south. That was the end of Mr. Bennett's idea. There was a map produced with respect to the five regions of Canada.

²² He was going to do away with the provinces and solve the northern problem entirely. He was going to get Yukon at that point in time.

Mr. Penikett: I too recall the time that the government leader refers to, and that debate. I would not want to leave the impression that the opinion was universal in Yukon about the annexation. As I recall, in 1975, some people, whom I could name but I am too kind to do that, were circulating a petition in this town to have Yukon join British Columbia. Shortly after the 1972 general election in British Columbia, that petition magically disappeared. I cannot imagine why, but it seemed that that sequence seemed to be related.

I want to pick up on a question I asked previously to the government leader, which he answered in part by referring to a legislative return which I have just dug up. He suggested that the return was quite clear about what would happen to the questionnaires that were filled out by prospective Beaufort employees. I submit that it is not perfectly clear, and I refer to the answer in the return which says in the last sentence to part one, "The question on union affiliation was included as well so that we can construct as complete a picture as possible of the Yukon labour force for all planning purposes." Part two then says, "as questionnaire forms are being returned they are being sorted into categories representing people with different trades who have had or have not had oil and gas experience, and who live in Whitehorse or the outlying communities. This information is being fed into the CIC delivery system and is being made available to the recruitment officers from the major companies".

It was, in fact, that sentence that caused me to ask the question I asked the government leader because it does imply that the information, including the union affiliation, is being supplied to the companies. I guess the only thing I can do is leave the question with the government leader because that was the apprehension that existed.

On Administration

Hon. Mr. Pearson: The administrative branch is responsible for the overall departmental management and the centralized departmental functions of personnel administration, financial management, and general administrative matters for the Department of Economic Development and Inter-Governmental Relations. It consists, as outlined on page 126, of seven people: the deputy minister, the director of administrative services and five clerical staff.

Mr. Penikett: I just want to ask one question about the functional relationship between the deputy minister of this department and the other deputy ministers in the government. It is my impression that two of the deputy ministers, perhaps even three of the deputy ministers, that report to the government leader — the deputy minister of Finance, this deputy minister, and the Public Service Commissioner — are persons of considerable authority, if you like, within this government. I think that is probably as it should be in the current situation. There are some provincial governments where the deputy minister to the first minister has a clearly defined status in the hierarchy of the government that is greater than that of the other deputy ministers. I do not think that they supervise the other deputy ministers but they have, if you like, a kind of seniority, or primacy. Previously, when we have discussed the system, the government leader has indicated that the deputy minister of this department has a number of coordinating functions to play with other ministries. Some of the descriptions of the branch's activities indicate that the minister would have some kind of a special relationship with certain other departments. Could he indicate to us if there is, not an informal pecking order, but a more formal kind of hierarchy of deputy ministers in this government? If there is, what is the position this deputy minister might hold in the hierarchy?

²³ **Hon. Mr. Pearson:** This deputy minister really plays a coordinating and one-window function. If we have not learned anything else from federal government over the years, I believe they stumbled upon the right way to handle the Northern Pipeline Agency with the one-window concept. I think it worked well.

We set up a similar type of concept with Mr. Ferbey as the deputy minister responsible for that when we were first elected, and we found that it worked very successfully. We are doing the same thing with Beaufort. It requires, though, that that deputy minister walk a very thin line, in that he has to coordinate with other departments all across the whole spectrum and he has to be very cognizant of the fact that he must not be perceived to be "stepping upon the other deputy ministers' toes". There are times when, because we are dealing with human beings, things get a little touchy, but everybody recognizes, I think, that the object of the exercise is to get the work done and they are committed to doing that.

We do not have a pecking order; however, I would suspect that the deputy minister of finance and the public service commissioner would be considered to be the two senior deputy ministers in the government, in that they are, in fact, on the management board. They are the only two deputy ministers on the management board; but then, of course, we have the deputy minister of the Executive Council Office, who is, in fact, the chairman of the deputy ministers' review committee, which all the deputy ministers are on. They meet once a week. They review various documents and issues and work plans, and so on and so forth, going on in the government. We try to keep everybody as active as we possibly can. I do not believe that, in this government, there is perceived to be any real pecking order, save and except probably for the deputy minister of finance, through necessity, who is considered to be a senior deputy minister, and the deputy minister of the public service commission, who is quite unique in that his job is in legislation.

Administration in the amount of \$385,000 agreed to on Special Programs

Hon. Mr. Pearson: The special programs branch is responsible for the development and the implementation of the energy policies, planning and programs, and the implementation of the Canada-Yukon Special ARDA programs. In the field of energy, the staff of this branch is involved in the development of an energy policy for Yukon, as well as implementing two existing energy programs that I mentioned earlier in my opening statement. The Canada-Yukon Special ARDA program, as everyone is aware, has been extended and we are still working, then, on that agreement and will be until March of 1984.

Mr. Byblow: On the subject of the Special ARDA program, I believe there was some concern raised recently in one of the Yukon communities about the interference the program may have on private enterprise and a number of questions were raised about its general value. Before I ask a specific question, I want to refresh my memory with respect to this government's relationship in the delivery of the Special ARDA program. It is, to some extent, cost-shared, I believe. Could the government leader clarify the relationship and, as well, the cost-sharing nature of that particular program?

Hon. Mr. Pearson: The Government of Yukon participates with the Government of Canada; it cost-shares projects, with respect to ARDA, that are deemed to be social development projects only and that are not strictly for the Indian population. There is a large portion of ARDA and a large portion of the money that is dedicated to ARDA in Yukon that is designed specifically for the benefit and the use of the Indian people.

We have three members on the 10 member ARDA board who make the recommendations to myself and to the minister, Mr. Lumley, as to who should be the recipients of the ARDA grants. As I say, if they are social-oriented rather than business oriented, then we sometimes have a role to play. We vote \$200,000 a year for ARDA and that money is put into the pot.

Probably 90 percent of the ARDA agreements that are reached in this territory are 100 percent funded by the Government of Canada and they are delivered by the Government of Canada through this large committee, on which the Government of Yukon has three representatives. Two of them come from the department and one is a member-at-large from the community.

With respect to the specific issue that the member has raised, I am very cognizant of that particular point because it has always been one of our real major problems with ARDA. It is a problem that we recognized was going to come up long before we ever went into ARDA, but they do get these applications in some communities where it is going to create a competitive situation with private enterprises already in business. It makes it very difficult for the private entrepreneur who is already there to compete any longer as they are not competing on the same basis because, of course, the ARDA grant recipient is getting money at a much lower rate; in fact, free. They do not have to make payments; they do not have to meet bank interest rates; they do not have to meet loan payments and so on.

Once again, it is one of those very delicate situations. The problem arises occasionally, but not very often, for the number of grants that are given. It has meant a fair amount of money into the territory. Some of the projects have been very successful. Of course, some of them have not worked out at all but you expect that in this kind of a program.

Mr. Byblow: I have a vague recollection that this government expressed, in the past, some desire to refocus the money that Special ARDA was being directed to assist. I am working from memory, but I believe this government, at one time, was of the opinion that Special ARDA either should have different parameters of operation or should be under the strict purview of this government. I am not sure just what is materializing on this. As the government leader has explained, it is almost 100 percent federally funded and its economic benefit to the territory is certainly very valuable. I am curious as to what kind of negotiations may be taking place on this and, perhaps, whether or not the program may now be incorporated into the Economic General Development Agreement that is being worked on.

Extending from that, the government leader made reference to a

number of projects that did not turn out very well and, of course, a number that did. I am curious as to the nature of the monitoring of these projects. Perhaps the government leader could elaborate on that. What sort of review is, in an on-going way, taking place on the money that flows?

Hon. Mr. Pearson: The member has hit on the very root of the problem as far as we are concerned. This is a program that is delivered by the federal government, not by the territorial government. Our participation is minimal. An indication is on Page 131 in the breakdown of the amount of money that was spent by ARDA, \$1,585,273, of which \$283,241 was YTG. From our perception, the problem with the program is that it is delivered by bureaucrats from Ottawa; it is not delivered by Yukoners. Sure, they have some of their people now living in the Yukon Territory, but they are still employees of the Government of Canada and they still come from Ottawa. You cannot change those spots no matter what.

It is the responsibility of ARDA to monitor and police the agreements. They deliver the program. After ARDA has gathered all of the information, has come up with the plan, then it is put to this committee for recommendation. That is our only involvement. As I said, we have three of nine or ten people on the committee who are nominated and appointed to the committee from this government.

Mr. Byblow: What is taking place with regard to the future of this program?

Hon. Mr. Pearson: We were put in the position of having to sign an extension of the agreement with no change to the present delivery system. I am very hopeful that this does not become part of the EDA for the simple reason that the delivery system, as far as I am concerned, is wrong. I do not think that we want an economic development agreement signed by this territory, between the territory and the federal government, that is going to call for all, or even some, of the programs to be delivered by the federal government. It is one of the areas that we are in negotiations on now.

I think it is critical to the success of the program. We have proven that, in every single case, if the Government of Canada has said to this government, "You deliver the program", we have been able to do it successfully and to the benefit of the people in the territory. Each time that we have deviated from that scheme, from that basic underlying function, there have been multitudes of problems.

Mr. Byblow: With respect to the line item, because it is identified as special programs, I am curious whether or not, under this line item, we have other than those programs delivered that are labelled on Page 131. What comes to mind is some of the socio-economic studies the government leader mentioned earlier, for example, the one for the community of Ross River. There was another one relating to an assessment of thermal coal. Would this be something that is administered under this program? The government leader is indicating that it is. When is the anticipated socio-economic study on Ross River expected to be complete, as well as the thermal coal one?

Hon. Mr. Pearson: I am not exactly up to speed on where the thermal coal study is, but there have been a number of studies completed already on Ross River. We have taken action as a result of some of those studies and some of them are still ongoing. In addition to Special ARDA, the conservation and renewable energy demonstration program and the energy conservation program, there are also the commitments to CREDA that are administered by this department. They are for such things as the warehouse retrofits, solar greenhouse, double studded house, wind generators, micro hydro, another wind generator, a double wall house — just a whole series of projects that have been done under that program as well.

There is the energy conservation incentives program with \$1,600,000 worth of funding. We administer these programs for the Government of Canada. There is also the work that is being done to our own buildings, the YTG buildings: we have the F. H. Collins, Jim Light arena, Stan McCowan arena and the Crossroads building that are virtually completed now. At Crossroads there is still a little bit of work to be done with respect to energy conservation. All of these special programs are lumped together here. This \$122,000 is Yukon's share. We are talking about millions and millions of dollars that are going to be spent in the final analysis.

Mr. Byblow: I appreciate that answer because that is what I

assumed was taking place in the expenditure under this item and, I assume that, under this line item, we have the energy audits that have been taking place, that perhaps the Pelly school retrofit may have been funded in part under one of the agreements in here and so on.

I do not know if this is the proper forum to raise this particular question; however, I recall when the Yukon government was going around to the communities and doing energy audits of buildings that, in fact, I could not have one done because I was a member of the Legislature. I assumed that that had something to do with the agreement. Could the government leader confirm or elaborate?

Hon. Mr. Pearson: The *Elections Act* and the *Territorial Council Act* are very explicit with respect to what benefits we, as members of this Legislature, might receive from the Government of Yukon. We have to be very, very careful that none of us are inadvertently put into a situation where it can be said, by the general public, that we are doing something in Faro because he happens to be the MLA for Faro. It is much safer for us to be saying, as long as you are the MLA for Faro, you are just not going to be able to take advantage of this program. It is hard for that to happen; it is hard for us to say it, too. In one way it is unfair, but it is the only safe way that we can go. The legislation is very specific; we cannot be accruing any benefits that do not derive to us through the normal course of events.

Mr. Byblow: I appreciate what the government leader is saying and, at the time that I was advised of this inability to take advantage of the circuit for energy audits, I did not do much more than raise an eyebrow because I am sure it was a very legal thing, in addition to the perception of it.

²⁷ They would not do one on my hotel, either.

There was a program that the government leader earlier identified, which I assume falls under this line item, and I think it had the title of Hydrocarbon Strategy Agreement, or something almost identical to that. From that flowed two particular business incentives, if you will: one was a film that is being put together and another had to do with a Yukon business directory, I believe. I was very puzzled, at the time, at how those two particular business incentives could flow from such an agreement. It just seems very odd.

Hon. Mr. Pearson: No, they are from another agreement and, oddly enough, it is one that is not even cost-shared. All we are doing is delivering the program. The federal government is putting all the money in. It is in respect to this government making sure that Yukon is in a position to benefit, both by labour and business, in the development of the hydrocarbon industry on the north slope.

What is transpiring at the moment is that a film is being produced jointly with the Yukon Chamber of Commerce. I understand now that there is going to be another one produced, in respect to Whitehorse, specifically, as a nice place to live. They are designed to make sure that people understand and know that we have services to offer here in Yukon for the north slope that these people are not aware of at this time. These kinds of films are used at trade shows, at conventions and so on; in particular, in areas like Calgary, where the headquarters for most of these companies are.

The other program is a directory, if you will, of Yukon businesses; once again, for proponents on the north slope who we anticipate are going to require this kind of service — and some of them are quite surprised when they find out. We say, "Listen, we have 800 businesses in the Yukon Territory; they are service-oriented because they are here primarily for the mining industry. Now, you tell us what we have to have them do to make them be of service to you; they are prepared to do it."

We are dealing with Esso in respect to Norman Wells; we are dealing directly with Gulf; we are dealing directly with Dome in respect to the north slope; we are also dealing with Esso in respect to the north slope. It is just a case of selling ourselves, but that particular program is one where we got the money from the federal government in about February and it rolled over into this year.

Mr. Byblow: That makes it much clearer; I understand now the significance of the hydrocarbon association to the nature of the two programs undertaken.

I would be curious as to who is putting together the actual film,

from the point of view of whether it is a territorial exercise or an outside group, and under what sort of consultation as to the content. It is going to be a very significant factor in this kind of encouragement to Yukon.

Hon. Mr. Pearson: It is my understanding that the first film, I believe, is finished now. It was done locally and I am also quite confident that the next one will be done locally.

In respect to content, the producer of the first film is the Yukon Chamber of Commerce. I believe the producer of the second film is likely to be the Whitehorse Real Estate Association. I believe that they are going to be putting together the second film and will be responsible for getting all of the action together for it.

²⁸ **Mr. Byblow:** I realize this is not a special program but, as it materializes, would the money that flows under Section 38 with respect to Cyprus Anvil be administered by this department?

Hon. Mr. Pearson: No. That will be done by the Department of Education.

Mr. Byblow: Extending from that, this department would have been responsible for all the preparatory work that this government engaged in with respect to the exercise surrounding Cyprus Anvil; that is, the statistics compiled, the strength of the case made to the federal government, much in the same context of the lobby that was ongoing. Not being a special program and not having any personnel identified to this, as such, I am curious as to how the expenditure of this government related to the work done fits into this portion of the budget?

Hon. Mr. Pearson: I assume that what the member is asking is how much money did we spend putting it together. The nature of the whole department is that it is innovative, in that there was something that had to be dealt with. They, in most cases, are the initial department of this government to deal with whatever that issue is. If it develops into a special kind of program like the ones that are listed here that are completely outside the purview of any department of the government, then they have to handle it. In the final analysis, it is not really a program department.

If we can take a program and put it into a program department — for instance, like Section 38 and the NEED program into Education, with the manpower plan; they seem to fit very well — we will do that without hesitating because we would find this department growing like topsy if we kept unto it each of these programs as they are developed. The department's objective is to develop the programs, get the best deal possible for the Yukon Territory, for this government, and for the people in it and then turn that operating program over to a program department to function from there on in.

Mr. Byblow: I think I understand what the government leader is saying. To help me further understand, could he identify those two person-years? Are they researchers? I am looking at the bottom of Page 130.

Hon. Mr. Pearson: They are the director of energy and Special ARDA and the energy economist.

Mr. Byblow: Extending the analysis we were doing about how a responsibility of government, which surfaces in either the market place or the community-at-large, gets assembled, it is done by the general administration of the department and then is slotted, perhaps, into other departments. Using the Cyprus Anvil case as an example, with respect to this government's commitment of \$1,000,000 under Section 38, it would then be handed over under instruction from this department to Education and, I assume, some monitoring of that would be taking place. The grant to the Town of Faro, should it materialize later, would be something taken over by municipal affairs. I would assume that the acquisition of houses, down the road, would be something taken over by Yukon Housing Corporation. What I am trying to do is understand how this department gets all of those mechanics into place as a mandate for a delivery commitment.

²⁹ **Hon. Mr. Pearson:** It has to be understood that there is no money transferred from one department to the other. This department has no money for that kind of thing. The only program money that they have is this \$122,000 that is here. What they do is negotiate. They are very good negotiators. They are the movers and shakers in respect to making the deal and getting the agreement.

Normally, the department that is going to be the program department is involved from day one. If we are going to be successful in negotiations, the department that is going to handle it in the final analysis will be approached by economic development and intergovernmental relations which will say, "This is what we are up to". They do a lot of this kind of thing in respect to renewable resources. They are involved in the negotiations of the renewable resource agreement, because it is in fact intergovernmental relations that is involved. Always, the department is involved as well, because they cannot possibly do these negotiations without the department being involved. In respect to the money, we have to vote that money here.

*Special Programs in the amount of \$122,000 agreed to
On Energy Equalization Program*

Hon. Mr. Pearson: The energy equalization program is intended to provide subsidies to consumers outside Whitehorse to equalize their fuel and power costs with those in the City of Whitehorse. Two subsidy programs are available: the Canada Heating Assistance program is available to residential consumers outside Whitehorse who pay their own heating oil bills and do not already receive a fuel subsidy or allowance; and, two, the Commercial Power Rebate program is available to non-government commercial enterprises outside Whitehorse whose gross revenues are less than \$2 million per year. Both programs are administered by this government, but all expenditures and an administration cost are recovered from the federal government. These recoveries are reflected on page 138.

Mr. Byblow: Just one general question. There is a substantial increase in the amount identified for this program this year. Why is that?

Hon. Mr. Pearson: Electrical rates went up, and this is 100 percent recoverable: it is all recoverable money.

Mr. Byblow: I appreciate that it is recoverable and I appreciate that energy rates have gone up, but, because it is an equalization program, there ought not to be a greater disparity in the amount of subsidy. If you have a rate going up in Whitehorse and in Mayo, the difference is still the same.

Hon. Mr. Pearson: Oh yes, but they do not, by any stretch of the imagination, always go up in the same amount in Whitehorse and in Mayo. The rates are not across-the-board increases.

Mr. Byblow: I suppose I can accept that. The administration of both programs is under this department in the government?

Hon. Mr. Pearson: This is once again one of these perfect examples of the Government of Canada allowing us to deliver a program for them. We do it very, very successfully and very, very neatly. Everybody is satisfied with it. It is one of the reasons why we are really opposed to the concept of direct delivery by the federal government. We deliver the program on behalf of the Government of Canada.

³⁰ *On Energy Equalization Program*

Energy Equalization Program in the amount of \$900,000 agreed to

On Economic Research and Planning

Hon. Mr. Pearson: The Economic Research and Planning Branch of the Department of Economic Development and Intergovernmental Relations is responsible for a diversity of activities. Namely, the economic strategy development and coordination, the economic research planning and policy development, business and industrial development, data collection and dissemination, statistical and support services. Over the course of the year, the responsibilities of the branch have grown considerably. I guess we could probably say over the course of the past few years because really this economic research and planning branch has been in existence for some considerable time. At the present time, we are providing the services to the government, with a staff of 8.5 people as reflected in the budget. They are, for the most part, professionals in the areas of data base work and analysis.

Mr. Byblow: I do not have any questions at all on this. Perhaps, for the record, when we debated this last time in the fall I raised some questions surrounding the economic model that I was puzzled about and the deputy minister undertook to provide me with some explanation. I want to say that I received that and it was quite

useful in understanding the process. Applying to some of my earlier comments about the process of program preparation I would assume that economic research and planning does a substantial amount of work in terms of compiling support documents to government decisions on whether they be policy or program matters. I note that there is a happier increase. I would assume it is indicative of the expanding responsibility placed on this branch and, save for those comments, I do not have any questions.

Hon. Mr. Pearson: The branch does provide data to virtually every department and branch of this government and, interestingly enough, the workload, with the economic downturn, has, in fact, increased in this department.

Economic Research and Planning in the amount of \$424,000 agreed to

On Land Claims

Hon. Mr. Pearson: The land claims branch is responsible for preparing research, developing position papers and participating in negotiations involving the Yukon Indian land claim, the COPE claim and areas of constitutional development.

Mr. Byblow: I will let the opposition leader explore this topic quite thoroughly. My only question is, could the government leader identify the substance of expenditure under "other" for the \$243,000?

³¹ **Hon. Mr. Pearson:** The largest portion of this is with respect to payments made to Mr. Willard Phelps, who is a lawyer retained by this government as a land claims negotiator. He is paid a per diem. I am confident everyone in the territory knows what his per diem is. We also have on retainer, Mr. John McGilp, who is our land claims negotiator with COPE. He lives in Ottawa, is a former director in the Department of Indian Affairs and Northern Development and a very, very highly qualified gentleman who we are very fortunate to have. We anticipate that there will be a very happy resolution to those negotiations in the very near future.

The other major portion of the money goes to a contract for other experts that we deem, from time to time, that we have to retain with respect to positions that are put forward, particularly regarding the land claims negotiations and when it comes to constitutional matters.

Mr. Kimmerly: The government is fond of stating that the Yukon government position on land claims is a position that represents the position of all Yukoners. As a preamble to my question, I would like to identify a problem that I see and ask a question about it. The negotiation that used to be going on — and will go on again, we hope — is a peculiar kind of negotiation in that it is not like a labour negotiation or a negotiation that most individuals are familiar with when, for example, they negotiate about the price of a car, a house or something like that.

The different parties have very different duties and responsibilities. The simplest duty is probably with the Council for Yukon Indians because they represent the interests of Indian people and it is now clear that that includes status and non-status Indian people. The Government of Yukon's duty and responsibility, I suggest, is substantially more complex because the responsibility is to represent the position of all Yukoners which, of course, includes the Indian people who are Yukoners. There occasionally may be some conflict between the view of the beneficiaries of the settlement and the Yukon resident non-beneficiaries. The position of the Government of Canada is more complex again, by another step, in that the Canadian duty is that all Canadians must be represented which, of course, includes all Yukoners and all beneficiaries.

Now, after identifying that problem, I would ask the government leader by what means and what processes does the department use to identify the position of Yukon beneficiaries, that is Indians, and by what means, in developing the process, are the potential conflicts between beneficiaries and non-beneficiaries worked out?

³² **Hon. Mr. Pearson:** I think the member has to understand that the negotiations are between the Government of Canada and the Council for Yukon Indians. We are there as part of the Canadian government's team. That is the only way we could get to the table. Being there, we represent, as the member has said, all Yukoners. The fact of the matter is that that representation, of necessity, becomes really one of representing the non-beneficiaries at the

table, because there are a number of Yukoners who are going to be non-beneficiaries of the land claims settlement, particularly if the federal government has its way. I am using the term non-beneficiaries in the pure sense of the word, in that there are identified beneficiaries of the land claims settlement.

Our position is well-known; it always has been. Our objective is to participate in a land claims negotiation that is going to see a successful, fair conclusion of land claims under a one-government system; and one which we, as a group of people, as a government, figure that we can sell to the rest of the people in the territory, because that is what is going to have to happen. Our position is the same as the Council for Yukon Indians, who have an undertaking to their people that they are going to negotiate for them the best possible deal that they can. There are no parameters. Anybody who goes into this kind of a negotiation with parameters, or with set objectives, other than the very broad principles that we are going to get a land claims settlement that is going to be fair and is going to be the best deal possible for everybody in the territory, they are just fooling themselves because they are not going to get anywhere. There is going to be somebody objecting to the narrower parameters.

Since 1974, when this government first started being involved in land claims negotiations, I do not think the position has changed one iota. It has always been the same: that the Government of Yukon, no matter who it was, have always said — and we have run two elections with our position on land claims being a number one issue, and that is why we claim that we have a mandate to represent all of the people of the territory at the land claims negotiations; it is irrefutable — we want a land claims settlement, we want it to be fair and it has to be one we can tell the people of this territory is a good deal for everyone. And I am convinced it can happen.

Mr. Kimmerly: I thank the government leader for those very frank comments and I would preface my next question by saying that I am choosing my words very carefully because I realize a debate like this could easily become a partisan political debate and I am trying to avoid that as much as I possibly can, as the government leader, I am sure, also is; his last comments certainly did.

I would ask the same specific question as I asked last time, with a different object to it: by what process and what method is the position developed with regard to the representation of the non-beneficiaries at the table?

Hon. Mr. Pearson: We issue instructions to our negotiator; he negotiates under instruction. He is on a retainer to this government. He works under instruction of the Cabinet. That is what happens.

Mr. Kimmerly: I understand that the Cabinet instructs the negotiator and I am interested in the resources available to the Cabinet. This department clearly researches and develops positions, or possible positions, for the Cabinet to eventually make the decision on and eventually instruct the negotiator. In the past year, what did this branch do to research and develop the position of the non-beneficiaries? It is a very specific question.

Hon. Mr. Pearson: This branch consists of two people. That is all, just two people, but they have the power to second — to draw on — virtually anyone in the administration of this government and they do so on a constant basis. It depends upon the issue; if the issue being discussed is one connected with land, then the Department of Renewable Resources is very much involved. If it is an issue connected with wildlife, then the same department, but different people, are very much involved.

These people are involved to the point that they are at negotiations. Not only do they develop the positions, not only do they make recommendations to us in respect to what the positions should be, but they are actually at the negotiations, as well.

There are any number of people who are working constantly on the land claims issue. The costs reflected here, the \$341,000, are direct costs for our negotiators, the two people who work in the branch, and their peripheral cost. There is no inclusion for the multitude of hours that are devoted to land claims by, for instance, the Department of Renewable Resources, by the Department of Finance, by the Department of Consumer and Corporate Affairs, and by the Department of Education. They have all been involved at

one point or another with the land claims process, depending upon what the issues are at that time. Primarily, our expertise is derived completely from within this government.

Mr. Kimmerly: I would ask the real question that I am interested in. I think the first questions were answered in the general sense.

Does the department consider whether it is researching the position, or the possible position, in order to present it to the Cabinet, of the non-beneficiaries or the beneficiaries in a separate and distinct way? To phrase it another way, is the process at arriving at the choices available for the Cabinet, when considering non-beneficiaries, exactly the same process as the choices available on the beneficiary issues, or is there a different process?

Hon. Mr. Pearson: The member seems to have some sort of concept that this is a negotiation like labour negotiations. It is not like labour negotiations. He said in his opening remarks that he realized that it was not like labour negotiations but he keeps coming back to the conflict between beneficiaries and non-beneficiaries. I am here to tell you that our basic premise is that there is no conflict. In fact, the way that the negotiations are carried on, the best solution to any problem is one where it is beneficial to the non-beneficiaries as well as to the beneficiaries. We have proven that time after time, and that has happened in every one of the agreements that we have signed to date. The agreements are such that benefits flow both to the beneficiaries and the non-beneficiaries. I believe that, in the final analysis, we will have a land claims settlement that people will be able to say everyone is benefitting from. That is what we must do if we want it to be fair.

Mr. Kimmerly: I am not confusing the nature of the negotiations with any other kind of negotiations. The program objectives under this line are to research and develop the Yukon government position. I am sure the government leader will agree with me that it is appropriate that a body like the CYI speak for the potential beneficiaries. Perhaps the word "conflict" is an improper word; perhaps the word "balancing" is a better word or prioritization of priorities. Clearly, there is a balancing process that is, in fact, negotiated between the interests of the beneficiaries and the non-beneficiaries. That should be, I believe, a non-controversial statement. That is, at the negotiation table.

I am talking about a step before any position ever gets to the negotiating table. That is, the process and procedures that this department follows. The objective of the government is to represent all Yukoners. It is clearly stated and that is not under debate now. The objective of this program is to research and develop the positions or the background papers or the choices available to Cabinet. And, the question is, by what means are the interests of the beneficiaries researched and developed, and by what process are the beneficiaries' interests balanced in coming to the government's positions?

Hon. Mr. Pearson: The member is playing games; I am not prepared to play games with him. The fact of the matter is — I know he does not like it — we are the government. We represent all of the people of the territory, and that includes the Indian people as well. They voted in this election. They may not have voted for me and they may have voted for him. The fact of the matter is: we on this side got more votes than they did on that side. This thing is becoming very partisan. We represent the people of the territory. It was our mandate that was accepted by the people of the territory. We got the mandate from them. It was our position that more people in this territory liked, in respect to land claims, than anyone else's. It was the number one issue in two elections. I have to keep reminding the member of that. We have made successes. There have never been successes like there have been since we became government. The first progress ever made in land claims was made by this government; no one else. Every other time there has been nothing but abject failure. There has never been an agreement signed, and we now have something in excess of 40 of them. We are doing the job that we were elected to do.

I cannot answer a question like the one just posed by the member other than to say these people are Yukoners; they have lived here — some of them — virtually all of their lives. They are very very close to the Indian situation in the territory; they know them and they

understand them, I think, probably better than most people realize.

The representations that we make on behalf of the beneficiaries at the land claims negotiating table are, I submit, one of the reasons that we have 40-some agreements signed now.

Mr. Kimmerly: I am not going to continue the debate, either. I wish to make a comment about the last comments. I have absolutely no intention of playing games and I firmly believe that people reading the record will see the point of the line of questioning that I was following, even if the government leader cannot. I am sorry that the answer to the question is defined in the government leader's words entirely in the political process; it appears to be only a political issue and eventually is going to be decided through election processes, as opposed to the processes under this line item of the budget.

Land Claims in the amount of \$341,000 agreed to

Mr. Chairman: We will now take a 10 minute recess.

Recess

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

On Intergovernmental Affairs

Hon. Mr. Pearson: This branch of six people does a real variety of work. Primarily, their work is liaison, information gathering, monitoring, coordination of federal-provincial-territorial activities, some policy analysis and coordination, negotiation of agreements, research and special projects. In respect to inter-governmental affairs, the list is very much the same and then, added to it of course, is protocol services; they are responsible for the FICC, the Federal Intercontinental Coordinating Committee, coordination, Emergency Measures Office, the Alaska Highway pipeline coordination, Beaufort Sea co-ordination, Shakwak project assessment, some regulatory coordination, and the special projects.

Mr. Byblow: Again, I think the government leader and the opposition leader debated the function of this particular branch of the department at some length. My only question for clarification would be to ask whether or not this branch forms a basis for this government in terms of coordinating policy from all the partners. Does this group sit on any particular body within government, on a regular basis, to in fact provide that kind of policy coordination and smooth the operation of the integration that is inevitable within its function?

Hon. Mr. Pearson: Once again, because of the nature of the beast, they are the people who are involved in the initiation of the policy. What they do is a coordinating function until policy is in place. Their activity is not to be confused with Mr. Steele's, who is an order-in-council appointment and in fact deals with policy from the political point of view. These people deal with policy from an administrative point of view, primarily — as much from an administrative point of view as is necessary. It is hard to say that they are not involved in virtually every department of the government at some point, and certainly, when new programs or new policies and new issues arise, these are the people who are likely to be the vehicle for getting it into the program department.

Mr. Byblow: Just from an information point of view and an administrative question, does this government have anything like a secretariat that consists of key departmental heads who meet on a regular basis?

Hon. Mr. Pearson: The deputy minister of the Executive Council Office, Mr. Spray, is the chairman of the Deputy Ministers Review Committee, which meets weekly. It reviews a number of issues that might be referred to it every week. Of course, needless to say, the deputy minister of this department is a very active member of that particular committee. The committee is comprised of all of the deputy ministers of the government; they meet every Monday morning.

Intergovernmental Affairs in the amount of \$250,000 agreed to On Beaufort Sea

Beaufort Sea in the amount of \$47,000 agreed to

Intergovernmental Affairs in the amount of \$297,000 agreed to

On Ottawa Office

Hon. Mr. Pearson: The Ottawa Office is proving to be very

valuable to us. It has reduced considerably the amount of travel that has had to be done, particularly by the bureaucrats in the government. It has not reduced the amount of travel that has to be done by the politicians because, of course, where politicians are required at meetings it is absolutely necessary that we go. From a bureaucratic standpoint and from a Yukon representation standpoint, at a number of meetings in Ottawa, Montreal and Toronto, it has proven to be very, very beneficial.

The office still consists of two people: the associate deputy minister, Mr. Murphy, and a secretary, who happens to be a girl who was not born in Yukon but who was educated in Yukon and lived in Yukon for all her childhood and school-going life. At the present time, we also have working out of that office one of the employees of the Department of Finance. He is actually stationed in Ottawa and working out of that office with the federal government. It is something that we think is going to, in the long run, be very, very beneficial to this territory.

Mr. Byblow: I believe I had the opportunity to meet the associate deputy minister of the Ottawa office. Far be it from me to suggest that his duties should include monitoring Jetstars out of Ottawa.

Hon. Mr. Pearson: He did not know, by the way.

Mr. Byblow: He did not?

I can appreciate what the government leader is saying about the usefulness, regardless of the level of involvement, of having, at least, someone at various meetings that effect the territory.

38 In the line items I note that personnel exceed \$100,000 and the person-years are two; are there more than those two people funded in the personnel allocation? Is this third person also paid for in part?

Hon. Mr. Pearson: No that third person is, in fact, an employee of the Department of Finance and he is reflected in the person-years of the Department of Finance. You must realize that the associate deputy minister is Mr. Murphy, who is the senior deputy minister in this government, in terms of years of service. That is reflected to some degree by the salary that he is paid, also. I perceive this to be a very very responsible job, and that is another reflection of the salary that he is paid. That money represents Mr. Murphy's salary and his secretary's salary.

**Ottawa Office in the amount of \$140,000 agreed to
Department of Economic Development and Intergovernmental Relations in the amount of \$2,609,000 agreed to**

On Department of Highways and Transportation

Hon. Mr. Lang: You can see there has been a significant increase here in respect to the overall maintenance for this forthcoming year as far as our highways are concerned. For a number of years, we did not meet what is termed "the Jorgensen formula" because of our financial situation, and we are pleased to see that with our negotiations with the government of Canada, that we have had monies put forward in this part of the budget for a number of purposes: firstly, to ensure that our highways do not deteriorate to the point that our capital cost for reconstruction would be significant, and secondly — and just as importantly, looking at the times we face — to have monies available for various works that will be done on the highways that will help our small contractors. It should be pointed out in the 1983-84 maintenance of the road system, we expect a pretty large program of equipment rentals, particularly trucks, which should help small contractors. The amount that we are talking is in the neighbourhood of \$1.5 million.

I should further point out that the budget allows for the purchase of parts, materials and services from local business establishments in the area of \$1.9 million, as an estimate. It is going to have a significant impact on the economy and will be of value for the purposes of employment.

For members' information, the format has been changed somewhat, partially at the request of some members of the House. Also, I felt that it was a good idea and it is divided into three separate elements: the departmental administration, which covers head office and central administration, which includes personnel and accounting, management and management support staff; the highways branch administration, which includes management of planning,

design and construction program funded under capital; and management of the highway maintenance at the head office level, which is above the road foreman, including direct support staff as well as the airport branch administration. You will note that we have reviewed our policy on maintenance of streets in unorganized communities, recreational subdivisions, industrial subdivisions and other areas, and we did a thorough review of this. As indicated in the budget speech, we will be maintaining the major arteries in our recreational subdivisions.

³⁹ We have also included Mount Nansen for minimum maintenance, as well as Forest Creek and Lake Laberge, which I am sure the member for Hootalinqua will be pleased to see. I should point out that we have attempted to find the costs by highway. If you look at Page 172, it is fairly clear that the cost of the highways is clearly defined so that at least we have some idea, from a layman's point of view, what the actual cost is to the taxpayer. Some of them are significantly greater than others because of the standard that we keep on the particular highway in question.

On Page 176, I should point out that there is a mistake in the numbers. Under personnel forecast for 1982-83, it should be \$9,578,000 and others should be \$17,464,000 — if I could just put that in as a correction for the purposes of clarifying the figures that we have before us. I think there are one or two other areas that will have to be corrected as we go through.

In conclusion, I want to say that I think we have come forward with a substantial budget for the highways department in recognition of the importance it is to the travelling public in Yukon as well as our tourism industry and as well as our industry. This year, I expect to get up to the Jorgensen formula which will put us in pretty good stead for the years to come.

Mr. McDonald: I recognize that the expenditure for this department is going to increase and we will pursue what each of these increases are in the discussions to come. I do understand the many problems that this department faces and the fact that this department is very visible and very important to rural residents, in particular. The minister is correct that the presentation of the estimates this year is radically different from that of previous years, at least in my experience. For that reason, we are going to require some explanation of the various subheadings as we go because I find that many of the changes are indiscernible.

I laud the government's efforts for providing a cost-per-road delineation in the estimates. I think that is quite helpful. However, in doing so, certain other line items from previous budgets have been dropped. Specifically, the distinction between expenditures for traffic services, ferry operations, winter conditions, et cetera, which I found to be helpful information. I guess the net result of the new changes, albeit interesting and valuable, is that the new information is less. For a person in my perspective, who has only the budget and bits and pieces of information, this is quite a loss of information.

There are some things I would like to pursue. On the whole, I would like to discuss the department as we go through line item by line item. There are some things I would like to briefly pursue to get the minister's reaction. The first is planning. When we last spoke, the minister suggested, after at least a page in *Hansard*, that the department plans the best it can. It took a lot of effort to get that minute bit of information. The minister, I believe, at the time, pled ignorance, largely because he said that he did not have a PhD in highway engineering. Perhaps he misinterpreted my requests. I think the fact remains that, because we will be spending \$28,500,000 in the next half-hour, I think we should be looking seriously at a few of the areas which I would like to bring up.

⁴⁰ Back to planning; what I would like to know is what planning loans exist to determine the most favourable cost/benefit ratio for particular types of road surfaces. By that I mean the comparison between gravel, bituminous surface treatment and pavement over a certain period of time. I would like to know, in addition, if accident statistics are kept and if they are used. Perhaps the minister could say what the process is to determine whether the statistics warrant maintenance efforts in certain areas. If the minister could briefly give an indication of what the department has been doing in this area — and I understand that the deputy minister was able to give a

rather adequate explanation to the Alaska delegation — perhaps the minister could give a short precis on what the department has been doing and foresees regarding the various types of road surfaces available and the cost/benefit ratio of each.

Hon. Mr. Lang: I did not realize we were going through an exercise that probably would be more appropriate in the Public Accounts Committee, considering the questions that are being asked. For an example, with the application of BST along the Alaska Highway, it is forecast that our operation and maintenance costs for that particular highway on a year-round basis, will be down by a million dollars. It should further be emphasized, I think, that the reason for that is that we do not need as much equipment as we do for other highways where, for example, we have a gravel base and calcium chloride has to be applied. Therefore, there is less money spent on rentals.

It should be pointed out that the Alaskans are so impressed with the system that we have here that they are sending over a number of their technical people to meet with ours to review what we are doing and to see whether or not they can incorporate the various techniques that we are applying here in Alaska, because the costs are so much less than the cost of pavement. My colleague, the Minister of Education, has indicated to me the quality is better as well.

It is easy for you, on the other side, to talk about planning, but I would like to know specifically the areas that you are talking about, because we have a five-year capital plan that we arrived at with the Government of Canada. We have programs for ongoing maintenance, the Jorgensen Formula, which we know has to be applied. I just do not know what you specifically want, unless you want to have a crash course in engineering, and I have to say this is a very humbling experience for me. I cannot give the member guidance in that respect. I do know that as far as the general public is concerned, overall, they are very pleased with the highway system and how it is organized and the fact that it is in pretty good shape year-round. Those highways are maintained on an year-round basis. Therefore, I do not have that much more to add to the questions put by the member other than the fact, with the BST, it is obviously having an effect on our operation and maintenance, which is significant. Hopefully, we can continue our application of BST over the course of the forthcoming years and cut down our costs, knowing full well that it is going to last for a period of time and is going to be an ongoing program. It seems to be the logical way to go.

⁴¹ **Mr. McDonald:** Well, the amount of information I get out of these sessions is rather slim and scarce indeed, but the fact that the minister is more optimistic about the prospects for BST is somewhat reassuring. Perhaps he knows something about BST which he is not telling us.

In the last session, the minister said that this treatment was still in the experimental stages. If I may quote him here, he said "There has been some question in respect to the maintenance and whether or not it was going to cut our costs down". Now, we see an increase this year of 174 kilometers and the question is whether or not more information has come to the minister since last December to make the BST prospects more optimistic. The minister obviously wants to answer at this moment, so I will let him.

Hon. Mr. Lang: I have already told him: our operation and maintenance costs on the Alaska Highway have gone down by \$1,000,000. Surely, I do not have to provide the member opposite with a colouring book or a course in calculus to figure out that it is cheaper this year than it was last. The miles have not expanded; it is the same mileage or, if you are on metric, kilometers, but it definitely has not changed any. All I am saying is that it has shown that it is going to cost less.

In respect to the words that the member quoted from last year, I can verify for him that we are past experimental stages and now we are into the phase of the actual costs of operation and maintenance. In reviewing what took place last year, our costs are significantly less — and I can spell that, too.

Mr. McDonald: The minister may not realize it, but he is divulging more information this time than he did last and I appreciate what paltry information he is giving.

Hon. Mr. Lang: My apology.

Mr. McDonald: The minister apologizes and I accept his apology.

Going on to another subject, the department, in Public Accounts, to which the minister referred, had suggested in testimony that it was promoting a policy of decentralization. I asked the minister last time we went through this exercise what was the state of that policy; had they furthered their decentralization, at all. He suggested that they still had 22 camps; they had not reduced the number of camps and so that was a statement of their progress.

That statement, in fact, suggests that they had not expanded the decentralization policy at all. I wonder if the minister could expand on the decentralization policy to date?

Hon. Mr. Lang: I do not know what more I can add for the member. Obviously the light is affecting him.

I can say to you, and I am sure the chairman will echo this with the experience that he has much more than the member opposite, that for every mile of road there are two miles of ditch and we have got responsibilities in both areas.

In respect to the decentralization, we are decentralized. We do have camps, we are not cutting out any camps. If we were cutting out any camps, I would be standing up here telling you why we had to do it and the reasons for it. I am in the very fortunate position at the present time that I do not have to say that. What would the member have me do? Move to Mayo and take his seat to decentralize the Department of Highways? Now, I would not want to do it to the member opposite, there is enough unemployment.

Taking a look at this budget, all I can say is that there is a significant amount of money; we are doing our job. The member opposite got to work here a couple of weeks ago. He did not come in to my office and criticize me on the maintenance of the highway. I had the member for Klwane here tell me that, overall, the highways in his area are in fairly good shape. In fact, I can attest to that myself. I was up in that area all the way to Beaver Creek.

In fact, the member opposite is going to get BST right through Beaver Creek, just like he asked me for and I promised.

I really do not know what more I can add for the member opposite other than the fact that my colleague, the Minister of Renewable Resources, has said that I am doing a good job. It is tough for me to argue with that.

Mr. McDonald: I see we are going to get lots of homespun philosophy this afternoon and down home views on this and that and not a hell of a lot of — sorry, not a lot of — information.

Mr. Chairman: Let us refrain ourselves to parliamentary talk.

Mr. McDonald: The minister suggests that the policy of decentralization is being fulfilled by maintaining a static situation. I would suggest that, probably by definition, he is not correct. We will leave it at that as he obviously does not wish to answer the question. This is very much similar to the discussions we had on agriculture.

We will go on to something else in that case. The minister suggested last year that we should have a very interesting discussion on the distinction between, and the viability of, snow blowers versus graders.

The government leader draws attention to the fact that the sun is shining on me and no one else in this Assembly. There is no mistake in that. I have divine intervention here.

The minister said, last year, that they were looking at upgrading their equipment seriously. Has the department done any costing in this area, between graders and snow blowers; the latter of which he suggested were faster and less harmful to the road surface?

Hon. Mr. Lang: The member opposite is correct and, for the record, so the member opposite does not get carried away, I really do not think that the light is going to help him all that much. We are looking at our equipment. I do not have a report from the department, as of yet, however, once I do, and if any decisions are made in that respect, I will notify the Legislature.

Mr. McDonald: I would like to have the minister make a comment to explain the division in the departments of administration, which is a change in the estimates over last year. Perhaps he could briefly discuss what the responsibilities are, as described in the estimates.

Hon. Mr. Lang: Just as an aside, if the member moves over the light will not be in his eyes and he can possibly see this side of the House. There seems to be a lot of empty chairs over on the other side. The departmental administration covers the head office administration, which includes the personnel, accounting, management and management support staff. The highway branch administration includes management of the planning, design and construction programs funded under capital and management of the highway maintenance at head office level, which is above that of the road foreman; for example, the regional superintendents. That includes, of course, direct support staff, secretarial, et cetera.

Airport branch administration covers the management and coordination of airport maintenance and capital works, all of which are fully funded by MOT, which also includes the costs of the administration, which is recoverable.

Mr. McDonald: I thank the minister for the answer.

Perhaps the minister could further comment on highway signing. In the past there have been questions during Question Period regarding the development of highway signs; directional signs particularly. Is there a policy to increase the amount of information on highways? Perhaps the minister would even like to comment on the proposal to put a sign at Crestview indicating the direction to Dawson.

Hon. Mr. Lang: The member for Porter Creek West has that in hand, and there is no question in my mind that between him and me, we can resolve the problem successfully.

In respect to signs throughout the territory, we are looking at that. I am working with my colleague, the Minister of Tourism, who the member for Faro obviously exhibits a great deal of confidence in, in view of the lack of questioning in Tourism. I will be resolving this question of signing throughout the territory, in concert with her, because it is not only safety, but it informs the general public. It would seem to me that in respect to the communities where the highways go through the centre, we should be in a position to come to some sort of tacit agreement with the communities involved. I just want to assure the members that it is in good hands and will be taken care of.

Mr. McDonald: The answer was really quite inadequate; I am just going to say that at the outset. Regarding the Crestview sign the minister suggests that the member for Porter Creek West and he, himself, will provide the sign, if necessary, in good time I suspect. When I first brought the matter to the attention of the minister it was early last summer. It has been almost a year since that request was brought to the minister's attention. Does he believe that the request is at all well founded — to put a sign at Crestview indicating the direction to Dawson?

Hon. Mr. Lang: I think there is some validity to the request, and I will be making efforts to get a sign in the appropriate place. I leave the timing to myself.

Mr. McDonald: The member for Faro just called the minister a dictator. I would not go quite so far as to call him a dictator but it is pretty darned close.

The next issue is that of casual workers. This department reports no casual workers. I wonder if the minister would just comment on the use of casual workers in this department, and why there are none listed in any of the pages in the estimate.

Hon. Mr. Lang: I noticed that myself, and I am going to make efforts to have the number of casual employees that are hired over the course of the year reflected in the next budget that is tabled in the House. I think the member opposite has raised a valid point, and I will see what I can do in that respect. I think they were in the area of — and I am going on memory now — about 190 casual man-years. Casuals are hired over the course of the year, with crews and various other things, but I will double-check those figures and bring them back tomorrow for you.

In respect to your comments about being a dictator, Mr. Chairman, I appreciate the member for Faro recognizing that I am in charge. But I try to act as democratically as I possibly can.

Mr. Byblow: Mr. Chairman, would the member identify who is the government leader?

Mr. McDonald: Could the minister just state whether these 190 person-years are incorporated into the permanent positions which

are already indicated in the budget?

Hon. Mr. Lang: I have to check out those figures and I will get back to the member. I do not want to give the member any wrong information, just in case he were to utilize it in other places than here. I will double-check that.

Mr. McDonald: I am beginning to think that wrong information is better than no information, but at least we can try to discern truth from fiction when the time comes.

The minister announced some time ago that approximately \$500,000 would be allocated to the upgrading of certain roads in the territory for the assistance of the placer miners in various areas. Could the minister just state where this money has been spent around the territory, and, further, whether any study was conducted to satisfy the minister that the costs of providing these roads for the use of placer miners was justified from the expected revenue that these placer miners might bring to the territory?

Hon. Mr. Lang: The schedule of work has not been totally outlined as of yet. We do know that we will be doing some work on the Mount Nansen road; we have a bridge that is going to have to be repaired and some culverts will have to be replaced. We are looking at other areas throughout the territory and I will be in a better position to report back to the House in the fall, in respect to outlining just exactly where the money has been expended. I should point out that we are not doing cost/benefit analyses of these roads. I suppose we could spend a half-million dollars to have another study, and if that is what the member opposite wishes to do he can go on the record as saying that. My point of view is twofold: first of all, for the purpose of the placer mining industry, and secondly, for recreation. A lot of these roads are used by the people in the communities for the purposes of recreation, and also in many cases for placer mining. I think we have a responsibility to try to keep the roads at a standard that is passable. They are not highways, by any stretch of the imagination, but at least one can get in and out without having to have a four-wheel drive, or a...

Hon. Mrs. Firth: Cat.

Hon. Mr. Lang: ... caterpillar — thank you — the Minister of Education once again has contributed to the debate.

At any rate, I will be in a better position in the fall to give an outline in respect to where the dollars have been spent.

Mr. McDonald: Can the minister, without being too specific, state whether any of this \$500,000 was spent in the Mayo riding, the Mayo mining district, for example? Further to that, I would like to know if the minister made any analysis — maybe not a \$500,000 analysis, maybe five minutes with a pen and pencil — with department officials to determine whether or not this expenditure would be of benefit to the local economy because, surely, the minister would not be spending \$500,000 if there was no benefit to the local economy, rather than just taking it as an article of faith?

That was a question, Mr. Chairman.

Hon. Mr. Lang: I thought the member was making a political statement.

We are looking at our roads that are going into the placer roads, and also, as I indicated, recreation. We are going to be doing some work throughout the territory. Whether or not any money is spent in Mayo remains to be seen. As I indicated to the member opposite, the decisions are in good hands and we will be reviewing them, as far as the need is concerned, in respect to the present situation, for the purposes of some reconstruction. Also, we assess the economic benefits.

Mr. McDonald: The last few words are an interesting revelation. Perhaps the minister could expand on how he assessed the economic benefits. I am sure that that information will be valuable to the placer review panel hearings coming up this summer.

The minister, in his press releases, stated quite clearly that about \$500,000 would be spent for roads for the benefits of the placer mining industry and he mentioned, specifically, in Dawson. I would like to know whether that offer extended into the Mayo mining district. I am asking very generally. I am not asking the minister to specify the particular roads, I am asking whether any money at all would have been directed by the minister, through his department, for the Mayo mining district.

Hon. Mr. Lang: I indicated to you I was developing a list of

what roads should be maintained. I have not heard of any major problem in the Mayo area; maybe the member knows of some. It would seem to me that I think we have reflected our concern with the placer mining industry when we opened the boundary road early to get those placer miners in earlier. It is going to derive more benefit to Dawson City and to the community in general. I thought this was the role government should be playing.

In view of the debate and in view of the fact that there is a possibility that there might be a hockey game on tonight, I would report progress on Bill Number 5.

Motion agreed to.

Hon. Mr. Lang: I would move that Mr. Speaker do now resume the Chair.

Motion agreed to

Mr. Speaker resumes the Chair

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

May we have a report from the Chairman of Committees?

Mr. Philipson: Mr. Speaker, the Committee of the Whole has considered Bill Number 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 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. tomorrow.

The House adjourned at 5:28 p.m.

* The following Sessional Paper was tabled April 26, 1983:

83-3-13

Territorial Policing Agreement (Ashley)