



The Yukon Legislative Assembly

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26th Legislature

HANSARD

Tuesday, October 8, 1985 — 1:30 p.m.

Speaker: The Honourable Sam Johnston

Yukon Legislative Assembly

SPEAKER — Honourable Sam Johnston, MLA, Campbell

DEPUTY SPEAKER — Art Webster, MLA, Klondike

CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Tony Penkett	Whitehorse West	Government Leader. Minister responsible for: Executive Council Office; Finance; Economic Development, Mines and Small Business; Public Service Commission
Hon. Dave Porter	Watson Lake	Government House Leader. Minister responsible for: Tourism; Renewable Resources.
Hon. Roger Kimmerly	Whitehorse South Centre	Minister responsible for: Justice; Government Services.
Hon. Piers McDonald	Mayo	Minister responsible for: Education; Community and Transportation Services.
Hon. Margaret Joe	Whitehorse North Centre	Minister responsible for: Health and Human Resources; Women's Bureau.

GOVERNMENT PRIVATE MEMBERS

New Democratic Party

Sam Johnston	Campbell
Norma Kassel	Old Crow
Art Webster	Klondike

OPPOSITION MEMBERS

Progressive Conservative

Willard Phelps	Leader of the Official Opposition Hootalinqua
Bill Brewster	Kluane
Bea Firth	Whitehorse Riverdale South
Dan Lang	Whitehorse Porter Creek East
Doug Phillips	Whitehorse Riverdale North

Liberal

Roger Coles	Liberal Leader Tatchun
James McLachlan	Faro

LEGISLATIVE STAFF

Clerk of the Assembly	Patrick L. Michael
Clerk Assistant (Legislative)	Missy Follwell
Clerk Assistant (Administrative)	Jane Steele
Sergeant-at-Arms	G.I. Cameron
Hansard Administrator	Dave Robertson

01 **Whitehorse, Yukon**
Tuesday, October 8, 1985

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

Prayers

DAILY ROUTINE

Speaker: We will proceed with Order Paper.
 Introduction of Visitors?
 Are there any Returns or Documents for Tabling?
 Reports of Committees?
 Petitions?
 Introduction of Bills?
 Notices of Motion for the Production of Papers?
 Notices of Motion?
 Are there any Statements by Ministers?
 02 This brings us to Question Period.

QUESTION PERIOD

Question re: Native Courtworkers Society

Mr. Phelps: I have some questions for the Hon. Minister of Justice with regard to the Native Courtworkers Society, and the issue of arbitration and the federal government.

In questions that I raised yesterday, we were informed that there were discussions between our Minister and his department and the federal Department of Justice with regard to the request for the appointment of an arbitrator by the Courtworkers Society, pursuant to Section 25 of the contract between that society and this government.

During the discussions between himself, or his department and the federal department, did the Minister or his officials officially advise the federal government that it was not interested in the request to appoint an arbitrator on the part of the society?

Hon. Mr. Kimmerly: That is an interesting wording. I can explain it this way: we clearly advised the federal government that the Legislature here had passed a motion and that we intended to follow the motion, and indeed the contract. We stated that we were willing to take part in an arbitration, if an arbitration were necessary. We stated that we knew of no issue identified to date within the meaning of Section 25.

03 **Mr. Phelps:** I have another question for the Minister of Justice. At the time of the discussions, did the federal department apprise the officials, or the Minister, as to the issues set out in the notice from the Yukon Native Courtworkers Society requesting arbitration?

Hon. Mr. Kimmerly: To me, no, not specifically, and to my officials, I believe, no.

Mr. Phelps: I would ask the Minister of Justice whether or not the Government of Yukon, through his department or himself, clearly rejected the appointment of an arbitrator in their discussions with the federal government.

Hon. Mr. Kimmerly: We could not possibly do that. If an arbitration is necessary either under the agreement or pursuant to the motion of this Assembly, it will occur. We are unaware, as of now, of an arbitral issue and we are in the situation where we are now aware that the society has sent a notice to appoint an arbitrator to the federal government, and the federal government takes the position that they will not appoint that arbitrator.

Speaker: New question.

04 **Mr. Phelps:** I would like to table the original of the letter I received from the Minister of Justice of Canada. I will read the pertinent parts. In that letter, which is dated September 16, the Minister states in the third paragraph:

"It is not clear, either in the contract or in the notice of the society, as to who would pay for the arbitration costs. My officials advised me that my department did not have provision for such costs. Further, my department has been officially advised that the Yukon government is not interested in the request by the society to

have Canada appoint an arbitrator. It would be inappropriate for the Government of Canada to impose an arbitration arrangement on the Yukon government which clearly rejects such a measure. Therefore, I have taken the decision not to appoint an arbitrator in this case".

The letter goes on that they will be closely monitoring the actions of this government with regard to the interests at stake with regard to the Indian communities.

Is the Minister of Justice implying, or stating, clearly, that the information conveyed to myself, and exactly the same information was conveyed to the Yukon Native Courtworkers Society, that that information is incorrect?

Hon. Mr. Kimmerly: The wording "not interested in the request" is not my wording. The position is exactly as I have stated it. The position of the government is that we are willing to have an arbitration if we know of an arbitral issue. We have no notice of an arbitral issue that is capable of arbitration now.

05 **Mr. Phelps:** First of all, we are talking about the period of time back in August, and following the request by the society in July. To jog the memory of the Minister, I would point out that the request for arbitration was headlines in a news item in the local *Whitehorse Star* towards the end of July. And, a notice to appoint the arbitrator, which was sent to the federal department on July 18th this year, states under Particulars: (1) The Commissioner of the Yukon Territory is in breach of paragraph 16 of said agreement in that he failed to inform the society in writing of any criticism he has, through his executive Minister's published unfounded criticism, through the local newspapers.

That deals directly with the clause in the contract and raises surely an issue for arbitration regarding breach, and actions inconsistent with the contract. I want to ask the Minister of Justice whether or not ...

Some Member: Put it into a motion.

Mr. Phelps: This is a serious matter. I want to ask the Minister of Justice whether or not he is saying that in August he did not know that this was one of the points in issue, and one of the reasons for the society asking for the arbitrator?

Hon. Mr. Kimmerly: I have already answered that question, I believe, several times, and I answered it in the correspondence. The Leader of the Official Opposition is making speeches and he is attempting to imply that I have not followed the contract or the motion of the Legislature. He is obviously doing that, but the fact remains that there are no law suits over breach of contract. If there were, they would not win. The position of the government is in keeping with the motion of the Legislature and the position is as I have stated it.

06 **Mr. Phelps:** That is probably the most arrogant statement that has come forward in the course of the sittings of this House since the election. The Minister of Justice is prejudging a court case or an arbitration. The point is that there is an arguable issue just on the first point of this notice, to appoint an arbitrator. In addition, there are other points made. I submit that had the Minister of Justice known, at the time, that this . . .

Point of Order

Hon. Mr. Porter: Point of Order.

Speaker: A Point of order has been raised.

Hon. Mr. Porter: Question Period, in terms of the guidelines that are laid down by the Members' Handbook to which we all subscribe, very clearly state that when we are dealing with questions, a brief preamble will be allowed to the question. Following that, in supplementaries, one sentence questions will be allowed; one sentence preambles to the supplementaries. We are having a situation where the Leader of the Official Opposition is giving speeches during Question Period. That is not what Question Period is designed for.

Mr. Phelps: On the Point of Order, I submit that what I said was part of, but not the complete, sentence, because I was rudely interrupted before I got to where the period ought to be.

Speaker: Would the Member please come to the question.

Mr. Phelps: Would the Minister of Justice agree that point one,

the particulars of the notice to appoint an arbitrator, sent by the society to the federal government on July 18, 1985, to be an issue that would require arbitration.

Hon. Mr. Kimmerly: In answer to the assertion of the prejudging, I would say that I am simply making the statement that there is no cause of action, legal or otherwise, against the government as a nature of these proceedings.

In answer to the question do I agree, the answer is, no, I do not agree.

⁰⁷
Question re: Prejudging court case

Mr. Coles: My first question was going to be for the Minister of Education, but I think that I have one for the Minister of Justice. Regarding the statements just made in answer to the last two questions from the Leader of the Official Opposition, I think that it is quite inappropriate that the Minister of Justice stand up in this House and prejudge any type of court cases or legal opinions. I would ask him now to withdraw the remarks that he just made.

Hon. Mr. Penikett: That is not a question, Mr. Speaker. He cannot do that; it is totally out of order.

Mr. Coles: Will the Minister of Justice, please withdraw the remarks that he just made regarding prejudging any court case?

Hon. Mr. Kimmerly: I had no intention of prejudging any court case. It is in the nature of making a statement of legal opinion. The position of the government on the matter of the Courtworkers' actions are legally correct, and it is that statement that I wish to emphasize. If I implied any statement of prejudging a matter that is before the court, I apologize for it. There was no intention at all to do that.

Question re: Watson Lake School Learning Assistant

Mr. Coles: This question is for the Minister of Education. Since Thursday's Question Period, I have been in touch with Members in his department, concerning the question I asked, and I will ask him the same question now that I did then. Will the Minister of Education confirm or deny to this House, whether or not his department went outside of the territory to hire a learning assistant for one of the Watson Lake schools when there was a fully qualified learning assistant, already a resident of the Yukon living in Watson Lake, who had made application for that position?

Hon. Mr. McDonald: The Member for Tatchun is correct. He has received a memo from me; he has received a letter and a memo from me, with respect to the personnel matter that he is bringing up in the Legislature. The matter itself has to do with the qualifications of the person in the community; it has to do with the qualifications necessary for the position in that community. As such, as I have indicated to the Member before, and as I indicate to him now, I will not respond to specific personnel matters on the floor of Legislature.

I will continue to send memos trying to get a handle on what the Member has made mention of. I believe he is referring specifically to a learning assistant in Watson Lake; a person who had moved from Carmacks to Watson Lake. I will respond to him in another memorandum which deals specifically to that. I will not mention the details of the memorandum on the floor of the Legislature as it is long standing practice here that that is inappropriate.

If the Member would like to ask questions, based on that confidential information, on the floor of the House, then that will be up to the Member to decide for himself.

⁰⁸ **Mr. Coles:** As I said last Thursday, and I will repeat again, it is a question of the local hire policies of your department and this government. I am not speaking of any specific cases. I bring this up as an example. All I wanted to know is whether or not your department had moved someone from outside the territory to take that position when there was somebody in the territory who was available and quite capable of doing it. Now, did you do that, and did you pay the expenses to move that person into the territory?

Point of Order

Hon. Mr. Penikett: On a point of order, I wonder if I might just alert the Member opposite that he ought not to address questions to you, sir, because you, the Speaker, are not able to

answer questions in this House. In fact, it is the proper parliamentary practice to address the Ministers to whom questions are being addressed in the third person. If the Member is pursuing a personnel matter with respect to this government, questions should be properly addressed to the Public Service Commissioner.

Speaker: There is a point of order. All things should be addressed through the Chair.

Mr. Coles: My final supplementary is to the Minister of Education. Did his department hire a teacher from outside of this territory, pay the moving expenses for that person into this territory, when there was a teacher in the territory available and capable of doing the job?

Hon. Mr. McDonald: I will address the policy implications of the question the Member asks. There is a policy of local hire within this government. There have been exceptions to that policy with respect to the hiring of principals, French teachers, and sometimes math teachers. Sometimes there is an exception where there is not a qualified person in the community to fill the position. Sometimes there is a qualified person who fails to make himself known until after the hiring has been completed. There are a number of factors which might qualify the local hire option.

In any specific case, this being one, I will address the issue with the Member in private, because it is a confidential personnel matter. If the Member would like to air the nature of that confidential matter on the floor of the Legislature, that is a decision for the Member himself to make.

⁰⁹
Question re: Yukon Native Courtworkers Society

Mr. Phelps: I again have a question for the Minister of Justice. Yesterday I was questioning that Minister about meetings with the board of directors of the Yukon Native Courtworkers Society held in June, and I would like the Minister to direct his memory back to June 27 and the meeting with that board of directors. I would like to know whether or not, during the course of that meeting, the Minister stipulated that in order for this government to carry on with its contract and its funding of Yukon Native Courtworkers, there must be four conditions met: one, more natives on the board of directors; two, fifty percent of the budget spent in rural communities; three, a survey undertaken with the bands in rural communities; and four, that Geoff Choy-Hee be dismissed as executive director.

Hon. Mr. Kimmerly: The answer is no, not precisely, although those four issues were spoken about. The description posed in the question is not exactly accurate.

Mr. Phelps: This is for the Minister of Justice again: would he tell this House whether or not he made four stipulations. I have mentioned the subject matter of the four. One of those four was the dismissal of Geoffrey Choy-Hee. Did he, at the meeting on June 27 with the board of directors, make those stipulations and that they would have to be met or he would cut off the funding and cancel the contract with the Society?

Hon. Mr. Kimmerly: No. On the first meeting I verbally told the board that the funding would be cut off and a written notice would be forthcoming.

Mr. Phelps: I would like to table another letter, dated June 28, from the Yukon Native Courtworkers — it is a copy of a letter — to the Minister of Justice, but before I do, I will just read from part of it, because that letter speaks to stipulations addressed to the minister, which you made to the board's representatives yesterday afternoon. Would the Minister of Justice kindly advise whether or not he made it very clear to the board of directors on the afternoon of June 27 that, unless the stipulations we have referred to, and referred to in this letter, were met, the funding would be cut off; if they were met to his satisfaction, that the funding might continue, as might the agreement.

Could I have this tabled.

Hon. Mr. Kimmerly: I have seen a copy of that letter, if it is the same letter that is addressed to me, then the answer is that the assertions in the letter are not precisely accurate.

While I am on my feet, about the same subject, I would point that in the Crosbie letter tabled a moment ago, the federal Minister of

Justice states the federal/territorial agreement for the Native Courtworker Program does not give the federal government authority over a decision by the territory to terminate funding to a carrier agency.

¹⁰ That is a statement that we agree with, and that is partially why I made the statement that all this politicking about arbitration is a sham.

Question re: Arbitration

Mr. Phelps: Again to the Minister of Justice. The purpose of the arbitration clause is clearly to have an independent person appointed by an independent party, namely the federal government, to arbitrate as to disputes arising from the agreement itself. I have pointed out, and the Minister of Justice has admitted, that he publicly criticized the Courtworkers Society. He did not give them these criticisms in writing, thus allegedly, presumably, he would be in breach of clause 16. It is obvious that the Board of Directors was of the opinion that the Minister was interfering to the extent that he was ordering them to fire one of their workers, thus again in breach of a clause in the agreement. The point that we are making is simply this: there are valid issues, aside from the appointment of the arbitrator itself, that gave rise to the request. I ask the Minister whether or not there is at least an arguable issue that he and his department were in breach of section 16 and section 12 on the agreement between his government and the Society.

Hon. Mr. Kimmerly: I have already answered that in the motion in July and in Question Period, I believe, three times.

Mr. Phelps: We have here, I think, two serious areas that require examination. One, on the face of the written record and of what has transpired, some confusion as to what was said in the meeting of June 27 between the Minister of Justice and the Director of the Courtworkers Society. Two, a very serious question as to what the Minister and his department said in discussions with the federal government, because we have the letter which states that this government rejected the appointment of an arbitrator.

My question to the Government Leader is whether he would consider appointing a committee of this House to investigate what took place, what was said, at the meeting between the Minister and the Directors of the Society on June 27, and to inquire into what was said during the discussions between the Minister's department and the federal government, and report back to this House.

¹¹ **Hon. Mr. Penikett:** I agree with the Member opposite. There is some confusion, and I believe he has contributed enormously to that situation. I agree that the matter before us is a serious question — the kind of discussion we have had today in Question Period is one that would normally suit itself better to the Estimates discussion in the Minister's department, but it is the Opposition's choice as to how they want to pursue it.

I have had no cause whatsoever to question at all the word of the Minister of Justice on this matter; therefore, I see no purpose for a committee. I am surprised that the Member opposite is suggesting committees because our experience in government with the Members opposite was they did not like them.

Mr. Phelps: I am deadly serious about this request for a committee because if the letter signed by the federal Minister of Justice is correct, then, on the face of it, what is being said is that, despite the unanimous motion of this House with regard to the subject matter, the Government of Yukon rejected the appointment of an arbitrator pursuant to the Courtworkers Society agreement.

Hon. Mr. Penikett: Clearly, the Members on this side of the House voted in support of the motion at the behest of the Minister of Justice, who believed that he, and this administration, had nothing to fear from any course of action or any kind of arbitration. He also has indicated to the House that he expressed the wishes of the House to the Department of Justice. Now, he cannot account for any misunderstanding or be expected to explain or describe if there is some difference in perception of the situation between the federal government and this government. If it is, the remedies are there to clarify it, and I am sure our colleague, the Minister of Justice, will be happy to do that, with his officials in Ottawa.

Question re: Yukon Native Courtworkers Society

Mr. Phelps: Again to the Leader of the Government: am I then to take it that your government will be taking steps to clarify the issue that you just spoke to in my final supplementary during the last question, and as well to clarify what appears to be something other than a meeting of the minds as to what took place at the meeting on June 27th between your Minister of Justice and the directors present from the Yukon Native Courtworkers Society?

¹² **Hon. Mr. Penikett:** If, as the Member is suggesting, there is some disagreement about the facts, or an argument about the facts, that is a proper subject for an endless debate in this House. If the Member is somehow trying to bootleg some question of privilege to somehow imply that the Minister of Justice has misled the House, then that is a very serious charge, and he has to make *prima facie* evidence before the House of such a charge. It has to be ruled on by the Speaker, then it can be referred to a committee of privileges; but the consequences, the Member should know, of making such a charge and failing to substantiate it, is a loss of the Member's seat. That is why it is not a frivolous matter.

If we are talking about a dispute about facts, then the Member is pursuing it the right way. We have had nothing to indicate that the Minister of Justice is in error in terms of his perception of the facts.

Mr. Phelps: The Government Leader has made an about-face since he answered my previous question. He said that he could see no reason for the appointment of a committee of this House to look into the facts surrounding both the discussions between the two Departments of Justice, and the discussions with the Yukon Native Courtworkers, but that they would look into the facts and report back to this House because there is a reason for me to be concerned about the factual situation. It is apparent, on the face of the documents I tendered, and contrasting that with the information we have in the House so far. I am assuring the Government Leader that what I am interested in is getting to the bottom of the facts.

Hon. Mr. Penikett: I am sure we share the Opposition's interest in the facts. If he is talking about a committee to investigate a situation — committees in this House usually do not investigate facts, especially if we are talking about some quasi or pseudo question of privilege — the facts have to be laid before the House to substantiate the creation of such a committee. A question of privilege has to be raised by a Member, the Speaker has to rule that there is a *prima facie* case; and then the House has to vote on whether it wants to refer the matter to such a committee.

The Member opposite is a lawyer; he knows full well what procedures to pursue in terms of establishing a committee. If he is simply wanting to establish the facts, then he is presently going about it the correct way by asking questions of the Minister of Justice, who has not at all been reluctant to discuss this question or the facts that he knows about the situation.

Mr. Phelps: Just to pinpoint the issue once again and stop skating all over the territory: what I asked for was the assurance of the Government Leader that the appropriate officials and his Minister would look into the two areas of concern, and enlighten the House as to the exact facts surrounding the discussions with the federal Department of Justice and exactly what transpired in discussions on June 27 with the Yukon Native Courtworkers.

Hon. Mr. Penikett: The Leader of the Official Opposition has asked the Minister of Justice, who is the Minister responsible, questions of fact about his communication to the Department of Justice, and to the Courtworkers Society. The Minister responsible has answered those questions; if the Member is not satisfied with the answers to those questions, he knows the remedy. The remedy, in a parliamentary system, is that he can keep answering questions. There is an opportunity which provides itself, when we get into estimates of that department, for the Member opposite, should he wish, to ask questions for hours, days, and weeks if necessary, until he is satisfied with the answers.

¹³

Question re: Backlog of court cases

Mr. McLachlan: During debate in this House in 1984, the current Minister of Human Resources told this Assembly there was, and I quote, "a severe backlog of court cases in Yukon Territory". Last week the Minister said there was no increase in court backlog, which we believe not to be the case. Can the Minister tell this

Assembly how long it is presently taking for trial dates to be set in those cases which require an appearance before the bench?

Hon. Mr. Kimmerly: I thank the Member for the question. I had a meeting with the lawyers yesterday at noon, to discuss exactly the question of court backlogs. I was advised that last week the trial dates were set for late January and early February. That is the most up-to-date information that I have, and I believe it is accurate.

The question of backlogs is a very serious question. I spoke about it in the Reply to the Speech from the Throne. I am intending to speak at some length on the subject, if I am asked, in the budget debates.

Mr. McLachlan: I believe we would appreciate that discussion. We are having problems interpreting the answers that we are getting from the government side of the House. I quote *Hansard* from October 2, "The practical vacancy is due to the leave of absence of Judge Stuart, but practically speaking, there is no vacancy". Could the Minister of Justice advise this Assembly, what is a vacancy on the bench?

Hon. Mr. Kimmerly: When a judicial position is not filled by either a permanent sitting Judge or a Deputy Judge.

Mr. McLachlan: Recommendations have already been made by the Judicial Council as to a qualified short list of people to fill the vacancy. All those were rejected. Will the Minister give his assurance to this House that the next time the Judicial Council makes a recommendation, he will fill from that list at that time?

Hon. Mr. Kimmerly: It is not within my power to make that assurance. The appointment of judges is an order-in-council appointment and will be made by the Cabinet at the appropriate time.

In reference to the previous list, that was the action of the previous government, not ours.

Speaker: The time for Question Period has now elapsed. We will now proceed to Orders of the Day, Government Bills.

ORDERS OF THE DAY

GOVERNMENT BILLS

Clerk: Second reading, Bill No. 52, adjourned debate, Mr. Phelps.

Bill No. 52: Second Reading — Adjourned debate

Mr. Lang: I rise on second reading debate with mixed feelings, as far as the proposed capital works project for the 1986-87 year is concerned.

If one goes through the estimates quickly, you could say that there is something there for everyone in the territory. From that point of view, the presented budget has taken, in many cases, the aspirations of many of our communities into account. At the same time, I see some glaring omissions. I am not going to speak from the point of view of projects, one street being redone versus another, but I want to do it from an overall policy point of view and a political point of view.

It is safe to say that this particular budget is an election budget. It is safe to say that this is something that has been presented with a general election in mind, from which a platform could be put forward to see if a franchise could be paid for by their own money. At the same time, it covers the other option, and that is that of a byelection which unfortunately has to come to pass, as we all know, within the next six months.

I think it is important to look back on the financial negotiations that took place that resulted in the monies being made available for the purposes of tabling a capital budget of this magnitude. I harken back to the hard negotiations that took place primarily in the 1985-86 year between the two Departments of Finance to come up with a formula for the purposes of financing this particular government from the Government of Canada, which is known as formula financing. You will recall, and I am not here to redo the election campaign, but right towards the end of the campaign there were major documents signed between the two levels of government. At that time, the then Leader of the Official Opposition

publicly stated that it really was not any big deal. I think we all would agree that the significance of those particular documents, and the consequences of those financial documents, are starting to bear fruit as far as the territory is concerned.

It does a number of things. First of all, it gives us a transfer of dollars to this government of a negotiated amount of dollars on an annual basis for a three year agreement, as opposed to the past where we had to go to Ottawa, cap in hand, and say we need a school here, we need an addition to the school here, we need an addition of a teacher here in a school. It is now the responsibility of this Legislature and primarily that of the government now to make those decisions and the differentiation between the allocation of capital dollars as opposed to operation and maintenance, for the purpose of the every day running of government. That was a significant move forward, constitutionally, as far as the Yukon was concerned.

The other point is that it allowed us to plan. It allowed us to look ahead, at least to a three year period, even to a five year period, subject to departmental negotiations, as far as the financing and the every day running of the territory was concerned.

The other point that it allowed us to do, was that it increased the amount of money as far as the territory was concerned. I do not have the exact figure, but I believe it is in the neighbourhood of \$14 million to \$15 million, straight across, over and above forced increases, as far as the inflation or the indexation of that particular agreement is concerned.

How did we accomplish getting that particular agreement in place? We got to that position as a government and as a Legislature because the Government of Canada said that the people of the territory manage their money in such a manner that they should have the right to make the decisions themselves, that they, in effect, block fund the Government of the Yukon Territory and we can make our own decisions.

What it did for the people of the territory was, as I said, bring financial self-government to the territory and it took many years of hard work to reach that point. I harken back to my almost 11 years on the government side of the House. The significant changes that took place, as far as our financial negotiations with the Government of Canada, took place primarily because the governments of the day provided good financial negotiations with the Government of Canada and good financial management.

The Leader of the Government, who was then the Leader of the Official Opposition, will have to concur with that observation in view of the fact that he was the Chairman of the Public Accounts Committee — of course at times there were things that perhaps should be changed as far as procedures were concerned — but you will remember that the Auditor General of Canada, not on one occasion but on numerous occasions, said to this Legislature and the governments of the day that overall they felt that the Government of the Yukon Territory was managed financially well and should be given accolades in that direction to the point that we should be a model for other provincial jurisdictions across Canada and, in fact, for some federal departments.

That does not make good media. It does not have the same effect as the Northland Bank. But the realities of the situation, as I said when I spoke to the Capital Supplementaries on second reading, were that we passed over a government in good financial footing and good overall financial management. Procedures were in place, the *Financial Administration Act* was in place, the rules and the regulations were in place, and in effect, all those dull but necessary things had been put into effect over the past 10 to 15 years through various actions of the Legislature, as it evolved or, where necessary, governments.

That leads me to the first point I want to make. We have a budget of \$80 million. We had a proposition put forward by the Government Leader speaking on second reading. I want to say on his behalf that I think some public credit should go to the Government of Canada for entering into the financial negotiations, in coming to the conclusions of those arrangements, because that permitted that side of the House to bring in this budget on behalf of the people of the territory. I do not think it hurts, where appropriate and where the necessary work and effort has been put in, that the

government of the day at the federal level should be acknowledged. I think the point that I want to make now is that we now have financial self government. We attained that position because of good financial management. I want to express a concern to the side opposite. It is ironic that today I have to express this concern when we are going steps forward, constitutionally, as far as the people of the territory and the right and the freedom to make decisions is concerned.

To this date we have never had a situation where we have had to deficit finance. It is ironic that we stand here today and talk about the prospects of deficit financing, as far as our government is concerned in Yukon. Even with the major increase and volume of dollars that have come our way, this is a topic of discussion in this Legislature. I want to say I do not raise it out of the clear blue. I harken back to the words used by the Government Leader, as far as the capital supplementary is concerned, who referred specifically to deficit financing. I also refer to the statements that were made by officials of the Department of Finance that the prospects were very real for deficit financing in the ensuing year depending on some decisions that would have to be made internally on the O&M budget proposed for 1986-87 by the Government of Yukon.

I have to say as a taxpayer of the Yukon, and as a representative of the taxpayers of Yukon, I am very concerned about that prospect. I am very concerned that we have a budget that appears to be balanced here, yet in the words of the Government Leader himself, there are a number of things in the offing that will decide whether or not we are going to enter into some financial situation which the Yukon has never experienced before; namely a mortgage.

It has to be noted that we are not privy to the negotiations for Cyprus Anvil, but I am assuming that there will be some financial undertakings on behalf of the government in one capacity or another. Those dollars are not included in this particular budget, as explained to us by departmental officials. So where are those particular dollars going to come from?

The other area of concern that I want to express is that in every budget that has been tabled in this House, succeeding governments have been able to stand up and say that they have had a working capital of a significant amount in comparison to the budget in totality. Primarily, to budget and to have money available for things that are not budgeted for, i.e., the situation in Dawson City when the flood occurred there. The Government of the Yukon Territory, the government of the day, was in a position to bring forward dollars and help those people directly and immediately as opposed to having to go to a bank, or to the Government of Canada, hat in hand.

I think the MLA for Klondike would agree with me, harkening back to those days if we can for a few minutes, that in most cases the situations from a company point of view and the people's point of view were met, and met very quickly. The complaints were very few. We did have some, and some were legitimate, but overall it was done expeditiously and efficiently as far as the Government of Yukon Territory's obligations were concerned. We could do that because we had the financial wherewithal to do it.

What concerns me is that we could well be putting ourselves in a situation, with the information that we have, where we will have to go beyond our financial means.

When you look at this budget, and you go through this budget very carefully, there are very few major investments that are going to bring revenue returns back to the people of the territory. There are very few areas where we can actually say that if we invest this money in this particular area, we will get a return down the road.

What we are doing, and I understand to some degree why the government is doing it, is getting to the point where we have a very sophisticated infrastructure. That does not bring revenue back to this government. The problem that I foresee happening, if this government does not take concerns such as mine into account, is that we may be getting into a situation down the road, with deficit financing, where we cannot afford to pay the bill. In some cases I can see the reasoning for borrowing money if you are investing and you are going to get a return. One of the reasons we get such a large volume of money from the Government of Canada, in order to pay for the capital works projects, as well as the overall Operations and

Maintenance, is because of our small tax base, because of the very few people who live in the territory as far as the services that are required and the fact that in some cases we are providing services on behalf of the Government of Canada.

I think that is very important for all Members to take into consideration, when decisions are going to have to be taken as far as the main estimates tabled in the spring.

The question was clearly put to the Department of Finance that if we had this Capital Budget, and we had the same O&M budget that we are dealing with in the Committee of the Whole, with just a forced increase growth, and no new additions, no new programs, we have the very likely possibility of a deficit budget.

This puts us, on this side of the floor, in a very difficult position. You are asking us for a franchise for a vote, to vote for a budget when we do not know whether or not it is going to cause major deficit financing as far as the Government of Canada is concerned. Members of this House have never been put into this situation before. I think that it is important that we recognize the significance of what we are dealing with.

I have to conclude by cautioning the Government Leader that in the overall financial management of government we have a trust. That public trust is to the general taxpayers of Yukon. We have the financial ability to present a budget with no fear of tax increases because of our formula financing, yet now we have a budget before us that gives the very real prospects, maybe not next year, but in all likelihood the following year, depending on what happens politically, that the taxpayers of the Yukon will pay for 1986-87 either direct or indirect through their tax bills. That is not financial management, that is irresponsibility.

Speaker: It is my duty to advise the Assembly that the Hon. Member is about to exercise his right to close debate, and afterwards all Members will be precluded from speaking to this question. Therefore, any Member wishing to speak should do so now.

Hon. Mr. Penikett: Thank you, Mr. Speaker. I have heard some election speeches in my life before, but I guess that would have to rank right up there with the best of them.

Some Hon. Member: *(Inaudible)*

Hon. Mr. Penikett: I am sorry, if the Member for Kluane had wanted to join this debate he could have jumped in — oh, I am sorry, it was someone else: the Member for Riverdale North. I apologize to the Member for Kluane but not to the Member for Riverdale North.

If the Member for Porter Creek East were a new Member and this were the first time we had heard his speech, I am sure we would have been very impressed and he would have received many congratulatory notes. But of course, those of us who have been here for a while have heard it many times before; we enjoyed it the first couple of times we heard it. It is, as occasionally is the case with the Member's speeches, of course wrong-headed and completely factually incorrect.

Believe me, I have probably in my short time around here talked to Finance more often than has the Member opposite. He talked about glaring omissions and he talked about election budgets. I do not think I really want to respond to that; it is a bit too silly for words.

He asked me to pay compliments to the federal government for formula financing. I am quite happy to do that. Formula financing were negotiations which were begun under the old Liberal government nationally and were something which were of benefit to the Government of the Northwest Territories as much as they have this government. We are not unique in that respect, nor are there any particular accolades due here for that achievement, even though I understand the negotiations were quite tough.

He also, I am afraid, misquoted the Auditor General, which I am sure the Auditor General would be quite disturbed about, when he said the Auditor General had said this government "managed well its finances". Well, you would have to search pretty long and deep into the Auditor General's reports to find such a statement, and I doubt if you could. The Auditor General has, of course, said as a

rule that our books balanced and has occasionally pointed out particular problems, but since the Auditor General has never done a value for money audit in this government, he certainly has not ever expressed himself on the general managerial ability of the cabinet of this government, nor, I suspect, is he ever likely to.

I seem to recall, during the 1982 election, actually, the party opposite ran ads saying the Auditor General endorsed them and said what a wonderful bunch of chaps they were. In fact, all he had really done was to say the books were balanced, which is a much more modest statement than expressing enthusiasm for our friends opposite.

²⁰ Having said that I do, of course, want to pay tribute to our friends opposite. If the Clerk Assistant could get me the bill I am looking for, I am going to make nonsense of the rest of the Member's statement. The document I am referring to is Supplementary Estimate Number 3, 1984-85, i.e. for period nine of 1984-85. I believe, if my numbers are accurate — and I am hoping as soon as the bill comes I will be able to prove them — that the position of the government in the current year was one of a deficit.

The Member, just a minute ago, has said, "We have never been put in this situation before. A deficit. Never experienced it before. Woe and betide, Chicken Lickin', the sky is falling!" What nonsense.

The Member opposite waves like he is going to take off. I am afraid I am a larger object and it would take more than that to levitate me — larger brain, too.

As soon as I get the bill from the Clerk Assistant, I will be able to lay the numbers on the table, which make nonsense of the Member's statement saying we have never been put in this position before. As I understand the numbers, they are something like this: supplementary number 3, for 1984-85 — I understand this was a budget year, for which we were not largely responsible — the deficits projected in period nine were: O&M \$2.3 million, and capital \$6.9 million, for a total of \$9.2 million. Current year projections.

The projected deficit that we are talking about, the cash position we are talking about now, which the Member was inquiring about now, is something like \$11 million. What he did not take into account, and what he has never introduced into his debate, is the accumulated surplus position of the government, which is considerably in excess of \$11 million, and let me say, makes it absolutely clear that we are not in a deficit position at all. He managed to raise the prospect that we would have to do some borrowing. We are not in a position to have to do any borrowing of this kind whatsoever. Our accumulated surplus is still quite healthy.

I may now have these numbers that I am looking for here. Surplus, deficit, deficit, operation and maintenance. I read from Supplementary Estimates No. 2, 1984-85. That will do for the purposes of demonstrating to the Member what nonsense he speaks when he says we never had a deficit before.

Mr. Lang: At the end of the year, Tony.

Hon. Mr. Penikett: We are not at the end of the year now, and he knows we are not at the end of the year now; we will not be until April 1. Nor can we talk about a deficit with respect to a budget for 1986-87 until we get to the end of that year. It is still a long way away. The Member is feeling weak about his arguments now. He is feeling quite embarrassed, so he keeps heckling me. I am going to put the numbers into the record, nonetheless.

²¹ The O&M deficit, in Supplementary No. 2, 1984-85, is \$2,260,000 in O&M and in capital deficit, \$4,871,000. Having just made nonsense of the Member's arithmetic and his statement that we are entering for the first time a deficit position, I will reiterate again — as I could not find the precise bill, that other supplementary will do — that this government is in a surplus position. It is in a substantial surplus position, substantially as a result of formula financing. I concede that right off. And, rather than leave people unemployed this winter, we have decided to put the cash of the government to work in order to put the people of the Yukon to work this winter and next year. That is what this budget is about.

In the 1985-86 Capital Supplement we are talking about the equivalent of 370 person-years, approximately, and in the Capital Estimates before us, 1,200 person-years, approximately. These

figures are preliminary as we do not have, as we said yesterday, benchmarks to ascertain the incremental job creation, but we believe this budget will make substantial progress towards that goal. I explained to the Member yesterday why, at this time of the year, we can show a deficit on the current year where no deficit in the overall position of the government exists, and that is exactly the situation we are in now. We have an accumulated surplus which is substantial, and in fact there will be an accumulated surplus, I am sure, at the end of this year as well.

Speaker: Are you prepared for the question?

Motion agreed to

Speaker: May I have your further pleasure?

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

Speaker: It has been moved by the Hon. Government House Leader that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole. Are you prepared for the question?

Motion agreed to

Mr. Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

Recess

²² **Chairman:** I call Committee of the Whole to order. We will continue with Bill No. 2, *Second Appropriation Act, 1985-86*.

Bill No. 2: Second Appropriation Act, 1985-86 — continued

Chairman: I would like to advise Members of the order of the departments: Community and Transportation Services, Public Service Commission, Government Services, Health and Human Resources, Justice, and Finance.

Before we begin, as we have just concluded Education, I would like to recognize Mrs. Firth who has a correction to make in Education.

Mrs. Firth: I would like to give the Minister of Education an opportunity to correct a statement that he made in the House yesterday. I do not know if he has researched it, but I have, and it is with regard to the hiring of the French Language Coordinator. The Minister said that the job, as I mentioned earlier, "has been advertised and should be closing soon if it has not already closed". I checked this morning, and the job has not been advertised, so perhaps the Minister of Education would like to clear that statement for the House at this time. I am sure that it is not his intention to mislead the House, and I know how sensitive he is about his integrity being questioned.

Hon. Mr. McDonald: I have not taken the opportunity to refer to the question with respect to the hiring of the French Language Coordinator to the department for clarification. If I am wrong, then I admit to being wrong under the circumstances. I do not regard it as being a critical matter, though I will certainly check on it to determine whether or not the position has been advertised and what stage it is at. I will make an official determination for the House whenever I can.

²³ **Mrs. Firth:** I am not saying this in a flippant way. I remember as a Minister I was always extremely conscientious that the information that was brought into this House was absolutely accurate. Therefore, it is a very critical matter because the Minister stated very emphatically that the job had been advertised. I just wish to present him with the opportunity to clarify that for the Committee and, in so doing, maintain his integrity as a Minister.

Hon. Mr. McDonald: The tone of the Member's statements now seems to be making this situation a little more serious than I believed it was. I did not read the Blues this morning to determine whether or not there were marks of emphasis around the remarks that I made yesterday. If I said yesterday that the job was advertised

and was either closed or was going to be closed, that might indicate to the Members of the House that I was not sure of the details of the job posting for that particular position.

It is my impression, speaking to department officials, that it is their intention to advertise the job. I assumed that they had proceeded to advertise the job. I will, again, find out, because it is strictly hypothetical now. I have not yet questioned my officials to determine what the exact status of the filling of that position is. When I do, I will come back to the House and report. As I said, if I have been wrong in giving that information, technically wrong, then I will say as much. The Member can understand that on the basis of her research, I may not want to admit to an error until I have determined for myself whether an error was made.

If an error was made, I will admit to that error.

24 On Executive Council Office — continued

On Federal and Intergovernmental Relations

Hon. Mr. Penikett: I wonder if I might have us return to Executive Council Office briefly so that I can answer the questions that were raised yesterday? I have the answers now and if they are satisfactory we could clear the item.

One question asked of me yesterday was: of the \$544,000 budgeted for Federal and Intergovernmental Affairs, how much of it goes to the Ottawa office? There is \$115,400 in salaries and \$106,600 in other O&M costs. The question was asked: does the ECO budget provide for rent for the Ottawa office? No, this is government services budget and the amount is \$33,000 annually.

Bureau of Statistics, page 36...

Chairman: Order, please. Are there any further questions on Federal and Intergovernmental Relations expenditures on page 30? *Federal and Intergovernmental Relations in the amount of \$544,000 agreed to*

On Bureau of Statistics

Hon. Mr. Penikett: The question on page 36, I am advised that the difference between the forecast 1984-85 figures of \$137,000 and the 1985-86 estimates of \$237,000 is accounted for by two principal factors: (1) two person-years were added to this activity due to the government reorganization, thus increasing the salary requirement. Past administration was, of course, responsible for the reorganization and the increase in the person-years. Secondly, there were two vacancies between December 1984 and April 1985 which, therefore, reduced the forecast expenditures in 1984-85.

Bureau of Statistics in the amount of \$354,000 agreed to

On Public Affairs Bureau

Hon. Mr. Penikett: On page 32 in the O&M book there were two questions about the Public Affairs Bureau. One was about the photography activity and the other was about the inquiry centre. The major increase in the photography activity from \$95,000 in the 1984-85 forecast to \$151,000 in the 1985-86 estimate is accounted for by supplementary O&M funds of \$50,000 approved by management board in February 1985 for photography, writing and design services.

The major increase in the inquiry centre from \$95,000 in the 1984-85 forecast to \$136,000 in the 1985-86 estimates is an increase of \$12,000 to cover public information fact sheets on the Yukon Legislature, government structure, Yukon symbols, et cetera, and increased expenditures in advertising in order to make the public aware of office location changes in the government, and finally increased expenditures for the operation of a Zenith line.

25 On Photography

Photography in the amount of \$151,000 agreed to

On Inquiry Centre

Inquiry Centre in the amount of \$136,000 agreed to

Executive Council Office in the amount of \$3,915,000 agreed to

On Department of Community and Transportation Services

Hon. Mr. McDonald: I have a brief opening statement, and then will answer questions as they arise.

The 1985-86 O&M budget before you reflects the reorganization implemented under the previous government during the summer of 1984. The amalgamation of the administrative components of the previous highways department, municipal affairs department, housing corporation and recreation branch from tourism represent the

major change when comparing previous budgets to the current budget.

You will note that the 1985-86 O&M budget for the Department of Community and Transportation Services does not show any increases over the previous year. This is to a great degree a reflection of a decrease in the cost of the highway maintenance program within the highways branch, and is due to greater productivity of this section and to the realization of savings resulting from the BST program.

The Lands and Housing Branch, which carries the responsibility for the management and delivery of Yukon lands, and staff and social housing programs, is one of the main focuses of the previous government's reorganization. Administrative savings have been effected which have resulted in a 12 percent decrease from the previous year's operating grant with respect to the Housing Corporation. This branch is working hard to ensure that the necessary statutory and policy framework is in place to assume the management of additional land when such transfers are received from the Government of Canada.

With respect to community services, the greater portion of the budget reflects transfer payments to municipalities and, to a somewhat lesser degree, to individual organizations and groups under the arts, sports and recreation programs. Funding to municipalities represents both conditional and unconditional contributions, with the bulk of these being unconditional municipal operating grants.

This particular grant was increased by a total of 10.9 percent over that provided in 1984-85, and is reflective of this government's commitment to ensure that sufficient resources are made available to our local governments in order that they may effectively manage their affairs.

26 Under the Arts, Sport and Recreation program, funding also includes a contribution of \$110,000 to the 1986 Arctic Winter Games Host Society. Total Government of Yukon funding of the major event will amount to \$200,000 over 1984-85 and 1985-86.

The Municipal Engineering Branch includes the additional costs associated with providing water and sewer services to Old Crow. Department of Community and Transportation Services is one of the larger departments of the government. It provides services in a wide variety of program areas. All the O&M budget is essential to carrying out these programs. Much of the department's major activities are dealt with under the offices of the Capital Budget, which was just recently tabled. Aside from the transfer payments, much of the budget before you reflects salary and general expenditures associated with these programs.

Mr. Lang: Perhaps, the Minister could, so that we do not get into a situation of clause-by-clause, where various people are involved in putting it together, just identify any new policy initiatives since he came to office in the particular area. It would make things a lot simpler for all Members. If I heard him correctly, I do not believe I heard anything new from the O&M 1985-86. In fact, I think he indicated in some cases he had less dollars because of BST applications, and less cost for O&M, other than for adhering to the legislation that is in place for financing municipalities, where there is an increase, depending on the formula, which you have obviously authorized at this time as opposed to waiting for the 1986-87. I am just wondering what else is there actually in the budget? I think that this would expedite business, as opposed to trying to grill the Minister clause-by-clause. I am sure that the Minister needs the break, in any event.

Hon. Mr. McDonald: I would be happy to. I realize that there are two new members of the Liberal caucus who may want answers to some questions, which they have not had opportunity in the past to ask. In any case, what we could do, to make matters easier for the experienced Members of the Legislature, is to say that there has not been any major or even moderate manipulation of resources to cover various programs. Many of the programs submitted to this department, apart from what I have just mentioned, are in fact going to continue: grading roads and doing all the various things that a government is prone to do in this territory.

I would anticipate that we will be, for the next O&M budget, providing some policy direction in certain areas, that the Members

are aware of. We are in the stage of policy development now; finalization of policy and refinement of policy. Those areas will become more obvious to the senior Members of the Legislature when we introduce the next O&M budget. There are some issues that may be confusing to new Members of the Legislature and I would be pleased to answer questions where I can.

²⁷ This department, as the Member for Porter Creek East knows probably better than anyone in this Legislature, is extremely large and the amount of detail, to assume by the minister, is considerable. Where I can answer detail, I will answer detail; where I can answer policy, I will answer policy.

Mr. Lang: I just want an observation, and I am speaking to the principle of this bill and the principle of information, if you like. I would just put the Government Leader on notice as far as the Capital Estimates are concerned and ask that all ministers provide a breakdown of the allocation of dollars of the various line items that are there. For an example, you have \$2.5 million for the City of Whitehorse: is there a breakdown for that? That would expedite business as far as that particular piece of work that we have to do here in the next couple of days.

Hon. Mr. Penikett: Since the Member is giving notice of a question, I wonder if he could just clarify what the question is, because of course we will want to get him the information in the form he desires it. If there is any confusion about exactly what he is asking for, it may be difficult.

Mr. Lang: To give an example, during the course of the lock-up, questions were asked as to roads, streets and this type of thing, and a breakdown was done: so much for the streets in Burwash, so much for the streets in Watson Lake, that type of thing. These breakdowns I know are available to each and every one of you. Could we have that information as well so that we do not have to ask those questions? We can just look at it and ask why you are doing that project, and if we object or want clarification, we can ask. Does that clarify my request with reference to the Capital budget?

Now, getting back to the Estimates ...

Chairman: We are on the O&M.

Mr. Lang: Yes, Mr. Chairman, I just want to help you along as you pilot things through. It is for you I am doing this, no one else.

I have a question to the Minister responsible. When is a Deputy Minister going to be appointed to oversee this department?

²⁸ **Hon. Mr. McDonald:** The appointment of the Deputy Minister is something for which I have some interest, of course, but the appointment will be made ultimately by the Government Leader. I will transfer that question to him.

Hon. Mr. Penikett: There was an advertisement, there was a competition, there were interviews. An offer has been made in recent days. I do not know if it has been accepted. There should be an announcement shortly on that position.

Mr. Lang: Is it going to be somebody locally, or is that for somebody outside the territory?

Hon. Mr. Penikett: It depends on what happens with the offer.

Mr. Lang: I do not have any more questions in general debate. The Minister has answered for me. I did not see anything really new in it and, therefore, I really do not have any more questions; unless in the course of going through the budget some other questions become apparent.

On Administration

Hon. Mr. McDonald: I would like to announce a couple of changes. On page 42 of your estimates book there are some typographical errors which I would like to clarify.

The total of \$763,000 remains the same, but the Personnel allotment is \$689,000, not \$622,000. The other allotment is \$74,000 not \$141,000. The personnel really is a change of 11 percent. The other really is a change of 23 percent. So the other is not as dramatic an increase as you see there.

General Administration in the amount of \$763,000 agreed to

On Highways and Transportation

Highways and Transportation in the amount of \$29,682,000 agreed to.

On Lands and Housing

²⁹ **Mr. McLachlan:** I would like to get the Minister's general impressions of some of the objectives of the Housing Corporation. I do not fault his government and I do not fault the past one, but I know that on many occasions before the Yukon Housing Corporation ended up being the whipping boy of the government and government problems, in teacher housing areas and other public employee housing areas.

Does he have any thoughts about improving the product offered by the Housing Corporation, to make it more attractive to people, — I am referring to rural communities more so than Whitehorse — to make it any more palatable for those people to live in. I know, for example, that you have major problems in Pelly, and it has taken an additional month, it was October 1, before the last teacher was recruited in Pelly. The housing situation did not fit. You were limited by whom you chose because of where they had to live. That has to impact on your other department, Education.

What thoughts do you have on the Housing Corporation problems?

Hon. Mr. McDonald: I believe the Member for Faro is referring to the staff housing portion of the Yukon Housing Corporation's responsibilities. When he refers to the Housing Corporation as being the whipping boy of government departments, I believe he means that in respect of the provision of housing for government employees in rural communities, primarily. The Housing Corporation has indicated a desire to have the charges for staff housing charged back to the departments which would be using the housing in order that they might maintain their integrity as a corporation.

That is certainly something that is of concern, both to the corporation and to the government, and we are reviewing that particular policy to determine the best route to go.

With respect to the Pelly housing situation, I fully concur with the Member that the staff housing in Pelly has been a problem and that it is a problem today. The people will note in the capital supplementaries that there is a provision for some housing for that community. I admit that that will not be enough to satisfy that particular community's needs. The Department of Education has had difficulty recruiting for Pelly, not simply because of housing problems, but because of the relative isolation of that community.

³⁰ They have difficulty recruiting for any rural communities including Mayo, for some strange reason. In any case, housing is a factor, and I admit that wholeheartedly. We are attempting to address the situation in Pelly with the supplementary appropriation. The total complement of houses in Pelly will be reviewed and I am hoping that the House will give consideration and pass the cost estimate to put in another unit for Pelly Crossing. I hope that will satisfy those concerns considerably.

Lands and Housing in the amount of \$2,310,000 agreed to

On Community Services

Community Services in the amount of \$7,194,000 agreed to

On Municipal Engineering

Municipal Engineering in the amount of \$750,000 agreed to

Hon. Mr. McDonald: I have one further correction to make for anyone who has studied the supplementary information in Highways, page 47. I am sorry, we passed by so quickly. If you look on page 47, the additions and deletions to the highway maintenance inventory, look down to section 1(c), deletions to the inventory, and you will see Watson Lake Cottage Subdivision and you will see Whitehorse Ski Hill Road and you will see Pleasant Camp Road. Please note that the Pleasant Camp Road, Five Mile Lake Road, Marshall Creek Road, Frances Lake Road, Ross River Access, Tatchun Lake Road and Pine Lake Road are, in fact, additions to 1984-85 and not deletions.

I believe the totals will then add up for the previous page, 46, with respect to the road surfaces, the length of surfaces in kilometres, throughout the territory.

One other slight change: the Burns Road referred to in section 1(b) is, in fact, Burma Road, Mile 8 of the Mayo Road.

³¹ *Department of Community and Transportation Services in the amount of \$40,699,000 agreed to*

On Public Service Commission

Hon. Mr. Penikett: I wonder if it would be possible to recess for two or three minutes until a witness can come here. I know that this is an item everybody opposite has been waiting for. Particularly, this provides the committee an opportunity to talk about local hire. The witness is not here yet, so he did not hear it, but I think that the discussion would be improved considerably by the presence of Mr. Besier. If we could recess for a couple of minutes until he gets here, I would appreciate that.

Chairman: This is very unusual, but I will allow it this one time.

Recess

³² **Chairman:** All Members agree to have the witness appear before the Committee?

Some Members: Agreed.

Mr. Lang: I have an observation regarding the principle of having witnesses. I would like to ask the Government Leader if this going to be the procedure from here on, where. If the Deputy Minister is invited in is he or she going to sit at the end and answer questions as opposed to the system that we had moved to, where the DMs were sitting with the Minister and the Minister answered on behalf of his or her department?

Hon. Mr. Penikett: To be perfectly frank, I thought we might try both ways. This department, the Public Service Commission, as you know, has a measure of independence. There are questions regarding the way that it is administered and the Members might want to put questions directly to the Public Service Commissioner, who is here for that purpose.

I would anticipate in one of my other departments, perhaps the next one that I call, that we would try the method suggested by the Member. I am a little concerned actually about traffic on the floor, and so forth, but I want to try that and see how it works.

Chairman: In any event, I would ask Members, when they are calling a witness, to have their witnesses ready so we do not have to have this unnecessary interruption.

Hon. Mr. Penikett: On a point of order. We cannot have witnesses sitting around doing nothing on a debate that may take hours or days. These are important, busy Deputy Ministers. We did not know that Community and Transportation Services would be over in a few minutes, when on previous occasions it has taken many days to pass the House.

Mr. Lang: I have a point of order, just for clarification of the House and anyone who is listening: that is one of the reasons the public service, the Deputy Ministers primarily, were given intercoms, so that they could listen to the proceedings and if they were called upon, they could be here within a minute or two. This building is not that big.

I do not accept the premise the Government Leader has put forward that they cannot be here within a couple of minutes. Surely business can go on as usual per general debate on the subject matter as far as general debate is concerned.

Hon. Mr. Penikett: On the same point of order. There are some Deputy Ministers who are not in this building. There are some Deputy Ministers who may be engaged in critical work at the moment; it may take a couple of minutes to leave what they are doing, to complete a task, in order to get here. We are only trying to be reasonable about this.

³³ **Mr. Lang:** On the same point of order, I am a reasonable man, too, and I am just trying to assist the new Government Leader in trying to familiarize himself with the government.

Mrs. Firth: On a point of order, the question here is that the Chairman has ruled and the Chairman has given direction. I think we owe it to the wisdom of the Chairman to take his advice and abide by his rules.

Hon. Mr. Penikett: I would be happy to do that, but I only wanted to observe, as I am introducing this item, that we spent more time discussing this point of order than we did a \$40 million item in the budget.

Chairman: Ruling on this point of order, I think it is important that we do spend these extra few minutes to get it straight once and for all.

I would like to welcome the witness, Mr. Besier. We will now proceed with the Department of the Public Service Commission.

Witness introduced

Hon. Mr. Penikett: First of all, before I get into the particulars of describing the department, I have one announcement to make regarding some news today that affects this department. It has been announced that the Government of Yukon and the Public Service Alliance of Canada have successfully concluded collective bargaining late Friday afternoon. The agreement-in-principle will be submitted to the union members for ratification in early November and details of the agreement will not be released until the union members have cast their votes. The agreement covers a two-year period and includes implementation of a new job evaluation system which takes into account the principle of comparable worth. This statement has just been jointly agreed to by the two parties bargaining.

The Public Service Commission, as all Members know, is responsible for the effective management of the government's human resources. This includes the following components: staffing, compensation, labour relations, employee records and pensions, and training. The Commission employs 25 permanent staff as well as two contract staff and casuals as required. The Commission's organizational structure was changed in 1985 as the result of an organizational review conducted by Peat, Marwick.

There is an increase in two person-years from 1984-85 to 1985-86 as a result of the reorganization conducted by the previous government, and as a result of that there is a director of labour relations and a labour relations officer.

³⁴ Between 1984 and 1985 we have a Training Assistant, a Training Coordinator and a Personnel Clerk, and on the expenditure summary on page 212, Allotments Personnel, the 1984-85 figure there is not a forecast but represents actual expenditures. Some positions were left vacant pending outcome of the reorganization, resulting in low personnel costs for 1984-85.

The 1985-86 personnel costs are budgeted at full staff complement.

On one other note, a decrease between 1984-85 and 1985-86, I can discuss as individual programs are examined and detailed questions on these points I may want to refer to witnesses.

Mr. Phelps: I would like to ask about the JES. That package became part of the negotiations of the Collective Bargaining Agreement. Is that correct?

Hon. Mr. Penikett: That is right. The Cabinet took a decision to implement it and to refer the specifics on it, since it affected wages, to the bargaining table and the negotiations, which have just been completed.

Mr. Phelps: So, my question really is: the results then of the negotiations incorporates the implementation of the JES system? The reason I am asking is that I do not want to get into the line of questioning the subject matter of an agreement that has yet to be ratified.

Hon. Mr. Penikett: That is correct. The JES implementation right down to specific positions was in fact referred to the bargaining table and was the subject of bargaining.

May I suggest that there have been a number of questions in Question Period recently on the subject of local hire. Since there is potentially an opportunity, unless we are going to get them under the recruitment or training item, let us now discuss them in general debate in the presence of the Public Service Commissioner. Some of them Cabinet was ill-equipped to answer during Question Period, but some general points and principles might appropriately be discussed now that this item is before us.

³⁵ **Mr. McLachlan:** I thought I too would hear some of that during the general debate. It did not come. We have asked them; you answer them.

Hon. Mr. Penikett: I assumed that since they were still coming, it was still an object of interest in the House and there might want to be general debate with the Public Service Commission, with some discussion on this point. In recent days, there have been questions raised by Members which we were not able to properly discuss in Question Period. The Estimates Committee does provide an opportunity to get into more detail with Members

wishing to.

Mr. Coles: I would like to hear more from yourself, or the Deputy, about the general policies, about the policies used in different departments if they vary. I do not want to get too specific or I will be talking about personnel matters again.

Hon. Mr. Penikett: The hiring by this government on the most part, unless we are talking about contract people, is done by the Public Service Commission. There is an act, which is an act of this Legislature, which governs how the Commission shall function. It has for a long time been the generally held wish of Members of this Legislature that we hire locally as much as possible. It has been particularly an increasing public concern, during a time of high unemployment and recession, when people saw persons from outside the territory getting jobs for which they believed they were qualified. That is the political issue as it touches many individual persons, and many MLA's hear about the issue.

We have a more substantial problem in that we have large numbers of people in this territory who have apparently come through our school system, and at the end of their schooling, whether it ends formally at the end of highschool or whatever, look at the largest employer in the territory, namely the Government of Yukon as a prospective employer and find that they cannot get hired for one reason or another.

This is why, in previous years, when Mr. Pearson was here, there were many questions during the estimates debate about whether we were spending enough on training as opposed to recruitment, and so on. There appears to be, at this moment, a major problem, in that Native people are under-represented in the Public Service of the Yukon territory. There appears to be, in every rural community I go to, a perception that there are barriers to them getting hired by the Government of Yukon. Either they do not find out about competitions, or whatever.

³⁶ This problem sufficiently concerns us, and we are aware of the widespread public concern. This Cabinet has done a number of things. It has established, under the direction of the Minister of Justice, an interdepartmental committee to look at the whole question of local hire. That is a committee on which the Public Service Commissioner is represented.

There is also work begun in the Department of Education on the whole problem of training, because we identify a gap between, if you like, the qualifications of many people out in the communities right now who perhaps would like to work for the government, and the skills the government perceives it needs to do jobs. Though we may not be able to fill that gap very easily or very quickly, there is obviously much analysis needed there.

Thirdly, there is work being conducted by the Public Service Commissioner himself, who has contracted with somebody well known to Members opposite, to look at the whole problem of affirmative action; what other jurisdictions and other places do about the barriers to recruitment of Native people. Why is it that Native people cannot get jobs with this government? Is it their skill levels? Is it some kind of invisible barrier in the government? What is it and what can we do about it? How do we define the problem properly? I think we all want to. Picking up on some observations made by the Member for Porter Creek East the other day, we want to define the problem properly before we address it.

The contractor happens to be a very talented person by the name of Brenda Riis, who is acquainted, I understand, with the Members opposite.

Finally, the implementation of the Job Evaluation Study, the new classification system, provides, we hope, some capacity for removing formal qualifications from many of the jobs to improve the access at the bottom level, or the entry level, of people to many of the classifications. If you want to get that into general terms rather than specific terms, I think the Public Service Commissioner might be able to address that much better than I. That is one of the reasons for which Cabinet wanted to see it implemented.

Having said that, I must emphasize that we do not see the problem of local hire in respect to any particular position, because there will always be an argument about a local person's qualifications as opposed to other qualified applicants. There are many jobs where an individual quite genuinely feels that they are as qualified

as another person, who got the job, but the person being brought from outside is, by the criteria used by the Public Service Commission, and by the government, genuinely more qualified for the position.

We have had cases, for example, where math teachers were brought from outside the territory this year when there were teachers who reside here who are still unemployed, but happen not to be math teachers. I suppose there is always some judgment that could be made there. Someone might say well you could have hired those teachers and they could have learned how to teach math. I am not sure that that works, but there will be people who believe that that may be the case.

We are never going to solve this problem completely. However, I believe, as the largest employer in the territory, we have some obligations to the community we serve to maximize the employment possibilities and to allow people who grow up here and are educated here to realistically look at the Government of Yukon as a potential employer.

³⁷ In the big picture, in the long run, we may have, as I said before, some problems with our school system which, in fact, is not equipping people to get into the public service for many jobs, or we may have something wrong with our personnel policies, or we may have a problem with both, or it may be that the people who we would like to hire in government are simply leaving the territory and going to other jobs. There may be a number of problems, and I am not sure in every case that we have analyzed the problem sufficiently to provide a perfect solution to the kind of issues that have been raised by Members in Question Period this week.

Mr. McLachlan: In talking on the general debate, not under recruitment and training, I would like two things explained. It has been my perception that, for a large number of positions the government advertised within the past year, you are getting a lot of applications. For some of them there may be 90, some of them may be only 25. You make a short-list from that list. My question is: is the short-list shorter when the applications are 96, or do you still go down to only four or five when you have 25? How short is the short-list, depending on the number of applications? My second question I would like the Government Leader to address is this: there is a perception by a number of people outside the system, currently outside the government system, who are applying for work, that if they are applying against a number of people already on government payroll they do not stand much of a chance, and that the government employee currently on payroll is nine-tenths of the way there. You take from within the system before going out.

Hon. Mr. Penikett: I will refer the first question to Mr. Besier because he is the expert and can describe the process. The Member opposite will understand that I have only been directly involved in a couple of hirings myself, and there were, I think in both cases, a large number of applicants. There was a relatively small short-list in the end, only because there are practical problems to interviewing 25 people as opposed to six people. If you cannot find your choice among the six best, you are probably not going to want to expend your energies looking at the 25. I think it is not automatically so that someone in the service will have preference. They may be a very capable person in the job they are in, but if there is someone coming from outside the public service, and especially someone local from outside the public service, with better qualifications, then I think you would want to hire them, as a general rule.

Let me refer both questions, if you like, to the Public Service Commissioner who can give the Member a more detailed explanation of what happens.

Mr. Besier: Mr. McLachlan is correct that if there are a larger number of qualified applicants, as the Government Leader has expressed, not necessarily a larger number of people are interviewed. In other words, it is commensurate with the job requirements. Otherwise, if there were for instance 90 people applying for an entry level job, we might very well end up interviewing 50 of them and 45 out of those 50 would essentially be mislead because the remaining five would probably be somewhat head and shoulders above the other 45.

³⁸ It is partly a time restraint and it is partly to be honest with

candidates. There is no doubt, however, that there are candidates who will read the ad, and who will come to us and say, "look I meet your qualifications". We say, "yes, you do, but there are other people who meet them more". We will show them that.

In terms of the internal promotion that Mr. McLachlan referred to, there is a deliberate attempt in the Public Service to promote from within those people who are qualified to occupy those positions. That is career pathing, and we intend to continue doing so. However, there are frequently criticisms by the public who feel that when an open competition is run, and a person from within the service is successful, that in fact they did not have a chance. I can categorically tell you that that is an unfortunate impression and an untrue one. We do not believe in running "Mickey Mouse" competitions. If there is a person in the Public Service who appears to be the best individual for the job, then there is a method of appointing that position without competition. We do not run competitions for the sake of running competitions.

Chairman: Is there any further debate? Return then to Administration on page 214.

On Administration

Administration in the total amount of \$194,000 agreed to

On Recruitment and Training

Hon. Mr. Penikett: I feel bound to explain that the staff complement here includes a director, three staffing officers, one trainer, one staffing assistant, two permanent clerical support staff, and one contract clerical support staff. The branch provides staffing to all government departments and agencies. As recruitment of government employees, the increases in recruitment are due to increase in weight limit for removal of personnel effects, payout on loss on sale of residence charged to one year of service, rather than two; the cost of an average move has now increased. In an effort to hire locally, we may run an advertisement two or three times, resulting in an increase in advertising costs.

Mrs. Firth: On a point of order, who asked the question?

Hon. Mr. Penikett: That is not a point of order. A Minister is always entitled to explain an estimate to the House, whether or not a particular Member wants the information. Maybe some people here would like to hear it. They seem to be spellbound by my every word.

The training administration used for review and purchase of films, rental of training rooms, purchase of flipcharts, supplies, et cetera; training assistance has a 43 percent increase allocated for management training to emphasize career pathing, referred to a moment ago by the Public Service Commissioner; and internal promotion and professional fees for trainers, tuition for individual courses, travel expenses for trainers brought to Yukon, employees travelling to course locations, purchase of instructor-ready packages, purchase of books, manuals and training aids.

Mr. McLachlan: I have a general question for the Government Leader. What positions will the government advertise that the Public Service Commission will not be involved in?

Hon. Mr. Penikett: I will refer that to the Public Service Commissioner. I believe there may be some contractors that will not come through the Public Service Commission. I believe there are some casuals where there has been devolved, historically, some authority to some departments to take them on, but I do not believe there are any advertisements in those cases, or there may not be. Let me refer it to the Public Service Commissioner. Maybe he can be more precise.

Mr. Besier: If I understand Mr. McLachlan's question correctly, no permanent vacancies are advertised by any department except the Public Service Commission.

Deputy heads under the *Public Service Commission Act* have the right to enter into contracts of employment direct, but they are advertised for through the Commission; we classify the positions, we conduct a screening, and we sit on the interview panels. Casual positions are not advertised, at least very seldom, advertised. There have been some recently where the job assignments were less than six months. Those are also advertised under the Public Service Commission.

There are several departments that have delegated hiring authority for casuals, strictly for operational reasons, such as Renewable

Resources, Community and Transportation Services, and so on.

Mr. McLachlan: Can the Government Leader advise the House if there are situations where Cabinet would overrule a choice of the Public Service Commission for any positions?

Hon. Mr. Penikett: Not in my experience, but there may be some in the experience of the previous government. I do not know if the Public Service Commissioner may be better equipped to answer that.

Mr. Besier: Mr. Chairman, I can tell you unequivocally that there has not been interference with the appointments of public servants by this or any other government.

On Recruitment

Recruitment in the amount of \$1,109,000 agreed to

On Training Administration

Training Administration in the amount of \$5,000 agreed to

On Training Assistance

Training Assistance in the amount of \$164,000 agreed to

On On the Job Training

On the Job Training in the amount of \$23,000 agreed to

Recruitment and Training in the amount of \$1,301,000 agreed to

On Employee Records and Pensions

Hon. Mr. Penikett: There is a large chorus of Members on this side who would like me to explain this item a little bit.

The staff complement includes a manager, senior clerk, office supervisor, three permanent and one contract clerical support staff. This branch processes all inputs for appointments, terminations, salary adjustments, pension insurance plan adjustments, et cetera. It also audits all employee leave records.

The branch handles a huge volume of documents, however, it is envisioned that additional computer applications will streamline the processes. In the long term, this could conceivably reduce person-years for this branch. However, as the system is only present in the design stages it is too early to give an accurate forecast of that on the impact of person-years.

Mr. McLachlan: Are pensions indexed for YTG employees?

Hon. Mr. Penikett: I have a two-word answer to that question: Mr. Besier.

Mr. Besier: I do not know, but I would presume so. It is the federal government's superannuation plan, which is indexed. I do not know the percentage of the index. At the present time, I believe it is indexed according to the Consumer Price Index but I am not positive.

On Administration

Administration in the amount of \$198,000 agreed to

On Insurance-Supplementary Pensions

Insurance-Supplementary Pensions in the amount of \$300,000 agreed to

On Employee Records and Pensions

Employee Records and Pensions in the amount of \$498,000 agreed to

On Labour Relations

Hon. Mr. Penikett: By popular demand, I will explain this item. This branch has recently been established. The staff complement consists of a director and labour relations officer. Support service is provided by the Administration Branch. The branch is responsible for the government's total labour relations functions with two unions as well as its employee health and safety programs, employee assistance program, which is done in liaison with Yukon Family Services, and long-service awards program.

In previous years, the responsibilities for labour relations were carried out by the Recruitment and Labour Relations Branch. The Peat, Marwick organizational study completed for the Public Service Commission and approved by management board recommended that the function be a separate entity to more adequately address and manage the labour relations issues of an organization the size and complexity of the territorial government, i.e. negotiations with the two unions representing 1,210 employees' grievances through levels I to III and adjudication and administration of various policies concerning VDT's, sexual harassment, as well as those noted above.

Mr. Phelps: Could I ask the Government Leader when the reorganization took place?

Hon. Mr. Penikett: When this reorganization took place? I believe it was before I got here, but let me check with the Public Service Commissioner.

Mr. Besier: Yes, the reorganization was approved by the previous government and implemented over a period of roughly six or seven months. It was finally in place, I believe, by early June of this year.

Mr. Coles: Now that you have got all this organization in place, can you tell us when you are going to organize the casual YTG workers to become employees?

Hon. Mr. Penikett: It would be an extremely progressive employer who organized his own employees, unless you were talking about a company union, which I do not think we are here. It is a very serious matter. Now that negotiations with our employees are complete, we hope, and should the agreement be ratified, we should be at liberty to continue the discussions we have started about the terms and conditions of employment for casuals. I believe Mr. Besier may be able to report to the House a recent or a shortly-planned meeting with an official of the Public Service Alliance of Canada to discuss this specific along with some research work which he may have commissioned to look at the possibility of some amendments to do what is required to do justice to the casuals.

Mr. Besier: We will have officials from the Public Service Alliance of Canada at our meeting on October 16 to talk specifically about the *Public Service Commission Act* and the *Public Service Staff Relations Act* and possible amendments thereto.

I have, indeed, contracted a firm to research our act, vis-a-vis other Canadian acts. You have to understand that the *Public Service Commission Act* was written and introduced at a time when there was a different form of government in Yukon, not a party government, in 1976. It does not suit the current government structure. An individual from the Public Service Alliance and myself will be discussing the status of casuals vis-a-vis their role in the public service and the constraints enshrined in the current act.

Mr. Coles: I do not happen to think that these casual employees should have to go through another summer like they have gone through in the past few years. I want a time commitment from the government.

Hon. Mr. Penikett: The problem of casuals is not just a summer problem; the problem is a 12 months of the year problem. I readily concede, though, as I have said before, perhaps the group of casuals who are most grievously wronged are those seasonal employees who can work for many many years for this government without any pension or other benefits and reach retirement age without the benefits enjoyed by their fellow workers who happen to have full time jobs.

It is my hope that we will be able to address that issue in substantial terms in the spring session of the Legislature.

Mr. Lang: While the Public Service Commissioner is here, perhaps I could address a question to him. The Government Leader informed us that an offer had been made to a Deputy Minister for the Department of Highways and Transportation and Community Affairs. Has that offer been accepted? If it has, who is the individual?

Hon. Mr. Penikett: I hope the Member opposite will permit me to make such announcements in future, rather than attempting to do it himself. The instruction from me to the Public Service Commissioner to convey an offer was only made this morning so I doubt that the Public Service Commissioner has a reply. If he has a reply, he can advise the House at the same time as he does me, but I prefer to make the announcement myself.

Mr. Lang: This is a prime time to advise the House, as you have asked. Perhaps you do not have to tell us who it is, but has the offer been accepted?

Hon. Mr. Penikett: Mr. Besier could inform the House if he knows whether the offer has been accepted, but I would like to reserve the right to make the announcement myself when I have been told.

Mr. Besier: First of all, the proper procedure is for me to inform the Government Leader who will make the announcement. Secondly, the offer has been made. To the best of my knowledge, it

has not been accepted yet. It may have been accepted a half an hour ago. I have no way of knowing at this present moment.

Mr. McLachlan: I am wondering if the Public Service Commissioner can tell us if the offer was made outside the territory or inside the territory.

Hon. Mr. Penikett: I think we want to make sure that we make this announcement at the proper time, rather than getting into a long discussion on this.

On Administration

Administration in the amount of \$119,000 agreed to

On Yukon Government Employees Union

Yukon Government Employees Union in the amount of \$30,000 agreed to

On Yukon Teachers Association

Yukon Teachers Association in the amount of \$15,000 agreed to

On Long Service Awards

Long Service Awards in the amount of \$29,000 agreed to

Labour Relations in the amount of \$193,000 agreed to

On Compensation

Hon. Mr. Penikett: The clamor at my back is causing me to again want to explain to you that the staff complement here consists of a director, compensation officers and secretarial support. The branch also makes intermittent use of consultants on a project basis, for example, job evaluation, organizational analysis, benefit plan and research, et cetera. The branch has been restructured so that it now consists of a compensation research unit and a classification unit.

Mr. Phelps: I take it that the drastic change decrease under projects is because of the JES study?

Hon. Mr. Penikett: Correct.

On Administration

Administration in the amount of \$286,000 agreed to

On Projects

Projects in the amount of \$12,000 agreed to

Compensation in the amount of \$298,000 agreed to

Public Service Commission in the amount of \$2,484,000 agreed to

Chairman: The witness may now be excused.

(Witness excused)

On Department of Government Services

Hon. Mr. Kimmerly: In light of the comments from the other side, I will inform the House of the policy changes that have occurred here, and wait for questions.

There is essentially very little that has changed. Some policies are under review, but no decisions have yet been reached. There was a change in policy about the colour of many of the government fleet cars, from black and orange to neutral or ordinary colours, to make them less conspicuous. These are for the use of social workers, the Sheriff, the probation officers, and the like.

Mr. Lang: Is it true that the decision to revise the colours of the social workers' cars and, I gather, probation officers' as well, cost \$10,000?

Hon. Mr. Kimmerly: No, it is not. The exact cost I can find out. It is considerably lower than that.

Mr. Lang: I find it difficult to understand. I guess I am searching to see how the government runs. Did the Minister of Government Services order that to be done prior to cabinet or management decision being made? If he does not know what the amount of dollars are, surely that is a major policy decision and a major departure from government policy in the past.

Hon. Mr. Kimmerly: It is hardly a major policy decision, in my view. It is done entirely within the budgets allotted to the department and it did not require management approval for extra funds. The government paints cars from time to time and it was not the policy simply to paint all the cars that were to be painted all at once, but they were painted and are being painted gradually. The actual expense I can get, but it is not a lot of money.

Mr. Lang: Then that policy would seem to be within the ministerial discretion as opposed to a cabinet decision. Is that correct?

Hon. Mr. Kimmerly: Yes, that is correct.

Mr. Lang: I just wish to pursue this further since you did raise it. How do you account for or justify a decision to change the colour and yet, at the same time, have the Yukon government wordmark so prominently displayed on the vehicles? I do not understand the reasoning, if any. I have had it from very good authority in just the last couple of days from people outside Whitehorse saying "Whose cars are these? What is the Government of the Yukon Territory changing colours for?" It has made it even more conspicuous. I do not understand your justification for whatever amount of dollars are concerned, and I would like to know what those dollars are, incidentally. Why was it done?

Hon. Mr. Kimmerly: There was a long-standing complaint from especially social workers and the sheriff, the Workers' Compensation Board and probation officers that they frequently travelled in government vehicles and gave rides to or parked in front of clients' homes or gave rides to clients, and it is perceived that the colours of the vehicles for those persons should be as inconspicuous as possible. Therefore, the colours are the normal colours that you may see the owners of private vehicles maintain on their cars. The wordmark is included to identify the fact that it is a government car and to avoid any possible fraudulent use of the government credit cards.

Mr. Lang: To pursue this further, I want to give our position as far as this particular area is concerned. I think it is totally and absolutely ludicrous what has been done, quite frankly, and I do not see what is wrong with anyone, in whatever department, utilizing the regular government vehicles and the colours. Now, if you want to change the whole fleet colour, that is another decision. But I find it difficult to understand the reasoning of why you think they are less conspicuous with the Yukon government wordmark on them than a black and orange regular vehicle. It just does not make any sense. The observation made to me now, on one hand, is that in some cases they now think it is federal government people because some of their cars are the same metallic blue, depending on the department. You really have not taken away the presence of the government; you have just blended in the responsibilities of the Government of the Yukon Territory with the federal government as far as perception is concerned within the communities. I just want to make it very clear. I think it is totally ludicrous for us to go in that direction. If you work for the Government of the Yukon Territory, you drive the vehicle of the Government of the Yukon Territory, and you should be proud of it. It is one of the responsibilities that you have.

Mr. McLachlan: In speaking to the general debate on that, I would like to make one point to the Minister: there is a genuine case for keeping the vehicles orange and black. When they go off the road, as vehicles have been known to do between Dawson City and Whitehorse, in the middle of the winter, it is a lot easier to find them when they are orange and black than when they are the same colour as the snow.

Secondly, could the Minister advise if the car is a general pool car, available to all — these white vehicles — or is the new colouring available only to probation officers and social workers?

Hon. Mr. Kimmerly: They are available only as pool cars to certain programs, and they are the programs that deal directly with individuals as clients. The programs are juvenile probation, adult probation, the social workers, the sheriff and workers' compensation.

Mr. McLachlan: Do I assume by the Minister's answer then that you will not release these cars to other Cabinet Ministers to drive within the territory?

Hon. Mr. Kimmerly: It has nothing to do with Cabinet Ministers. These cars are government pool cars, and it is presently the policy that people in those categories should not be driving conspicuous black and orange cars, but substantially less conspicuous vehicles.

Mr. McLachlan: I will take that under advisement but, as the Member for Porter Creek has earlier indicated, I too am interested in some of the details. May we serve notice that could you find out the number of vehicles affected under the paint change, the cost for unit change, and how many are affected? We did not hear the Minister of Transportation Services advise us in his estimates that they had

their own paint shop, so I am curious.

Mr. Lang: You talked about being less conspicuous. Could you explain to us why an orange and black car with a Yukon government workmark would be less conspicuous than the metallic blue or light colour with the same wordmark? I am told from people within the communities that they spot it right away.

Hon. Mr. Kimmerly: In my opinion, they are less conspicuous. I would be extremely interested in the Member's view about the wordmark. It is possible to take that wordmark off and I would be interested in your view as to that issue.

Mr. Lang: I think that I have made my point very clear where we stand. We think that the whole thing is ludicrous and if the idea is to provide a government car so that the people can utilize it eventually for their own private use after work with no good government identification, then come out and say it. You do not have to ask my advice or the Member for Faro's advice. Let us get our cards on the table. What are we doing here? I am saying to you and I am saying to the Members here, that I think that it has been a mistake. I think that it has been a mistake to say that social workers are any different than anyone else in the employ of the government of the Yukon territory. You have certain government responsibilities, you carry them out, and you use government vehicles if you have to use them. In some cases, you can use a cab if necessary. If confidentiality is a particular issue in the communities, then taxi cabs are available. I just find the argument totally and absolutely with no basis for the decision that has been made.

Mr. Phillips: This is a concern I have to raise again. I find it rather hard to believe that we would change the colours of the cars because they did not want to be very conspicuous in the communities, and yet we put the logo on the side of the car. Are we now going to have a system of rotation of colours every so many months so people will not know what colours the cars are that arrive in the communities?

I should also point out to the Member that several studies have been done, several safety studies have been done, and a light blue colour or a grey colour is the most hazardous car on the highway to see. These studies have been done by various trucking companies and companies throughout North America, on accidents and ratios of accidents of cars of this colour. He should maybe take this into consideration when he is repainting the next phase, so people will not know what colour these cars are.

Mr. McLachlan: In response to the Minister's request, I do believe that if "Yukon" is removed from the side of the vehicle, unless the Minister knows of a legal complication whereby they have to be on, it would be of some assistance. As the Minister well knows, the RCMP use plain colour cars, with no problems. I see where this could not cause a problem to the Yukon, and it may make the resale a little easier.

On Administration

Administration in the amount of \$805,000 agreed to

On Property Management

Mr. Lang: I just have one question, and that is a question of janitorial services. Is it going to be the policy of the government to continue to contract out the janitorial services in this building?

Hon. Mr. Kimmerly: That policy is under review at the present time due to the very unsatisfactory service that the government is receiving now.

I would point out that on page 118, there is a small typo, in the first column, labelled estimates; it says 1985-85. It is obvious that that is 1985-86.

Mr. Lang: When is a decision expected in respect to that area? Everything is under review right now, as far as you can make out, so it is very difficult to question the front bench. When is this decision expected?

Hon. Mr. Kimmerly: Prior to April 1, 1986.

Property Management in the amount of \$2,056,000 agreed to

Administration in the amount of \$2,861,000 agreed to

On Systems and Computing Services

On Administration

Administration in the amount of \$200,000 agreed to

On Processing Services

Processing Services in the amount of \$1,152,000 agreed to

On Systems Development

Systems Development in the amount of \$867,000 agreed to

On Information Centre

Information Centre in the amount of \$185,000 agreed to

On Office Systems

Office Systems in the amount of \$192,000 agreed to

Systems and Computing Services in the amount of \$2,596,000 agreed to

On Supply Services**On Administration**

Administration in the amount of \$104,000 agreed to

On Purchasing

Purchasing in the amount of \$347,000 agreed to

On Queen's Printer

Queen's Printer in the amount of \$696,000 agreed to

On Asset Control

Asset Control in the amount of \$82,000 agreed to

On Transportation

Transportation in the amount of \$916,000 agreed to

On Warehousing

Warehousing in the amount of \$240,000 agreed to

On Records Management

Records Management in the amount of \$782,000 agreed to

Supply Services in the amount of \$3,167,000 agreed to

On Public Works**On Administration**

Administration in the amount of \$52,000 agreed to

On Building Maintenance

Building Maintenance in the amount of \$1,661,000 agreed to

On Internal Energy

Mr. McLachlan: What is internal energy in the amount of \$100,000?

Hon. Mr. Kimmerly: The section is responsible to technically assist and to motivate the other government departments in saving energy. It provides a consulting service to the departments to achieve a more energy efficient design and better maintenance. As a consequence of the work, there will be capital items to essentially save energy in the future.

Internal Energy in the amount of \$100,000 agreed to

Public Works in the amount \$1,813,000 agreed to

Department of Government Services in the amount of \$10,437,000 agreed to

On Department of Finance

Chairman: A certificate has been filed for a witness to appear before Committee: Mr. Lemphers. Do all Members of Committee agree?

Some Members: Agreed.

Hon. Mr. Penikett: I do not know how much detail the Members opposite will want on this department. Maybe I could give some general information and see what questions flow. The departmental objective is to ensure that the financial resources of the Government of Yukon are planned, utilized and controlled in a manner consistent with the statutes and priorities of the government.

That is the general objective. Of course, there are different programs, which I will get into in the line items, treasuries and grants and other things if Members wish.

⁴⁷ (Witness introduced)

Chairman: I would like to welcome our witness Mr. Lemphers.

On Treasury

Mr. Phelps: Where does the new econometric model show up?

Hon. Mr. Penikett: There is the existing model, which is of course the computer model run by the Statistics Branch. The model we talked about yesterday, for crunching the job creation numbers is a simple program, I think, which is in the hands of the Management Board Secretariat. They are the people who have been producing the work for us.

On Administration

Administration in the amount of \$196,000 agreed to

On Accounting

Accounting in the amount of \$932,000 agreed to

On Taxation and Money Management

Taxation and Money Management in the amount of \$291,000 agreed to

On Budget and Fiscal Relations

Budget and Fiscal Relations in the amount of \$452,000 agreed to

On Program Analysis

Program Analysis in the amount of \$164,000 agreed to

Treasury in the total amount of \$2,035,000 agreed to

On Grants**On Home Owner Grants**

Mr. Lang: I noticed the Speech from the Throne talked about the home owner grant. Is that an amendment that is going to come forward reflecting an increase for 1986-87 or 1985-86, or is there any effect so far as the budget is concerned?

Hon. Mr. Penikett: The amendment that is going to come forward I think makes an amendment to the home owner grant for seniors, if I am correct, because there was an error in the existing law between the \$300 and the \$350 as it affects senior citizens. The amendment we intend to propose is designed to correct that.

Mr. Coles: I thought that the Association of Yukon Communities and other organizations and municipalities were trying to get the government to do away with this grant. Is there any movement in that direction?

Hon. Mr. Penikett: There have been, over the years, a number of suggestions for deducting the home owner grant at source and other suggestions which have come from both the AYC and members of the Opposition and others. We are looking at the question of home owner grants and that fiscal area with a view that, if we do make any changes, it will be in the following year. The AYC, as the Member indicates, has suggested that the home owner grant be deducted from the taxes at the time of payment, and they have also suggested from time to time that an instalment plan be developed for the payment of property taxes. The things we have to consider are that the effects of having grants deducted from taxes at the time of payment.

Presumably, the reason why the previous government did not want to do it is the loss of political impact of issuing grants by means of cheques made payable directly to recipients, and also the possible cost or administrative burden of having these home owner grants delivered by the municipalities. I do not think it would be a problem for the larger municipalities, but it might be for some of the smaller ones.

⁴⁸ The problem with the instalment plan idea is that the current electronic data system used for the property tax purposes is unable to accommodate an instalment plan. There is a fear in the Department of Finance that the implementation at this time would require a significant increase in personnel, which would be costly.

It is also, of course, extremely difficult to implement both the payment of taxes by instalment and the deduction of the homeowner grants in the ways that it has been proposed.

Cabinet, however, is going to look in the coming months at this problem, and at a way of resolving it. I cannot yet make an announcement to the Member as to what the solution will be.

Mr. Coles: I do not really understand why it is called a grant to start with, because it seems it is money you are just lifting from the taxpayers, holding for a few months and sending back, as you say, as a cheque. I did not like the practice from the previous government, nor this one. I hope it is something you seriously are considering — deductions at source or just lowering the tax rate for everybody.

Hon. Mr. Penikett: May I say that Mr. Coles is a man after my own heart. I have long thought that even in such a small jurisdiction as this that it was a bit of a pity that we had such a mess of fiscal relationships between the territorial government and the municipal governments. If you look at all the transactions and the transfers between the two levels, and you combine that with the fact that we are also requiring municipalities to collect school taxes for the territorial government, then we are making grants to the municipality's bank, then we are skewing the system further by the deduction of homeowner grants.

It is not the same for every community. I want to emphasize this. It is a financially complicated matter, particularly for the small

communities. One year, when I looked at this situation, it occurred to me that if you stopped collecting school taxes in the City of Whitehorse, and you stopped giving some of the grants, and did away with the homeowner grant, and made a couple of other adjustments to the things in there, you could simply leave that tax room for the municipality to either reduce the taxes for homeowners, or have a variable tax rate for business and homeowners, which they could do. This would make the financial situation much simpler.

I was educated to the belief that property taxes were designed to provide for hard municipal services. They were rational because taxes on real property were justified because the hard municipal services improve the value of that real property. That system though, everywhere in this country, has been considerably spoiled, I think, by the use of instruments like the school taxes, which only pays a tiny percentage of the Education budget in any case. It is exactly, in my view, in an ideal world, the wrong kind of tax to be raising for these purposes.

I emphasize, though, that the situation of school taxes and the situation of homeowners grants, all these things, are very common across this country. We have simply borrowed some patterns from elsewhere. It is not a unique problem of this government or this area. I think a solution to it is not something we can do overnight.

If we were to go to a more rational and simpler taxation system, which I think most reasonable Canadians would like to see, it would take some time to unravel the present systems and end up with something much simpler without people feeling aggrieved. I would like to take a look at that in our time in office.

Mr. Coles: I realize that we have borrowed a lot of these things from other jurisdictions across the country. I would hope that this government would start looking at setting some precedents for them, rather than us taking from the other provinces all the time. I just hope from what you are saying is that you are committed to doing something about the homeowners grant.

Hon. Mr. Penikett: We are newly married to these Cabinet offices, but perhaps it is appropriate that we have something borrowed, something new, something old, something blue. Not too much blue, it is bad for our complexions, but I think that we want to look at the complete picture. I do take seriously the point made by the Honourable Member. This is an old interest of mine. I would like to move some distance to straighten out the situation, and simplify the situation. I hasten to add that it is an awful lot easier to straighten it out for a place like Whitehorse, which has considerable tax resources, or a tax base of its own, than it is for some of the smaller communities that are represented in this House, because they do not have the tax base and it makes it a little more difficult to generate the new fiscal relationships.

In the *Municipal Finance Act*, and other measures introduced by the Member for Porter Creek East when he was in power, there are formulae which are extremely complicated. To unravel them and have to negotiate new formulae as a result of new arrangements, I suspect would take some doing and some time — partly because the municipalities which have limited administrative capacity have gotten used to the present system, and changing it might be difficult in some cases.

Mr. McLachlan: I would like to correct a point the Government Leader made on his reference to paying taxes by instalment plan. Only the municipalities may not legally bill by an instalment plan. It is not clear if he is referring specifically to Whitehorse. Certainly, in Faro, in July of 1985, I can pay one-twelfth of my taxes for the current year. There is no law that says people may not pay taxes by the instalment plan. Municipalities may not bill.

Hon. Mr. Penikett: I did not suggest that there was a legal problem with respect to that. The territory collects property taxes directly from the unorganized areas. The problem, as I am told, in the current electronic data system, which is used for property tax purposes here, is unable to accommodate an instalment plan such as may well be operated in the city. I know there are a lot of people in the City of Whitehorse, who make a monthly cheque out to the city. I think they pay in advance with post-dated cheques; that is quite common.

Home owner grants in the amount \$867,000 agreed to

On Revenue and Recoveries, and Grants, Contributions and Other Transfer Payments

Mr. McLachlan: I have a question on bad debts. My question to the Government Leader is: how many actions are currently under way by the Department of Finance to recover moneys owed to the Government of Yukon?

Hon. Mr. Penikett: I would be curious to know from the Member if he is referring to property tax, lien procedures, or other collection efforts.

Mr. McLachlan: This refers to all actions, attempted to or instituted by the government for recovery of moneys owing to it, for bad taxes, welfare payments or going after contractors to pay back money.

Hon. Mr. Penikett: I would be extremely surprised if we have that information on hand but I will perhaps refer the question to Mr. Lemphers and if he cannot answer it I will undertake to get back to the Member with written information.

Mr. Lemphers: I do not have that information with me at this time, but we will provide the information to the House.

Department of Finance in the total amount of \$2,902,000 agreed to

Chairman: The witness may now be excused.
(Witness excused)

On Department of Health and Human Resources

Chairman: A statement has been filed for a witness to appear before the Committee, Mr. Jim Davie, Deputy Minister. Are Members agreed?

Some Members: Agreed.

Mrs. Firth: I would just like to hear a few comments from the Minister as to what new initiatives she has embarked on within this department. I understand about the Women's Directorate, so she does not have to mention that if she does not wish to. I have read it in the Throne Speech and I am familiar with the Minister's position on that. This is really Andy Philipson's Health and Human Resources budget, so if the Minister has contributed anything new to it I would be interested in hearing that.

Hon. Mrs. Joe: There are some things in here that possibly other Members sitting in this House are not aware of, and certainly I would agree that it is a budget that was implemented by the past government. I would be happy, as we go from item to item, to speak on the different branches within the department. I would like to announce that we have expanded our Women's Bureau. It is now a department of its own under my responsibility, and it has been increased because we felt that the Women's Bureau was of very great importance. I would like to proceed as we go from item to item, starting at the beginning, to give that information to other people who may want to find out what is happening in this department.

Mrs. Firth: I am not limiting the other Members from asking any questions by any means. I was perhaps wondering if we could hear a few of the Minister's ideas and I commend her for her direction with the Women's Directorate. I think it was a good idea and I think she is going in the right direction there.

Perhaps I could relay to her, then, some of my concerns; one particularly in the area of the Women's Transition Home, Kaushee Place. I understand they have had some concerns about their funding — no fault being put on any government or anyone particularly — but perhaps I could make a recommendation to her that she pursue the idea of her discussing with the administration and with the people at Kaushee Place about their requirements as opposed to the department officials doing it, because I think she would find the communication much more satisfying. That was only a recommendation I wanted to pass on to her and encourage her to keep up the good work.

Hon. Mrs. Joe: I would like to thank the Member for those wise words of wisdom. I have had a couple of meetings with the officials from the transition home. I am quite aware of the problems they have with their funding. I am aware of things they would like to do, and I am also aware that we are working within a budget that has already been given to them. They received a lump sum and I met with them two weeks ago and am very up-to-date on the

concerns they have and the things they want and, of course, would have to look at those things very seriously.

51 Mrs. Firth: Unless Members from the other party have any questions, or my colleagues, I am prepared to clear most of the items as we go through, line-by-line, on behalf of our party.

Mr. Lang: Just an area of concern, and it is a line item. It is Young Offenders. We are talking about 11 person-years.

Could the Minister determine exactly what these individuals are going to be doing? I thought the plan was that there was going to be a facility and those people would go to work in the facility, but there is no facility. Perhaps she could explain that.

Hon. Mrs. Joe: We have already had Cabinet approval for a facility for open custody. Our existing facilities right now are full. As a matter of fact, they are overfull in some cases. We do need more space for open custody of the young offenders. That is what we are doing. We are going to be opening another home. We will be staffing it. That would be why 11 person-years are needed.

Mrs. Firth: I will follow up on what my colleague has asked. Was it not a consideration that this be contracted out as opposed to hiring more civil servants? Can these facilities not be contracted out? Some of the others within the Department of Health and Human Resources are, which, in effect, gives private citizens an opportunity to run the facility and operate a business as opposed to increasing the complement of the civil service.

Hon. Mrs. Joe: There probably was that consideration given. I was under the impression that we were looking for a group home to secure these young offenders. When you have these young offenders, you have to have an existing facility with people who know how to work with those young offenders. This is what we are looking for.

In regards to contracting out, I am sure we do have some of those homes that are available, but I have not been approached by anybody with regard to this one.

Mrs. Firth: It would be a suggestion from this side that the government pursue the contracting out as opposed to hiring more civil servants. As Minister of Health and Human Resources I know we were looking at it in the area of handicapped individuals who are Yukoners, who could be better off at home in their own community. If that kind of service could be provided by Yukoners who wish to modify their homes, and so on, and provide that kind of a contract, I would encourage this government to look at that very strongly as opposed to increasing the numbers of staff within the civil service.

Hon. Mrs. Joe: We do have a couple of private homes that are being used for this purpose. I think the cost is almost a half a million dollars. It is quite expensive. We have to look at the options. In regard to young offenders, I think they have to be treated a little bit differently than those kind of homes would.

Mr. Lang: I take it that you are rejecting the idea of contracting out for this purpose?

Hon. Mrs. Joe: I did not say that we were objecting to it. I said that we were looking at all the options.

Mr. Lang: This *Young Offenders Act* is very confusing, I think, to all the general public and to a lot of people in these chambers, as to just exactly what the effect is in various things, such as the effect of the Act in coming into force.

Does this mean, then, over and above this program, we are going to have another secure young offenders facility with perhaps another ten or 12 or 15 people involved in running that particular facility?

Hon. Mrs. Joe: I think if the Tory caucus did have somebody on our committee to listen to the people of the Yukon in regards to this young offenders facility that they would not have to sit here and ask me all these questions.

We are looking at the general public of the Yukon to find out exactly what kind of facility we feel that we have to build. We are attempting to open up a home to secure open custody young offenders. We are also looking at the possibility of opening up an interim facility for closed custody. We have to look at the needs as they are right now, and the need is there.

52 On Administration-Human Resources

Hon. Mrs. Joe: Under the administration of Human Resources

we have 66 person-years, which is an increase of one person-year from last year. That is contributed to the one person-year in the Yukon Opportunities Plan.

On General

General in the amount of \$900,000 agreed to

On Field Services

Field Services in the amount of \$1,003,000 agreed to

On Human Resources

Human Resources in the amount of \$392,000 agreed to

On Children and Family Services

Children and Family Services in the amount of \$794,000 agreed to

On Policy, Planning and Evaluation

Policy, Planning and Evaluation in the amount of \$238,000 agreed to

Administration-Human Resources in the amount of \$3,327,000 agreed to

On Child Welfare Services

Hon. Mrs. Joe: This program area includes Resources, which support Departmental Services, provided they are pursuant to the *Children's Act* including those pertaining to general and specialized assessment and treatment for children placed in temporary and permanent care of the Director of Children and Family Services, both within the externals of the territory. Foster home services for substitute families, care for children in care, or children subject of a voluntary care and custody agreements. Adoption services for children who have become available for adoption, either through consent or relinquishment by the natural parent, or through permanent care and custody held by the Director. Group home facilities in Whitehorse, including receiving and assessment and Watson Lake and Mayo. The child welfare services are provided by this service and support services and the family children services units based in Whitehorse and by the area offices in the north and south regions.

On General

General in the amount of \$262,000 agreed to

On Group Homes

Group Homes in the amount of \$473,000 agreed to

On Foster Homes

Foster Homes in the amount of \$191,000 agreed to

On Special Rate Foster Homes

Special Rate Foster Homes in the amount of \$23,000

On Receiving and Assessment Centre

Receiving and Assessment Centre in the amount of \$243,000 agreed to

On Other Resources

Other Resources in the amount of \$481,000 agreed to

Child Welfare Services in the amount of \$1,671,000 agreed to

On Social Assistance

Social Assistance in the amount of \$2,577,000 agreed to

Mr. McLachlan: I am just wondering if the Minister has any feeling regarding the amounts of Social Assistance being paid out in relation to the economy of the territory? Are we at a peak, is it growing as things get worse? Is the reason for the increase the fact that you have upped the amounts available? Is the reason for the increase the fact that more people are applying, because there is less work?

Hon. Mrs. Joe: I think that we are probably anticipating that we will have a lot more clients this year applying for social assistance. We may end up with a lower figure than we have right here.

Chairman: I would like to welcome our witness Mr. Davie, the Deputy Minister.

(Witness introduced)

Mrs. Firth: Perhaps I could just ask the Minister what kind of impact she is anticipating that the Employment Opportunity Program, with the added person-year, is going to have on the amounts of money paid out for social assistance, and is it going to be something that we will see soon, in the immediate future, moderate or far future?

Hon. Mrs. Joe: The impact so far on the Yukon Opportunities Plan is up until December of 1984. I think that we can use that as

some kind of a guide.

33 The YOP had seen 235 clients, and of those 146 were placed directly or indirectly. That does not include the training or entering school.

We found that the one person who we had working in that program was overworked, and that if other clients were to take advantage of the service that that would be increased. That is the reason why we added one more person-year. We anticipate a saving of possibly \$200,000.

Mr. Coles: Is the Minister's department contemplating increases in payments of social assistance to individuals or families?

Hon. Mrs. Joe: I am not sure whether or not we are doing that. We are certainly looking at inflation. I would ask my witness to answer that if he has another answer.

Mr. Davie: The basic social assistance rates have not been increased in this budget.

Mr. Coles: I get the impression from people who I know who have collected in the past and are collecting now for various reasons that it is extremely, and even for some professional people who are working with people who are collecting it, much too low. I am thinking that maybe you should give some more consideration to increasing some of it.

Hon. Mrs. Joe: We certainly are getting the same impression in our office as well. We have clients coming to see me all the time. We are certainly looking at those figures, and if it is found that in some way they are not able to live under those rates, then we will have to look then very seriously at increasing them.

Social Assistance in the amount of \$2,577,000 agreed to
On Vocational Rehabilitation Services
Administration in the amount of \$127,000 agreed to
On Assessments
Assessments in the amount of \$8,000 agreed to
On Training and Training on-the-job
Training and Training on-the-job in the amount of \$160,000 agreed to
On Prosthetic Appliances and Restorative Services
Prosthetic Appliances and Restorative Services in the amount of \$10,000 agreed to
On Grants to Programs for the Disabled
Grants to Programs for the Disabled in the amount of \$250,000 agreed to
On Residential Services in Territory
Residential Services in Territory in the amount of \$418,000 agreed to
On Residential Placements out-of-Territory
Residential Placements out-of-Territory in the amount of \$294,000 agreed to
Vocational Rehabilitation Services in the amount of \$1,267,000 agreed to
On Grants
On Pioneer Utility Grant
Pioneer Utility Grant in the amount of \$168,000 agreed to
On Yukon Family Services
Yukon Family Services in the amount of \$59,000 agreed to
On Child Development Centre
Child Development Centre in the amount of \$96,000 agreed to
On Day Care Subsidy
Mr. Coles: I notice that there is a substantial increase in this one, and I am wondering if much of this money is going to day care facilities outside of Whitehorse.
Hon. Mrs. Joe: This would be a subsidy increase to people who do get a subsidy right now. There hopefully will be an increase in that. I do not know if there are any day cares outside of Whitehorse other than Dawson.
Day Care Subsidy in the amount of \$179,000 agreed to
On Alcohol and Drug Services
Alcohol and Drug Services in the amount of \$312,000 agreed to
On Income Supplement for Senior Citizens
Income Supplement for Senior Citizens in the amount of \$382,000 agreed to
On Yukon Women's Transition Home

Mrs. Firth: I wonder if the Minister is considering referring to the Yukon Women's Transition Home as a service that is supplied as opposed to a grant. Perhaps it would give the Transition Centre a bit more dignity if we could refer to them as a service that is supplied as opposed to a grant.

34 **Hon. Mrs. Joe:** I would take that recommendation from the Member very seriously. I am inclined to do anything that would help the transition home because of the value to the community. If there is a better way of doing it, certainly why not?

Hon. Mr. Penikett: May I put a question to the Member opposite just so that we can be clear. Is what she is proposing a longer term contractual agreement with the transition home rather than the grant or contribution that has previously been the tradition under her government?

Mrs. Firth: When I became the Minister of Health and Human Resources, we found there had been some difficulties with the funding of the transition home (which is really providing a service to the government). There seemed to be some temporary feeling to the funding. I, as Minister of Health and Human Resources, although it was for a very short time, had entered into discussions with them that we would be interested in referring to them as a service and hiring them as a service and contracting to them as a service. If they are providing that service to the community, I think we have to start looking at it in that sense as opposed to a grant. It would, in no way, restrict them from having their own private fund-raising events and trying to raise their own funds.

Hon. Mr. Penikett: If I may, would the Member then be suggesting something akin to the relationship with Yukon Family Services, or would she be suggesting some other kind of longer term contractual arrangement as opposed to block funding with this organization?

Mrs. Firth: I do not know if it is unusual to have this kind of exchange; however, it would be comparable to Family Services.

Yukon Women's Transition Home in the amount of \$189,000 agreed to

On Whitehorse Transit System

Mr. McLachlan: Is the explanation behind this particular item for \$80,000 due to the fact that it is related to services for the handicapped — the Handi-Bus — or is it discounted fares for senior citizens? What is the rationale behind that \$80,000?

Hon. Mrs. Joe: The funds are provided for the operation of a bus designed to transport the elderly and the handicapped.

Mr. McLachlan: I repeat the question: one bus, \$80,000 for a year?

Mrs. Joe: Yes, it is one bus.

Mr. McLachlan: It is a pretty good contract — I did not know about this one. What is the size of it? How much does it transport? Is it running 20 hours a day?

Hon. Mrs. Joe: The bus has a ramp on it that lifts so that handicapped people can be transported with their wheelchairs. Sometimes they make special stops at different places to pick up these people. It is not a bus that just goes around and picks up people at a designated spot. It transports handicapped children to school. It is used for many things.

Mr. McLachlan: I take it that the \$80,000 is simply an operating grant. They own it; they bought it through their deal, or you also bought the bus for them?

35 **Hon. Mrs. Joe:** I am not sure as to whether or not we bought it.

Mr. Davie: I have lost contact with whether in fact, in the beginning, we bought the bus. I understand this to be an operating grant and the increase is to reflect an increase in the popularity in the usage of that bus by the people who call on it.

Whitehorse Transit System in the amount of \$80,000 agreed to
Grants in the total amount of \$1,465,000 agreed to
On Alcohol and Drug Services
Administration
Administration in the amount of \$262,000 agreed to
On Education/Prevention
Education/Prevention in the amount of \$24,000 agreed to
On Out-Patient Treatment
Out-Patient Treatment in the amount of \$3,000 agreed to

Mrs. Firth: Has the minister had representation made to her from the people interested in the Ibx Centre alcohol service that would be provided to Yukon and, if she has, has she made any decision regarding that matter yet? Ibx Foundation, I believe it is called.

Hon. Mrs. Joe: I had a representation made by that organization a while ago and we presently have their application in. I asked for an application at that time and they submitted one. Our department is looking at it and we have not made a decision yet.

Alcohol and Drug Services in the total amount of \$289,000 agreed to

On Residential Facilities

On Youth Services

Youth Services in the amount of \$817,000 agreed to

On Macaulay Lodge

Hon. Mrs. Joe: We have an increase in for one person-year here and that is for a registered nurse at Macaulay Lodge.

Macaulay Lodge in the amount of \$941,000 agreed to

On McDonald Lodge

McDonald Lodge in the amount of \$313,000 agreed to

On Detoxification Centre

Detoxification Centre in the amount of \$362,000 agreed to

Residential Facilities in the total amount of \$2,433,000 agreed to

On Administration — Health Services

On General Administration

General Administration in the amount of \$188,000 agreed to

On General Health

General Health in the amount of \$98,000 agreed to

On Yukon Hospital Insurance Services

Yukon Hospital Insurance Services in the amount of \$190,000 agreed to

On Yukon Health Care Insurance Plan

Mrs. Firth: I am not sure whether I should ask the question here, but I am going to ask it. I wanted to know if the Minister has been in contact with the CYI and whether the department has completed their commitment to put the Band numbers on the health care cards for the status Indians?

Hon. Mrs. Joe: We have been in contact with Mary Jane Jim from the Council for Yukon Indians and we offered this option to her. She agreed that it would be a good idea and would be one of the ways we could help in alleviating the problem. We have since reviewed it and found out that we are able to do it. We have also been in contact with the Council for Yukon Indians during the last two weeks but have not had a response from them — probably because of the General Assembly that was going on at the time. But there are plans to do that and it is just a matter of sitting down with the Council for Yukon Indians and discussing it with them further.

Mrs. Firth: They have obviously been discussing it for a while, because we offered that option to them and they found it acceptable. We had proceeded within the department to put the Band numbers on the health care card. I gather that has not been done yet, but is in the process of being done. Is that correct?

Hon. Mrs. Joe: Yes, that is exactly what I said. It is just a matter of making the contact. The contact on this side has been made. It is just a matter of them responding, and they will sit down with us to talk about it.

Mr. Coles: May I just say one thing about the youth services?

Chairman: Youth Services?

Mr. Coles: Am I too late? I am sorry.

Yukon Health Care Insurance Plan in the amount of \$161,000 agreed to

Administration - Health Services in the amount of \$637,000 agreed to

On General Health Services

On Dental

Dental in the amount of \$389,000 agreed to

On Mental

Mental in the amount of \$218,000 agreed to

On Environmental Health

Mrs. Firth: Is some of that money allocated for the studying of the woodsmoke problem in Riverdale?

Hon. Mrs. Joe: Under the director of the Chief Medical Officer

of Health, Environmental Health Inspectors carry out ongoing health inspections of the facilities, test water and sewage disposal, et cetera. I would ask the witness if it does include the woodsmoke.

Mr. Davie: Yes, it would include that kind of activity.

Mr. Lang: Now that we know where the Riverdale smoke problem is, what are you going to do about it?

Hon. Mrs. Joe: There have been ongoing meetings with the people concerned and our government, the City of Whitehorse, and the environmental group. We are attempting to deal with it. It is a big problem, as we all know. Hopefully we will have something that we can come back to the House with during this session.

Mrs. Firth: Am I to understand that the Minister is looking at legislation during this session as a solution to the woodsmoke pollution problem in Riverdale?

Hon. Mrs. Joe: I am not really sure exactly what it is going to entail. It is a problem of ours, and a problem of the City of Whitehorse. We have to sit down and we have to coordinate our efforts and try to deal with the problem. When that is done and there are recommendations made, then we will know what we will have to do at that time.

Mrs. Firth: The previous government was very conscientious in going and having meetings within Riverdale about the woodsmoke problem. Is the Minister going to be bringing in legislation and tabling it without having a meeting in Riverdale, and perhaps discussing it with the residents of that area?

Mrs. Firth: If that is one of the recommendations that comes from this group that is working together, then of course we will do it, but I am surprised, I thought they were opposed to all of these public meetings.

Mrs. Firth: I believe that the Minister is trying to put words into our mouths. We did not say we were opposed to the meetings. However, it would seem that consultation suits, when it suits the Members opposite, and when it does not, perhaps we do not need as much consultation. I am simply saying that the previous government had made a commitment to the residents of Riverdale — and I speak on behalf of the constituents of Riverdale South and Riverdale North — and the previous Minister had said that they would continue consultation, particularly if there was going to be legislation coming forward, and I am sure, because the Minister believes in consultation, that she too will follow through with that commitment and consult with those residents before she brings anything into this Legislature.

Hon. Mrs. Joe: We are an open government, and I have no problem consulting with groups.

Mr. Coles: Maybe the Member for Riverdale can enlighten us on some of the things that took place at these meetings and we would not have to have them anymore.

Environmental Health in the amount of \$172,000 agreed to

On Health Education

Health Education in the amount of \$119,000 agreed to

On Health Centres

Mr. McLachlan: My question for the Minister is, in this particular line item: are we talking about the various cottage hospitals and nursing stations around the territory? About \$1,000,000?

Hon. Mrs. Joe: Under the health stations, it includes the operations of four health stations which provide examination and treatment facilities and overnight accommodation for visiting public health nurses and doctors. I am not sure exactly where those four stations are.

Mr. McLachlan: Where are they? I presume that we are talking rural.

Hon. Mrs. Joe: We would be talking rural because that is where the stations are. I would ask the witness if he could let us know where they are.

Mr. Davie: They are actually talking about health centres, as opposed to health stations. The health centre item was a \$1,000,000 item, and there are 11 health centres in the Yukon, with more public health nurses in residence, so that is the cost for 11 health centres. Health stations is, in fact, an item. There are four of these which provide examination and treatment and overnight accommodation for visiting public health nurses and doctors. That is a

\$56,000 item. So it is the 11 health centres that relates to the \$1,000,000.

Mr. McLachlan: My question to the Minister is: was she advised in advance by Dr. George Walker, of Northern Health Services, that they were about to close the one in Faro, or was that decision done arbitrarily by the federal government, and YTG was told after of the circumstances?

Hon. Mrs. Joe: Just for clarification, I apologize for the wrong information that I gave you a little while ago.

There was consultation with this government in regard to the nursing station in Faro. The Member is quite aware of these decisions that were made. Right now, I believe that we did come up with a solution to it. The Town of Faro appears to be quite happy with it.

Mr. McLachlan: I will have more to say about it when we come to the line items on medical evacuations. It is causing a problem there. We have the health centre in one place, and no airport. We have an airport in one place and no health centre. It is closed. The emergencies never occur where the airport is, it seems.

I am just wondering what the Minister could tell me about the Northern Health closing, the one in Faro. I am satisfied with her answer.

Hon. Mrs. Joe: I did not hear what the Member said. Would he repeat it, please.

Mr. McLachlan: My answer was that I would have more to say when we come to the line items on medical evacuations, because the closing of the health centre in Faro has caused some problems with the medical evacuations. We have an airport in one place and the health centre is not there. We have a health centre in one place, and an airport that they cannot use.

Mr. Lang: Prior to getting to that I would just like to go to the new quarters for the health centre in the community of Faro. Is the Minister aware that it is almost impossible to get a stretcher in that particular facility, unless it has been rectified, because it has come to my attention that you have to put the stretcher upright in order to get it into the corridors, the way they are set up.

Hon. Mrs. Joe: It is amazing that this problem was not brought to the attention of the former government.

I am not familiar with the problem. If the problem is there then we are going to have to look into it.

Hon. Mr. Porter: I move that you now report progress on Bill No. 2.

Motion agreed to

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

Motion agreed to

Mr. Speaker resumes the Chair

Speaker: I will now call the House to order.

May we have a report from the Chairman of Committee of the Whole?

Mr. Webster: Committee of the Whole has considered Bill No. 2, *Second Appropriation Act, 1985-86*, and directed me to report progress on same.

Speaker: You have heard the report of the Chairman of Committee of the Whole. Are you agreed?

Some Members: Agreed.

Speaker: I declare the report carried.

May I have your further pleasure?

Hon. Mr. McDonald: I move that the House do now adjourn.

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

Motion agreed to

Speaker: The House stands adjourned until 1:30 tomorrow.

The House adjourned at 5:30 p.m.

The following Filed Documents were tabled on October 8,

1985:

85-2-1

Letter from Federal Justice Minister John Crosbie to Willard Phelps re Yukon Native Courtworkers Services Society (Phelps)

85-2-2

Copy of letter from Louise Profeit-LeBlanc, Vice Chairman, Yukon Native Courtworkers, to Roger Kimmerly (Phelps)

