



The Yukon Legislative Assembly

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HANSARD

Thursday, April 10, 1986 — 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 Penikett	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 Directorate.

GOVERNMENT PRIVATE MEMBERS

New Democratic Party

Sam Johnston	Campbell
Norma Kassl	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
Alan Nordling	Whitehorse Porter Creek West
Doug Phillips	Whitehorse Riverdale North

Liberal

Roger Coles	Liberal Leader Tatchun
James McLachlan	Faro

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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**
Thursday, April 10, 1986 — 1:30 p.m.

Speaker: I will call the House to order.
 At this time we will proceed with prayers.

Prayers

⁰² **DAILY ROUTINE**

Speaker: We will proceed with the Order Paper.
 Introduction of Visitors?
 Are there any Returns or Documents for Tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Kimmerly: I have the answer to a written question asked March 24 by the Member for Porter Creek East.

⁰³ **Mr. Lang:** On a point of order, Mr. Speaker.
Speaker: A point of order has been raised.

Mr. Lang: It has come to my attention that it is the birthday of one of the Members of the side opposite. I understand that the Member happens to be considerably younger than myself. In fact, quite a number of the Members of the House exceed her age by quite a number of years. I would like to wish happy birthday to the Member for Old Crow and wish her all the best today and in the days to come.

Applause

Hon. Mr. Penikett: Not on the point of order, but of course, our caucus extends greetings to the Member for Old Crow too and have been doing so for a couple of days, much to her embarrassment. I know she is reassured by the fact that she is not the youngest Member of our caucus. That Member is to be found elsewhere.

I have for tabling today an answer to a question that was put with respect to employment contracts and a list of those positions and the contracts.

Speaker: 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?
 This then brings us to the Question Period. Are there any questions?

QUESTION PERIOD

⁰⁴ **Question re: Faro housing mortgage**

Mr. Phelps: I have some questions again with regard to the second mortgage that was made between Curragh Mining Properties Inc. and the Commissioner of the Yukon Territory dated the November 22, 1985 and filed in the Land Registry Office on February 13, 1986. I preface the question with the remark that our concern is the protection of the taxpayers of the Yukon Territory. I would like to know from the Government Leader whether it was the intention of the government that the \$3.4 million advanced to Curragh was to be protected by a second mortgage, to be filed in the Land Titles Office of the Yukon Territory?

Hon. Mr. Penikett: Yes.

Mr. Phelps: The mortgage is somewhat less than adequate, to put it mildly, and there have been statements made to us that apparently some amendments may be forthcoming for filing in the Land Titles Office. Can the Government Leader tell us whether or not there will be some amendments prepared, signed by Curragh and filed in the Land Titles Office?

Hon. Mr. Penikett: Let me preface my answer by emphasizing

right from the start that I am not a lawyer, and I will not be able to give the Member legal opinions. Requests for such would be out of order anyway. I am dependant upon the Department of Justice for legal advice. It is my understanding that the kind of concerns he was addressing about the conventional items for protection in the second mortgage will be covered elsewhere in other documents and presumably — I will refer to the Minister of Justice for this — they will eventually be filed in the Land Titles Office.

⁰⁵ **Mr. Phelps:** I am wondering whether or not we could be provided with the title of such document, or documents, and the date on which such documents were signed, and whether the document, or documents, could be filed in this House?

Hon. Mr. Penikett: The Member opposite is asking for precise questions of fact. As he will know, it is impossible to answer those kinds of questions without notice. However, having given me notice, I am quite prepared to tell the Member that we will provide him with as much information as we can. With respect to information that may be covered by some covenants as a result of documents we have signed with second or third parties, we will require the consent of those parties to make public some of those documents.

I think there is some documentation involved in this that, if I remember correctly, we were given on a lawyer's undertaking, or some kind of embargo basis, because of the related series of links between a series of companies in connection with this matter.

Question re: Faro housing mortgage

Mr. Phelps: I listened with a certain degree of amazement yesterday to the Minister of Justice in his response about this mortgage, saying that the Toronto Dominion Bank insisted on this mortgage being filed. Yet, this purports to be a document between two other parties, Curragh and the Commissioner of the Yukon Territory, and it purports to be security for a \$3.4 million loan.

Does the Government Leader know why the Toronto Dominion Bank was so eager to have someone protect the Commissioner of the Yukon Territory?

Hon. Mr. Kimmerly: I will answer that question in the general sense. The closings that occurred on November 22 were very complex, and they had at least three aspects. One, there was a closing, or a transfer, of the mining property from Dome Petroleum to Curragh Resources. Two, there was an agreement that involved a number of banks, ultimately, but for the portion that we are concerned with, the Toronto-Dominion Bank. Three, an agreement among all of the bank, Curragh, the federal government and the Yukon government.

The documents around Dome's involvement with the banks also included the federal government. There were documents, and I use the plural in the whole context, in which there are clear covenants protecting Dome, protecting the old Cyprus Anvil Corporation as an owned subsidiary of Dome, protecting the banks and the federal government. We are contractually bound not to release those documents.

⁰⁶ In some of those documents pertaining to Yukon the protection for our \$3.4 million is contained. The original intention was that the closing would occur with the undertaking involving Curragh, the bank and the territorial government to enter into registerable mortgages.

In the last moments, the bank insisted on a written document rather than that undertaking. The written document was eventually registered. The undertaking still exists and the full legal protection can be registered against each and every loss, ultimately, but the position of the government is in absolutely no jeopardy at the moment.

Mr. Phelps: The fact is that this government told the people of the Yukon Territory that they were putting up \$3.4 million and they were getting a second mortgage as security for the taxpayers of the Yukon Territory. They filed this thing some three months after it was signed. They say that the only reason for the second mortgage is because the Toronto Dominion Bank insisted.

I ask the Minister of Justice if he would not agree that Schedule 2 of this mortgage acts very much in favour of the Toronto Dominion Bank because it puts the collection of property taxes behind the first

mortgage payments and it forgives Curragh for interest payments that they are unable to make in any given year; it forgives them entirely?

Hon. Mr. Kimmerly: The Leader of the Official Opposition is wrong on several counts. The only reason for that particular document is because the bank insisted on it at that time. It is not accurate to say that the only reason for a second mortgage is because the bank insisted on it.

The document should be considered in the context of the position of the banks and, indeed, the federal government with regard to the first mortgage held by the same bank, and the exposure of the bank and the federal government with regard to Dome Petroleum nationally. Those considerations were all relevant. We negotiated about our positions and there are some particulars that are identified here that are relevant exclusively to the territory. It is not the case that Curragh is simply forgiven if they cannot pay.

Mr. Phelps: I would just like some straight answers on this issue. Yesterday, the Minister was saying that the security of the government is in essence, "In the continuing relationship between the government and the mine and the federal government." That is what he said, on page 245.

Is the Minister really seriously saying that the second mortgage is in conflict with some other documents that purport to give this government some security for the \$3.4 million, particularly when section 6 on Schedule II says, "The lender shall accept the real property as their sole security of the second mortgage obligations and there shall be no recourse to the borrower or its assignee."

Hon. Mr. Kimmerly: The security is, in essence, in the continuing relationship with Curragh. It must be remembered that, on November 22, those properties existed in Faro; there was no real market there and it was only by getting the mine operating that those properties would become valuable. It was in the context of the existing indebtedness and the relationship that we were able to negotiate with the operators of the mine and the government that the properties became valuable. The context of the master agreement in the entire arrangement is the real security.

Speaker: Order. I would like to once again remind the Members that we are in Question Period, not mini-debate, so please keep your questions and answers short so we can get more out of Question Period.

Question re: Furniture, locally made

Mr. McLachlan: My question is for the Minister of Government Services. It has been approximately 15 days since the tenders closed for the second phase of awarding contracts for the manufacture of local furniture. Has the contract been awarded to anyone as yet?

Hon. Mr. Kimmerly: No.

Mr. McLachlan: Can the Minister advise when the lucky recipient will find out about his bonanza?

Hon. Mr. Kimmerly: I do not know anything about bonanzas, but I believe the normal rules are that there is a 30-day period. It will occur as soon as all of the tenders are analyzed and compared and a decision is reached. As of today, no decision has been reached.

Mr. McLachlan: Will the Minister tender the complete set of documents in this House as to how many bids were received, the authors of those bids and the amounts?

Hon. Mr. Kimmerly: I will make available what is normally made available in any of the contract award situations. I will treat this award of contract the same as any other, according to the directives of the government.

Question re: Faro housing mortgage

Mr. Lang: To the Minister of Community and Transportation Services, with respect to the mortgage with Curragh Resources that has been discussed here recently. Did the Minister see the mortgage and agree with it prior to it being signed by the parties involved, in view of the attached Schedule II and the principles contained therein?

Hon. Mr. McDonald: The Minister of the day who was

responsible for viewing the necessary documentation was the Minister of Justice. I would defer the question to him.

Mr. Lang: The reason I am asking the question is because of the assessment and taxation element of the second mortgage. Why is it that the responsibility to pay property tax out of the proceeds is listed third in the particular document, as far as priorities are concerned?

Hon. Mr. Kimmerly: The payment of property taxes is a matter of property law, specifically municipal law, as enabled by territorial law, the *Municipal Act*. Any contract, any mortgage, cannot change the liability of any owner to pay taxes. Taxes would become a lien on the property if unpaid. The situation in the mortgage referred to is a concern over the order of priorities, not for the payment of the taxes to the municipality, but to determine other issues.

Mr. Lang: I know I am a layman, but I do not understand why it would be third in priority for the purposes of paying whatever proceeds are available to the municipal or the territorial government. Why is it third in priority? He still has not answered that question. Did the Government of the Yukon Territory intentionally, policy-wise, concur with that approach, as far as payment was concerned?

Hon. Mr. Kimmerly: The answer is yes to the specific question. The answer to the question raised by the Member for Porter Creek yesterday about the personal covenant is also yes. These matters were negotiated between Curragh and the government in the context of the overall transaction involving all of the banks, the federal government, Curragh and the territory.

Question re: Faro housing mortgage

Mr. Lang: In view of the clauses the Minister has said have been negotiated, is the intent of the section that if there are not enough proceeds from the commissions of the real estate involved, the government of Yukon will forego taxes that year?

Hon. Mr. Penikett: If the mine fails, if we do not have any people living in the houses and if the investment we have made and the risk we have taken to get this mine opened and reestablished proves that we have taken a risk that we think is a warranted one but, in the end, for whatever reasons that may not be foreseen, the whole project collapses in a year of so from now, then it is quite obvious that we will be out the investment we make. We will have an interest in some properties there. There may be some unpaid taxes there, as has been the situation in other such cases, which, for all practical purposes, we cannot collect because there is no one to pay the money. That is quite clear and if the mine fails there will, no doubt, as a result of that, be a tax bill that will be difficult to collect.

Mr. Lang: I appreciate what the Minister has said. My concern is that there is adequate protection wherever possible for you and I who represent the taxpayer. If the mine still operates and the real estate transaction does not go along the lines that you assumed it would, is it the intention of the government to forego taxes? Is that the policy decision the government took?

Hon. Mr. Kimmerly: No. The payment of the taxes is a matter of municipal law. The proper characterization of the intent of the government is as follows: the profits from the sale or rental of the properties should be paid or applied to the repayment of the indebtedness in a certain order.

Repayment of the principal of the loan of \$3.4 million with respect to the contractual obligations should the parties come ahead of property taxes and repayment of interest should come behind property taxes. However, there is no intent by this document to try to change any municipal law. That is obviously impossible in any event.

Mr. Lang: I speak again as a layman. I do not understand why the government allowed itself to put property tax behind the first mortgage outstanding to the Toronto Dominion Bank. I understand the purpose of the second mortgage and the interest. That is another question, because of the principles involved there as well. Why did we put ourselves in a position of being paid, effectively, second, as far as the outstanding property taxes, and, therefore, putting the taxpayers' dollars at risk.

Hon. Mr. Kimmerly: It is said that if you owe the bank \$5,000, you have a problem. If you owe the bank \$5 million, the bank has a problem. That is a good characterization of this situation. The bank had a huge exposure with Dome Petroleum. We were asking the bank to loan, or to give a credit facility, in addition to their existing exposures to the tune of \$5 million. This was an inducement to get the bank to do that.

Question Re: Health services devolution

Mrs. Firth: I have a question for the Minister of Health and Human Resources regarding the health services devolution. Does the Minister know yet whether she corresponded in writing with the Federal Minister of Health and Welfare, the hon. Jake Epp, regarding the health transfer, and is she prepared to table the correspondence?

Hon. Mrs. Joe: I knew yesterday that I had corresponded with the Minister, and I took her question on notice with regard to whether or not I would table it in the House. I have not pursued that yet, but I will.

Mrs. Firth: Yesterday when I asked the question, the Minister said to me, and I quote from *Hansard*, page 246, April 9, "I have not corresponded with him and asked him to proceed with the transfer." So, obviously, if she has corresponded with him, she has told him not to proceed with the transfer, is that the case?

Hon. Mrs. Joe: I do not know whether I am confused or not. What I was saying is that I had not corresponded asking him to proceed. I have corresponded with him with regard to the health transfer, but I did not write him and say, "Please do not go ahead", or "Please go ahead". There were things we had to work out so I had correspondence with him and met with him.

Mrs. Firth: The Members on the opposite side may think it is rather humorous, but we are not getting any answers to our questions. The question was, when I asked about the correspondence, what was the government's position? Now the Minister has said, yes, she corresponded, but she has not said one thing, and no she has not corresponded. I would like to know what this government's position is regarding the health care transfer.

Hon. Mrs. Joe: There will be a transfer. We will be involved in it. I cannot name a day, or anything else, but there is a process of devolution, and the Member knows that. There are all sorts of things to consider. There has been correspondence and meetings. We are meeting with Medical Services, and all sorts of other people with regard to the health transfer.

Question re: Willingdon correctional institute

Mr. Coles: Can the Minister of Health and Human Resources tell the House how many Yukon youths there are in Willingdon right now?

Hon. Mrs. Joe: Last week we had three: one who had been sentenced there, one detained there, and one other person. I know there are three for sure, but I will have to check back.

Mr. Coles: As the Minister has said on many occasions, and I do agree with her, we should be looking at rehabilitation rather than incarceration of these children. Does the Minister believe that Willingdon supplies the proper atmosphere and facilities to rehabilitate Yukon youths who have been in trouble?

Hon. Mrs. Joe: I believe very firmly and strongly that Willingdon does not provide any kind of rehabilitation for our youths who go out there. In my conversations with people from Willingdon, they were surprised that a number of our youths were sent there because of the crimes for which their young offenders out there were sentenced to secure custody. There was no comparison between the extent of their crimes and ours. However, we do have young offenders here who do commit crimes that are not acceptable, but Willingdon, as far as I am concerned, is not a place to send our young people.

Mr. Coles: The Minister and I both toured Willingdon last fall. In my opinion, the B.C. government should be ashamed to admit that they are even responsible for this particular facility. I wonder if the Minister would give an undertaking to this House today that she will attempt to do everything in her power to come up with an arrangement or contract with some other province to find another

place where we could send youth of this territory who get into that much trouble?

Hon. Mrs. Joe: I have made every attempt that I could possibly make to keep our young offenders who are sentenced to secure custody at home. We are now on hold because of a decision by the Variance Board. I will attempt to look at other alternatives, but we want to keep our kids at home.

Question re: Economic Council

Mr. Brewster: Would the Minister of Economic Development please tell me who the member groups, organizations or individuals are who make up the Economic Council.

Hon. Mr. Penikett: From memory: Yukon Chamber of Commerce, Yukon Chamber of Mines, Yukon Visitors Association, Yukon Federation of Labour, Yukon Status of Women Council, Yukon Indian Development Corporation. Ex-officio are the Deputy Minister of Finance, Deputy Minister of Economic Development, and there is a secretariat function, which is provided by Economic Development.

¹² There is also a vice-chairman who comes from the public at large. I may have forgotten one or two organizations but I think that is the majority of them.

Mr. Brewster: I noticed that there was an absence in this Council of any renewable resource-based industries. Would the Minister advise the House if there is any on that Board?

Hon. Mr. Penikett: This was an absence that was noted fairly early. There was a body of opinion that felt that some business involved in the renewable resources field might be represented by other organizations that were present there. I was persuaded that that would not do justice to those interests.

However, the difficulty, from my point of view, because I did want the organizations having nominees rather than just hand-picked individuals, was in trying to find organizations that would represent all the renewable resource users and that was not possible. I took a look at the numbers of people involved in a number of the renewable resource organizations. I concluded that the organization at this point that has the largest membership and the most significant rural base, because I am very concerned to have rural interest represented on the Council, was the Trappers Association. Accordingly, they have been invited to nominate a representative.

Mr. Brewster: Would the Minister consider the agriculture or forestry industry having a member on that Board?

Hon. Mr. Penikett: I would like to find a way to do that but I also want to find a way of keeping some balance. If we had agriculture, forestry and trapping as separate representation, they would have a preponderance of votes on the Council. Then I would have a problem with the mining industry saying that they wanted the Prospectors Association and the Klondike Placer Miners Association also represented to give balance so that they might argue as well as the Mine Operators Association because they are in dollar terms still a bigger industry.

While I have a very strong desire to see the key economic actors represented on the Council, it is very hard to get all the players represented there adequately. It is an ongoing problem. I invite discussion though with the Member opposite on that point.

Question re: Native courtworker program

Mr. Nordling: In reply to an editorial on July 3, 1985, the Minister of Justice wrote a letter to the editor of the *Whitehorse Star* on July 10, 1985 saying, "Your suggestion that there should be further study and more time devoted to assessing the problems and the current society's ability to improve the situation is naive. The problems with the operations are clear and have continued without remedy for some time."

Then on August 21, 1985, there was an article in the *Whitehorse Star* announcing that the Skookum Jim Friendship Society would supervise the courtworker program. That article stated, "Kimmerly wants to decide the structure of a permanent courtworker service by Christmas. Meanwhile, the government will consult the Yukon's Indian band on what kind of service they want."

On April 1, 1986, the Minister informed this House that he still had not met with the chiefs. If the problems were so obvious, why

was this study undertaken and why have almost nine months passed without a meeting between the Minister and the chiefs?

Hon. Mr. Kimmerly: In answer to the first question, the problems were obvious, and I took immediate action by changing the delivery system for that particular worthwhile program. The study was not into the old program, it was into the new proposed program, it was a consultation about what new program was most appropriate. The study does mention the old program but with history and background. The reason for the study was forward looking.

I had asked to meet with the chiefs since very shortly after Christmas. They are preoccupied with their land claims issues and funding issues, and I am awaiting the pleasure of the chiefs.

Mr. Nordling: Apparently only four percent of those who replied to the poll taken thought the Skookum Jim Friendship Society should continue to handle the service. I would like to ask the Minister how long he plans to leave the service with the Skookum Jim Friendship Society, and will this study being done have any effect on the decision, or will it be up to the chiefs?

Hon. Mr. Kimmerly: The decision is up to the government as it is our funds and ultimately up to the Legislature that votes the funds. We are most eager to receive the recommendations of the chiefs. This is a program that is delivered for the benefit of the Indian people in the territory. If it does not have the blessing and support of the chiefs, there is obviously a serious problem.

Mr. Nordling: Is the Minister satisfied with the present level of service, and how long does he envision it continuing?

Hon. Mr. Kimmerly: The answer is no, because the service in the rural Yukon continues to be deficient. It will continue until the new service, primarily in the rural Yukon, is in place. I will not act unilaterally to do that; I will consult with the chiefs before it is put in place.

Speaker: Time for Question Period has now elapsed. We will proceed with the Orders of the Day. Government Bills.

ORDERS OF THE DAY

GOVERNMENT BILLS

¹⁴ Bill No. 85: Second Reading

Clerk: Second reading, Bill No. 85, standing in the name of the hon. Mr. Kimmerly.

Hon. Mr. Kimmerly: I move that Bill No. 85, entitled *Miscellaneous Statute Law Amendment Act, 1986, (No. 1)*, be now read a second time.

Speaker: It has been moved by the Minister of Justice that Bill No. 85, entitled *Miscellaneous Statute Law Amendment Act, 1986, (No. 1)*, be now read a second time.

Hon. Mr. Kimmerly: The government is continuing on its very strict, and conservative, policy of putting only the legitimate housekeeping matters appropriate to this kind of act in the act. There are no policy changes whatsoever in the act. It is in the nature of a clerical and housekeeping exercise. I look forward to debating the principle of why the word "or" includes the word "and".

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 the Committee of the Whole.

Motion agreed to

Mr. Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

Recess

¹⁵ **Chairman:** I now call Committee of the Whole to order.

Bill No. 17 — Fourth Appropriation Act, 1985-86 — continued

Chairman: Community and Transportation Services continued, Housing Construction and Renovation.

Hon. Mr. McDonald: The \$75,000 includes the cost of the capital downpayment and the equity associated with the sixplex in Whitehorse for low income families.

Mr. Lang: Does the Minister want to elaborate? You said a sixplex for what type of housing?

Hon. Mr. McDonald: For low income families.

Mr. Lang: What was the cost of it, and was it in total? Was that cost-shared with CMHC?

Hon. Mr. McDonald: Yes, \$16,000, was the downpayment for the building. The balance was for upgrading, and the cost-sharing payment under Section 56(1), which writes down the interest to two percent.

Mr. Lang: I do not quite understand this: there was a \$16,000 deposit of the \$75,000? What was the other \$59,000 for?

Hon. Mr. McDonald: Upgrading.

Mr. Lang: What was the overall cost of the building? I did not catch the last part on the cost-sharing.

Hon. Mr. McDonald: A sixplex was purchased. A downpayment was necessary. This includes the downpayment. Renovations were necessary. This includes the renovations. The financing was done in a manner that is normally done. Money is borrowed from the bank to purchase the house, after the downpayment is paid. You then apply, under Section 56(1), for an interest rate down to two percent on the financing. Then you pay for the unit itself through the rent you charge, and the interest rate on that borrowed capital is only two percent.

¹⁶ **Mr. Lang:** How much do you have to borrow? Have you applied for and received the necessary go ahead under 56(1)? How much was the total amount that you borrowed?

Hon. Mr. McDonald: I can get the total costs of the sixplex itself very easily. The application under 56(1) took place last year. I would presume that \$16,000 is ten percent. It was probably \$160,000.

Mr. Lang: I would appreciate that information being provided in the O&M Budget.

It appears that the government is purchasing more and more housing. Was consideration taken to renting premises to provide social housing as deemed necessary by the government?

Hon. Mr. McDonald: In the last year, with respect to the purchasing of housing, the corporation disposed of 10 units and purchased 12 units. There has been no concerted effort to, beyond the normal bounds of reason, translate that into a policy that means that government has been purchasing more housing.

I do not have my information with me so I will have to take certain questions on notice. I believe there are programs under CMHC for the rental of private accommodation for the purpose of supporting low income families. That kind of information would be found in the Private Landlords Rent Supplement Program under Section 44 of the *National Housing Act*. The rent supplement is utilized to provide subsidy assistance to non-profit incorporative housing projects.

¹⁷ Under this rent-supplement program, the Yukon Housing Corporation leases privately-owned housing units at market rates and rents these to low income families who are unable to obtain housing on the private market, or on the open market. It is the responsibility of the local housing association to take them into the program and the rent is based on a percentage of the tenants gross income to the maximum of a full market rent. The operating costs are shared equally between the Canada Mortgage and Housing Corporation and the Yukon Housing Corporation under Section 44 of the *National Housing Act*.

That is the existing policy and there has not been a change to that policy.

Mr. Lang: I know those are existing federal programs under the Government of Canada. I do know they were looking at revising at least a portion of those particular programs because of the financial situation faced by the Government of Canada, at least in part. I think there were some philosophical problems faced by the Minister of Housing in some areas. Perhaps we can get into that at the O&M stage of the discussion.

My concern is that we are purchasing housing and, although it sounds good and we are getting favourable interest rates, my understanding was that we had the ability, through the Health and Welfare, Human Resources section, to cost share at times, depending on the financial situation of those we are trying to help, perhaps up to 50/50.

I want to put the Minister on notice that it is an area I would like to discuss at length in the Mains. I think it is very much of an issue we are facing here if the position of the government, and they have taken the first step, is to get into further social housing by purchasing it. We have some very severe reservations on this side of the House. I will pursue that further during the Main Estimates. I would like to see the Minister have the answers at that time.

Hon. Mr. McDonald: I am more than happy to discuss these items with the Member. The Member said the federal Minister was ideologically committed to cutting back on something or other. Perhaps it was a rent supplement program of some sort. I am not aware of the federal Minister's ideological problem with any of those types of programs.

¹⁸ The purchasing of units is something that has been undertaken in the past. It has not really changed in policy. Units have been purchased in the past. This is not part of a new initiative to enter into greater social housing. This is part of the existing program based on an analysis of existing needs.

Mr. Lang: I do not want to prolong this particular debate lest I bear the wrath of the Government Leader. All I am doing is pointing out to the Minister that I have given him notice that this is an area of policy concern and it is one that I intend to raise. As for the Government of Canada, I knew that they were reviewing the program and the policies to see what could be revised and meet the needs of 1986. I do not want to be misinterpreted in what I said.

Housing Construction and Renovation in the amount of \$75,000 agreed to

On Engineering Services Agreement

Mrs. Firth: Could the Minister give us a breakdown of this?

Hon. Mr. McDonald: Under the Engineering Services Agreement for a reduction of \$400,000, the reductions total \$400,000. They are due to cost savings that were accomplished due to lower bids than were expected. This past year, at least in the highway construction industry, there seemed to be a highly competitive situation. There was a saving of \$200,000 in the crushing and stockpiling of materials on the Dempster Highway; \$70,000 was saved on clearing a section of the Dempster Highway; and \$130,000 was saved in the installation of guardrails on the Klondike Highway; for a total of \$400,000.

¹⁹ **Mr. Nordling:** Were the guardrails installed or did we just save that on the bid?

Hon. Mr. McDonald: It was saved on lower bids.

Mrs. Firth: I would like to know if the Minister is going to be prepared to discuss the Local Employment Opportunities Program? We really will not have an opportunity to discuss it again until the next supplementaries. I have some questions about it in light of the comments the Minister made about the amounts of money that were going to be left over from the program.

Hon. Mr. McDonald: The money that we anticipate being left over from the program will be very minor. The money that is expended to year-end is expected to be reduced by, I think, \$700,000. That money will be spent in the new year to fulfill our obligations under that program. We hope that the program will be pretty close to the \$2 million target figure. We expect that it will probably be under by a very minor amount, if any.

I did send the Member information regularly about what was happening with the program and what projects were being approved. Some Members sent letters to me requesting information about why one particular project was not approved. In any case, the

projects, to my knowledge, are proceeding along very smoothly.

Mrs. Firth: Was I under some misinterpretation then, because I understood the Minister to say that there was going to be \$700,000 left from this program and \$600,000 from the previous line item, Highway Construction. That was going to balance off the \$1.6 million of the capital acquisition? Is the Minister now saying that he is anticipating that the money will be spent so it really will not be available to cover the \$1.6 million for the capital acquisition?

Hon. Mr. McDonald: As the ex-Minister knows, budget year-by-year. Quite often, all projects do not nicely correspond to our fiscal year so revotes are necessary. For the 1985-86 year, at least, the LEOP program, for example, could only expend to \$1,300,000. We had only expected that \$1,300,000 would be spent by year-end and that \$700,000 of that would have to be actually spent in the next fiscal year. As far as the 1985-86 budget is concerned, the \$1.6 million is here. The LEOP, for example, will not be spending \$2 million in this fiscal year. They will not be spending \$2 million. We project that they will be spending \$1.3 million.

That is the same for Highway Construction and Facilities and Equipment. It is reduced by a certain amount of money. I did not explain the reason why it did not show here, but I explained the reasons where it would show up in the in the final supplementary of the year. For the budget year, 1985-86, the \$1.6 million is incorporated into it, but the \$2 million Local Employment Opportunities Program is going to run over two years.

²⁰ **Mrs. Firth:** I appreciate what the Minister is saying; however, I understood him very clearly to say that the reason that the \$600,000 and \$700,000 had not been identified in here was because that was to cover off the \$1.6 million. I raised a concern yesterday about the \$600,000 in highway construction staying, but is not there a potential that the fall supplementaries that come forward could be much larger than we anticipate because the Minister has said that the \$1.6 will show under the line item Land Development/Public Land Acquisition? That will go up by \$1.6 million. Also, if he is going to be asking for a revote of the unexpended portion of the \$2 million program, that \$700,000, that will also be coming in for a revote. As well, if they spend the money on the highway construction, if that comes in as a revote, it would be identified there.

I do not think I am totally confused, but maybe the Minister could explain it more clearly.

Hon. Mr. McDonald: I will certainly try to explain it again. In the total revised vote in the column on page 9, at the bottom for Total Capital Expenditures you have \$31,218,000. Now, in the final supplementary for the 1985-86 year, after all the accounting is done and that sort of thing, this final figure will be \$31,218,000, or less. That will show up in the final supplementary for the 1985-86 year.

Under the Local Employment Opportunities Program, for example, the \$2 million will be shown as \$1.3 million that was spent, or less, whatever actually is the case, because that was spent in 1985-86.

Highway Construction will be reduced as well as will Facilities and Equipment to a total of \$1.6 million. They will be reduced in that final supplementary and you will see in Land Development/Public Land Acquisition an added \$1.6 million in the final supplementary for 1985-86. The totals will remain the same, or less, because we are now allowed to over-spend according to the *Financial Administration Act*. It will be \$31,218,000 or less, but the \$1.6 million will show up under Land Development/Public Land Acquisition as an addition, and Facilities, Equipment, Highway Construction, Local Employment Opportunities Program will all be reduced in various amounts totalling \$1.6 million.

Mr. Lang: Let me clear this up in my mind. Am I being told that in order to aid the purchase by Curragh \$1.6 million was to be found in here, and it is being found, I understood, from the Local Employment Opportunities Program in conjunction with the highway money. Is that correct? That will balance out when we get to supplementary number three? Then will you still spend \$2 million on the Local Employment Opportunities Program between 1985-86 and 1986-87, or will you only spend \$1.3 or \$1.4 million?

²¹ **Hon. Mr. McDonald:** In the year 1986-87, there will be \$700,000 spent to complete the program.

Mr. Lang: I am being told that in total, under Local Employment Opportunities Program, you will spend \$2 million in 1985-87, is that correct?

Hon. Mr. McDonald: Yes.

Mr. Lang: I do not understand how you are going to get the \$700,000 out of the Local Employment Opportunities Program, if you are going to spend a total of \$2 million. Is it going to be your position that, not under the auspices of the highway portion of the budget, but under the Local Employment Opportunities Program, you will have to go for a supplementary for an additional \$700,000? The concern we have is next fall. I am just being told here that we are looking at an additional \$1 million supplementary if those programs continue as you have outlined. Is that correct?

Hon. Mr. McDonald: The Members might want to wait until the first Capital Supplementaries for the 1986-87 year, which could come down this session and which will refer to votes of that sort, which has happened every year. Not every project is undertaken in the budget year we expect it to. The Blanchard River Camp that I have just referred to is something we still plan to go ahead with. We could not spend it. In some cases we had to turn money back. In other cases, we are going to have to vote monies again.

With respect to the Capital Budget as proposed, there may be offsets, there may be additions, and there may be subtractions that will be made available to Members when the Capital Supplementaries for 1986-87 are tabled in the House.

Mr. Lang: We have already dealt with Capital Estimates for 1986-87. The Minister says we have not dealt with the supps. I am not trying to hold debate up. I am told that this is all going to balance out between next year and this year. At the same time the Minister tells me that he is going to have a complete \$2 million program under the Local Employment Opportunities Program spent in that area. At the same time I am told that we are going to get \$700,000 to balance out, i.e., the purchase of Cyprus Anvil for \$1.6 million.

²² That is the thing that I do not understand. It seems that we are going to have to find an additional \$700,000. Is that not correct? You may have to find it from some other projects, or from working capital, one or the other. I want to get it clear where it is coming from. I recall very vividly, when the Member for Riverdale South was pursuing it, telling us that you are going to find the money in these two particular areas to offset this other cost in housing and the various other and sundry things you have done.

Hon. Mr. McDonald: I did.

Mr. Lang: Mr. Chairman, I am saying he did not do it.

Hon. Mr. McDonald: For the budget year, 1985-86, the offsets were found, because we budget in budget years and fiscal years, so for the budget year, 1985-86, the offsets were found within the existing capital. So, in the final supplementary for 1985-86 capital, you will see a total of \$31,218,000 less. If the Member wants to find out what is going to happen with respect to what happens in the new year, you have to wait for the capital supps, as we have waited every year at this time.

Mr. Lang: Am I correct? Somewhere between \$1 million and \$1.6 million will be additional to this capital summary of the 1986-87 estimates; \$80,935,000, if we spend all that money and we still pursue those programs you have outlined, unless you have offset it in other areas in here. That is all I wanted to know.

We vote this money with the idea that it is going to be done. Now I am told that there is \$1.3 or \$1.6 million, depending upon who you are talking to, towards further commitments. That is fine, but, in theory, if all the money is spent, that \$1.6 million will be additional to the total expenditures as expressed in page 3 of the 1986-87 capital estimates?

²³ Any changes to the 1986-87 Capital Mains will come when they are tabled by the Minister of Finance. Those changes will come. All we are dealing with here are the 1985-86 Supplementaries. All I have told the Members is that for the budget year in order to do the accounting, offsets were found. If we had not spent the \$1.6 million on housing, the \$31,218,000 would have been reduced by \$1.6 million.

Mrs. Firth: I understand what the Minister says, that \$31,218,000 will be in the supps in the fall. That will be in the voted-to-date column. He will be coming back and asking for a revised vote, which is going to increase that amount considerably, from what I understand him to say. It is going to increase it by \$600,000 for this highway construction, \$700,000 from the Local Employment Opportunities Program, plus an additional \$1.6 million in Land Development/Public Land Acquisition.

That is the way I understand it. If the Minister could explain that that is the incorrect interpretation, I would appreciate hearing it.

Hon. Mr. McDonald: We are not communicating here. What I am trying to say for the umpteenth time is this: of the \$31,218,000 capital expenditures for the 1985-86 fiscal year, in that window, we will spend \$31,218,000 or less. Under no circumstances can we spend any more than that. We are not going to come back and say, look, by the way, last year we want to add on \$1.6 million to the totals of the previous year. We are not going to say that.

The total in 1985-86 is going to remain at \$31,218,000 or less. It will always be that way. Ten years from now people will look back on this and they will say, what did they spend in 1985-86 in capital? And they are going to read \$31,218,000 or some lesser amount.

In 1986-87, there will be a capital vote. We voted what we thought we would spend in 1986-87 in November 1985. During that period, there are supps that sometimes add money to line items, and sometimes subtract money. I have spent the last four days trying to give money back to the Legislature of better than \$2.5 million. That is what happens during the supplementary process. You add a little bit and subtract a little bit.

²⁴ In 1986-87, in the future, when we are talking about the capital supplementaries, we will then be referring to a portion of a program, like LEOP, which had been voted and had been initiated in 1985 but carried over, and we, in 1986-87, will be forced to spend \$700,000, or, with the approval of the legislature, we will spend \$700,000 in order to complete the \$2 million program. Is that clear at all?

Mrs. Firth: Maybe the Minister could tell me something about the Local Employment Opportunity Program and how much money has been spent. We will leave this for awhile and go to the Local Employment Opportunities Program itself. I have a news release in front of me that says \$2 million has been spent pending the approval of 12 final grants. I have a Yukon Info before me that says \$1,444,835 has been spent. Can the Minister tell us how many dollars have been spent, how many projects have been allocated and how many applications they had received in total?

Hon. Mr. McDonald: It is very specific information the Member is asking. If we can take a break, I will go back and get this information together. These are supplementaries which were projections to year end. This supplementary projected that a certain amount would be spent to year end.

I think I have given the Member the information with respect to how many applications were made, how many commitments were made, where the commitments were made and for what reasons the commitments were made. I think I gave the Member the information with respect to how many rejections there were, where they were, the totals. I think I provided the Member with that kind of information already, have I not?

Mrs. Firth: Not entirely. I have written to the Minister. I wrote one letter on behalf of an organization in Dawson City and I received a reply. That was the correspondence I had regarding the Local Employment Opportunity Program. The other information I am relying on is public information I have been given. I received from the Minister some information regarding the program and the criteria of the program when it was initially announced. When it was announced we questioned the Minister about it and they had not developed the criteria yet. The Minister said as soon as they had the information would be available, and I wrote and got the information.

This is the only opportunity we have had to really discuss the Local Employment Opportunity Program, other than when it was announced, and not one to keep repeating myself, the whole program had not been developed so we did not discuss it.

The information I have received is the same as the rest of the

Members and the public have received. I will say again: I have a press release saying one thing, that there were 77 applications, 40 projects approved, \$2 million spent, pending 12 more approvals. Yukon Info says \$1,444,835 was spent, 28 approved projects and 60 applications. I do not think I am being unreasonable to expect the Minister to be prepared to discuss the Local Opportunities Program in this supplementary estimates and to have some information at hand.

²³If we have to break for the Minister to get the information, I am prepared to do that. Otherwise, we cannot engage in any meaningful discussion about the matter.

Hon. Mr. McDonald: The Member wrote a letter to me asking for program guidelines, details and projects. I believe that I replied to that letter. A number of press releases went out talking about projects that, in a certain timeframe, had been approved. When the Member refers to \$2 million, it is not \$2 million spent, it is \$2 million committed, shall we say.

The program commits \$2 million to be spent, but for the purposes of budgeting, there is a March 31 deadline, and we could only spend so much until that deadline. We could actually pay out so much for bills and invoices. There is only so much we can spend. It was projected in December, 1985 that \$1.3 million would be spent by year-end. That is all.

There is \$2 million committed but, up until March 31, 1986, only \$1.3 could be spent. I am more than happy to discuss the program in detail. If the House can wait a few minutes, I can come back with projects and we can discuss every project the Member wants. I would be happy to do that.

Mrs. Firth: I would appreciate it. I do not really think we are asking for a lot of detail. I fully expected the Minister to be prepared to discuss this. Sure, there have been news releases and *Yukon Info*. I would like to know, before we pass the Supplementary Estimates, exactly how much of the money has been committed. I am sure all the Members in the Legislature would like to know that. If the Minister wants to break, we will wait so that we can get that information.

Hon. Mr. McDonald: Does the Member want to discuss the projects under LEOP? Does the Member want to know the amount that we project will be spent? The amount that we projected to be spent under this program was \$1.3 million, as I told the Member. That is the projection of the amount to be spent.

Does the Member want an exact dollar calculation like \$1,311,002.20? I do not know if I can deliver that information in a hurry. I question whether or not that information is essential. I think I have even provided a breakdown. I will find out exactly what was sent to the Member. I think I provided a breakdown of each of the projects as well.

²⁶**Mrs. Firth:** We would like to know how much has been spent up to today. The reason I am asking that is because the figures I have demonstrated have been conflicting figures. The Minister is saying that he is projecting to spend \$1.3 million, but *Yukon Info* has said that \$1.4 million has been spent. I do not think it is unreasonable to ask how much has been spent, and how many jobs have been created, and how many applications have been approved?

As far as the Minister giving that information to us, it has been given in the form of press releases and in *Yukon Info*. The January-February 1986 *Yukon Info* was the last release saying that local jobs were generated. I would like to be able to ask some questions about some of the specific projects.

Hon. Mr. Penikett: Far be it from me to want to impede in any way the Member opposite's filibuster. Let me try to make it clear that there is certain information that we cannot get.

I am told by the Minister that the Member has already been provided a project-by-project breakdown, the jobs and the dollars in each project. This is an effort to prolong debate. The Minister is going to cooperate. Far be it from us to want to interfere with the Member's choice of a summer holiday, to spend it here.

Let me make one point that I am not going to cooperate with in terms of the filibuster. As I explained the other day, because of final accounting adjustments, it is not possible, at this point, to come to a final dollar figure as at March 31 or as at this date, without putting the bureaucracy of the territory to a massive amount

of work. The final accounting for the program expenditure for 1985-86, right down to the last penny, will come, as the Member full well knows, in the Public Accounts, and not before. There are not many programs that we can accurately predict what the final expenditure for 1985-86 is at this point, nor could any previous government, nor, unless computer technology improves considerably, will any future government. We cannot give the dollar figure.

As the Member was told previously, this is a \$2 million program. The program did not end March 31, as the Member also knows. If we want to take a break, we will come back and spend hours talking about each one of these programs again, that is fine with me. The one piece of information we will not be able to get is the dollar spending to date.

Chairman: We will recess for 15 minutes.

Recess

²⁷**Chairman:** I will call Committee of the Whole back to order.

Mrs. Firth: I am not going to get into discussions about resentment about the comments from the Government Leader. I have stood up today because I have an interest in one project and I would like to ask a few questions about it. If the Government Leader thinks that is a filibuster, well I am very disappointed in the Government Leader and his reaction.

I checked my files and the Minister did write me a letter and told me about some grants that had been approved. He did not give me any allotments of money. The letter came after the press release had been issued. The press release went out on December 11 and I got a letter on December 12, saying exactly what the press release had said. The only other correspondence I have had regarding the program was a letter from the Minister's Executive Assistant saying that it would be brought to the Minister's attention. I have a letter from the Minister saying that he would get back to me at the earliest time regarding the matter.

That was fine. I have an interest in this program and I have been corresponding with the Minister and I had no complaints about the correspondence I was getting from him nor the answers I was getting back.

In the press release of February 17, about the final Local Employment Opportunity Plan grant being approved, in about the second paragraph, it says "applications closed on January 31 and all program funding has now been allocated with the approval of the 12 final grants". From that I interpret that all of the \$2 million has been spent and the Minister has said now that it has not. Could the Minister please clarify it for me?

²⁸**Hon. Mr. McDonald:** In accounting terms there is a difference between approving a project and actually paying the invoice. A lot of budgeting is all about paying for the invoices. Now the Yukon Info article here, which the Member mentioned, talks about approved projects as of a particular date, and \$1.4 million worth of approved projects. In technical accounting terms the money was not spent, the projects were approved. When the supplementary estimates were being developed, quite simply, they projected that so much would be technically spent by March 31. Now, by middle February, the program had \$2 million worth of approved projects in it, but by no means was \$2 million actually spent in that budget year.

Mrs. Firth: I was not asking the Minister for specific dollars. I pointed out some inconsistencies in the announcements that the government had been making, and I was unclear as to what the approximate amount of funds were that had been spent now, particularly in light of the fact a couple of projects had been refused or denied. The Minister explained that it was because of the equitable distribution of dollars throughout the communities. It surprised me somewhat, if they still had dollars for the program, because I had not realized that one of the criteria was that if a community gets so much money then they are not going to get any more, particularly if there are still funds left over in the program. That is what prompted the raising of the questions.

I would like to be more specific about one of the projects on the last page of the Yukon Info that I see the Minister now has, and it is

with regard to the Keno City Community Club for the seven projects to provide a variety of improvements. Can the Minister just give us some idea what those projects were?

Hon. Mr. McDonald: I have the information on file. If the Member wants supplementary, I will dig.

Some of the projects included a bus stop, to house children while they are waiting for the school bus; bleachers for the ball field at Keno; fencing for the museum, the community hall and that area; there may have been some work on the community hall, but I am not sure.

Mrs. Firth: Can the Minister tell us if they are still on that target of \$1.3 million anticipated to be expended, or have they actually spent a bit more or less? Is he able to answer that?

Hon. Mr. McDonald: The projection is that the monies technically spent for year-end will probably be slightly under \$1.3 million.

Mrs. Firth: That was the answer I wanted a little while ago, before the recess and before the hysterical outburst of the Government Leader.

I wanted to ask another question about the special project officer that we have discussed earlier for the Local Employment Opportunity Program. The Minister was going to look at the terms of reference and the length of the position, and so on, and had also mentioned that they performed other functions. Why did they not hire a project manager out of the \$2 million, that was allocated? That was usually the way we did it. If we had a special project, we hired a project manager, and the funds would come from within the allocation of dollars for the project.

Hon. Mr. McDonald: Out of the \$2 million, I believe approximately \$25,000 was to do such things as produce this kind of pamphlet that everyone has seen, I am sure — it is a very simple sort of thing — and also to engage in all the advertising sort of projects, the signs, and that sort of thing.

It was felt that the Department of Community and Transportation Services could absorb some of the cost of the project, certainly the administrative costs. The special project officer spent a lot of her time on the project. I am still not sure as to the breakdown of hours per day. There were other staff in the department who spent time, including the Deputy Minister, sitting on the committees, et cetera. The Director of Finance, Administration spent some time on the project.

³⁰ There was a desire not to load the projects with extra staff, if possible. The desire was to use the existing complement as much as possible. There were costs associated with that but we wanted to give as much of the \$2 million as we could towards the project. The only added cost of the project was one portion of the special contract person who has spent a lot of her time on the project and the other time the other people in the administration unit spent on the project making sure things were done.

The building inspection community unit was responsible for ensuring the projects were proceeding along the lines that were anticipated in the application. The whole department participated that the only significant added cost would be the Special Projects Officer, who spent a major part of her time on the project.

Mrs. Firth: Were any services made available to the people who were applying? Was there any assistance given to them in drawing up their applications and identifying how much money they were going to need, how much they should apply for and how much to calculate for salaries per person-years. I notice that some of the applications may not have had that kind of expertise. Was that made available to them?

Hon. Mr. McDonald: Some communities did not make application and we spent some time trying to elicit applications in those communities or to interest them in the program if they needed it. At least one community did not make applicaiton because they did not want the money or could not use the money at that time.

Some organizations had difficulty reading through the manual. It was designed to be simple and to lack detailed regulation as much as possible. The restrictions were relatively little. We wanted to make sure that the project went ahead in the manner that it did but without burdening people with paperwork. We tried to find that balance.

Even within that framework, there were people who had difficulty putting forward a project. Some people had difficulty conceptualizing the project they had, and even the most sophisticated community was not always totally up on what would be involved in hiring and being responsible for a project from beginning to end. Very much depended upon the local organization to take the project on themselves. It was not going to be government-directed. It was going to be community- and organizational- directed.

We provided as much help as we could and there were times when the contact with the department personnel and with me was extensive around the territory. People wanted to know what restrictions there would be, whether this was a capital project and not simply a traditional manpower project. It had to be a combination of the two.

³¹ There were problems of that nature that had to be ironed out over time, and we committed personnel to try to walk people through it as much as possible.

Mrs. Firth: I have one final question regarding the program and that is what the future of the program is, what its destiny is. Is the Minister prepared to announce now whether it is going to be ongoing, or is that something they will consider?

Hon. Mr. McDonald: My understanding is that the project was very popular around the territory because it married the concept of the traditional employment program with capital works. Many of the communities expressed satisfaction with the fact that some of the things that I could not fund under the Community Services capital funding budget, and which are not traditionally municipal projects, could be funded under this program.

It was very popular, but I am hoping that the final wrap-up this summer can tell us exactly what happened with the project after the final accounting is done and, hopefully, around the third period of August, when we are drawing up future capital budgets and considering supplementaries and offsets, et cetera, for this coming winter, we will make the decision as to whether or not to proceed with it, to extend it a little bit or if we should manipulate any of the program guidelines to make it smoother.

Engineering Services Agreement in the amount of a reduction of \$400,000 agreed to

On Airports

Mr. Brewster: This will not take long, I just want to ask a couple of questions. Did I understand correctly that the \$30,000 was on the Burwash Airport?

Hon. Mr. McDonald: It was required for Burwash Airport perimeter fencing. This funding is to be fully recoverable from the Ministry of Transport.

Mr. Brewster: I just wanted to know it if was fully recoverable.

Airports in the amount of \$30,000 agreed to

Department of Community and Transportation Services in the amount of a reduction of \$1,486,000 agreed to

On Department of Education

Chairman: Next we will turn to the Department of Education, which appears on page 13.

Mr. Lang: Prior to starting on Education, I just want a clear understanding from the Minister that all the outstanding questions we have will be answered and perhaps, if possible, if the issue is deemed to be important enough we can deal with it in the O&M Mains, in order to expedite business. Is that correct?

Hon. Mr. McDonald: I am not prepared to renege on any of the commitments I have made in the last five days, although I have given a fair amount of information already, if the Members will admit that.

Chairman: General debate.

Mrs. Firth: I understand that the Department of Education has been commissioning several studies and reports and so on. Can the Minister elaborate on what reports have been done that were covered under this supplementary estimate?

³² **Hon. Mr. McDonald:** For a period of the year, the Member will have to understand that a large number of contracts of one sort or another might be engaged in. The service contracts for a limited period of time were delivered to the table. I can go back and get a

full listing of the contracts. If the Member is zeroing in on the Orlikow, I can probably answer that right away. Is that part of the intent of the question?

Mrs. Firth: Partly.

Hon. Mr. McDonald: In the budget, there is an allocation of \$13,000 or \$14,000 for a consultant to review and to help the government provide some framework and basis for the development of future policy with respect to training. That is going to be done in a number of ways. We felt that one aspect of that would be to have a different approach suggested, new ideas from a person who is considered to be avant-garde in the field of adult education and training. We wanted that person's perspective in the Yukon context. That person came to the Yukon, discussed with various business organizations, labour organizations, post-secondary education advisory council, college staff, education staff, other departments in the government, Public Service Commission, et cetera, and made some reports from his perspective about the education system and the adult training system in the territory.

I have submitted that report. The report has been released, so far, only to the Post-secondary Education Advisory Council for some consideration. They have discussed it, savaged some aspects of the report, and agreed with others. The Member is going to want the report. I will give her the report.

Mrs. Firth: Yes, I would like a copy of the report, if the Minister is prepared to do that. He has indicated that he is.

There are also a lot of other avenues that the Minister is embarking on in the Department of Education. I know there is some work being done regarding revising of the *School Act*. I have heard the Minister talk about the board of governors that he is planning on for Yukon College. I would anticipate that, in order to do that, he would have to have a Yukon College Act, or something like that, at some time. I understand there is some work being done to that extent.

Are there a lot of undertakings for major review within the Department of Education? Is it being done by consultants, and has it been paid for already with these supps? Is this going to be an ongoing program? Maybe the Minister could elaborate a bit for us.

Hon. Mr. McDonald: We can discuss the *Education Act* fully in the O&M Estimates. I have mentioned that I would hope to see an entirely new, revamped *Education Act* for the fall of 1987 as a target date. No funds have been expended in 1985-86 specifically on that project. It is no secret either that it is the Board of Governors' initiative to see something happen in the fall of this year on the act. That may be unrealistic, given the pressures of consultation, as we do not have a deadline on consultation. We may be forced to consider spring of next year for that. That, however, will be determined in the future.

Over the period under review, the Whitehorse Facility Study was undertaken and there is a cost associated with that. We have identified a cost somewhere. That report was even delivered in the period under review.

Perhaps my memory should be jogged with respect to any other major items that were considered. The training paper is being written now in-house with no consultants, as yet. That is for the future and is not associated with the period under review.

Those were the major initiatives undertaken by the Department of Education for this period up until March 31.

Mrs. Firth: The Minister mentioned the Whitehorse Facilities Study. Is he referring to the Space Allocation Study for the Whitehorse schools? Is the Minister going to make that public? I would like a copy of that, as well.

Hon. Mr. McDonald: I always take that sort of thing for granted now.

The Space Allocation Study was designed to determine population shifts that have taken place over the past few years and projected into the future. The busing budget for the city seems to climb and get broader all the time. As the new subdivisions are brought on stream from outside of Whitehorse, it impacts on the busing budget.

There had to be some sense of where we are going over the next five to ten years and whether or not certain classes or grades have to be concentrated in some schools and whether or not other schools

should be built, and that kind of thing. The purpose of the study, from a dispassionate point of view, was to discuss the very concerns of what we think we need in future, keeping in mind the most convenience to the public, capital expenditures involved, O&M expenditures with respect to busing, et cetera.

³⁴ The report has come forward. It was done by a local consultant. There are some mildly controversial positions taken in the report. There is a dollar cost associated with that report, which is something to be reckoned with.

There were some comments made about the future of the Catholic schools from a purely dispassionate point of view, but which could be considered controversial to some. There was recognition of the fact of new subdivisions going up, primarily south of Whitehorse, and the population requirements in future years. I believe there was even the suggestion that a primary school be constructed in that area, for example.

All of those things were taken into account to try to aid us in terms of our capital planning, our O&M planning for the future. There will have to be, when the time comes every budget year, some sense over the long term of whether or not some of these recommendations can be supported.

It is a dispassionate view, the view of the consultants. It does not represent government policy, but it does provide us with some technical information, which will be valuable for us.

Mrs. Firth: Do I understand that the Minister is prepared to give us a copy of that report, even though he has expressed that it is relatively controversial?

Hon. Mr. McDonald: Did I not say that already? Yes. I will give the Member a copy of the report. I will give the Member a copy of the report soon. I will give the Member a copy of the report tomorrow. I will not hand deliver it, but I will ensure that it gets from my office to her office tomorrow.

Mrs. Firth: The "yes" was sufficient. With regard to the training paper, is this the Orlikow Report that the Minister mentioned? Is that going to affect in any way the direction that you take? Are you using that as a reference document for some of the ideas, and so forth, in the training paper?

Hon. Mr. McDonald: The training paper will be a creation of our own. The Orlikow paper was meant to provoke ideas. I believe people were provoked by the recommendations in the report. One recommendation is contrary to stated government policy. The report is thought-provoking, and it has taken some avant-garde ideas with respect to training, adult education, the whole area of articulation between secondary and post-secondary training and tried to address that. The report also addressed the public school system as it would affect the training of adults.

It champions the concept of a community college, and rural delivery of training, community delivery of training, training very much integrated with economic development initiatives. There are some concepts that are motherhood to Yukon ears. There are some concepts that are controversial to most Yukoners.

³⁵ We will take many of the ideas and think about them to determine whether or not we will incorporate some of them into the training strategy paper. It is not by any means a prescription for our training strategy paper, it is merely meant to be thought-provoking. I have received some valuable input from the post-secondary education advisory council as to how they feel about these ideas. It is acting as a bit of a catalyst for many of the ideas that some people hold already and has been a useful tool in some respects, although limited, so far. The extent to which we distribute it has yet to be determined, but we would like to introduce a training strategy paper in the not too distant future, and hopefully this session if possible. The way this session is going, it is almost probably. There is a desire not to have people confuse the training strategy paper with some of the elements of the Orlikow paper. That is a consideration we made as well.

Mrs. Firth: Can the Minister tell me if his department is still responsible for the bilingual agreement with the Government of Canada and if they have made any progress on that? Maybe the Minister could update us on that.

Hon. Mr. McDonald: For the period under review there was no change to the bilateral agreement with the federal government. I

believe this coming year will be by bilateral agreement but, in any case, there was no change made. Some attempts were made to acquire funding for the very few people we might project over the next five or ten years who would be entering into grades 10, 11 and 12, to attend the French high school in Saskatchewan, because we felt we could not support those particular grades here. To my knowledge, we have not heard anything back on that particular proposal.

Mrs. Firth: Could the Minister tell us if there was any extra money identified in this budget for the French First Language Program, or would he prefer to do that when we come to the line item?

Hon. Mr. McDonald: I think the French First Language Program shows a turning back of money rather than the addition of money, but perhaps we can discuss that then.

Mrs. Firth: That would be fine. I wanted to raise another point about something the Minister just mentioned, to do with busing. The Minister has put some extra buses on and I would presume this has been taken care of in the supplementaries. Perhaps he could tell us where the extra buses have been put on and the numbers of passengers the buses are transporting?

Hon. Mr. McDonald: I am going from memory. The buses were put on in Whitehorse, Burwash and Stewart Crossing. I do not have numbers for the bus in Whitehorse. I believe the Member for Kluane would probably know better than I that we are talking about four students in Burwash and Destruction Bay, and probably the same number in Stewart Crossing. A bus was added to the system in Whitehorse. I think it got lost in the system some place. It is still running. I would have to check with the department as to exactly what the service added in terms of additional passengers.

Mrs. Firth: Could the Minister tell us how big those buses are? What number of passenger buses are they?

Hon. Mr. McDonald: They are little buses. They have a cab in the front and a box in the back. It looks almost like a crew carrier. They are kind of cute; they are yellow, and they are rounded. They are the smallest school bus on line, apparently. It is the smallest school bus I have ever seen. They are a 17-passenger bus.

Mrs. Firth: The only point that had to be made was that they were 17- to 21-passenger buses, and they are carrying four students. I do not think the rest of the silly comments were necessary. We are prepared to proceed with the line items now.

On Administration

Administration in the amount of a reduction of \$12,000 agreed to On Public Schools

Mrs. Firth: Could the Minister please give us a breakdown of the overrun?

Hon. Mr. McDonald: Perhaps I will give a list of items to the Member and the offsets to net out to \$520,000. There was an internal transfer of \$29,000 to the branch Advanced Education and Manpower to help support the community learning centre in Old Crow. There was an added amount, \$230,000, for teacher relocation. The primary reason for the relocations were the teachers in Faro, of whom all but one left the community. There was a JES salary increase and signing bonus for a total of \$205,000. This was department-wide. There was a one percent teacher salary increase, \$13,300.

³⁷ There was a Department of National Defence salary of \$36,000, that will be recoverable eventually, for a teacher who was sent to West Germany. This was paid for by the Department of National Defence. We are holding the position for a period of three years.

There was extra custodial salaries for security at the Robert Service School of \$69,000 because the sprinkler systems do not operate at all. There was the increase for Burwash and Stewart Crossing for busing of \$77,000, for a total of \$658,000.

The offsets include the reductions in the rural living subsidy and a reduction in the busing subsidy of \$47,000 because students are being bused. There is a reduction in heating fuel costs of \$50,000. There were vacancies in various public schools around the territory, which amount to \$24,000. There was a vacancy in building maintenance for most of the year. That was part of the building maintenance swat team that the Department of Education has currently. These amounted to \$149,000.

There were miscellaneous adjustments of \$11,000 for \$520,000 net over-expenditure in this branch.

Mrs. Firth: Could the Minister tell us how many teachers were relocated from Faro for the \$320,000? Was it \$230,000 or \$320,000?

Hon. Mr. McDonald: We only spent \$230,000 on teacher relocation. They included the Faro teachers. There were other teachers relocated in the territory. I am not sure of the numbers. I can get back to the Member with the numbers of teachers at the end of last year. I compare them to the one teacher at the beginning of the year. That net would be the number that were relocated.

Mrs. Firth: I do not really think that is necessary. I know the costs of relocating teachers can vary great deal depending on where they are going and so on.

What time period is the \$205,000 for JES staff for? That is just for administrative staff. Is that for the period of this variance to the end of December?

Hon. Mr. McDonald: It is for the period from the inception date to the projected date, which is the end of the fiscal year, that they anticipated would be the extra cost.

Mrs. Firth: That would be from January, when the JES was implemented, to March 31. A three month period?

Hon. Mr. McDonald: And the signing bonus, yes.

Mr. McLachlan: Did I hear the Minister say that the bus for Stewart Crossing, that cute little bus that runs down the road between Stewart Crossing and Mayo, was \$77,000? Was that the correct figure?

Hon. Mr. McDonald: It would be a fantastic contract if it was. It includes the Burwash bus as well.

Public Schools in the amount of \$520,000 agreed to On French Language

Hon. Mr. McDonald: The reduction of \$112,000 includes the vacancy of the coordinator's position. The coordinator was hired in early February, which is pretty late in the year, for a total of \$33,000. There was a lapsed salary for a French First Language teacher who was not considered necessary for the balance, for a total of \$111,000.

Mrs. Firth: Could the Minister just tell us how long that French Language Coordinator position went unfilled?

Hon. Mr. McDonald: Mr. Flement ended his position as a coordinator at the end of August. We hired in January, so it would be five months.

French Language in the amount of a reduction of \$112,000 agreed to

On Libraries and Archives

Hon. Mr. McDonald: JES adjustments and signing bonus was \$31,000. We apparently lost a grievance and had to pay out a total of \$8,000. The O&M costs of the Carcross Library had not been budgeted for \$5,000, which included the rental, et cetera, for a total of \$44,000.

Libraries and Archives in the amount of \$44,000 agreed to On Advanced Education and Manpower

Hon. Mr. McDonald: These are figures that will net out to \$292,000: JES adjustments and signing bonus, \$105,000; transfer from public schools branch administration to the Old Crow learning centre, \$77,000. I will try to read off all the additions and then the subtractions. There were some fixed assets of less than \$1,000 per asset, for a total of \$40,000 for the Yukon College. There was the Orlikow Paper for \$13,000.

³⁹ Subtracted from that was the delayed start in the Job Retention Employment, Canada-Yukon Small Business Program and the Canada Yukon Job Development Program, because the Canadian job strategy was not in place until August, when we signed the agreement, the Canadian Human Resource Development Agreement, at that time, for \$188,000 reduction.

Community learning centres showed travel less than anticipated, by \$58,000. There were lower costs for repairs and trades for new equipment at the college for \$21,000. Community Learning Center materials and general utility costs around the territory were reduced by \$192,000.

Block salaries for the in-house Apprentice Program for \$41,000. The research and planning person in the department — I believe the

director's — position was classified lower than before by JES, and was reduced by \$13,000.

There were miscellaneous salary adjustments, et cetera, for another reduction of \$14,000. This makes a net of \$292,000 reduction.

Mrs. Firth: Can the Minister tell us something about the in-house Apprenticeship Programs? There are presently 20 positions. Is the Minister considering making more positions available?

Hon. Mr. McDonald: Not for the period under review and not for the period in the immediate future either, largely because it is a very extensive way to train apprentices. It has proven to be a very effective way when the private sector was not picking up apprentices. We would hope that, through a new program, which I believe we have announced — the Apprentice Incentive Marketing Program —, and will certainly discuss in the O&M Mains, the private sector will be encouraged to pick up apprentices rather than pay the full cost of the apprentices ourselves.

Mrs. Firth: I would just like to give the Minister notice regarding the Job Retention Programs and the Youth Employment Programs. I am looking forward to some rather detailed debate and the O&M estimates and if he would be prepared and have that information ready.

Yukon College had been putting on the goldsmithing course and I believe a summer arts course is planned too. Are the funds for that in this supplementary?

Hon. Mr. McDonald: Yes, the funds for courses that were held this past year, the period under review, were absorbed within the departmental budget; the goldsmithing course in particular. I believe there was a request to develop an enhanced goldsmithing course, or an advanced goldsmithing course, but I do not believe that was undertaken, certainly not during the period under review, 1986-87.

I will take the question on notice for the O&M Mains for consideration.

Mrs. Firth: I did not mean to confuse the Minister. I was just correcting my grammar. I would like the Minister to be prepared, if he could, when we discuss the O&M Mains, to go into some detail with the new programs that are going to be offered at Yukon College, the costs and who is going to be delivering the programs. I will put the Minister on notice about that also.

Advanced Education and Manpower in the amount of a reduction of \$292,000 agreed to

On Accounting Adjustments

Accounting Adjustments in the amount of \$4,000 agreed to

On Contingency

Mrs. Firth: Could the Minister give us a brief description of why they need that large contingency fund?

Hon. Mr. McDonald: The figure is provided by the Department of Finance depending upon the historic spending fluctuations in the department over previous years. A contingency of this magnitude is only based on the fact that we are dealing with such a large O&M budget, and perhaps because of fluctuations in spending habits over previous years. That is the only justification for the contingency.

Mrs. Firth: I raise it because when we started with the Supplementary Estimate, we gave notice to the Government Leader that we would be expecting some responses regarding the contingency funds and some of the anticipated reasoning for needing the amounts. We raised some points about discrepancies and about allotments of contingencies for different departments on a ratio basis.

Would the Minister come back with some information that would be of assistance to us? It is in our interest to have some idea what the contingency dollars are identified for and what kind of expected items they might be used to pay for.

Hon. Mr. McDonald: I could do that. I sought the information once before, and I have been provided with the information that I gave the Member, simply that the justification was based upon historic spending fluctuations that could happen within existing programs and existing planned expenditures prior to March 31. Nothing has been added, to my knowledge, which was not planned prior to that which would be spent under the contingency.

Because the total O&M budget for the Department of Education looks like it will be in the neighborhood of \$36.5 million, it was felt, given the size of the department, that a rough figure of \$200,000, given previous spending fluctuations, would be necessary to cover off the department so that the department does not breach the terms of the *Financial Administration Act*, which it is bound not to do.

Mrs. Firth: I am just going back to *Hansard*, where we discussed contingencies with the Government Leader. I do not want to be inconsistent in my comments. It was not necessarily the exact items or the exact things that the money was going to be spent on. Our concern was knowing how the officials determined what the contingency was going to be, and whether the Ministers just accepted that they needed that amount of money, or did they require the officials, in some way, to justify to them that they needed that amount of money, and for what purposes that it might be needed other than the *Financial Administration Act*, which we were all aware of.

Contingency in the amount of \$200,000 agreed to
Total Operation and Maintenance Expenditures in the amount of \$352,000 agreed to

On Capital Expenditures

Mrs. Firth: On the Miscellaneous School Equipment, are the department officials dead on that they are going to spend exactly that amount of money?

Hon. Mr. McDonald: We have some real crackerjack accountants and spenders in that department. To the best of their knowledge, they felt that they would likely be on target. If they are not, they will show up in the territorial accounts.

Mrs. Firth: I raise it because I am not positive of this, but as far as I know it is the first time I have ever seen the Miscellaneous School Equipment right on the mark like that. Quite often, you have equipment on order, and it has not been delivered yet, and the funds have not been spent exactly to the dollar. I found it quite unusual that the accounting was so tight that there was not even one piece of equipment on order that had not been received, and that we would be expected to revote some funds later on for it when it came in.

Hon. Mr. McDonald: The Member is quite right. In the final accounting I, too, displayed my incredible faith in the department's budgeting abilities. I, too, would find it strange if this budget had come in dead on. I presume that because there was a myriad of items under this line item that they did not feel confident in period nine to judge specifically when the items on order would come in, when they would actually be paying the invoices. In the final accounting, more than likely the smart betters would bet that this would not show up dead even.

Mrs. Firth: I just want to express my concern again about it. I do not know how much detail the officials gave the Minister to satisfy him to bring this to the House and feel comfortable defending it. I have to think of a program like the computer program. I know the Minister had ceased to proceed with the computer program, and has since made a decision that there is going to be a certain computer-pupil ratio, and so on. For there not to even be an identification that there may be some revotes necessary, or some difference in the funds, just makes me want to draw it to the attention of the Members of the Legislature. I think we are going to have to follow up on it later.

Hon. Mr. McDonald: The Member mentioned the computer program. Capital funds were spent as planned after the policy was set. The majority funds were budgeted in 1984 and not in 1985. As far as the computer component of this budget is concerned, those funds were spent later in the year than anticipated.

On Whitehorse Elementary School Renovations

Hon. Mr. McDonald: The renovations that we are talking about are a general retrofit project. There was an attempt in the first supplementary to complete more of the project than was anticipated for the 1985-86 year. Unfortunately, the project could not be undertaken due to weather, et cetera, and due to the fact that contracts could not be let and work could not be done while the students were in school. For that reason, the project, which was thought could have taken place last fall, could not take place. The overly-optimistic expectations could not be met and the money had

to be turned back.

Mrs. Firth: Will the project be going ahead?

Hon. Mr. McDonald: This will be one of those revoke items in the capital supplementaries for 1986-87, which is the kind of item that was previously referred to. That would have to be voted again in future years. We are turning back the money, but we may have to spend it in the coming year if the supplementaries for 1986-87 are approved by this Legislature, of course.

Mrs. Firth: The concern I have is that, if this is a project that has already been started and when the Minister comes for the revoke if the government finds that it does not have sufficient funds, if they start having to prioritize, they may decide that they will not continue on with this. We always gave a commitment as to whether or not the project was to continue on. Is the Minister saying that they have yet to make a decision as to whether or not the project will continue?

Hon. Mr. McDonald: The Member will notice that the amount is about dead on with what was requested in the supplementary as to what we thought we could do. It was overly optimistic. We could not do it with the time constraints. We will turn the money back. When the 1986-87 Supplementary No. 1 comes forward, and clears this Legislature, the renovations could be conducted. It would be nice to see those renovations undertaken. I have seen the school myself, have walked through it and I know that work is necessary to bring it up to standard.

⁴³ Given our budget cycle, that money will have to be voted again for 1986-87 because we have attempted, in the supplementaries, to vote it in for this particular year. We could not undertake the work this year so we will have to go through the process again in the Legislature and ask for the funds.

Mr. Lang: Just to follow up from the Member for Riverdale South, is it the intention of the government to bring forward further capital supplementaries in the next couple of weeks?

Hon. Mr. Penikett: I think certainly before this sitting is over, whether it is August or whenever, we will have the first capital supplementary come forward, yes.

Mr. Lang: I did not mean that to get argumentative. Is it planned, in the next two or three weeks, to bring forward a capital supplementary vote authority that would identify projects like this?

Hon. Mr. Penikett: As you know, last fall we adopted a capital budget for 1986-87. Not much of that year has transpired yet, but as has been the tradition in this House, we intend to bring the first supplementary on the capital budget forward in the spring. I believe, as is normal, it will probably be late in this sitting, although since this does not seem to be a normal sitting, it may, in the end, turn out to be relatively early.

Mr. Lang: I am not going to get into an argument on what is early and what is late. I guess it depends on your point of view. I know this is important to the people on the school committee and the people in Whitehorse Elementary School. Is it the intention to complete the work this year? That is all I asked and I have not got a yes or a no.

Hon. Mr. McDonald: For heaven's sake, I gave the commitment that I hoped this work would go ahead. Perhaps it was while the Member was reading the paper. I told the Member for Riverdale South that it was my fervent hope that this work would be done. I had gone through the school, and I know the work is necessary. I have seen what the people would like to do with the funding. It is my fervent hope.

The capital supplementaries have not been tabled yet and that is a problem. I would like to see the work go ahead, but I have not gotten final approval on funding. I personally would like to see the project go ahead. I understand the concerns expressed, and I know the need for the work, but the supplementaries have not come forward to the Legislature.

Mr. Lang: First of all, I have not been reading a newspaper, just to correct the record so the Minister is aware. I am sure he would not want to put something on the record that is not accurate.

I have heard the word "fervent"; I have heard the word "hope". I have heard everything but the intent of the government. Was it the intention of the government to complete the work this year? If it is not, can he inform the House of when a decision is going to be

made? Within two or three weeks?

Hon. Mr. McDonald: I planned to bring the project forward. It is my hope, as Minister responsible for Education, that we can undertake this work this summer. I will need the vote from the Member for Porter Creek East on that matter. I will be looking specifically for his vote. I know that he cares about the Whitehorse Elementary School and the school committee. He said so. This is his alma mater, after all. I am sure that he will support it.

I would like to see it. I will do everything in my power to see that it comes forward, and to usher it through all the channels, including the Legislature and the opposition.

Mr. Lang: All I want to know is the timeframe for a decision of this kind. I am asking from two points of view: first, so that the school committee is aware, and secondly, for the purpose of contracting out the work. You are looking at the summer months.

When will a decision of this kind be made? I think it is a very valid question. Will it be two weeks? This month?

Hon. Mr. Penikett: Technically, the decision will be made finally in this House when we get to the Capital Budget, and that will depend on when we finish the O&M Mains. However, the Management Board and Cabinet have to make decisions about approving a Capital Budget before it is brought to the House. A very little period of time will elapse between the time we approve it and the time it is presented to this House. We are not ready to present it to the House yet.

Mrs. Firth: I am really getting a little bit frustrated with the attitude of the Government Leader. I am asking a few questions. For some reason we cannot seem to get answers. I want to know what the intentions are. I was asking the Minister of Education if he could give us any commitment as to whether the project would continue. He has given us an answer that he cannot. He intends that it go ahead, but he cannot tell us that it will definitely go ahead.

Maybe for those of us who have not been to school lately, could the Minister just tell us what is left to be done, or what further work has to be done on that building?

Hon. Mr. Penikett: First of all, on Monday we will have spent a month and not gotten through the supps, so do not give us this nonsense about not getting answers. By Monday, we will have spent a month in this House, and we have not yet cleared the first supplementary. That is a record filibuster. The Conservatives should be proud of that. That is a record in the House.

Technically speaking, whatever the Minister's intentions, we have collective Cabinet decision-making. The Minister intends to go ahead with the project. He cannot say until Management Board and Cabinet give approval and until a Capital Budget is presented before this House that this government is making its commitments in terms of the supplementary, or the changes in the Capital Budget that was adopted by this House last fall. The Member knows that.

Mrs. Firth: I am not going to get into a screaming competition with the Government Leader. I refuse to do that. I resent the inferences that the Government Leader is making, and I resent even more than that, because of the Government Leader's behaviour when I stand to ask questions, that I have to be referred to as a Member of this Legislature who is playing in the sandbox, or whatever the media is calling it. I am asking responsible questions, and I want some answers.

Hon. Mr. McDonald: I would like to think I have been forthcoming with those answers. I have been making commitments to get back to Members with answers, and I have been getting back to them with those answers. I am trying to be as open as possible with respect to the provision of information, both reports and technical information.

The renovations at Whitehorse Elementary School included some office renovations, some retrofitting that was necessary. All you have to do is go through the front door, and you will see faults in the walls and the paint job is lousy. The paint job probably was very good, I am sure, but it has undergone some wear and tear over the years. Those are the kinds of renovations we are talking about at Whitehorse Elementary School.

Mr. Lang: In defence of the Members on this side, we have asked a very straight question, and we have been on it for approximately 12 minutes. The question that was put is: is there

going to be a decision made this month whether or not the renovations at the Whitehorse Elementary School are going to take place this forthcoming year? All we want is a "yes" or a "no". I do not want to be here in August, but I can assure the Government Leader that if he wants to be here I am sure he can be accommodated. All I want is an answer.

There are people out there waiting to see a) if the work is going to be contracted out, and b) people, the Whitehorse Elementary School Committee I am sure, are wondering if it is going to proceed. Is it going to be presented to Cabinet this month for decision? Then we can ask the question at the end of the month if that is the case.

Hon. Mr. McDonald: Yes, the decision will likely be made this month. I will anticipate it will be made this month. Yes, it will be made this month. If I am proven wrong, I will come back and tell the Members, just in case it is not made this month.

We are dealing with 1985-86 supplementaries. Does the Member for Riverdale South want to know any more details about the construction work on Whitehorse Elementary School?

Whitehorse Elementary School Renovations in the amount of a recovery of \$250,000 agreed to

46 On Jack Hulland School Renovations

Mrs. Firth: I would imagine that the same circumstances apply to this item, is that correct?

Hon. Mr. McDonald: The Jack Hulland School Renovations were completed slightly under budget. The open space concept at the school was converted into classrooms. Walls were installed, there was some interior plumbing, counters, cupboards and that sort of thing. It was completed under budget by \$8,000.

Jack Hulland School Renovations in the amount of a reduction of \$8,000 agreed to

On Christ the King High School Expansion

Hon. Mr. McDonald: The project required an additional \$16,000 to complete. The only aspect of the project that could not be undertaken and was not undertaken this year, was the proposed canopy out in front of the school. That was not undertaken, and I would trust that a decision will be made this month as to whether or not the canopy will be added to this school in 1986-87.

Christ the King High School Expansion in the amount of \$16,000 agreed to

On Grounds and Landscaping

Hon. Mr. McDonald: There are a variety of items here. I do not have a breakdown as to which schools, but the schools are around the territory, and are just general cost overruns greater than anticipated.

Mrs. Firth: That was for landscaping such as lawns, or was it for school grounds for soccer fields, or something like that?

Hon. Mr. McDonald: Both, activity areas and playing fields, primarily.

Grounds and Landscaping in the amount of \$9,000 agreed to On Yukon College - New Construction

Hon. Mr. McDonald: This is simply a case where we ran up against bad weather. Some work that we had expected would be done last fall could not be done because the bad weather zoomed in early. I would hope that we would be making a decision this month as to what work will be going ahead. We are committed to it.

Mrs. Firth: We have heard some discussions about the site being changed for Yukon College. Is that true, or is that just some rumor?

Hon. Mr. McDonald: Mountainview Drive is the anticipated site for the college.

Mr. Lang: Could the Minister outline the prospects of a theatre in that construction?

Hon. Mr. McDonald: The original design for the college as it has gone through all its phases, has come forward with a community wing that incorporated the gymnasium, Yukon Archives, perhaps, a studio, a mini-art centre and a proper theatre, which, I believe, when in the final stages of design, will have 250 to 300 seats.

The project, as it stands right now, is to include that theatre complex and community wing in the design. It is our intention to expand the construction cycle to allow for the construction of three

wings by the anticipated opening date of the summer or fall of 1988. That was the original plan. It is our intention to expand the construction schedule to include the community wing the following year and perhaps a dormitory if that is not included in the period between now and 1988.

There are a number of reasons for that. It was felt that the projected costs of the college would be in the neighborhood of \$39 million. This is a significantly large portion of the capital budget. There are some major projects in the territory that we felt should also be given serious consideration, including the Robert Service School and the high school in Watson Lake. We would like to reserve funding for those.

It is still in the design phase and we are expanding the construction schedule.

Mr. Lang: The reason I am asking is because of some of the public statements that have been made with respect to the group that is involved in looking at a convention-theatre centre for the Yukon to be funded by the federal government. I think that should be a cause for concern for all of us with respect to our plans for the community college. It is almost, in some appearances, duplication. Is it not correct that they are not considering the community college site for a possible theatre?

Hon. Mr. McDonald: My understanding of Arts Canada North's desire is that they would like a facility in downtown Whitehorse. I even heard on the radio this morning that they would like a facility in downtown Whitehorse on the riverbank. The capital construction cost for the facility as anticipated would be extremely high and is certainly not presently in our capital plan.

There was a determination that it would make some sense to incorporate the theatre into the college facility to make better use of the theatre itself and to help support the O&M costs of the theatre. There was some concern expressed that the arts facility itself would not be able to bear the ongoing O&M costs, and it would be wise to incorporate, as much as possible, facilities of this sort in community units. Many communities in the territory do this.

My understanding is that the theatre design itself has incorporated the views of many groups in the territory who are interested in theatre and certainly in Whitehorse. It is projected, at least, to be a fine facility if and when it is built in 1989.

The facility and the college itself can be used for many of the purposes that the Arts Canada North people would like to put it to. I have not been approached specifically for capital funding for a special arts centre in Whitehorse, whether it be downtown or wherever. Certainly I would have to look at a proposal like that in the context of a college facility that is going to be built on Mountainview Drive and is going to incorporate much of the facility's capability to handle the kinds of things that the arts people want in that facility. Any decision would have to be made with that in mind.

Mr. Lang: Has the government approached this particular organization in order to put its views forward, in view of the fact we are talking about public funds that they are expending. We are talking about public funds that we, as a Legislature, and in turn the government, are expending. Has the government taken any initiative to say, "This is our point of view as far as this particular concept is concerned"? If not, I would like to know why not.

Hon. Mr. McDonald: Certainly we have. People corresponded with Arts Canada North, and I know they have come around to the department and these items have been discussed.

In the development of the college itself, as the college design evolved, people involved in the arts community were very much involved in the design of the facility. The justification or the desire to hold out for another facility on the riverbank in downtown Whitehorse is something perhaps the people from Arts Canada North have been encouraged to do by the grant of \$100,000.

We have made it very clear that we will provide this facility at the College. We believe that the College can certainly use the facility for its purposes, and that the O&M costs associated with the facility can be spread out for a number of uses within the framework of the College itself.

Mr. Lang: I take it from what the Minister has said that he has transmitted the government policy directly, under his handwriting

and by himself, to this particular organization. Is that correct? So, this is no surprise to anybody that the Government of the Yukon Territory wishes to have the theatre complex within the Community College, as far as that organization is concerned? All I want is a yes or a no.

Hon. Mr. McDonald: We have communicated that message to all people concerned. We feel that we have communicated to everyone that the original concept of the College will be promoted, the only difference being that the construction schedule will be extended.

Mr. Lang: Has that also been politically conveyed to the Government of Canada, which has allocated \$100,000 of your and my money for this particular kind of study? It almost looks to me like we are duplicating services, as the Minister has indicated. It is a concern to me. This is when all governments become a laughingstock. Forget partisan politics. It is the people's money. Have you conveyed that message to the Government of Canada, so that a firm decision can be made with respect to it? I do not disagree with what the Minister has said.

Hon. Mr. McDonald: I have not personally communicated with the federal government. I recall the ceremony at which the federal government turned over a cheque, in the foyer of this building. That was fairly early in the summer, as I understand it. I assumed that the government at that time knew what was projected, knew the costs associated with the capital construction, knew the plans of the government. The plans of the previous government were reasonably clear, I thought. We have not changed those plans when we assumed government.

Mr. Lang: Would the Minister, in view of our short debate here, be prepared to convey the message under his signature with respect to what his feeling of the College is, and that the theatre should be part of the College?

Hon. Mr. McDonald: I will discuss that with my colleagues. I presume the position that writing a letter to Marcel Masse would mean that we did not support the construction of an arts centre in Whitehorse. If we were say that there was something already being constructed, I am sure the federal Minister would take that as being opposed to the Arts Centre. I will discuss that further with my colleagues. The only decision that we have made quite positively is that the construction schedule should go ahead, and it should include a theatre complex.

The people from Arts Canada North may have a variety of ideas. I have to discuss with my colleagues the position on the facility itself.

⁵⁰ *Yukon College — New Construction in the amount of a reduction of \$1,230,000 agreed to*

Hon. Mr. Porter: I move that the Chairman now report progress on Bill No. 17.

Motion agreed to

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

Motion agreed to

Mr. Speaker resumes the Chair

Speaker: I now call the House to order. May the House have the report from the Committee of the Whole?

Mr. Webster: The Committee of the Whole has considered Bill No. 17, *Fourth Appropriation Act, 1985-86*, and directed me to report progress on same.

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

Some Members: Agreed.

Speaker: I declare the report carried.

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

Speaker: It has been moved by the Member for Whitehorse Riverdale South that the House do now adjourn.

Motion agreed to

Speaker: This House stands adjourned until 1:30 Monday next.

The House adjourned at 5:27 p.m.

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The following Legislative Returns were tabled April 10, 1986:

86-3-5

Service contracts since October 24, 1985 (Kimmerly) (W.Q. No. 1)

86-3-6

Government personnel contracts (Penikett) (Oral - Hansard page 70)