



The Yukon Legislative Assembly

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26th Legislature

HANSARD

Tuesday, October 22, 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 Kassi	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 22, 1985 — 1:30 p.m.

Speaker: I will now call the House to order. At this time we will begin with Prayers.

Prayers

DAILY ROUTINE

Speaker: We will proceed with the Order Paper. Introduction of Visitors?

Are there any Returns or Documents for Tabling?
 Are there any Reports of Committees?
 Are there any Petitions?
 Introduction of Bills?
 Are there any Notices of Motion for the Production of Papers?
 Are there any Notices of Motion?
 Are there any Statements by Ministers?

MINISTERIAL STATEMENTS

Break Free from Smoking Program

Hon. Mrs. Joe: I wish to advise the House that today is the official start of a national program to reduce smoking. The Yukon is joining with other governments across Canada to encourage Canadians, and especially our youth, to create a generation of non-smokers, to break free from the smoking habit. Break Free is the first joint effort by different levels of government to involve youth in a smoking prevention program. The participation of non-government organizations, including the Canadian Cancer Society, the Council for Yukon Indians, Yukon-BC Heart Foundation, Yukon Medical Association and the Skookum Jim Friendship Centre Association, reinforces the campaign's message to youth: "You Can Choose ... It's O.K. not to Smoke!"

Here in the Yukon, the Break Free program will begin with a promotion in the media, the schools and the community at large. In preparing this promotion, campaign researchers were told by teens that the majority of young smokers do not start by their own choice; it is peer pressure and curiosity that starts them which results in the smoking habit.

Many young people today are aware of the consequences of smoking. But this information alone is not enough to encourage them to change to be a generation of non-smokers.

The Break Free campaign is about much more than smoking. It is a campaign designed to encourage youth to make its own choices. I believe in our young people. I believe in delivering the Break Free message to young Yukoners and allowing them to develop their own attitudes about non-smoking. Within this government, the Public Service Commission is currently conducting a survey of the attitudes of our employees with respect to smoking in the workplace, and an interagency committee has been formed to provide planning input and support the Break Free campaign.

I hope all Members of the House will offer their support to a most worthwhile campaign for the sake of their health and the health of all of our future generations.

02 **Speaker:** This then brings us to the Question Period.

QUESTION PERIOD

Question re: Land Claims Agreements-in-Principle

Mr. Phelps: I have a question which arises from comments made by the Minister of Renewable Resources in the public forum on CBC last night and this morning. He made remarks to the effect that the Agreement-in-Principle and the Subagreements-in-Principle, some 72 of them, are of little validity. They are simply another piece of paper — I think were his words, to paraphrase at least — at the bargaining table, because he alleged they had been rejected by the Bands.

Is it the government's position that these AIP's are of little value,

and that they have been rejected? Is that the status by the Bands?

Hon. Mr. Penikett: I cannot comment on remarks made by a Member of the Cabinet outside this House and in the media. As the Leader of the Official Opposition knows, that would not be a proper line of enquiry in Question Period.

However, I can say that as he knows better than anyone that the particular Agreements-in-Principle were not ratified by a sufficient number of Bands to constitute an Agreement-in-Principle. It is my hope, once we conclude a Memorandum of Understanding and enter negotiations, that those agreements will provide some kind of foundation on which we can build towards a settlement. Things may not turn out that way, but that is my hope.

03 **Mr. Phelps:** Can the Government Leader then tell me if his position is as stated on October 9 in *Hansard*, in answer to the Member from Porter Creek East, "If the meaning of the question is, are we going to unilaterally change in the agreements, no. We are going to, yes, basically honour the agreement. It is a purely hypothetical question to know what will happen if they get put on the table." Does that mean the government's position?

Hon. Mr. Penikett: I think in general, while I might not use the particular words used by the Leader of the Official Opposition, that that generally represents our position, yes.

Question re: Frenchman/Tatchun Lakes Road

Mr. Phelps: I would like a new question of the Minister of Renewable Resources.

In the *Yukon News* back on August, the 23rd, the Minister was quoted as stating that there was the possibility that the Band may have further claims against the government for compensation arising out of construction of the road through their lands — in addition to, I take it, the \$100,000 we have been discussing in the House. Is it the Minister's contention at this time that the Band may have a valid claim for compensation because of the road right of way and construction of that road?

Hon. Mr. Porter: The question is a hypothetical question. The rules that govern Question Period clearly indicate that questions of that nature are not to be asked in the House; but in reply, if the Band feels it has future claims, it is up to the Band to go to the negotiating table when the negotiations resume and make representations to that effect, if that is their position.

04 **Mr. Phelps:** What I want to know is whether or not the Minister has made representation to the Yukon Land Claims negotiator and/or Land Claims Secretariat on behalf of the Band to determine whether or not they are entitled to further compensation from this government?

Hon. Mr. Porter: That issue has never been addressed at the negotiating table and if the issue does come before the Land Claims negotiating table and I am asked to have input into that process, then I will respond at that particular time.

Mr. Phelps: Is the Minister then denying that he agreed to make representation to the Yukon Land Claims Department to determine whether or not the Band in question had a legitimate further claim for compensation arising from that road right of way?

Hon. Mr. Porter: Clearly, that is in the future, to be discussed at the Claims table when they get around to discussions with respect to the proposed Agreement that we are discussing in the Legislature. If at that time they agree to speak to that issue and want my input, I will speak to it.

Question re: Budget lock-up

Mr. Coles: I have a question for the Minister of Finance. Can the Minister advise the House, to the best of his knowledge, within Canadian Parliamentary tradition, what is the principle behind the Budget lock-up?

Hon. Mr. Penikett: I do not understand the question at all.

Mr. Coles: Before you table the Budget in the House you have a Budget lock-up. What is the purpose, or what is the principle of having a Budget lock-up?

Hon. Mr. Penikett: I can answer the question in two ways. One, dipping into my vast reservoir of knowledge about Canadian and British Constitutional practice, and two, I could also speak to the situation in the Yukon territory. I have never been quite clear

what the purpose was in the Yukon Territory, since we do not have a local stock market, nor do we have the potential consequences of advanced knowledge of new tax measures and so forth that might operate in a place like Ontario or Canada.

I would assume that the general principle is that the lock-up is there to provide background information — not for distribution — as a courtesy, to journalists who have to meet deadlines, and as has been experienced in this House, to Opposition Members who wish to have a background briefing only on the contents of the budget. So, when the lock-up ends and the Minister of Finance rises to present the Budget, the members of the media and the Members of the Opposition, who have jobs to do in making informed comments on the budget and the financial proposals of the government, can do so with a little more information than that provided in the Budget speech.

Mr. Coles: A story appeared today in the *Edmonton Journal*, and on the CBC News this afternoon, reporting that the Budget was leaked 24 hours early. Can the Minister of Finance explain whether or not he has gone to his Department officials to find out whether this allegation is true?

Hon. Mr. Penikett: I have no evidence of a Budget leak. As I understand the story in the *Edmonton Journal*, it was an unsubstantiated allegation from an unnamed source. There were no particular references as to whether it was referring to the Operation & Maintenance Budget, the Capital Main Budget or the Capital Supplementary Budget when this alleged leak is supposed to have taken place, and who was supposed to be the beneficiary.

According to the allegation made in the southern newspaper, the beneficiaries of this information were people who already had the information because of their previous roles in Cabinet. I find it hard to know how that would constitute a leak.

Question re: Frenchman/Tatchun Lakes Road

Mr. Phelps: It is refreshing to hear the Liberals ask questions that were not provided by the government this time.

I seem to be having a little trouble really getting the answer I want. I want to know whether or not the Minister agreed with the Carmacks Band to make representations to the Yukon Land Claims Department to determine if the Band's claim for additional compensation over and above the \$100,000 is legitimate? Did he make that agreement?

Hon. Mr. Porter: If the question is, is that a part of the agreement that was signed with the Carmacks Band, the answer is no.

Mr. Phelps: The question is, aside from that agreement, did you make the additional agreement, verbally or otherwise, to the Band as set forth in my previous question?

Hon. Mr. Porter: That is a hypothetical situation. In the future, should the negotiations commence and the issue arise at the table, and they would like to speak to me regarding the negotiations throughout this issue, I will make myself available to the negotiators to explain what it is that was done. I have no problem with that. As Minister, I have the responsibility to make myself available to the Land Claims negotiating forum.

Mr. Phelps: The Minister seems to be saying several things here. What is of interest to me is that he has said that the Agreement-in-Principle has been rejected by the Bands and is of little legal value. It is merely a document at the Land Claims table.

If that is the case, can he advise this House as to why the Yukon government would be paying any compensation to the Carmacks Band, in addition to the \$100,000, which we do not understand the basis of, for further compensation. They rejected the agreement that gives them the settlement land.

Hon. Mr. Porter: Obviously, the Member is fishing here. There has been no agreement that the Band get additional compensation. If the Band feels that there is additional compensation due with respect to this issue, if they feel they should be compensated with respect to the road alignment, the road right of way, it is up to the Band to go to the negotiating table when that issue is at the table and make those representations. To my knowledge they have not made that position known to the negotiators, that I am aware of. And, yes, the Agreement-in-

Principle has no legal effect. The Agreements-in-Principle are proposed Agreements-in-Principle.

Speaker: New question

Mr. Phelps: In view of the fact that the Minister is saying that the Agreement-in-Principle has been rejected and, therefore, the land selection has been rejected, is he going to make representation to the federal government to lift the withdrawal order, because according to him surely the withdrawal order is no longer needed?

Hon. Mr. Porter: We can go around and around on this, and I am prepared to continue to do this for however long it suits the Member. The Agreement-in-Principle, everyone knows, is not a legal document. It is only a proposed agreement indicating what the parties at the table at that particular time agreed that they wanted to do. In the ratification process that surrounded the Agreement-in-Principle, the Band specifically did not ratify the agreements, but the Order-in-Council that was put into force by the federal government is, in fact, a legal, binding Order, which does not allow any expropriation or otherwise of the lands in question. So, there was a legal freeze on the land that had to be dealt with.

Mr. Phelps: So you went to a different party, not the federal government, to deal with it? Can the Minister honestly tell this House that the Carmacks Band rejected the agreement — because they voted in favour of it — or the Champagne-Aishihik Band or the Old Crow Band? Can you honestly say that any of those Bands rejected the agreement?

Hon. Mr. Porter: The ratification process was not designed in such a fashion as to speak to individual Bands, inasmuch as it spoke to 10 out of 12 Bands. That was the agreement amongst the Bands in terms of what constituted a ratification. They did not get 10 out of 12 Bands; therefore, there was no ratification of the process. He knows who ratified and who did not.

Mr. Phelps: I do, and I hope the Minister does, because my question is simply this: the Carmacks Band, as well as other Bands, voted in favour of the Agreement-in-Principle, so how can you say that those Bands rejected it?

Hon. Mr. Porter: The ratification agreement spoke to 10 out of 12 Bands. That is the process. The Member fully understands the process. Maybe he is undertaking a process to attempt to educate the Members of the House as to what he negotiated under the proposed Agreement-in-Principle. Maybe that is the use of the exercise here.

Mr. Phelps: That would not be a bad thing.

07

Frenchman/Tatchun Lakes Road

Mr. Lang: I have a further question which goes back to very unsatisfactory responses that we got as far as the question of the Frenchman/Tatchun Lake Road, and the principle of contracting.

Last night it was divulged to this House that there were two contracts for equipment rental granted to contractors who had not submitted the lowest bid, which was contrary, in my opinion, to all government policy.

Did the Minister have a minute from Cabinet in order to be able to have the authority to sign the contracts for the purposes of going into a contractual arrangement with the second lowest bidder?

Hon. Mr. Porter: My first answer is to the statement by the Member that there is a clear policy statement in the government that is comprehensive in nature, that affects third party rentals, and that is applicable to all Departments of government. He is clearly wrong on that particular statement. I do not know how many times he is going to have to be told, but I will tell him as many times as necessary so that he understands that. This government has recognized that such a policy does not exist and is formulating a policy measure in this area. It is going to be brought to the Cabinet of this government, and there is going to be a decision on the policy issue, and it will be applicable to all Departments of the government.

Mr. Lang: One thing about this is that we are consistent. We have not gotten one answer.

I want to ask a direct question to the Minister of Renewable Resources, and please, for the record, and for everybody else's patience, please listen carefully so I can get a yes or a no. That is

all I want.

Did he get a Cabinet minute from the Executive Council in order to go into a contractual arrangement with the second lowest tenders that were provided through the third party rental schedule?

Hon. Mr. Porter: In terms of my role and in terms of the decision with respect to going the third party rental route, we are guided by the following factors in the policy of Renewable Resources: we have to look at the hourly rate, at the suitability of the equipment for our needs, at the competency of the equipment owner/operator, and also to look at the location of the equipment.

In terms of the guidelines that I was provided with, there were no guidelines that said I had to receive a Cabinet minute to be able to go that route.

Mr. Lang: This is a very important issue. We are talking about contracts and procedures. I want to inform the Member opposite that there is a *Financial Administration Act* that is provided with contract regulations that applies throughout the government. I want to take this opportunity to table for the House, because I believe it is very important, the regulations that apply to contracting, which state very specifically that "for the purpose of these regulations ... each one of the following shall be deemed to be a construction contract: ... (e) a contract for the hire of equipment to be used in or incidental to the execution of a work".

That is the regulation. I want it tabled for this House, so all the Members are aware that when the prior government was in office, there was a policy and it was law. It states very specifically under the procedure directive on contracting, which I will table here, that, "these regulations were effective from April 24, 1975, and pertain to all contracts entered into and from that date. The appendix attached to this policy shall be used for interpretation of the contract regulations." It states: all contracts.

It further states in this directive, "all tenders must be treated equally and bid on identical information and terms". It further states that: "(a) a contract is normally awarded to the low bidder provided that the contractor's tender is proper and complete and it appears that he will be able to successfully complete the work", and, "(c) if the contract is to be awarded to other than the low bidder, authority to do so from Executive Council must be received in writing".

08

Point of Order

Hon. Mr. Porter: Obviously, the Member opposite has no use for the rules of this House. With respect to Question Period, he has flagrantly abused those rules. If he feels that the rules of Question Period are not adequate enough, then he has the obligation, under the Parliamentary system, under the rules of this House, to bring the matter before the Rules, Elections and Privileges Committee and have the issues dealt with.

That is his responsibility as a Member. He is not to stand in this House and flagrantly break those particular rules. If he wants to have a debate in this House with respect to issues that he feels are important and warrant the consideration of the House, then he has a further obligation to utilize the process of bringing forward Motions with respect to how we govern ourselves in this House. I would ask him in the future, for the sake of decorum and order in this House, to respect the rules of the House.

Mr. Phelps: On the point of order, I must say that I am a little tired of some the hon. Members opposite assuming the role of Speaker and lecturing us on what they perceive to be the rules. We have had that from the Minister of Justice, and we just had this now. If he has a point of order, surely out of respect for the Chair he should address his point to the Speaker and ask for a ruling, and not simply rule from his seat over there. I think that that is wrong.

Hon. Mr. Penikett: The Leader of the Official Opposition is a lawyer. He has read the rules of this House. He knows very well that a Member in supplementary question is permitted a one-sentence preamble. He is not permitted to give a speech from documents, under the rules. He knows that as well as anybody. It is the business of any Member in this House to help maintain order by calling the attention of Mr. Speaker to breaches of points of order.

Mr. Phelps: I could not agree more. What I am suggesting is that you bring your point to the Speaker and ask for a ruling.

Speaker: I will rule on the point of order that supplementary questions should be preceded by only one sentence of preamble.

Mr. Lang: I was providing this House with information that I felt was salient to the issue as we have not received an answer from the other side. There was a policy in place and I want to ask the Minister of Renewable Resources specifically: why did he not get Executive Council authority, as is outlined in the procedures and the contract regulations, if you are going to anyone else than the lower tender? Why did he not go that route?

Hon. Mr. Porter: The guidelines that were provided to me with respect to this decision spoke to what my responsibilities were and I made that fact known to the Member opposite. One of the guidelines, with respect to the issue of third party rentals, is clearly an element of discretion. Clearly, in this instance, we have utilized the question of discretion and made a decision to use local contractors on the construction of the roadway for the Frenchman/Tatchun Lakes Road.

09 Question re: Jim Light Arena demolition

Mr. McLachlan: My question is for the Minister of Community and Transportation Services. Last week, during Budget debate, we voted an unconditional \$2.5 million for the City of Whitehorse. It is a commendable move and one that we may see soon in other municipalities. It is commendable only in that the Minister must be assured that correct procedures be followed in the awarding of contracts. Is the Minister aware that the proposal that was accepted for the demolition of the Jim Light Arena was more than two and one half times that of the low proposal?

Hon. Mr. McDonald: I am aware of the circumstances surrounding the accepting of a bid by city council for the demolition of the Jim Light Arena. A number of people have made representation to me that they felt that the decision was not the right one in their opinion. I indicated to those people at that time that it was the position of the government that if the decision was a wrong decision, it is for the city electorate to make representation to their politicians to ensure that they understand the electorate's opinion.

If there was, in any way, any suggestion that there was any wrongdoing that might be of interest to the police, those allegations would have to be fully substantiated. At that time, the Crown Prosecutor would take the thing in hand. In any case, it was not a matter for the Minister of Community Services to get involved with.

Mr. McLachlan: In this case, the difference was \$40,000, and that is not a small amount of money for any municipal council to throw away. Can the Minister tell the House what the obligations of a municipal council are, as laid down in a municipal ordinance, when accepting or considering a bid or a proposal?

Hon. Mr. McDonald: I am not competent to provide a legal opinion on that matter. I can have it researched to provide the Member with an opinion. Clearly, under normal circumstances, the municipal council would be required to take the best offer. Normally, that might be the lowest bid in terms of construction work or it might be the highest bid in terms of demolition work. Usually, in tendered documents, there is a stipulation that suggests that the agent does not necessarily have to take the lowest or the highest bid, depending upon what kind of work we are talking about.

If the decision was clearly a wrong decision, that is something for the Whitehorse electorate to determine. If it was a justifiable decision, under the circumstances, then that equally is something for the taxpayers of Whitehorse to make a judgment on.

Mr. McLachlan: Is it not the usual municipal practice that a city engineer, or city administrator, be asked for his opinion and his recommendation of option one, option two, option three, for the city council to follow in making that decision. Is that not the usual practice?

Hon. Mr. McDonald: I am not familiar with the usual practices of the city council. I would trust that most taxpayers in Whitehorse would want the decisions to be judicious and that they would take in all available factors. I would presume that that would be something they would expect of their politicians, as they expect of politicians in this Legislature. They would expect me and the Members

opposite and all our colleagues to make judicious decisions.

Whitehorse City Council has made a decision, which they believe is a sound one, and the validity of that belief will be evaluated by the taxpayers and the voters in Whitehorse.

Question re: Frenchman/Tatchun Lakes Road

Mr. Lang: I tabled some documents here earlier in Question Period. I would ask the Clerk to run off copies for all Members as well as anybody who is interested — perhaps specifically the media — because I think it is a very important issue that is before us here.

I would like to point out to the Government Leader that the documents I have tabled refer to the procedure directive for the purpose of issuing contracts. It very specifically states, in those documents, that these regulations were effective from April 24th, 1975 and pertained to all contracts entered into from that date. The Government Leader did not get involved in the discussion last night, for whatever his reasons might be. My point is: we have two contractors — one from Whitehorse and one from Watson Lake — who had the lowest tender and they were excluded or ignored for the purposes of going into a contractual arrangement with this government.

Is it the position and the policy of this government that the contract regulations no longer apply as far as the contract and procedures within the Government of the Yukon Territory are concerned?

Hon. Mr. Penikett: As has already been explained to the Member opposite, the contract regulations are currently under review. We intend to bring in new contract procedures in the near future. I assume, because we have been advised by various people in the public service, that there are some inadequacies in the present arrangement.

Mr. Lang: Another question to the Government Leader. Are they not the present law?

Hon. Mr. Penikett: Technically, I believe these are regulations, not law as such.

Mr. Lang: Has the Government Leader just informed this House that regulations are not law?

Hon. Mr. Penikett: No, I was making a nice distinction between regulations and things which are statutes passed by the House. I believe the contract regulations are measures which are adopted by the Cabinet, not by the Legislature.

Question re: Frenchman/Tatchun Lakes Road

Mr. Lang: So that the public is fully conversant with the Government Leader's position: are not the regulations the law when they are made pursuant to a statute?

Hon. Mr. Penikett: The question is clearly argumentative. Obviously, regulations to any statute have the same force of law as does the statute.

Mr. Lang: In view of the fact that I have laid before this House the policies and procedures that were followed under the previous administration, is the Government Leader going to sanction the actions taken by the Minister of Renewable Resources in view of what has transpired in the contractual arrangements for Frenchman/Tatchun Lake?

Hon. Mr. Penikett: I have no idea what documents the Member tabled before the House. I have not seen them yet. Clearly, Question Period was not designed for the tabling of documents, in any case.

If there have been, in the past, reasons about the compliance according to these contract regulations that are now causing the public service to recommend to us changes in them, I will be pleased to report to the House and the Member opposite the reasons for those changes and the reasons for the recommended amendments when we present that information to the House.

Mr. Lang: I would ask that once he has read these documents, and he finds that it is presently government policy, as well as law, would he ask the Minister of Renewable Resources to resign his post as a Minister in view of what he has done, contravening the procedures and the laws that were made by this House and by the Cabinet, whether it be today or yesterday?

Hon. Mr. Penikett: No.

Question re: Budget lock-up

Mr. Coles: The Minister said in answer to my last question that if there was a Budget leak, the beneficiaries of it were past Ministers. Does this mean that the Minister knows for a fact that the leak did not occur with the Member for Riverdale North?

Hon. Mr. Penikett: I believe the Member is twisting my words.

Point of order

Mr. Phillips: On a point of order, I would like to know if the hon. Member just accused me of a Budget leak. I did not quite hear his whole statement. I think that is out of order, and I think he should withdraw it.

Speaker: There is no point of order.

Hon. Mr. Penikett: I believe the Liberal Leader, with the best will in the world, is misquoting me. What I was saying was that the story from the newspaper from down south is alleging that the beneficiaries of some Budget information were, according to the story, Members of the Official Opposition. The point I made about it is that while we have no evidence of this leak, nor any reference point in terms of which particular Budget it was that was supposed to have been leaked, I almost made, in answer to the question from my friend opposite, the obvious point that the Members opposite, who were former Members of the Cabinet, had access to most of the Budget information to which we became privy when we were sworn in.

Mr. Coles: As the Minister of Finance will recognize, the past Ministers are now on this side of the House and Members of the Official Opposition. Is the Minister saying that a Budget leak to past Ministers is acceptable?

Hon. Mr. Penikett: Let me get this perfectly straight. To my knowledge, to my information, I have no evidence of a Budget leak. All we have is a story in a southern newspaper by a reporter nobody here has ever heard of, quoting a source that is unnamed, referring to a Budget which is unidentified, referring to a document which is undescribed, intended for a source that is unidentified.

At this point, it is the purest piece of press speculative puff. There is, as far as we know, no substance to this story whatsoever.

Mr. Coles: As the Minister is probably aware, CBC radio in Whitehorse carried the story on the 12:30 news. It is in the local media now. After hearing the story, has the Government Leader had any conversation with the Leader of the Official Opposition to find out whether or not he himself, or any of the Members of his caucus, have any information?

Hon. Mr. Penikett: It is not permissible in Question Period for me to ask questions of the Leader of the Official Opposition. In any case, just because a local media outlet happens to repeat a rumor or allegation from another media source — while I admit that gives it a kind of life of its own — it does not mean that it has any substance. The fact of the matter is that Members of the former Cabinet were under oath and privileged to have access to most of the Budget material that was presented to this House during this session. I have heard nothing in the Budget debate which indicated that they had used any privilege access that they may have had. Nor have I had any other evidence of a Budget leak; However, let me be perfectly clear so that it puts the Member's mind at rest, if there were evidence presented to me that some document had been stolen from the Department of Finance or the Queen's Printer, or somewhere else, then that would be a matter for a police investigation. At this point, I have been given no such evidence.

Speaker: We will now proceed with Orders of the Day. Government Bills.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 4: Second Reading

Chairman: Bill No. 4, standing in the name of the hon. Mr.

McDonald.

Hon. Mr. McDonald: I move that Bill No. 4, entitled *An Act to Amend the Assessment and Taxation Act*, be now read a second time.

Speaker: It has been moved by the hon. Minister of Education that Bill No. 4, entitled *An Act to Amend the Assessment and Taxation Act*, be now read a second time.

Hon. Mr. McDonald: I am pleased to table before the Legislative Assembly today, for second reading, *An Act to Amend the Assessment and Taxation Act*. The purpose of the proposed amendment is to provide for a more flexible approach in determining how the cost associated with electrical service under the rural Electrical Systems Extension Program may ultimately be distributed to properties benefitting from the extension. Under the current legislation, these costs, when distributed to individual properties, cannot be any greater proportionately than the amount of general property taxes which they pay as compared to the area being serviced as a whole.

What this means is that should a property have a relatively low general property assessment, and it correspondingly pays taxes which amount to say 0.5 percent of the region being serviced as a whole, the amount of the electrical system extension cost attributable to that property cannot exceed 0.5 percent either. Conversely, should a property have a larger assessment due to the location of the land and have improvements on it, and it correspondingly pays taxes which amount to two percent of the region being serviced as a whole, then that property will pay two percent of the electrical system extension costs.

What this results in, is that areas where there is a group of properties that are basically identical in size, but which vary in assessment due to location within the area or to degree of improvement, these properties would pick up substantially different levels of the Electrical System Extension costs based on their individual characteristics.

Electrical servicing under the Rural Electrical System Extension Program has been provided to the Judas Creek Cottage Lot Subdivision and is currently in the process of being provided to the Teslin Cottage Lot Subdivision. Of those residents signing the petition for the electrical service, they have all unanimously requested that distribution of the costs occur on an equal basis, with each property picking up an identical share. This amendment will allow for that. As well, it will enable a distribution formula to be developed for other rural areas of Yukon where perhaps the characteristics of the property are such that neither an equal distribution or a proportional distribution of the costs is appropriate or desirable. The nature of the region being serviced and the requirements of the residents will, in such cases, be the prime determinators in how the costs will be distributed.

Mr. Lang: I want to say that we will give this particular piece of legislation speedy passage. As the Member knows, a lot of this work was done under the previous administration. In fact, I think the now Government Leader, in his capacity of Leader of the Official Opposition, said he was tired of me announcing that program for the third time. I believe it was in this House, but perhaps some other forum, but it was obviously a program that was accepted by all sides as a very good program that met the needs of those people living within access of electrical power while, at the same time, providing a program that would make it within their means, as opposed to the situation that existed.

The formula that was developed did not happen overnight. It was a very long and arduous process of trying to find a formula that would apply equally and at the same time ensure that the taxpayers got their money back over the period of the time that was allotted — which, if I recall correctly, is 10 years.

For the fourth time, I would like to stand up and announce the program to the public. I think it is a good program for those people in the rural areas, and we will see that there is speedy passage of the Bill.

Motion agreed to

Bill No. 44: Second Reading

Clerk: Second reading, Bill No. 44, standing in the name of the hon. Mr. McDonald.

Hon. Mr. McDonald: I move that Bill No. 44, *An Act to Amend the Civil Emergency Measures Act*, be now read a second time.

Speaker: It has been moved by the hon. Minister of Education that Bill No. 44, entitled *An Act to Amend the Civil Emergency Measures Act*, be now read a second time.

Hon. Mr. McDonald: I am pleased to table before the Legislature today for second reading *An Act to Amend the Civil Emergency Measures Act*. On the one hand, the purpose of the Act is simply housekeeping in nature, to reflect the current constitutional development of Yukon. It involves a change in terminology for legislative responsibilities under the Act shifting from the Commissioner to the Commissioner and Executive Council. For functions of an administrative nature, these have been shifted from the Commissioner to the Executive Council member. The purpose of this Act, and most important, is that it encompasses a number of areas respecting authority provided under the Act and the manner in which they will be carried out.

First and foremost amongst these is that the authority is being extended to municipalities to declare a state of emergency within their municipal boundary and to implement and carry out their emergency plan as may be required.

At present, every municipality is required to establish an emergency plan, but has neither the authority nor ability to declare an emergency, nor to legally carry out a planned response.

While perhaps there was a time when such authority was best kept at the Government of Yukon level, our municipalities have been developing rapidly over the past years, and have been assuming greater responsibility for the management of their own affairs.

In keeping with this government's policy of providing increased control in decision-making at the local level, this authority is now being extended to municipalities who, after all, are the ones closest to the scene of a potential emergency within their community, and the ones most quickly able to make an immediate response.

Should an emergency develop which cannot be adequately handled by the municipality, however, they will then, of course, be fully backed up by the Government of Yukon including, if necessary, declaring its own state of emergency in the area affected.

I will just mention that this proposed devolution of authority to the local level has been discussed with, and is fully endorsed by, the Association of Yukon Communities.

Other amendments, which will be dealt with clause-by-clause, serve primarily to clarify the various procedures to be followed in carrying out functions under the Act. These include the requirement to publish or otherwise notify the public of a declared state of emergency or the determination of a state of emergency. It clarifies the response of the Government of Yukon to an emergency, and provides for the establishment of a Yukon Disaster Committee.

This Committee currently exists, but only in an informal sense, and over the past years has suffered extensive periods of inactivity. By providing it with a legislative footing, it is hoped to give it a greater degree of strength and authority in carrying out its mandated role of planning Yukon responses to potential emergencies.

Mr. Lang: Once again, a lot of work has gone on in the last year on this Bill for seeing whether or not we should be proceeding in this direction. We agree with the principle. We have established a very good, strong government structure in most of our communities throughout the territory, whether it be Whitehorse, Dawson City, Watson Lake, and they are taking their responsibilities at that level very seriously and exercising their prerogatives a very judiciously and, in most cases, if not at all times, very responsibly.

I think the Bill, the way it is written, applies evenly, and it allows the Government of the Yukon Territory to be involved and rightly so, in view of the smallness of our population. They should be involved, through the position of the Minister of Highways and Community Affairs. Therefore, similar to what happened in Dawson City, this just more or less legalizes what really took place at that time to confront the real problems that faced that particular community as far as the flood was concerned. There will be speedy

passage with this Bill as well.

Motion agreed to

Bill No. 62: Second Reading

Clerk: Second reading, Bill No. 62, standing in the name of the hon. Mr. Porter.

Hon. Mr. Porter: I move that Bill No. 62, entitled *Agricultural Products Act*, be now read a second time.

Speaker: It has been moved by the hon. Minister of Renewable Resources that Bill No. 62, entitled *Agricultural Products Act*, be now read a second time.

Hon. Mr. Porter: It is with great pleasure that I move second reading of the *Agricultural Products Act*.

The Yukon's agriculture industry is developing steadily, and this Act was developed in response to needs identified by that industry. I would like to note, for the record, that this legislation was prepared with a great deal of assistance from the recently formed Agricultural Planning Advisory Committee. It is my understanding that the principles embodied in this Act have been approved by all three chapters of the Yukon Livestock and Agricultural Association.

It is important to emphasize that this legislation is designed to assist producers by building consumer confidence in locally raised agricultural products. Application of established standards will help to ensure that careless producers do not market substandard products, thereby damaging the credibility of the majority of the conscientious producers. This should ensure that Yukon consumers will develop the habit of choosing locally grown agricultural products instead of imported items. I am confident that Yukon produce will meet our expectations.

As I am sure we can all appreciate, not only will Yukon consumers benefit from access to fresher fruit products, at least equal in standard to food brought in from elsewhere, the Yukon economy will receive a boost as well.

I should also point out that this Act is in keeping with our government's position in facilitating the development of agriculture in Yukon, of taking the positive approach of developing policy and enabling legislation — legislation which protects both the producer and the consumer. As it is clear from the Act, it enables us to address, through appropriate regulations, all aspects of agriculture in the territory, ranging from greenhouse production of herbs to ranching of elk.

The passing of this legislation will permit us to commence the process of developing regulations for this range of agricultural products. In this process, we envisage the continuation of close consultation with the agricultural community, through the Agricultural Planning Advisory Committee, and the Yukon Livestock and Agricultural Association.

It should be noted that the Agricultural Planning Advisory Committee is also engaged, through subcommittees, in the review of existing policies and legislation on livestock control and zoning of agricultural land.

Over the coming months, public comment will be solicited through these subcommittees, and recommendations on dealing with these questions will be submitted to the Ministry of Renewable Resources by the Agricultural Planning Advisory Committee.

As I mentioned, the *Agricultural Products Act* will enable the application of standards to locally grown products. Of necessity, such legislation must include provision for enforcement of standards. The Act allows for the appointment of inspectors with limited powers of inspection and seizure. Inspectors will also be entitled to make orders in writing for the seizure and disposal of contaminated products in order to ensure public health and safety.

The importance of a farmer's product to his livelihood is recognized through provisions to allow for payment of compensation to those producers whose products spoil while under seizure, where, upon detailed examination, crops were found to have been inappropriately seized. Compensation, where payable, will be for the fair market value of the product. Where the recipient disputes their value with the government, the recipient will have recourse to an Agricultural Products Appeal Board.

Finally, a comment should be made about the important role that the Renewable Resources Subsidiary Group will play in fostering

growth and development of Yukon's agricultural sector. The infusion of capital into innovative demonstration projects and various studies will give the industry a much needed boost. It will generate renewed interest in private sector investment in the field. The importance of agriculture to the diversification of Yukon's economy has been recognized by the Yukon government and the passage of the *Agricultural Products Act* is an essential element in the growth and development of the industry.

Mr. Brewster: I am very pleased to see this Bill before the House. The agricultural association also agrees with this. The only comment I would like to make beyond that is that we are possibly getting big enough to be a branch on our own.

Motion agreed to

Bill No. 74: Second Reading

Clerk: Second reading, Bill No. 74, standing in the name of the hon. Mr. Porter.

Hon. Mr. Porter: I move that Bill No. 74, entitled *An Act to Amend the Wildlife Act*, be now read a second time.

Speaker: It has been moved by the hon. Minister of Renewable Resources that Bill No. 74, entitled *An Act to Amend the Wildlife Act*, be now read a second time.

Hon. Mr. Porter: In terms of speaking to this legislation, I would like to point out the problem. Most provincial and territorial wildlife legislation had enabling sections that enable the Minister to enter into agreements with other governments, private individuals or corporations to ensure the effective exercise of the Minister's responsibilities under wildlife legislation. The intent to enter into agreements is so that we can have a coordinated approach to management by true jurisdictions with respect to a shared wildlife resources.

Also, the intent, with the respect to the agreements, is to formally facilitate the cost of the joint projects that may be entered into, research, habitat management. All of these questions are addressed in agreements between two jurisdictions with respect to the wildlife resource, particularly, in this case.

With respect to the Yukon's position, I have looked at the legislation and found that we do not have the ability for the Minister of Renewable Resources to enter into such agreements. My understanding of the process, as it now stands, is that what the legislation is designed to do is simply give the Minister of Renewable Resources the ability to enter into agreements, with respect to matters that affect wildlife, with other jurisdictions. As to the need of the Ministry of Renewable Resources to have that authority, currently we are in the process of responding to a Porcupine caribou herd management agreement that is slated to be signed this weekend in the community of Old Crow.

As to the legitimate question of why was the department not moving sooner in terms of seeking the necessary authority to the House, my understanding all along was that we had such authority to sign the agreement. However, as I understand it, when the Department of Indian and Northern Affairs and the Department of Environment went to their Cabinet, in effect, for the necessary decision to have the authority, they went using a section of the *Canadian Wildlife Act*, which then relates to federal-provincial agreements.

¹⁶ Based on the effect of their Order-in-Council, the result was that it made this a necessary agreement under Section 18 of the *Yukon Act*, which then calls upon us to facilitate the process by getting the necessary legislative approval before this House.

As to the question of why we do not simply look at enacting a specific piece of legislation that would address only this particular agreement and enable us to give us the necessary authority to sign only the one particular agreement, that, I think, would not be the responsible fashion in which to deal with the issue. I think we should have the power within the *Wildlife Act* to be able to negotiate these agreements, because there are many issues out there which affect wildlife as the Members opposite very well know. There is a proposed Canada-Yukon Territory Agreement with respect to the relative responsibilities of the Department of Renewable Resources and the responsibilities of the Canadian

Wildlife Service with respect to management of certain species of wildlife in the Yukon.

This summer, I met with the then Minister of the Department of the Environment. We signed a letter of intent to be able to sign that agreement eventually, that we committed ourselves to moving toward negotiations and eventual signing of the agreement. There also are other issues, such as polar bear management, between this government and the Northwest Territories and the federal government envisaged. So, clearly, there is a demonstrated need for the signing authority with respect to certain issues which the Department of Renewable Resources will have to deal with and, in terms of the inadequacy of the legislation, I think other jurisdictions clearly have the authority of what we are doing simply in this instance in terms of bringing forward this amendment — bringing the current *Wildlife Act* up to date so that we can deal with this question on an equal footing with other jurisdictions.

Mr. Phelps: I am sure we are going to get into a fairly lengthy debate about this issue. The basic problem that we have is the issue of the Porcupine Caribou Management Agreement, which I understand the Minister wants to sign in final form under the jurisdiction of this proposed Act. What seems to be happening here is that there is a delegation by this House of a responsibility to the Minister, allowing him to enter into legally enforceable agreements. In the case of the Porcupine Caribou Agreement, the agreement has a huge impact and huge ramifications upon the entire northern Yukon and on a herd of caribou that, for the most part, is Yukon's, because its habitat for the most part is in Yukon. The problem that seems to me to be arising here is that, rather than an open government, we have the situation where the government is going to end up signing a binding agreement, enforceable against the people of the Yukon Territory, without any input from the elected representatives or from the people in Yukon, except for Land Claims groups.

¹⁸ I think that this is rather a new step that is being taken by this government. In fairness to the Minister opposite, apparently he has attempted to get permission from the Dene group in NWT, amongst others, to make the Agreement public. I cannot understand why it cannot be made public so that we can register our concerns prior to it becoming final, enforceable, once and for all, forever. I guess the issue is one of prior to something becoming binding on everybody in the Yukon, it is of such great importance, particularly to the residents of Old Crow, surely all interested Yukoners ought to be able to have some input to that document.

Mr. Lang: I listened with a great deal of interest to the Minister who is sponsoring this Bill when he spoke to the principle of the Bill. He never once mentioned the fact that this House could not have a copy of the proposed Caribou Agreement, which, I understand, has a number of proposed signatories: the Northwest Territories, the people of Old Crow, the CYI, the Inuvialuit, the Government of the Northwest Territories, and the Government of Canada. He never mentioned once to this House that that particular information would be excluded, or would not be made available to the public and to all Members of this House who represent the public of the territory.

As the Leader of the Official Opposition stated, the resource that we are talking about is the wildlife of Yukon, which is vested with this House because of the Constitution of Yukon which is the *Yukon Act*. It provides this House with the authority to make decisions regarding wildlife.

It is ironic that the Government Leader, when he was the Leader of the Official Opposition, was a very zealous proponent of access to information. Upon his inauguration and his appointment to office, the Government Leader made very clear that it was going to be an open government. It was going to be a government that would provide the information to the people of the territory through consultative mechanisms, through select committees, and various other methods so that the people of the territory could tell this government what they thought on various issues. This is a fine and very noble principle.

We have a Minister who stands up and asks us to give him

authority to go into what he classes a confidential agreement — because one particular group, the Dene group in the Northwest Territories, has asked that it not be made public. He will not provide it to the Member for Faro, the Member for Porter Creek East or, for that matter, in an open, public forum, to the Member for Dawson nor the Member for Old Crow. That is a fact; that is what I have been told.

We know that the people of Old Crow have been involved to some degree, and so they should be. The present Minister is saying that we, as elected Members, representing the people of the territory, do not count. In effect, he is slapping our faces. The Dene should have a copy of it; they live in the Northwest Territories. The Inuvialuit live in the NWT; they should have a copy and be able to put their comments forward and maybe even be allowed to make changes to the Bills. The Northwest Territories government and the federal government received it, but the Members of this House are excluded. He has the audacity to come into this House and say, "Please give me the authority to go into an Agreement, which I cannot divulge to you".

¹⁹ We may agree with the agreement; who knows? He is asking for a blank cheque. We have given the Minister of Renewable Resources a blank cheque. It cost the people \$100,000 the other day. We have given the Minister of Renewable Resources a blank cheque. According to him, there was no policy, so therefore he excluded, at a low tender price, a constituent of his from Watson Lake for the purpose of bidding on a project, as well as . . .

Hon. Mr. Porter: The Member opposite is, again, in breach of the rules. When speaking to the second reading of the legislation before the House, the Member is required to speak to the principle of the Bill, and not go off in every direction.

Mr. Lang: On the same point of order, he does not, I would advise, have a point of order. I am speaking to the principle of allowing that particular Minister in that particular government the right to go and make agreements anywhere in the territory, and I am saying why we should not be vesting that authority with him.

Speaker: There was a point of order. Is any Member wishing to speak to the issue on the floor?

Mr. Lang: On a point of order, are you advising me that I cannot speak to the principle of agreements and why the government should not be vested with the general principle of agreement in the *Wildlife Act*, or for that matter, any other agreements? Is that what you are telling me, as a Member of this House?

Speaker: I would like to say to the Member that I was not ruling you out of order. I just wanted you to speak to the issue regarding wildlife.

Mr. Lang: The Bill that we have before us, as I indicated, is an agreement, and the question of agreement is a very general principle.

The Minister is asking us to give him authority to enter into agreement on behalf of the people of the territory because of the signing of the Porcupine Caribou Agreement that has been negotiated over the past number of years.

²⁰ My colleague, the MLA for Kluane, is taking very much of an interest in this, to the point where he has enquired: are there are copies available? Can we see them? Can we make comments? We want to see what changes were made that were perhaps significant when we left government. The Leader of the Official Opposition, who was our representative at those negotiations, has a fair knowledge to present to this House for the purposes of saying whether that agreement is sound and wise as far as the management of the wildlife of the territory is concerned; in particular, the Porcupine caribou herd.

The Member opposite is asking us, in this agreement, to give him that authority without providing us with the agreement. Obviously, there is good reason that he is required to come here to seek our approbation. The actions of the Minister, so far, would indicate that all Members should be opposed to voting for this particular Bill. As I indicated earlier, he is asking for a blank cheque. "Trust me", he says, "and I will sign the agreements on your behalf". It is obvious that the architects of the Wildlife Bill felt that the wildlife resource was so important that, prior to entering into an agreement by whomever the Minister of Renewable Resources is, it is to be put

forward to this House for a review, a public scrutiny. But, no, we have a closed government. We have a government that says the people of the Northwest Territories should have full, ready and public access to our wildlife resource, but the people who represent the territory should not until after it is signed, sealed and delivered. That is wrong.

As I said earlier, if we have a copy of the agreement, we may well say that we agree with it. Are we to stand in this House and give that particular Minister the authority to go ahead and sign an agreement, which may well put us in a situation of compromising our wildlife resources? Perhaps the MLA for Kluane, or the Leader of the Official Opposition, could provide some ideas to the Minister that he should insert in that agreement prior to its signing. If you are asking us to give our approbation, as duly elected Members of this House, then I say to the Minister of Renewable Resources, the answer is no. Go and talk to your buddies in the Northwest Territories.

Mr. Brewster: I do not see how anyone in this House could justify going back to their people and vote for a thing that we cannot see. We are elected by the people of this territory, and yet the Northwest Territories vetoed this and the animals are on our land. I do not see how any Minister could possibly ask us to do a thing like this.

I have asked, for over a month, if I could see that document. No one told me that it was going to be vetoed by the Northwest Territories. It was indicated that I would eventually see this. Then they walk in here today and put a Bill in, and you want me to turn around and put that through and go back to my people — mind you, that is one way you might get a seat, because I would sure cut my throat. I will assure you that I will fight this Bill.

²¹ **Mr. Phillips:** I also have a very strong concern regarding this matter and I think it is a very dangerous precedent. I think there is no way in the world that any group in the Northwest Territories should have a veto on whether the people of the Yukon have a right to see a blank cheque that the Minister is going to sign on the weekend. The precedent is this: there are going to be other agreements signed possibly in the future with overlapping claims in southern Yukon and all other parts of the Yukon. Is this government going to go out unilaterally again and sign these agreements on behalf of us, and we are going to have to go back to our constituents on election day and tell them why he did this? I think what the Minister has to do here is put the document on the table. We know there have been very few changes in the document, at least to our understanding. Put the document on the table, because we are the ones giving the authority to him to sign that document — the people of the Yukon are — and let us see the document, let us approve it, and then the Minister can go up and sign the document on behalf of all the people of the territory if we are agreeable to what is in that document.

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 Members wishing to speak should do so now.

Hon. Mr. Porter: I would like to make one point of clarification with respect to the original statement I made regarding my planning to come before the Legislature to seek approval. As I stated earlier, it was always my understanding that we had the authority under the present law to proceed with the signing of the legislation. It was not until last Thursday that we were notified by the Department of Indian and Northern Affairs that they consider this to be a Section 18 agreement, thereby necessitating enabling legislation from the Legislature.

Concerning the issue of the signing of the Porcupine Caribou Herd Management Agreement, which is proposed to be signed by the weekend in Old Crow, I think it is safe to say that this is an agreement the parties want to settle. It is an agreement that has taken 10 years to come to this point. It has taken 10 years of negotiations, sometimes very difficult negotiations, and we are now

at the point of being days away from the signing of that particular agreement, with all parties having concurred in the contents of that agreement. It would be, I think, unfortunate at this particular time to try to in any way derail that process.

That is the difficulty I am faced with. Personally, I have no problem with respect to tabling the agreement. It is a good agreement, and one which I am proud of and one I am sure the people of the Northwest Territories and the people of Canada would be proud of. In terms of the negotiating process, clearly the Members opposite — at least the more blood-thirsty ferocious part of the Members opposite — have an insatiable need to drink every time they have a sense of the smell of blood and, again, they are after a purely negative approach to try to force the government into an untenable situation.

The reality is that this is not a Yukon agreement only. It is an agreement with the Government of the Northwest Territories; it is an agreement with the people of Old Crow, the Council of Yukon Indians, the people of MacPherson, Aklavik, Tuktoyaktuk, Arctic Red River, the Dene Nation, the Inuvialuit. It is the agreement of all of those parties. The negotiations with respect to this agreement were conducted with all of those parties. Do you not believe that there is an element of fair negotiation, of reasonable negotiation? Do you not agree, I ask the Member opposite, that they have to respect those basic elements of negotiations?

²² I respect that. With respect to the other parties, I did what I considered to be the right thing. I asked the other parties if they would give me the authority to table the legislation in the House. I asked each of those parties that. I have been given a formal response by one of the parties and they suggested that it is their position that we not table the agreement. If the Member opposite wants to vote against this particular measure, that is his prerogative. That is his choice to make.

I would suggest to the Members, the agreement, as we all know, did receive a lot of input from the Leader of the Official Opposition, and I think that his contributions to the process should be recognized. I have talked to him informally and suggested that it would be agreeable from my point of view that he come to Old Crow and participate in the signing of the agreement in recognition of the efforts that he has made available to the process.

I have had very little to do, personally, with those negotiations. I have only been in office four months. In those four months, through a strange twist of circumstances, the parties have become agreeable to signing the agreement. It just so happens that I am the Minister at the point of signing.

I think that, in conclusion, this is a good agreement. It protects the resource, most importantly, and it also recognizes the interests of all of the people in the Yukon to the resource, and it lays out foundations for wiser and better management for the resource in the future.

Motion agreed to

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

Motion agreed to

²³ *Speaker leaves the Chair*

COMMITTEE OF THE WHOLE

Chairman: I will now call Committee of the Whole to order. We will recess for 15 minutes.

Recess

²⁴ **Chairman:** I will now call Committee of the Whole to order. We will continue with Bill No. 52, *First Appropriation Act, 1986-87*, with the Department of Tourism, on page 62.

A certificate has been filed for a witness to appear before the Committee: Mr. Dale Perry, Director of Heritage Branch, as well as

Mr. John Lawson, Deputy Minister of Tourism.

Some Members: Agreed

**Bill No. 52 — First Appropriation Act, 1986-87 — continued
On Department of Tourism - continued**

Chairman: We will begin with the items stood over, firstly, the Old Territorial Administration Building.

On Old Territorial Administration Building — stood over

Hon. Mr. Porter: A question was asked by the Member for Porter Creek East as to why was there inclusion of the cafe item in the Budget, and what was the cost of the cafe.

As I understand it, the request for the installation of a cafe was requested by the Dawson Museum Society, and it was in response to a number of representations made by the public and, for the most part, included tourists visiting Dawson City and visiting the museum itself. My understanding as to the intention as to the management of the cafe is that it will be leased out to a local Dawson business. They expect significant operating revenues from the operation of the cafe.

One of the points made by the Member for Porter Creek East yesterday was that we are into this whole program of Capital works being allocated for the construction of museums, and he wonders about the costs, how far down the road do we go, how much money do we put out there, and should we not be looking at some sort of process by which we generate revenues to start offsetting those costs.

I submit that the Dawson Museum Society has been responsible in that area. They have already, under the present operation, established a gift shop in which they generate some revenue. This idea of leasing out a cafe to a local business would be along those lines of generation of further revenues. Obviously, these revenues are then used to offset the operation of the museum itself.

I think this particular museum has demonstrated an ability to try to come to grips with the question and are going about it in a responsible fashion.

²⁵ As to the costs of the cafe itself, my understanding, from discussions with the Department, is that the cost is \$25,000.

Mr. Lang: I do not think that he has answered my full question. My thoughts were that it had been put forward that the Territorial Administration building could in effect become the building for territorial offices or whatever responsibilities that are vested within the community, as a possibility of utilizing that particular structure. My understanding is that the idea of a cafe was not raised, from my information, locally to the point where we are committed for \$25,000, which appears to be a low estimate by the time it is done, knowing how government operates.

There is a general principle here. Is it the government's position that they are going to utilize a government facility and provide the necessary capital money to go into a cafe/restaurant type of installation in a museum? That is the fundamental principle. The question of the Dawson City Museum Society can be raised in debate. Does the government believe that a government building should have tax dollars going into a cafe when we know there are other facilities in close proximity?

When you take that space for a cafe, you have taken away from the building space that could be utilized for government offices if necessary or possible. The Minister says we are spending \$2,000,000 so far, and he still has not given me a rough estimate as to when this thing is finished, which I am sure that he cannot in any case. I appreciate the position that he is in on that score. Does he personally agree that we should be putting in a cafe? Does the MLA from Dawson City? I find it hard to believe that we are going to do that in a public facility when we know that there are other facilities there that are privately owned and trying to make a living. Does the Minister believe that there should be a cafe in that particular facility?

Hon. Mr. Porter: Given the sense of responsibility that the Dawson Museum has exhibited on the question, and given the need for generation of necessary revenue to offset the O&M costs, with respect to the operation of the facility, I would agree that a cafe, in this instance, which they say will be operated by a local business, is an acceptable decision. In terms of the question as to whether or not

space in the Museum can be used to house other government employees, I have no problem with it. I said yesterday, that if there is a need, or a request from other governments, if there is space available, I have no problem with other government employees or offices occupying space.

²⁶ I would like to ask the witness, Mr. Perry, whether or not there have been any discussions with the Dawson Museum Society on that topic? Have there been any requests to utilize space in the museum for the operation of other government and other employees to be housed there?

Chairman: I would like to take this opportunity of welcoming our witnesses, Mr. Perry and Mr. Lawson.

Mr. Perry: Yes, the north end of the building — the one wing on both the main and second floors — are, in fact, allocated for government offices, and discussions right now are ongoing with the Department of Justice. In addition, as you know, the display gallery upstairs is intended for use as a territorial court and it will be refinished and furnished for such use. So, the Department of Justice intends to use part of the building as part of their operations there, in support of the territorial court.

Mr. Lang: Does the MLA for Dawson City agree with this utilized space for a cafe? Have you consulted with him? I would also ask if the mayor and the council, which represent the community of Dawson City, agree with a cafe going into this particular building?

Hon. Mr. Porter: The question puts you, Mr. Chairman, in a rather difficult spot. As to the question of consultation, yes, I did speak to him and I do not wish to speak for him, seeing that he is in the Chair, but the position indicated by the Member for Dawson is a positive position.

Mr. Lang: As always, the Minister never answers my questions fully. I asked if he had consulted with the mayor and the council to see whether or not they approve of a cafe going into a public building?

Hon. Mr. Porter: I have had no discussions directly with the mayor on this specific item.

Mr. Lang: Is the Member prepared to have discussions on this? If the mayor and the council see fit to, perhaps, recommend to the contrary — that a cafe not go into that particular facility — would he be prepared to listen to them as the spokespersons for that particular community?

Hon. Mr. Porter: If the mayor and the council have a viewpoint that is contrary to that expressed to the Department by the Dawson Museum Society, I am not aware of it. The question is: will I be prepared to sit down with them to discuss it? Certainly, I would be willing to hear the position of the mayor and council on the issue. As to whether or not we would be willing to revamp the plans of the museum based on discussions — and it is all hypothetical at this point — I will have to deal with that point. What I would suggest is that if it became known to me that they were not in favour, I would talk to them and I would talk to the Department and the Museum Society and then make a decision with respect to the continuation of this element of the project.

²⁷ **Mr. Lang:** I would like to ask the witness, what that \$25,000 entails? Is that just strictly equipment and you are not counting the actual renovations that are required to renovate the building?

Mr. Perry: Basically it includes extra plumbing, electrical and fixtures and furnishings. It does not include the space that the kitchen would occupy. It includes all the fixtures and furnishings required.

Mr. Lang: Then it is safe to say that if you were to include the cost of the space and whatever renovations had to be incurred, that could bring up the actual price of whatever that cafe were to cost. What is the estimate for the renovations that would be required to get to the point where we have to put in the plumbing, et cetera?

Mr. Perry: In the area where the cafe is located, we are not dealing with renovations, we are dealing with new construction. It is part of the addition on the rear of the building.

Mr. Lang: How much did that cost? I think it is misleading to the House, and I am sure that nobody is intending that, to say it has cost \$25,000 if you have a construction project and one element of that construction project in its totality, electrical, plumbing, all

those things cost \$25,000 plus what?

Mr. Perry: The estimate for the construction of the rear addition is \$432,000. The kitchen occupies five percent of that space. The seating and serving area occupies another 12 percent of that space, although that is a bit misleading in that the seating area is seen as part of the foyer area that also serves the gift shop as well. I would think an estimate of about 10 percent of the addition would be devoted to the kitchen and the serving area.

Mr. Lang: All I can say is it is great to be government, as you figure how to justify and how to allocate costs, and I appreciate what the witness is saying to me. To all intents and purposes, if I were a private sector individual, and I were going to go into this particular venture, and if I were going to have, very quickly, the cost to me of putting the structure together for the purpose of having a cafe, in my estimation, in my addition, would be \$25,000 plus approximately one-fifth of the \$400,000, which roughly gives me in the neighbourhood of \$80,000 to maybe as high as \$100,000, depending on the estimate.

I guess one could argue how one arrives at costs. Would the witness not agree that this would be another way of saying what the actual costs would be, when you say you have roughly 17 percent, or 20 percent, of the facility devoted almost totally to the question of serving the food, and also having the kitchenette and various other things. Is this another way of saying it? Would you not agree with me?

Mr. Perry: I guess if we did that then I would have to revise the \$25,000 for equipment and so on downward, because I had included the cost of plumbing and electrical, and so on. Based on your estimate, I would think the figure, doing it this way, would be closer to \$60,000 or \$65,000 then.

Mr. Lang: Then I think we can assume that the cost of going into the cafe business to the Government of the Yukon Territory, whether it is going to be porter steaks or what, is costing you and me \$65,000. That is the question I wanted.

Mrs. Firth: Could the Minister advise the House who he did consult? From the debate I have gathered that he consulted the Member for Dawson, and the Dawson Museum and Historical Association. Did he consult any other groups in the City of Dawson? Did the Department do any kind of a market analysis regarding the competition that this may put the other businesses into?

My discussions were held with the Member for Klondike. I also had discussions with the Dawson Museum Society. I would like to turn the question of market analysis over to the witness.

Mr. Perry: The idea of the cafe has been a fairly long standing issue over the last two years. It had been discussed a number of times between ourselves and Dawson Museum Society. They see it as a significant source of revenue, and they have advocated it from the beginning. The Burke study — a five year plan for the museum — that was completed some months ago recommended very strongly that the museum consider a variety of revenue sources, including a cafe and gift shop within the museum building.

The plans, as we have them now, have been presented to Planning Board in Dawson. I have received no negative comments with respect to the cafe.

Mrs. Firth: I thank the witness for his comments. I would like to know if the Minister will provide a copy of the Burke study to us. I would also like to ask him about the insurance rates for the building. I am sure that, because it is an old building, they are going to be relatively high. With a cafe in it, I would anticipate that the insurance rates would increase dramatically. Has he looked at what cost that is going to be to the government?

Hon. Mr. Porter: I have no difficulty providing the information that was requested by the Member.

As to whether or not I have been watching the insurance rates and whether or not they have escalated, de-escalated, or stayed the same, I would turn that question over to the witness.

Mr. Perry: I have been working very closely with the Yukon Fire Marshall, and so on, in order to construct as safe a building as possible. We have gone to considerable lengths to isolate fire and safety hazards. The main mechanical room, for example, is in the addition at the very back of the building where it is isolated from

the rest of the building.

No one anticipates an increase in insurance rates because of the cafe. There will be no deep fryers; there will be no hoods. Basically, the cafe is somewhat less elaborate than your home kitchen. It will consist of an ordinary four-burner range and a refrigerator. There is no specialized equipment, so we do not anticipate any increase in insurance rates.

Old Territorial Administration Building in the amount of \$810,000 agreed to

On S S Tutshi

Hon. Mr. Porter: A question was raised by the hon. Member for Hootalinqua with respect to the number of jobs associated with the project. The information I provided was incorrect. I did not have a specific number. I suggested that there was possibly two people employed last year. The Member was correct; there were more than two; six people were hired over the summer to work on the project and that number is not going to change. There will be six people again this summer working on the project.

S S Tutshi in the amount of \$100,000

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Hon. Mr. Porter: Before we proceed to the Point-of-Interest part of the Capital Budget, I would like to provide the House with additional information that was asked for by the Member for Porter Creek East regarding Herschel Island. There are a few points to be made. The graves were inventoried during the archaeological work this summer. Two conservation specialists from Parks Canada spent two weeks assessing the condition of the graves and are preparing a report. The headboards were removed for conservation purposes and reproductions will be made this winter for installation next year. Soil specialists investigated the local soil conditions and will present a report. This information will also allow the Department to come up with an interment plan for next year.

On Point-Of-Interest Signs

Point-of-Interest Signs in the amount of \$50,000 agreed to

On Visitor Reception Centres - Landscaping

Visitor Reception Centres - Landscaping in the amount of \$30,000 agreed to

On Visitor Reception Centres - Equipment

Visitor Reception Centres - Equipment in the amount of \$25,000 agreed to

On Special Events Incentives

Mr. McLachlan: What special events?

Hon. Mr. Porter: This particular program is a program that is designed to get more of our people involved in the tourism industry. We have a limit on the program. This is a grant program, and the limitation is \$5,000 per program. It is available to the public if they have some good innovative ideas, and if they want to put those ideas into motion they can go to this program to look for some dollars to start that. There were some programs. I am not sure if Mad Trappers was funded out of this — of course, I am speaking about the two young ladies who do the snowshoe dancing — but, programs like that. They were not funded under this program but, you would envision programs of that nature which are unique, which have a direct tourist appeal, that we would fund under this particular program.

Mr. McLachlan: May those people to whom the \$5,000 is given, only be given it once, and can they charge for either an admission or charge back through the program so that there is revenue recovered? If that is the case, would the money go to the government or stay with the group?

Hon. Mr. Porter: My understanding is that they can only apply once and I do not know if they are able to charge admissions for the events that they put on and I would like a comment from the Deputy Minister as to whether or not that is allowed.

Mr. Lawson: In fact it could be allowed. The program, as the Minister has stated, was designed primarily to assist public organizations or non-profit groups to put on cultural or tourism activities of some benefit that do not have the normal means to provide the financing for the project. It is conceivable as part of the application that something like the Music Festival in Dawson City, or Sourdough Rendezvous, which does charge admission or does

raise some revenue would be considered for assistance. We would consider that at the application stage in determining whether or not and to what level assistance should be provided.

Mr. McLachlan: Does it then follow that all revenues derived through the program stay with the group that put it on? There is no requirement to pay it back to the government?

Hon. Mr. Porter: My understanding is, no, it is a grant to the individuals and there is no requirement that they repay the grant.

Mrs. Firth: Who is going to be approving the projects?

Hon. Mr. Porter: It is my understanding that it goes to the Department of Tourism and they have a project officer who reviews the applications and submits them to the Deputy Minister for approval.

Mr. McLachlan: Is that correct?

Hon. Mr. Perry: It is essentially correct. We have added one element to that process and that is the involvement of someone from the Recreation Branch, because a lot of these activities are of an arts or cultural nature. We are using one of their people to review the applications with us.

Mrs. Firth: So, the approval process is strictly through the officials of the government. There is no other participation on that approval committee?

I want to ask another question about this Special Events Incentive. Is this the kind of program that, say, outfitters could apply for if they wanted to take a trip and market their particular business, or some other travel agency could make a request and go and travel and market their business?

Hon. Mr. Porter: No, in terms of the outfitters who would look at marketing assistance, they would have to approach the Economic Development Agreement and, specifically, the subagreement with respect to tourism where marketing assistance is made available.

Mrs. Firth: I am still not clear exactly who would be eligible to come to this and what they would want it for. I understand the Rendezvous Association, but what tourism business or association, what kind of projects would they put on? Maybe we could have some examples?

Hon. Mr. Porter: I would like to call on the Deputy Minister to provide us with a list of examples.

Mr. Lawson: I do not have an exact list, but I believe to date we have about 12 applications under this program. Some of those are from the Rendezvous Society, Yukon Quest, I believe the Music Festival Association in Dawson City; there has been a representation made to send someone to the Miss Canada Pageant. Those are the types of organizations as opposed to commercial enterprises. The program is designed, as the title indicates, for special events, so it is primarily oriented at activities rather than ongoing marketing programs.

Mr. McLachlan: We have referred to Rendezvous and Yukon Quest, both of which will be over before this budget starts. This is only April 1st, 1986. Do I automatically assume, then, that the Rendezvous and the Yukon Quest will not qualify because they are not within that timeframe for which this budget is being discussed?

Mr. Lawson: No. The applications that are being received right now are under the 1985-86 current year program.

Mrs. Firth: I guess where I find it confusing is it says in the explanation, "to provide funds for financial assistance to tourism businesses, associations and non-profit societies". To me that indicates that maybe there are some business individuals who could come to the government and say, "I would like \$5,000 to have someone come in and read poetry every two hours", or something like that.

Would they be eligible?

Hon. Mr. Porter: I would like to refer that question to the Deputy Minister.

Mr. Lawson: Frankly, yes. I do not believe that we have received any of that nature, but it is conceivable that an organization could get together, rather than as a non-profit society, as a group, intending to make a profit, and they would, by that definition, become a business, but still qualify for assistance if we determined that the project had a significant tourism benefit.

Special Events Incentives in the amount of \$75,000 agreed to

On Streetscape Development

Streetscape Development in the amount of \$200,000 agreed to

On Visual Arts Acquisition

Visual Arts Acquisition in the amount of \$100,000 agreed to

Mrs. Firth: The Visual Arts Acquisition is for Yukon artworks to be placed. How is this going to proceed? What is the plan for it? How are you going to go about doing this and spending this \$100,000?

Hon. Mr. Porter: The project consists of the purchase of artwork based on a 50/50 cost share with donations from the private sector. This is an ongoing project as per the government agreement with the Friends of the Gallery for selection and purchase. It is the responsibility of the Society, through the Acquisitions Committee, and the maintenance and housing is the responsibility of the government.

The purchase of artwork, or the second part of it, is for the Philipsen Building art gallery. This is the second year of a two-year project to purchase artwork for the Philipsen Building.

It is my understanding that there are discussions now internally between the Department of Tourism and the Department of Economic Development to structure a committee to facilitate a call for artwork and that the necessary art be proposed to the Committee and then the Committee makes a decision. Is that correct?

Mrs. Firth: Has the art community been consulted regarding this matter? Have they had some input into it?

Hon. Mr. Porter: I would like to refer that question to Mr. Perry.

Mr. Perry: To a limited extent, the art community has been consulted. Basically, the consultation process will occur during the call for tenders and in the selection of the artwork. A steering committee is now being established, and that steering committee will set the final parameters for the program and will establish an acquisitions committee, which will be made up of a number of art interests, and so on, throughout Yukon. It will be that committee that will then determine in large measure the types of artworks to be included in the building, particularly the Law Building, and will make the final selections.

Visual Arts Acquisition in the amount of \$100,000 agreed to

On Travel Film

Travel Film in the amount of \$15,000 agreed to

On Yukon Pavilion — Expo '86

Yukon Pavilion — Expo '86 in the amount of \$100,000 agreed to

On Northern Oil and Gas Action Program

Northern Oil and Gas Action Program in the amount of one dollar agreed to

On Economic Development Agreement

Economic Development Agreement in the amount of one dollar agreed to

Department of Tourism in the total amount of \$2,782,000 agreed to

Chairman: The witnesses are excused. Thank you.

On Schedule A

On Executive Council Office

Executive Council Office in the amount of \$21,000 agreed to

On Community and Transportation Services

Community and Transportation Services in the amount of \$38,122,000 agreed to

On Economic Development: Mines and Small Business

Economic Development: Mines and Small Business in the amount of \$7,417,000 agreed to

On Education

Education in the amount of \$17,161,000 agreed to

On Government Services

Government Services in the amount of \$6,394,000 agreed to

On Health and Human Resources

Health and Human Resources in the amount of \$3,352,000 agreed to

On Justice

Mr. Lang: We have to verbally register once again our opposition to constructing a \$900,000 building which will be empty

up to five years from now, if not longer. I think it is an irresponsible way to authorize money on behalf of the taxpayers of the territory.

*Justice in the amount of \$4,179,000 agreed to
On Renewable Resources*

Mr. Lang: We have to, once again, register our opposition to the famous Frenchman/Tatchun debate on the allocation of \$50,000 towards something that we feel the taxpayers of the territory were not responsible for and it is just the Minister of Renewable Resources who is spending other people's money.

*Renewable Resources in the amount of \$1,507,000 agreed to
On Tourism*

Tourism in the amount of \$2,782,000 agreed to

First Appropriation Act, 1986-87 in the total amount of \$80,935,000 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Penikett: I move that the Chairman report Bill No. 52 without amendment.

Motion agreed to

33 Bill No. 6 — An Act to Amend the Financial Administration Act

Chairman: We will refer to Bill No. 6, *An Act to Amend the Financial Administration Act*.

Hon. Mr. Penikett: I believe this is a fairly straightforward measure. I explained in Second Reading that there are two principles in the Bill. One, to increase the amount of money in the Highways material fund to permit the purchase of asphalt mix for this fund. This makes it possible to stockpile more than a year's supply of the various inventories throughout the territory. The Department of Community and Transportation Services feels this is more economical than manufacturing only a year's supply and trucking it from various central locations.

The second question which is important is the question of alternate membership on Management Board. Right now, as Members will know, the members of record are the same members as are listed for the Financial Advisory Committee, namely the Minister of Renewable Resources, the Minister of Justice and me. It will be quite useful with future governments as well so that there will be no problem with want of a quorum in the Management Board, the idea is that we name other Members of Cabinet as alternates with the power to sit in the absence of another Minister. Those are really the two principles in the Bill.

Mr. Lang: There is no problem with the latter principle.

There was a controversy raging in the bureaucracy of whether or not it should be a requirement to keep track of the crushed material in our gravel pits which would require an annual review because of our *Financial Administration Act*. One department's point of view, which I concurred with, was that we should not do that, because what it did was create a position where there were a great deal more expenditures that would have to come out of the Highway/Community Affairs budget to keep track of this material. Finance was very adamant that this should go on because of the ledger and various procedures and systems. I would like to ask the Minister if that has come to his attention? If it has not, I think that it is an area that he should watch very closely because I think that he is going to incur costs there strictly for the sake of accountancy as opposed to the realistic world that we live in.

Hon. Mr. Penikett: That may be very useful advice and I will take that advice under advice and discuss it with the Minister of Community and Transportation Services who actually has to manage the inventory. As the former Minister well knows, there are, from time to time, disagreements between different departments as to how something should be managed. The use of revolving funds is an old one. It is arising not just from a fixation in

the Department of Finance, but very strongly held views by the Auditor General about how such inventory should be managed. The real reason that we are getting into this increased limit has to do with not just the asphalt, but the rising costs for things like calcium chloride and signing materials, and centre-line marking paint, and all those things which have to be carried in the inventory. The \$2,000,000 limit was just not practical. We could not carry a season's worth of material in the revolving fund that way.

34 Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Title

Title agreed to

Hon. Mr. Penikett: I move that you report Bill No. 6, *An Act to Amend the Financial Administration Act* without amendment.
Motion agreed to

Bill No. 10 — An Act to Amend the Income Tax Act

Hon. Mr. Penikett: I will be quite simple about this Act. The wording is much more complicated than I would like. The purpose of this Act is as it is described in the explanatory note: to make amendments required as a result of changes to the *Income Tax Act* of Canada. As the changes are made in the *Income Tax Act* of Canada, as they come out every Budget, we are required to make consequent changes in our Act, so that our Act matches the federal Act. That is really what these changes are.

I may as well explain at the outset, I am not an expert in this Act. Any detailed explanations that I am asked for in respect to particular clauses, I will have to read from prepared notes. Once we exhaust the fund of knowledge that is contained in these notes, there will be no more — at least not from me.

On Clause 1

Clause 1 agreed to

Chairman: Do you want to clear all of subclause 1 or go through each subsection? What is your preference? Each subsection?

On Clause 2

Clause 2 agreed to

35 Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Mr. Lang: On Clause 4(2), what does this do? Is this an income tax deduction?

Hon. Mr. Penikett: You are now going to get my scripted explanation.

Clause 104 of Bill C-135, which was the previous amendment to *The Income Tax Act*, made several amendments in respect to withholding taxes at source, Paragraph 153(1)(a) has been amended to proscribe withholding in respect to all amounts paid at the Royal Assent of Bill C-139, as salary, wages or other remuneration, regardless that it is made, or not made, for an officer or employee. A similar amendment is hereby proposed for the *Yukon Income Tax Act*.

Clause 153(1)(i) of the federal Act has been amended to substitute the words "a training allowance" and "*National Training Act*" for "an adult training allowance" and "*Adult Occupational Training Act*", respectively, effective August 2, 1982. The *Yukon Income Tax Act* reflects this change.

It means a couple of federal Acts had their names changed, and therefore we have to change the names in this Act.

Mrs. Firth: On Clause 4(3), could we have a brief explanation of what is meant by that. Sometimes it helps if the Minister could cite an example that would relate to it.

Hon. Mr. Penikett: I would love to be able to, but that may be beyond me. I want to explain that the Acting Deputy Minister of Finance is begging me not to call on him for too much information on this, because he claims that there is no one presently in the Department who knows enough about the federal *Income Tax Act* to be able to sustain an intelligent two-hour conversation on the

subject.

Let me try and see if I can answer the Member's question. Maybe I can do it by explaining the rest of the information, the entire information I have, about Clause 4. Maybe that will be clear to the Member.

Because of the repeal of the definition "termination payment", in subsection 248(1) of the federal Act, paragraph 153(1)(n) of the federal Act had to be repealed. It has been replaced by a new paragraph, which requires withholding in respect of any amount received after 1981 as a benefit under *The Labour Adjustment Benefits Act*. Every amount that falls under the former definition "termination payment" will be subject to withholding, because the definition "retiring allowance" now includes those payments.

However, the former paragraph 153(1)(n) of the federal Act will continue to apply to a payment made after November 12, 1981, with respect to a termination of an office or employment that occurred before November 13, 1981. Amendments to the Yukon *Income Tax Act* are necessary to reflect these changes.

Another amendment, paragraph 153(1)(n) of the federal Act, allows a taxpayer to elect to have any amount paid to him to be subject to withholding tax, even if it is not specifically enumerated in paragraph 153(1)(a) to (n) of the federal Act. A corresponding amendment is proposed here to the Yukon *Income Tax Act*.

Subclause 104(3) of Bill C-139 amended subsection 153(2) of the federal Act. The previous subsection 153(2) referred only to remuneration. The amendment ensures that all the receipts from which tax has been deducted under subsection 153(1) of the federal Act are to be included in the rule for determining when quarterly instalments are required.

* The corresponding amendment is proposed to the Yukon *Income Tax Act* if the Member opposite understands that, God bless her.

Mrs. Firth: I was just going to say that the amendments are clearer than the explanation that the Minister just gave.

Maybe the witness, or the Minister, could tell us what initiated us having to make these amendments? Was it something to do with the federal Budget and amendments they made that we have to go ahead with this?

Hon. Mr. Penikett: As I said at the outset, every time there is a new federal Budget, they amend the federal *Income Tax Act*. Our Act has to stay in compliance with the federal *Income Tax Act* because our Act refers to clauses and sections to the federal *Income Tax Act*. If those clauses or sections are changed, we have to make consequent changes in our Act. We are obliged to do it.

Mrs. Firth: If there are very few people in the Department of Finance who understand, and the Minister does not, who drafted the Bill, and how do we know it is right and we are not doing anything nasty to the taxpayers of the Yukon Territory?

Hon. Mr. Penikett: That has been double checked very carefully. We hired, I believe, a very good Conservative, to do the drafting of the Bill. The tax people in the Department are perfectly capable. Mr. Ray Hayes, for example, comes from Revenue Canada. To require someone in the Department who is expert on nothing else but the federal *Income Tax Act* would be beyond the capacity of the Department at present.

Hon. Mr. Kimmerly: The wording of this Act follows, exactly, the wording of the federal Act.

Mrs. Firth: Yes, I have checked that. Thank you.

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

Clause 7 agreed to

On Clause 8

Clause 8 agreed to

On Clause 9

Clause 9 agreed to

³⁷ *On Clause 10*

Clause 10 agreed to

On Title

Title agreed to

Hon. Mr. Penikett: Mr. Chairman, I move that you report passage of Bill No. 10, entitled *An Act to Amend the Income Tax Act*, without amendment.

Motion agreed to

Bill No. 36: *Financial Agreement Act, 1985-88*

On Clause 1

Hon. Mr. Penikett: Briefly, this is the Bill that we have customarily had to pass every year, which gives effect to the *Financial Agreement Act*. In this case it is for a longer period than just a year, and Members on the other side of the House have wanted to take credit, perhaps justly so, for their having negotiated this agreement. Of course, the officials from the Department of Finance will also feel that they are due some credit. This Bill just gives effect to that financial agreement.

Mrs. Firth: I do believe that my colleague from Porter Creek East spoke at some length at second reading of this Bill. It does herald a new era in responsible government for us. After having just passed an \$81 million Capital Budget, I think we should all just pause for a minute and realize how much money we have actually spent on behalf of the Yukon taxpayers. I have had quite a few of my constituents make comments to me in the last little while that, when they added up the O&M Budget the Yukon Territory is now getting, and the Capital Budget, they come up with almost \$250 million, and it is not unreasonable that some people in the Yukon find that rather astonishing. I find it astonishing myself.

Hon. Mr. Penikett: I think the remarks made by the Member opposite are well taken. We should understand that the Northwest Territories which, of course, has a similar agreement, I believe their budget is now approaching a billion dollars.

Mrs. Firth: I understand what the Minister is trying to say, but I really do not think it is any justification for us not taking into light the seriousness of the amount of money we are spending — and it is our money, really — the Canadian taxpayers' money. I just want to impress upon all Members of the House that we do our best to spend it responsibly.

On Clause 2

Mrs. Firth: Are these all new definitions? If they are, maybe we could just have a brief explanation of what is going to be different now from the past?

Hon. Mr. Penikett: No, most of the definitions are not new ones. I believe, that 'base period gross expenditures' is not a new definition for the experts; it has a new meaning for us because of the way the formula is calculated.

³⁸ **Mr. Lang:** From our side, we have full knowledge of this Bill and the implications. If the side opposite is agreeable, we would deem it to be read.

Chairman: Do we have unanimous consent?

Some Members: Agreed.

Clauses 2 to 4 deemed to have been read and agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Penikett: I move that you report Bill No. 36, *Financial Agreement Act, 1985-86*, without amendment.

Bill No. 48 — *An Act to Amend the Fuel Oil Tax Act*

Hon. Mr. Penikett: As I explained in the Second Reading speech, this Bill basically gives permanent effect to the fuel oil tax remission announced in the Budget plans of the government and it is a tax reduction. The permanent introduction of this measure means that we are getting into a program of colouring gasoline, diesel and heating fuel in order to implement it and that is something really new here but those Members of the House, like the Member for Riverdale South, who grew up in the Prairies and places where they had purple gas flow know very well as it operates elsewhere in the country.

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

Mrs. Firth: On subsection 5(3), on permits, is it going to be a permit or a number, or what is it going to be?

Hon. Mr. Penikett: I believe what is contemplated is that people who are engaged in these occupations who have legitimate need to use this fuel will be eligible to get permits, which will be issued through the Department of Finance. There will be a registry of people. As you know, we have a double system right now. You can either submit rebates for it, or you can have a permanent system before you buy.

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Penikett: I would ask that you report Bill No. 48, *An Act to Amend the Fuel Oil Tax Act*, without amendment.

Motion agreed to

Hon. Mr. Penikett: I wonder if I could ask that you report progress on these Bills, and that the Speaker do resume the Chair.

Mr. Lang: Would the Member entertain a question? Why are we asking the Speaker to come back to the Chair when it is 4:25 and we seem to be expediting these Bills fairly quickly?

Hon. Mr. Penikett: No problem. I will state the reason here. I do not know what agreements have been made, but I am assuming that one of the things I was told was that if we clear these out of Committee we would be able to do third readings on some of these Bills today. I know nothing about the agreements. I was just assuming. I do not know what the House business is after this.

Mr. Lang: The House business, the way I was told, was that we would go through the order of business as it was scheduled by dealing with all the Bills in Committee, report them out of Committee, and the third reading would be scheduled at a different time. It is 4:25, and I think we could expedite a lot more work if we continue on.

Hon. Mr. Penikett: I am naturally more than happy to do whatever we can to expedite getting more work done. I just was trying to be helpful in my own fumbling, incompetent, sort of clumsy way. If that is not to the wishes of the House, I will do whatever the House wants.

Chairman: Before proceeding with Bill No. 8, *An Act to Amend the Business Corporations Act*, is it a wish of the Members to take a brief recess, or to continue?

We will now recess for five minutes.

Recess

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

Bill No. 8: *An Act to Amend the Business Corporations Act*

On Clause 1

On Clause 2

Mr. Lang: I have a question for the Minister responsible. I understand this is effectively uniform law is it not, and it has been dealt with accordingly, I would assume, by the legal profession. We have no outstanding questions as far as subsections are concerned and, if the Minister could verify that, I would move that we deem the Bill to be read as opposed to wasting the time of the House.

Hon. Mr. Kimmerly: I can verify everything except the phrase 'uniform law'. This is not properly called uniform law. It is a modelled on the Alberta Act. These changes have all occurred, word for word, or virtually word for word, in Alberta and passed in Alberta. The purpose is to carry our law along consistently with Alberta's. A full consultation with the legal community has occurred and I am completely unaware of any outstanding issues or any controversial issue.

Mr. Lang: From our side, I would move that we deem the Bill to be read.

Chairman: Do we have unanimous consent?

Some Members: Agreed.

Hon. Mr. Penikett: I thought the Member for Whitehorse South Centre was the only one who did that.

Motion agreed to

Clauses 2 to 14 deemed to have been read and agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: Mr. Chairman, I move that you report Bill 8, *An Act to Amend the Business Corporations Act*, without amendment.

Motion agreed to

Bill No. 18: *Fine Option Act*

On Clause 1

Mr. Lang: There was some concern registered by our side of the House. We have gone through the Bill, and as far as the layout of the Bill is concerned and the principles, it seems to be fairly straight forward. I think it was the Member for Riverdale North who had some concerns about this particular Bill providing an avenue where jobs could be taken away from the general public.

If the Minister could answer that question, I would say that we have no further questions on it. I think the Member for Riverdale North may.

Hon. Mr. Kimmerly: I understand the concern of the Member opposite. It is a similar principle to the principle of incarcerated persons doing work. That is all part and parcel of the same issue. Another part of it is it is frequently the case that courts order probation orders, where there are numbers of hours of community work service to do. It is a principle, and we hold this to be a very important principle, that that work should not take away work from persons who might otherwise do it and be paid for it, that is non-sentenced persons, or to put it provocatively, non-criminals.

That is clearly the policy of the government. It was the policy of the previous government on the previous Fine Option Program that did exist for some time, and on the Community Work Program that the work crew at the Correctional Centre has been carrying out for more than five years. That continues to be a policy.

I will make a commitment to this House that while I am the Minister that if it is demonstrated that any work is being done is taking away from paid work, we will stop that immediately.

Mr. Phillips: With that assurance, we on this side have no further problems. We would like to deem the Bill be read.

Chairman: Is it with the unanimous consent of the House?

Some Members: Agreed.

Clauses 2 to 9 deemed to have been read and agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: I move that you report Bill No. 18, *Fine Option Act*, without amendment.

Motion agreed to

Bill No. 20: *Funeral Directors Act*

On Clause 1

Hon. Mr. Kimmerly: I can usefully say little more than what I said at second reading. I have personally directed that that consultation occur with the funeral director who is here. I have not done that, but I have been assured that there is no controversy or problem about it.

The policy here is the minimum regulation that is practical.

Mr. Lang: I would make the point, first of all, that I understand the present individual involved is thought of very highly by those people who go to him. I think that should go on the record.

A lot of work was done by the previous administration internally, because of a problem that arose two years ago, or a year and a half ago, where we had somebody in the business who really did not know what they were doing, the way I understand it. I think that is a valid observation.

Is this more or less following the provincial jurisdictions, as far as the Act itself is concerned, and how it is formulated? Is that correct?

Hon. Mr. Kimmerly: That is correct. I thank the Member for putting that information on the record.

Mr. Lang: Once again, here is a non-controversial Bill. My point being is that we have responsibilities as legislators to go through it and try to pick out if there are any errors from our knowledge, and from our research on it, and from our previous research. We do not see a problem with the Bill, the principle of the Bill, nor the way it is written. Therefore, unless the government has something further to add, I would deem it to be read.

Mr. McLachlan: To whom do we look for the competence of the registration now of funeral directors? Do we look to Alberta or BC; what makes a funeral director, and what does not make a funeral director?

Hon. Mr. Kimmerly: There has not been any registration procedure in the past. This Bill is calling for the registration of qualified individuals, exactly as the requirements for registration that exist on any other Acts; for example, on pharmacists. That has been controversial in the past. If a person is qualified according to the Acts and the regulations, then they are registered. We do not analyze individuals or evaluate them.

Mr. Lang: If I could just say to the Member for Faro, if he read the Bill, section 5 is the major principle as far as what is required and is prescribed by the regulations, and the individual is required to take a course and provide his credentials so he can go to work. I think that answers the question for the MLA for Faro.

Mr. McLachlan: What I am simply getting at is that, as the Member for Porter Creek East has said, previous shams, virtually, were instituted. If someone comes forward with the idea that he is a funeral director and makes representation to the government that they can embalm bodies, how are his credentials checked?

Hon. Mr. Kimmerly: As a practical matter, we follow the qualifications obtained in other provinces.

Chairman: Do we have unanimous consent?

Some Members: Agreed.

Clauses 2 to 9 deemed to have been read and agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: Mr. Chairman, I move that you report Bill No. 20, entitled *Funeral Directors Act*, without amendment.

Motion agreed to

Bill No. 22: An Act to Amend the Retirement Plan Beneficiaries Act

On Clause 1

Mr. Lang: This is the same case. It is something that was dealt with previously and our side does not have any questions on the principle of the Bill. If we have consent of the House, we would give unanimous consent to clear it through Committee.

Chairman: Do we have unanimous consent?

Some Members: Agreed.

Clauses 2 and 3 deemed to have been read and agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: I move that you report Bill No. 22, entitled *An Act to Amend the Retirement Plan Beneficiaries Act*, without amendment.

Motion agreed to

Bill No. 24: An Act to Amend the Insurance Act

On Clause 1

Mr. Lang: In scrutiny of the Bill, it would appear that this Bill has been worked on over the course of the last six months in its formulation. Can I ask the Minister: is there any change of policy? We do not see any.

Hon. Mr. Kimmerly: Not at all.

Mr. Lang: Then I would move once again that we deem the Bill to be read.

Chairman: Does this have unanimous consent?

Some Members: Agreed.

Clauses 2 and 3 deemed to have been read and agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: Mr. Chairman, I move that you report Bill No. 24, entitled *An Act to Amend the Insurance Act*, without amendment.

Motion agreed to

Bill No. 26: An Act to Amend the Summary Convictions Act

On Clause 1

On Clause 2

Mr. Phelps: In the absence of the hon. Member for Porter Creek East, I would put forward a Motion that we deem this Bill as having been read.

Chairman: Do we have unanimous consent?

Some Members: Agreed.

Clauses 2 to 6 deemed to have been read and agreed to

Clause 1 agreed to

32 On Title

Title agreed to

Hon. Mr. Kimmerly: I would move that you report Bill No. 26, *An Act to Amend the Summary Convictions Act*, without amendment.

Motion agreed to

Bill No. 14 - An Act to Amend the Chiropractic Act

On Clause 1

Hon. Mr. Kimmerly: I would ask you to stand this Bill and go on to the next one. I purposely notified the medical community of this change and I am scheduled to meet with the executive this week and it would be inappropriate to pass the Bill before that consultation occurs.

Mr. Phelps: Is it anticipated that Section 3 might be a problem?

Hon. Mr. Kimmerly: Yes. It is not a problem as much as it is controversial. The Medical Association is opposed to that and wish to consult about it. The chiropractors and the Department are in favour of it, but the Medical Association is taking the same position as they did for pharmacists and optometrists. The previous government passed the law over the objection of the Medical Association and this is the same principle.

Bill No. 14 stood over

Bill No. 30 - An Act to Amend the Sale of Goods Act

On Clause 1

Mr. Phelps: We certainly have been suffering from inflation in the Yukon, I would think.

Hon. Mr. Kimmerly: Inflation has occurred here as it has everywhere else.

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: I move that you report Bill No. 30, *An Act to Amend the Sale of Goods Act*, without amendment.

Motion agreed to

Bill No. 32: An Act to Amend the Partnership Act

On Clause 1

Chairman: General debate.

Hon. Mr. Kimmerly: I cannot add anything more than what I said at second reading. Some of this is a clarification and correction about very minor points. The single important principle is the deregulation; it is not requiring the names of limited partners to be on file with the government and, therefore, public documents, or public information.

The legal community has been consulted, and they see no problem in the Bill.

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Clause 5 agreed to

On Clause 6

Clause 6 agreed to

On Clause 7

Clause 7 agreed to

On Clause 8

Clause 8 agreed to

On Clause 9

Clause 9 agreed to

On Clause 10

46 Clause 10 agreed to

On Clause 11

Clause 11 agreed to

On Clause 12

Clause 12 agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: I move that you report Bill No. 32, *An Act to Amend the Partnership Act*, without amendment.

Motion agreed to

Bill No. 38: Central Trust Company and Crown Trust Company Act

On Clause 1

Hon. Mr. Kimmerly: This Bill is identical, except for substituting the word "Yukon" and the like to the Bills passed by all other jurisdictions.

Mr. Phelps: That being the case, I move that this Bill be deemed to be read.

Chairman: Do we have unanimous consent of the Committee.

Some Members: Agreed.

Clauses 2 to 10 deemed to have been read and agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: I move that you report Bill No. 38, *Central Trust Company and Crown Trust Company Act*, without amendment.

Motion agreed to

Bill No. 46: An Act to Amend the Matrimonial Property and Family Support Act

On Clause 1

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: I move that you report Bill No. 46, *An Act to Amend the Matrimonial Property and Family Support Act*, without amendment.

Motion agreed to

Bill No. 50: An Act to Amend the Reciprocal Enforcement of Maintenance Orders Act

On Clause 1

Mr. Phelps: Could the Minister just advise whether he has discussed this at all with the members of the Law Society?

Hon. Mr. Kimmerly: I personally have not, but I really cannot give my personal assurance that this went to them. I think it did, but to my personal knowledge, I cannot say so.

Mr. Phelps: I was wondering if it could be set aside until tomorrow, and he could find out for us.

Hon. Mr. Kimmerly: Certainly.

Bill No. 50 stood over

47 **Bill No. 56: An Act to Amend the Noise Prevention Act**
On Clause 1

Hon. Mr. Kimmerly: This is a Bill that I believe was prepared under the previous administration. It has not been changed in any event. It does widen the scope of the *Noise Prevention Act*. We are, of course, particularly interested in the rights of individuals and in not curbing those rights unduly but there has been a political judgment made here to the effect that, where individuals are engaged in activities which are very loud — primarily drinking parties in the suburbs — to the extent that it annoys the neighbours to such a degree that they call the police, the police should have some power to stop that nuisance. That is the principle of the original Act and this widens it somewhat.

Mr. Lang: I know it is a new Bill but it is not a new problem. I appreciate that. Is this in a good part copied from a neighbouring provincial jurisdiction, because I am sure they have had similar problems in trying to weigh the peace and quiet that an individual expects as his right versus that of the right of the individual to go and conduct his own business?

Hon. Mr. Kimmerly: The short answer is yes. The long answer is all of the Acts in provincial jurisdictions were looked at and this is generally consistent.

On Clause 2

Clause 2 agreed to

On Clause 3

Mr. Lang: In subsection 3(2)(a), "For the purposes of subsection (1), a person whose name is shown on a certificate of title in the Land Titles Office for the Yukon Land Registration District as an owner of an interest in land on which the premises are located shall be presumed to be an owner of the premises in the absence of evidence to the contrary." Perhaps I have misread the Bill, but does that mean that if I am the landlord and I have rented out my premises, that I bear the responsibility for the individuals who are causing the disturbance?

Hon. Mr. Kimmerly: No.

48 Clause 3 agreed to

On Clause 4

Clause 4 agreed to

On Clause 5

Mr. Lang: I would like to have it verified that it is a requirement to have a search warrant if you are going inside. Is that correct under subsection 2?

Hon. Mr. Kimmerly: Yes.

Clause 5 agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: I move that you report Bill No. 56, *An Act to Amend the Noise Prevention Act*, without amendment.

Motion agreed to

Bill No. 70: Miscellaneous Statute Law Amendment Act, 1985

Hon. Mr. Kimmerly: We have been very scrupulous in the policy about only putting in this Bill previous errors or amendments in wording that are so minor that it is inappropriate to have a separate amendment bill for each of the facts dealt with here.

Mr. Phelps: I have a question about one of the sections. Section 21 of this Act, dealing with an *Act to Amend the Liquor Act*, pertains to an act that was in place with regard to transporting liquor to Old Crow. That Act had a clause that caused it to be of no effect after two years from the proclamation of it. Has there been any consultation with the Band in Old Crow with regard to a replacement?

Hon. Mr. Kimmerly: The short answer is yes, there has been, but the problem here is that this Amendment was never proclaimed and was never the law. We are following the policy that it is inappropriate for the Legislature to pass a law and the Executive arm of government to never proclaim it. This is bringing it back and appealing it. The consultation occurred with the Band Council, or most of it, in the presence of the Member for Old Crow, three

weeks ago, or thereabouts, and the Band Council expressed a very clear view that the law they wanted was a law similar to the provisions for communities in the Northwest Territories.

49 That would allow the community to set up a regulatory committee within the community. I am not aware of any other community asking for any such thing. It appears that Old Crow is, once again, a special case in this regard.

Mr. Lang: We would then deem the Bill to be read.

Chairman: Does this have the unanimous consent of all Members?

Some Members: Agreed.

Clauses 2 to 21 deemed to have been read and agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Kimmerly: Mr. Chairman, I move that you report Bill No. 70, *Miscellaneous Statute Law Amendment Act, 1985*, without amendment.

Motion agreed to

Chairman: Bill No. 34, *An Act to Amend the Home Owners' Grant Act*

Hon. Mr. Penikett: Did you miss Bill No. 42, Mr. Chairman?

Chairman: Pardon me, Bill No. 42, *Revised Statutes Act*.

Bill No. 42: Revised Statutes Act

On Clause 1

Hon. Mr. Kimmerly: I was advised just this afternoon that there was an agreement, I believe, among the various House Leaders to refer the appendix, which is the entire statute law of the Yukon, to the Statutory Instruments Committee. I will prepare the necessary Motion here, and I would ask that this be stood until that Motion is prepared.

Mr. Lang: We would expedite such a Motion. I do not know what the exact procedure is to get it out of Committee into another committee. Generally you do that at the introduction of the Motion, I believe.

Hon. Mr. Penikett: On a point of order. I think it is quite perfectly within our capability to send it from this Committee to another committee now.

Hon. Mr. Kimmerly: I move that Bill No. 42, *Revised Statutes Act*, be referred to the Standing Committee on Statutory Instruments.

Motion agreed to

Bill No. 34: An Act to Amend the Home Owners' Grant Act
On Clause 1

Hon. Mr. Penikett: This is a very simple Act. It is designed to correct an error that was done last time we amended the Act and raised the Home Owners' Grant from \$300 to \$350. What was neglected at that point was to raise the portion that benefited senior citizens. This is simply here to correct that oversight.

50 *On Clause 2*

Clause 2 agreed to

Clause 1 agreed to

On Title

Title agreed to

Hon. Mr. Penikett: Mr. Chairman, I move that you report Bill No. 34, entitled *An Act to Amend the Home Owners' Grant Act*, without amendment.

Motion agreed to

Bill No. 16: An Act to Amend the Employment Standards Act

On Clause 1

Hon. Mr. Kimmerly: On general debate, I will notify all Members that we have an amendment here. It is virtually an inconsequential amendment, as all Members will see. I will circulate it. It is an amendment to Clause 5(1), page 2. At the appropriate time, I will rise and introduce it.

Mr. Lang: I am still not clear on the direct ramifications this is going to have. I know you are clarifying, for the purposes of

perhaps easier administration, the definition section as far as building construction, heavy construction, road, sewer and water mains construction. Does this primarily refer to government contracts and the requirement to pay the wage schedule as set out by the governments, both federal and territorial?

Hon. Mr. Kimmerly: Yes.

Mr. Lang: Further, why is this being required? Are there problems? I would like an idea of what we are discussing here.

Hon. Mr. Kimmerly: There were problems, and I have numerous notes here. I did not read them exactly at the second reading stage, but I could supply the notes to the Member, or identify the problem at each section, or I could give a 20-minute speech — whichever they would prefer.

Mr. Lang: That sounds like quite an offer — it sounds like dying and going to Heaven! As my colleague says, 'cruel and unusual punishment', which I am sure the Member opposite would not want to inflict upon me!

I just wanted a short explanation, not a dissertation for a week or anything like that. It is fairly important; we are amending a very important Bill, and I am not quite clear on the real intent and purpose behind it. I just want to know whether there are financial implications and, if there are, to whom?

51 **Hon. Mr. Kimmerly:** There are no financial implications. I would suggest that I explain the clauses as we go through. That would probably answer the questions.

Mrs. Firth: I had a constituency concern raised with me regarding taxi companies. Is that covered in this legislation and will it be resolving the problem brought forward to both the Minister and myself?

Hon. Mr. Kimmerly: There is a problem about the administration of this Act to taxi companies. This Act does not resolve the problem. I wish it did. I am still looking at the appropriate way to resolve the problem, because in my view the government could resolve the problem in a fashion that is more appropriate than exists now. Under the previous law, there was an Executive Amendment, or an OIC regulation which exempted the taxi business. Under the new Employment Standards Act, no such regulation was enacted.

I have contacted all of the companies in town and many of the drivers, although not all of the taxi drivers. The problem essentially is that taxi drivers, by and large, are paid a percentage of the fares that they take. It is difficult to translate that appropriately to an hourly wage. It is clearly recognized in the profession that the good drivers earn more than the poor drivers. Consequently it is like an independent business person to some degree. There is an argument that taxi drivers should be paid the minimum wage, along with everyone else, which is a compelling argument. In fact, in almost all of the companies, almost all of the drivers do make a minimum wage. There are one or two occasions where the drivers are not interested. It is like part-time employment, or a part of an hour, or that kind of an activity, and it is difficult to regulate. The government is looking at a way to solve that problem, probably in the regulations, but possibly here in this Act. I would be very interested in a practical, concrete suggestion about an amendment, that we could look at specifically.

52 **Hon. Mr. Porter:** I rise at this particular point to inform the Committee of the Whole that the Motion to refer Bill No. 42 to the Standing Committee on Statutory Instruments is totally out of order, and that I have sought advice on this issue. The advice that I have received is that only the Assembly can make such a decision.

I submit that you do not report that to the Speaker, and that the matter be dealt with at the Assembly by way of a Motion of the Assembly directing that Bill No. 42 be referred to that committee.

In view of the time, I move that you report progress on Bill No. 16.

Motion agreed to

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

May the House have the report from the Chairman of Committee of the Whole.

Mr. Webster: The Committee of the Whole has considered Bill No. 52, *First Appropriation Act, 1986-87*; Bill No. 6, *An Act to Amend the Financial Administration Act*; Bill No. 10, *An Act to Amend the Income Tax Act*; Bill No. 36, *Financial Agreement Act, 1985-88*; Bill No. 48, *An Act to Amend the Fuel Oil Tax Act*; Bill No. 8, *An Act to Amend the Business Corporations Act*; Bill No. 18, *Fine Option Act*; Bill No. 20, *Funeral Directors Act*; Bill No. 22, *An Act to Amend the Retirement Plan Beneficiaries Act*; Bill No. 24, *An Act to Amend the Insurance Act*; Bill No. 26, *An Act to Amend the Summary Convictions Act*; Bill No. 30, *An Act to Amend the Sale of Goods Act*; Bill No. 32, *An Act to Amend the Partnership Act*; Bill No. 38, *Central Trust Company and Crown Trust Company Act*; Bill No. 46, *An Act to Amend the Matrimonial Property and Family Support Act*; Bill No. 56, *An Act to Amend the Noise Prevention Act*; Bill No. 70, *Miscellaneous Statute Law Amendment Act, 1985*; Bill No. 34, *An Act to Amend the Home Owners' Grant Act*; and directed me to report the same without amendment.

Further, the Committee directed me to report progress on Bill No. 16, *An Act to Amend the Employment Standards Act*.

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. Porter: I move that the House do now adjourn.

Speaker: It has been moved by the hon. Government House Leader that the House do now adjourn.

Motion agreed to

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

The House adjourned at 5:29 p.m.

The following Filed Document was tabled on October 22, 1985:

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Contract Regulations (Lang)