



The Yukon Legislative Assembly

Number 35

3rd Session

26th Legislature

HANSARD

Thursday, May 15, 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 Penkett	Whitehorse West	Government Leader. Minister responsible for: Executive Council Office; Finance; Economic Development; Mines and Small Business; Public Service Commission
Hon. Dave Porter	Watson Lake	Government House Leader. Minister responsible for: Tourism; Renewable Resources.
Hon. Roger Kimmerly	Whitehorse South Centre	Minister responsible for: Justice; Government Services.
Hon. Piers McDonald	Mayo	Minister responsible for: Education; Community and Transportation Services.
Hon. Margaret Joe	Whitehorse North Centre	Minister responsible for: Health and Human Resources; Women's Directorate.

GOVERNMENT PRIVATE MEMBERS

New Democratic Party

Sam Johnston	Campbell
Norma Kassi	Old Crow
Art Webster	Klondike

OPPOSITION MEMBERS

Progressive Conservative

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

Liberal

Roger Coles	Liberal Leader Tatchun
James McLachlan	Faro

LEGISLATIVE STAFF

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

01 Whitehorse, Yukon**Thursday, May 15, 1986 — 1:30 p.m.**

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

Prayers

Speaker: We will now proceed with the Order Paper.

DAILY ROUTINE

Speaker: Introduction of Visitors?
Are there any Returns or Documents for Tabling?
Report of Committees?
Petitions?
Introduction of Bills?
Notices of Motion for the Production of Papers?
Notices of Motion?

NOTICES OF MOTION

Mr. Lang: I move notice of motion that it is the opinion of this House that the Government of Yukon should introduce a computer privacy act at the next sitting of the Legislature.

Speaker: Are there any Ministerial Statements?
This then brings us to Question Period.

QUESTION PERIOD

Speaker: Before we begin Question Period, I would like to say a few words.

I was thinking about what happened yesterday in the House. I was very concerned about the unparliamentary language that was used by the Government Leader. As Speaker, I hope to be able to keep from interfering with the flow of debate. However, if remarks such as these continue, I will have no choice but to interfere and call the Members to order to ask them to withdraw remarks that are unparliamentary.

Are there any questions?

Question re: Cabinet documents

Mr. Phelps: With respect to the investigation being conducted by the RCMP, yesterday the Government Leader stated that he would check and see whether or not the issue of telling us when he called in the RCMP, or the Minister of Justice called in the RCMP, would compromise the investigation, and if it did not compromise that investigation he would tell us when. I am wondering whether or not he can give us an answer today?

Hon. Mr. Penikett: Just before 5:00 on the afternoon of the 29th, a letter was delivered from the Minister of Justice to the RCMP asking for the RCMP to proceed with their part of the investigation, the internal investigation that we had done previously having been concluded at that point.

While I was deliberately careful in my comments on the 29th and 30th in Question Period, I was so in the knowledge that I was advised that it would have been potentially compromising of the investigation at that time if I had given out the details.

I will reiterate that I do not intend to provide progress reports on the investigation.

Mr. Phelps: I am concerned about this issue. The Government Leader did answer certain questions on the 29th and on the 30th. He could have said nothing at all on the issue of whether or not bringing the RCMP in was a good idea, or whether or not he had spoken to the RCMP. Rather than decline to answer, he did answer.

On the 29th, the day that letter was delivered, he said, in response to a question from the Member for Tatchun, "It is an interesting point of view. I am pleased to have that representation from the Liberal Leader. I should advise him, though, that it is my

impression, based on some experience, that calling in the RCMP does rather the exact opposite than putting people's minds at rest."

Why did the Government Leader answer in that manner when he must have been aware that that would have been misleading to Members of the House and to members of the public?

03 Hon. Mr. Penikett: The Member asked me a specific question about whether I thought calling in the RCMP would put people's minds at rest. I answered the question very directly. My experience is that it would not put people's minds at rest. It would be a very unsettling experience, as I knew it would be.

I was asked a question by Mr. Coles if I would not agree to call in the RCMP to get an investigation over. Being careful, all I could say that it was an interesting point of view, because I did not want to provide public information about the course of the investigation, and I stand by that position.

Mr. Phelps: Once again, the Government Leader had a choice to decline to answer. I want to ask him a similar question. The day after the letter was delivered to the RCMP, he was asked by the Member for Tatchun, "Has the Government Leader had any discussions whatever with the RCMP on this issue?" He answered no.

Why did the Government Leader give that answer? He must have understood that it would mislead Members of the House and the public.

Hon. Mr. Penikett: It was not intended to mislead the House or the public. I was answering a simple question of fact. Had I had any discussions with the RCMP? As a statement of fact, I had not had any discussions with the RCMP, nor did I have any discussions with the RCMP until many days later.

Question re: Human rights

Mr. Phelps: I can only say that answers such as this have led to a lot of frustration on this side of the House. We are not here to play games, we are here to ask questions on behalf of our constituents and the people of Yukon. I want to go on record as saying that I do not consider this kind of answer, which is misleading, in some ways, to be cute at all.

I would like to direct my next question to the Minister of Justice with regard to the policy paper on human rights. It was known at the end of December or January 2 that the bill was going to be withdrawn. At that time, in early January, the Minister was going to come forward with his new paper. We were told in the Throne Speech that the paper was going to be tabled in the House. Is the White Paper on human rights been prepared? Is it ready?

04 Hon. Mr. Kimmerly: The answer, specifically, is no, but if I simply answered no and left it at that, that would be misleading. I would be properly accused of misleading. The paper has been prepared and it has gone through several drafts. There is not a final draft approved by the Cabinet for release as to the government's position. Therefore, the answer must be no.

Mr. Phelps: The Minister must realize that the human rights position is going to be contentious; that a lot of the people have spoken against some of the principles, which he, himself, said were going to remain in the bill. My question of the Minister of Justice is: will he undertake to have that paper tabled in the House prior to the last day of the Session so that we, as Members, can review the paper and ask some questions about it?

Hon. Mr. Kimmerly: Specifically, the answer can be yes, but, again, if I say yes and sit down, I would probably be accused of being misleading. I answered a question from the Member for Riverdale North, I believe, this week in a similar fashion. This session will continue in the fall. It will be the same session in the spring and the fall. I am not anticipating being able to table that paper this sitting.

05 Mr. Phelps: I think that this is absolutely disgraceful. This kind of answering questions and playing games just is not acceptable to this side of the House, and it is not acceptable to the people of the Yukon. We are not here to play games.

Why did the honourable Member not simply say that in the first place?

Hon. Mr. Kimmerly: I was not asked that. The intention I have is to give as much information as I can on this issue. It may

help, by way of explanation, that it was my intention to table the White Paper this sitting, in the month of March or April. I was not able to do that. From my point of view, it has been delayed. It will be released when it is the position of the government.

Question re: Cabinet documents

Mr. McLachlan: Although I can understand his unwillingness to give a "blow-by-blow description", to quote *Hansard* of yesterday, on the RCMP investigation, he must understand that the issue is serious and is of concern to Members on this side of the House, especially to the Members to my right who have not decided to join the debate after shying from it for three weeks.

Can the Government Leader confirm that senior members of the civil service, who may have decided after their own internal investigation that they had exhausted their sources, advised the Government Leader, within 48 hours of the discovered leak of stolen documents, to call in the RCMP?

Hon. Mr. Penikett: There seems to be a certain amount of precociousness in the questions from the other side on this question. The decision to call in the RCMP was taken by me. Let there be no misunderstanding about that.

The decision was also made, upon expert advice, that the RCMP would only come in after an internal investigation was complete. That internal investigation took some time.

I hope I will not be misunderstood, or accused, in some rather peculiar way, of using unparliamentary language when I say this, but there was a news story in one of the local newspapers that raised questions in certain minds about whether or not certain Members in this House may have had access to those documents.

For me to stand in the House and provide details about the progress and conduct of that investigation as it was going on would have hopelessly compromised the investigation. It would have been fruitless.

I was not interested in a fruitless investigation, I was interested in seeing it concluded in a way that would enable us to take the necessary action against the offending parties and to take corrective action, internally, if any was necessary.

Mr. McLachlan: Can the Government Leader advise that no RCMP would conduct a search on their own in any part of the premises of this building, desks and personal, private papers included, without first securing the consent of the Government Leader or the Minister of Justice?

Hon. Mr. Penikett: I cannot speak for the Minister of Justice on this; I can speak only for myself. I deliberately asked not to be provided with routine reports on the investigation, because it presents me with a problem. If I am given information and then asked questions in the House, I would feel obliged to answer them as I did answer the questions on the 29th and the 30th, but I answered them carefully. I did not want to compromise the investigation.

I have been provided, other than my one meeting with an investigating officer of the RCMP, no other information about the conduct of the investigation since they were called in. I will be given a report. I can only report on those facts as I know them.

An allegation was made yesterday, without any evidence presented, by the Member for Riverdale South that people's desks were being searched without their permission. I do not recall the exact words. I have not had a report on whether that allegation has any foundation whatsoever. The Member did not provide any evidence to the House or the names of the people who are making such a charge.

If the RCMP did conduct a search, I assume they did so having obtained the necessary search warrants.

Mr. McLachlan: As unpalatable and distasteful as it may seem to some people, can the Government Leader advise if the RCMP investigation has proceeded to the point where some employees of the government may have been fingerprinted?

Hon. Mr. Penikett: I cannot advise the House on that. I have no information of that kind.

Question re: Human rights legislation

Mr. Lang: It is a very interesting subject when, at the same

time, we are dealing with the principles of human rights. In view of the importance of the record, and in view of the importance that we attach to the answers given by the side opposite to questions rightly put by this side, and the credence that the Ministers are telling, to the best of their ability, the truth and the information, could the Minister of Justice explain to us why, on May 12th, he answered the following question in the way that he did?

Mr. Phillips asked, "The Minister told us that he would be tabling the White Paper this session. Is the Minister going to table the White Paper this session, or is he backing off again?" The hon. Mr. Kimmerly stated, "It will be this session."

This was last week.

Hon. Mr. Kimmerly: The answer I gave was entirely correct. The White Paper will be tabled this session. That is the intention of the government. There is a misinterpretation that has obviously been made between the word sitting and the word session. It is my clear understanding that this session will consist of two sittings: a spring sitting and a fall sitting. It is always our effort to speak as precisely as we can. The Members opposite know very well that they raise questions with particular political import. It is always my effort, especially as the Minister of Justice, to answer as precisely as I can. That is exactly what I was doing.

Mr. Lang: Mr. Speaker, you, and all Members of this House know that the session will conclude the day that we come back to this House in the fall, therefore it cannot be tabled during the course of this session, because the House will not be sitting, if we do adjourn next week.

I would ask the Minister, and I hope he does not try to be cute on this one: could he tell us who is designing this propaganda campaign, as it is called in some quarters?

Hon. Mr. Kimmerly: The session will end when it is prorogued. It does not prorogue the first day we get back. It has on some occasions; however, I can advise the Member opposite that the plan of the government is that it will not do so in the fall.

In answer to the question, we have absolutely no one working on any propaganda campaign of any kind.

Mr. Lang: I apologize to the Members opposite, if it is their intention not to bring in a Speech from the Throne next fall. I just want to say that, as a Member, I feel that the information provided to me for the tabling of the White Paper left us the impression, and the public, that it would be done this week or early next week while we were in session. I find that kind of answer intolerable.

I would ask the Minister of Justice: who is in charge of writing the now famous educational program that is being commenced by the government under the heading of "Understanding Human Rights"?

Hon. Mr. Kimmerly: It is not authored by a single individual. It goes through a collective process. Considering that particular ad, I could name the persons who had a hand in it — at least I think I can. There may be some whom I am not aware of, but it was not authored by a single individual.

Question re: Carcross-Skagway Road

Mr. Phelps: I have a question for the Minister of Transportation. A motion was passed in this House on April 9 regarding the safety plan to be developed for the Carcross-Skagway Road, and the policy was to be tabled on or before May 15 — that is today. Is the Minister going to be tabling the safety policy in the House today?

Hon. Mr. McDonald: Yes, I am.

Mr. Phelps: Can the Minister advise whether this government, or government officials, pursuant to this motion, consult with the tourist industry in Yukon, all tour companies who will be using the road, travel agents for the cruise ships that will be docking at Skagway, Alaska during the forthcoming year? Did they consult with Curragh Resources and the trucking company that will be hauling ore on behalf of Curragh Resources? Did they consult with the residents of Carcross, and the Carcross Indian Band, the construction industry, particularly the firms that will be bidding on the contract for improvements on the Carcross-Skagway Road during the forthcoming year?

Hon. Mr. McDonald: The consultation on the development of the safety plan was undertaken. Consultation with the construction

industry was considered unnecessary in the sense that we would be dictating to the construction industry what we considered to be a safe operational plan. We have developed that plan, and the operation plan will be tabled in the House today.

Mr. Phelps: Will the Minister confirm that government took the lead role in these consultations?

Hon. Mr. McDonald: I do not know what you define as lead role. We certainly consider the role we took as being a lead role.

Question re: Carcross-Skagway Road

Mrs. Firth: The Minister had an opportunity to table the report. I am surprised he did not. We were not expecting that it would be tabled if it had not been tabled under the proper order of the day.

Have the tenders been put out for the \$4.5 million that Treasury Board gave approval for the capital upgrading of the road?

Hon. Mr. McDonald: The Member should know that it will be May 15 an hour from now and also in three hours from now. The document will be tabled in the Legislature on May 15, as was the intent of the motion.

I will have to check on the tender dates. I do not know whether or not the tender documents have been released, but I do not think so.

Mrs. Firth: I asked the Minister almost 10 days ago about the tendering. He told me, at that time, that advertisements had to be made, tenders had to be evaluated and that the end of June or the first of July would be the very latest as a reasonable time to start the construction. This is 10 days later and the Minister still does not know.

He then makes a comment about misinformation. I would like to know when the tenders are going to go out. There are people waiting to do this work. Tenders can take up to 45 days to process.

Hon. Mr. McDonald: The information that I gave the Member last time was as accurate as it is today. It is the intention of the government that construction should start, at the latest, the end of June or early July. We still intend that that should take place.

Because I do not know the specific date of release of a tendered document — on my feet, in Question Period — that does not mean that the government does not care about the construction, which we do. It does not mean that the department is falling down in its responsibility, which it is not. If the Member wants the information, I will try to get it. We still intend for construction to start, at the latest, the end of June or early July.

Mrs. Firth: I just want to know whether or not it has gone out. I have to ask this question at regularly intervals, and I still do not have an answer.

Has the legislative approval been given for the American funds for the portion of their capital costs, or does the Member know?

Hon. Mr. McDonald: With respect to Legislative approval, I am not sure specifically what the Member is speaking of. Apart from the purchase of snowblowers and the snowpoles, there is no initial startup capital cost.

Question re: Carmacks roads

Mr. Coles: As the Minister of Community and Transportation Services knows, quite a sum of money has been spent in the last few years rebuilding and upgrading the Nansen and Freegold Roads in Carmacks. Has any thought been given to replacing the old Bailey bridge that crosses the Nordenskiöld River to get to those roads?

Hon. Mr. McDonald: I do not have a working knowledge of the Bailey bridge. It has come to my attention in the past, but my memory is not clear enough on that matter to give the Member an accurate answer. I will have to take the question under advisement.

Mr. Coles: The Chevron company that is doing \$6 million worth of work out in the Mount Nansen area this year, along with many placer miners, is interested in the bridge being replaced as they have to unload equipment now and there is not much weight that can be hauled across it. All the approaches are rotten. Would the Ministers undertake to have one of his engineers go out and check the bridge to see just how safe it is?

Hon. Mr. McDonald: Yes, I will.

Mr. Coles: One more issue surrounding the bridge is the new chipseal that is going to be laid down on the road to Carmacks this

year. Would the Minister consider not chipsealing on either end of the bridge, and from the north end of the bridge up to the Nansen Road, so they can still unload their Cats and equipment there and run them up the road to get to the Nansen Road?

Hon. Mr. McDonald: I think consultation with the Village of Carmacks would be in order on that matter. I will take the Member's question under advisement and have the department consult with the village to determine the advisability of that proposal.

Question re: Tatshenshini River Basin Study

Mr. Brewster: On April 21, 1986, on page 385, during debate of the Committee of the Whole on Renewable Resources, the Minister stated, "Continuing with the O&M general debate, the answer I gave is very specific, that this government is not conducting a study of the Tatshenshini. Yes, we are involved in discussions with British Columbia and Alaska with respect to the Tatshenshini."

Can the Minister now correct the record and advise this House what studies of the Tatshenshini the Yukon government is involved in?

Hon. Mr. Porter: If the Member is referring to a statement that was tabled to the B.C. Wilderness Committee, such a statement was tabled by the Department of Renewable Resources, under the signature of the Deputy Minister of Renewable Resources.

Mr. Brewster: Is it not true that the Government of the Yukon and DIAND, through the Land Use Planning Officer, is now undertaking a Tatshenshini River Basin Study in order to determine the nature of valuable resources and interest in the area?

Hon. Mr. Porter: As I mentioned in the House, we are undertaking a cooperative study with the department on the question of historic rivers and heritage rivers. We are doing an inventory of all rivers and then we are putting in place relevant historical information relating to those rivers to build an inventory of rivers. In terms of more specific detail, I will check and bring that back to the Member.

Mr. Brewster: If you could just permit me for a moment, before I ask the last supplementary, I will read a small piece of this letter.

"Regional officials of the Department of Indian Affairs and Northern Development (DIAND) through the Land Use Planning Office and in cooperation with the Yukon territorial government (YTG), are undertaking a Tatshenshini River Basin Study in order to determine the nature of available resources and interests in the area. In addition, a Yukon Canadian Heritage River System Study to determine which rivers or parts thereof may be suitable for inclusion in the Canadian Heritage River System..." I would like to table that, Mr. Speaker. It is from Prime Minister Brian Mulroney.

Would the Minister not agree that there are two studies on the Tatshenshini River involving the Yukon government?

Hon. Mr. Porter: Based on recollection, clearly I can agree that we are engaged in a study with the federal government in terms of an inventory of heritage rivers in the Yukon. With respect to the other study, which the Member mentioned, I will satisfy myself that we are involved and then confirm that.

While I am on my feet, I would like to take this opportunity to inform the House and the public that I have received good news from Expo today: we have passed the 100,000 mark, as of this morning.

Question re: Yukon Liquor Board, quorum

Mr. Phillips: I have a question for the Minister of Justice. Is it true that the Yukon Liquor Board cannot currently make any decisions because of the lack of a quorum?

Hon. Mr. Kimmerly: I believe not, but if it is, it will be corrected next week.

Mr. Phillips: Can the Minister confirm that there is at least one application, or possibly more, that has not been heard because of the lack of a quorum, and when will the Minister be taking this action?

Hon. Mr. Kimmerly: No, I cannot confirm that. I am aware of vacancies on the Board that have recently occurred. I am expecting

them to be filled next week.

Mr. Phillips: Some of the vacancies have not been recent, they have been there for a little while. Why has the Minister taken so long to fill these vacancies as that Board is a fairly active one?

Hon. Mr. Kimmerly: Because I am very careful and, I might say, for the first time in the history of the Board trying to find apolitical, committed people who represent all segments of the community.

Question re: Student grants

Mr. McLachlan: My question is for the Minister of Education. Can the Minister advise if there is still a regulation respecting the maximum number of years that an eligible student can receive a grant while attending post-secondary institutions outside of Yukon?

Hon. Mr. McDonald: If the Member is referring to the grants that are paid out pursuant to the *Students' Financial Assistance Act*, of course there are amendments to be debated on the Order Paper now, and if he is referring to the maximum amount of time or dollars that are payable, I will have to check specifically the terms of the legislation, but it is my belief that the maximum dollar amount is stipulated, but not the maximum amount of time. I can check for the Member on that technical question.

Mr. McLachlan: The question did relate to time more than to dollars. The confusion seems to be that in the minds of some people, there is a magic number from somewhere of five years. Does the Minister know how the five was arrived at in the first place, since most post-secondary degree programs are usually three, four or six years?

Hon. Mr. McDonald: I am sure there was a good reason for the five years if there is a specific time limit such as that. I will get those reasons from department officials.

MAs can be achieved in one year. I have personal acquaintance with that, so if a person could achieve an honours BA in four years and an MA in the fifth year, that is only five years.

Mr. McLachlan: It is possible, in some cases, to receive an MA in one year after four years. There are many cases in the Yukon such as in the medical sciences field and lawyers who require six years.

Would the department consider adding an additional year for those people who have completed five years and would need one more final year to achieve a degree?

Hon. Mr. McDonald: That is something that we could consider in the future. There would be cost implications to adding more time to allotments for students. That would have to be a decision for the government to make, with respect to the priority they would give to students' financial assistance when considering overall government priorities.

I will take the Member's suggestion under advisement. When any substantial changes that would have cost implications are presented to the House, we can consider that kind of amendment as well.

Question re: Assessment and Taxation Act

Mr. Lang: On April 22, 1986, I asked the Minister for Community and Transportation Services about the extension of time for the *Assessment and Taxation Act*.

Is it true that the Executive Council passed an Order-In-Council extending the period of time for sending out tax notices, as well as collection?

Hon. Mr. McDonald: Yes, Cabinet approved an Order-In-Council extending the deadline for the passing of by-laws in the communities, and also for the sending out of tax notices and collection.

Mr. Lang: Is it true, other than for Dawson City and Whitehorse, that those communities have had their timeframe extended so that the final day for collecting taxes will be after July 1?

Hon. Mr. McDonald: Six of eight communities did not get their bylaws passed on time. The extension for the deadline for passing the bylaws was extended to today. A corresponding increase for the distribution of tax notices and the collection period was given.

Mr. Lang: This is a very important subject. I have to wonder

why the public was not notified that this was going on. In view of the fact that a number of these communities will not be in full receipt of the taxation money that is their due, by at least a month in some cases, is it the intention of the Government of the Yukon Territory to pick up that difference of time and supply cash flow to those communities that could be short because of negligence of the government?

Hon. Mr. McDonald: There was no negligence on the part of the government. The communities knew when the time period was. They were unable, in six out of eight cases, to get their bylaws passed by the time that is stipulated in the legislation. To assist those communities, we provided them with an extension period.

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

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 13: Second Reading

Clerk: Second reading, Bill No. 13, standing in the name of the hon. Mr. Penikett.

Hon. Mr. Penikett: I move that Bill No. 13, entitled *Third Appropriation Act, 1986-87*, be now given second reading.

Speaker: It has been moved by the hon. Government Leader that Bill No. 13, entitled *Third Appropriation Act, 1986-87*, be now read a second time.

Hon. Mr. Penikett: The tabling of a capital supplementary for the new year at the spring sitting has become an established practise in this House. The bill currently before us carries on this practise for the fiscal year 1986-87.

As Members are aware, the introduction of a spring supplementary serves two purposes. Firstly, it allows the House to deal immediately with the estimated revotes of the previous year's capital expenditures, rather than waiting to do so at the fall sitting. Revotes are items for which the Legislature has already given approval in the previous year, but spending authority has expired. It is necessary, therefore, to have the House to renew its spending authorization for those items, that are known to be required, at the spring sitting.

Secondly, it allows the government an opportunity to update the capital spending estimates that the Yukon, unlike other jurisdictions in Canada, passes in the fall prior to the fiscal year in question. This is done, as Members are aware, in order to facilitate and expedite outdoor work during the short, crucial summer months. As the planning of budgeted capital projects takes place over the winter months, it is inevitable that cost revisions become apparent, and this supplementary permits an examination of those revisions by the House before, rather than after, the revised expenditures have been made. Therefore, in conformity with the previous practice in this House, I am taking this opportunity to introduce the first supplementary for the 1986-87 fiscal year.

¹³ This bill requests an additional gross capital spending authority of \$21,359,000 for 1985-86. Of this total, \$8,829,000 consists of revote monies, and \$12,530,000 consists of revised 1986-87 capital spending.

Of the revote total of \$8,829,000 being requested in the current supplementary, approximately \$5,990,000 was previously identified as lapsing in the 1985-86 Supplementary No. 2, which was the subject of many weeks' discussion in this House. The difference between the two figures represents revised lapse information available at the time the current Supplementary was prepared.

Of the new funding in the amount of \$12,530,000 for 1986-87 being requested, \$11,398,000 will be recoverable, leaving a net cost to the Yukon of \$1,132,000. The recoverable monies consist largely of two items: the Engineering Services Agreement for \$7,618,000 that was voted at \$1.00 in the Mains, and the Economic Development Agreement for \$3 million for the Yukon Mine Recovery Program.

Members should keep in mind that there is no net cost to the Yukon for these revote funds, since their effect is simply to increase

the accumulated year-end surplus for the 1985-86 fiscal year, and to reduce it for the 1986-87 fiscal year by a like amount.

The purpose of this Supplementary, as with the Main Estimates, is to lay out an expenditure plan for the coming year that will fulfill our objectives. This, as all Members are aware, is to create employment, develop the infrastructure of the territory and advance the well-being of those most in need of protection and support.

My colleagues are convinced that the proposals contained in these budgets effectively promote the best interests of the people of the Yukon. To that end, I commend this bill to the attention of hon. Members.

As the information provided to the House notes, in summary, this Supplementary revotes many of the funds that were under-spent in 1985-86, and that led to the increased current year surplus in that year. The projected 1986-87 current year deficit after the approval of this Supplementary is estimated to be \$10,742,000. This current year deficit will be financed out of the estimated March 31 accumulated surplus of \$59 million.

A further Supplementary for the 1986-87 may be required in the fall when definitive 1985-86 lapse figures are known.

These expenditures will also be financed out of the accumulated surplus that, after all 1986-87 Main Estimate and Supplementary expenditures are taken into account, is anticipated to total in excess of \$40 million at the end of the 1986-87 fiscal year on March 31, 1987.

14 Mr. Phelps: We will look forward to giving this bill our usual intense scrutiny in Committee of the Whole.

Mr. McLachlan: We realize the intentions of the bill, and we will be debating further in Committee of the Whole. We know that some significant expenditures have had to be realized since we worked on capital expenditures last October 28, 1985 in relation to the Curragh Resources opening.

Motion agreed to

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

Speaker: It has been moved by the hon. Government House Leader that the Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Motion agreed to

COMMITTEE OF THE WHOLE

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

Recess

15 Chairman: The Committee of the Whole will now come to order.

We will continue with general debate on the Department of Government Services.

Bill No. 5 — Fourth Appropriation Act, 1986-87 — continued

Hon. Mr. Kimmerly: In answer to the questions about Porter Creek C, a lawsuit involving that past construction is under way. It is at the discovery stage. It is not prudent to speak about it in detail except to say that the lawsuit is under way.

The government is represented by local private sector lawyers and it is continuing. It is my information from the Department of Community and Transportation Services that there will be some repaving needed, but it is totally misleading to say "a major amount" or "a major portion of the paving". The paving is entirely within the Department of Community and Transportation Services.

Mr. Lang: The Minister may not be fully aware of this, but the paving that I was asking about was the newly-laid pavement that was put in because of the workmanship that was done in the previous contract.

Who is going to pay for the repaving that is required? Why is it required that there be repaving? It was just put down last summer.

Hon. Mr. Kimmerly: I will ask the appropriate Minister, Mr. McDonald, to respond. It is not in this department, but we will find

that information.

16 Mr. Lang: I do not know where the fault lies, but here it goes again where the government goes out and contracts and yet, at the same time, here we are in the situation where we are back in the House, discussing a project that was to be finished three years ago and we are talking about questioning a portion of that contract, as far as the workmanship is concerned.

Other than the detailed questions on the financial side, could the Minister undertake, on behalf of the department, to review the process that that particular tender went through, and the inspections, to see what could further be done to negate any more of this type of situation arising, where the questionable workmanship comes up six months after the work has been done? Would he undertake that, in conjunction with Government Services and Community and Transportation?

Hon. Mr. Kimmerly: Yes.

Mr. Lang: We left off last evening with the question of furniture. In the memo that was tabled in this House, a memo from the Minister, it was made very clear that the Minister was largely, if not totally, responsible for determining the number of executive desks that were required. This brings again into debate the largesse of the government and what the government's intentions are.

Could the Minister tell me how many executive desks, under the present policy, that the administration felt was necessary when the discussions initially began?

Hon. Mr. Kimmerly: It is impossible to give a number, because there was never one mentioned. The reasons for that sentence is as follows. The previous policy was to buy a desk when a request from a department, with the proper authorizations, was received. We bought on a unit basis.

We are experimenting — and I am using the word experimenting advisably and carefully here — with the concept of local manufacture. We were very aware that it was important for the government to learn, and also the private sector to learn, the costing and the techniques of multiple manufacture, or mass manufacture.

17 I looked at the approximate need that could be expected that we would buy this year and arbitrarily selected the number 20. Whether it is 18, or 22, or even 15, is completely arbitrary. I admit that, but the policy about typewriters, for example, is to buy them and store them in the warehouse and use them as needed. That has existed for some time. The tender for this furniture required a number, and considering the expected amount we might need in the course of a year, that was an appropriate number.

Mr. Lang: Could he give me a direct answer to this particular question: knowing that the bureaucracy was going to be increasing with the opening of the Andrew Philipsen Law Centre, did the department ever recommend a finite number of desks that would be required for those who would be eligible for an "executive" desk?

Hon. Mr. Kimmerly: No.

Mr. Lang: Could he now tell us, in view of the major expenditure that has been made, who is going to get those desks? Has that been determined?

Hon. Mr. Kimmerly: No, it has not been determined, but they will all be used within a year of their receipt. Most probably, on the delivery date, they will all be used. The specific allocation has not occurred. I forget, and I do not know specifically, but eight or nine applications are pending as of this moment, for a desk of that category.

18 Mr. Lang: I am sure they are going to be used. Knowing the government, and knowing that I have a choice between an \$8,500 desk and a \$2,500 desk, it is quite obvious what the decision will be that one will make.

I still do not understand why anyone within the civil service should have \$8,500 worth of furniture in an office. I objected when I heard that there was going to be \$10,000 spent for the then Government Leader, Mr. Pearson.

It amazes me that we would stand here and try to justify a 100 percent increase. That is my concern. Where are these desks going? When I was on that side of the House, I had a desk that was there for 15 years. Hopefully, someone is still using it.

The only reason I did not bring it with me is because it would not fit. Otherwise, I would have. It was a comfortable desk, and I am

sure it did not cost more than \$700 or \$800.

I understand the motives of the government, which are honourable. In trying to get an industry going under the guise of purchasing 20 desks, the Minister has acknowledged that he does not know whether or not they are even needed. He may have to expand the policy in order to allocate these \$8,500 desks throughout the government.

I really question what we are doing. I really think that because certain steps were taken, I think the government has put themselves in a difficult position. It is nice to spend someone else's money.

Hon. Mr. Kimmerly: These are not \$8,500 desks. This is a complement, a suite that includes a table, chairs and filing cabinets, as well.

I can understand the Member's point of view because when I was in opposition, I objected to the previous government's capital allocation of \$20,000 for the furniture for a second Supreme Court judge, which was a position that we did not even have. I thought \$20,000 for one office was ludicrous. Nevertheless, the House passed that in 1982.

I would ask the Member if he approved Mr. Phelps' purchase of \$900 worth of blinds or Mr. Pearson's aborted purchase of an \$18,000 desk that can be documented if the Member would like me to. I doubt that he would.

The point is that the desks that we have been purchasing are of a superior quality. They are more expensive. They should last, for not 20 years, but in excess of 20 years. I expect the desk that I have in my office to last 100 years.

The policy of stimulating local manufacture, and the cost effectiveness of the particular item is, in our estimation, a very prudent decision. Time will tell. In the years to come, when the pressboard veneered furniture is replaced and this locally-manufactured solid wood furniture remains in use, we will see. Time will tell.

Mr. Lang: I guess it depends on your philosophy and the direction you see government going. With that in mind, and we are talking 25 years according to the Minister, who in the last 24 hours has become an expert on the quality of the desks in the Yukon, although he has not seen the alternative that was presented to him in the neighbourhood of \$3,000 as opposed to \$8,500, but he knows. He knows. God help him, he knows that it is a better quality.

Seriously, as a lawyer and a private citizen, if he had the opportunity of paying \$3,000 for an executive desk, as opposed to \$8,500 for the same set of office furniture, would he be prepared to put that extra \$5,000 up if it was his own money?

Hon. Mr. Kimmerly: If I could afford it, yes. There are some very valuable office suites in the private sector. With the good policies of our government, the private sector will get wealthier and wealthier and will purchase quality furniture consistently, I am sure.

Mr. McLachlan: On March 26th, I suggested to the Minister of Government Services, through relating to a program that was announced in the Throne Speech, an incentive program that was announced — the exact name escapes me, something to do with forestry and local manufacturing program — if the Minister saw the use of a program like that being in any way of any help in the marketing of local manufactured furniture? Has any follow-up been done in this direction at all on this announcement?

Hon. Mr. Kimmerly: Not in this department, but it is an intriguing idea. The experiment with locally-manufactured furniture is part of a much larger plan. The larger plan is in absolutely no way a secret. It is about import substitution and diversification and the maximizing of the local job potential.

The jobs involved in executive furniture are relatively few, considering the larger picture. They involve the winter employment for existing cabinet makers.

That is an excellent policy in my view. However, if we can develop — which we have not yet — a cost effective line of the very simple furniture such as bookcases, school desks and simple tables, and if it is truly cost effective at that level, we will achieve many more jobs.

The logging and sawmilling of our local woods will enable us to create even more jobs. It is an incremental thing. We need the

ability to build before there is a market for the local woods. We need the local woods in order to build truly Yukon furniture.

We would like to work from both angles and develop the potential of the Yukon forestry industry to its maximum. The constraints, of course, are in the very small market, but we are doing the best we can with the small market that we have.

Mr. McLachlan: For many weeks now the debate has raged in the Legislature about the cost, about the effectiveness, about the intent and about the usefulness.

Has the Minister given any consideration to — this would have to be with the consideration of the private sector not totally government — moving the furniture that many people saw here in the Legislative Assembly Chambers foyer in November to a storefront premises on Main Street? This will let the people decide, let them look, let them judge, let them make the quality judgement and let us remove it from the political debate. Why can we not try something like that?

Hon. Mr. Kimmerly: It is a good idea, and I have considered giving, by way of gift or maybe on loan, a set to the Chamber of Commerce. I think that some significant public officials — the Leader of the Official Opposition needs a new desk — or perhaps visitor information centres could display the furniture as much as possible to promote the pride of Yukoners in their ability to build a quality product and to promote the merchandising of this product, eventually.

When we get to the point of being able to manufacture in a greater volume, and I expect at a lower cost, especially when using some of our unique northern woods, we could have a very successful local product, albeit on a very small scale.

Mr. McLachlan: The Whitehorse Chamber of Commerce did a lot of work in 1985 and 1984 in trade missions to Alaska to try to establish additional markets over and beyond what we had here in the territory for selling our products. If this particular idea, vis-a-vis the locally manufactured furniture, and one that the Government Leader has some affinity towards, could be pursued about locally manufactured furniture here in the Yukon being used in the export market — Alaska comes to mind because of their closeness, their quarter million population versus our 25,000, but perhaps more distinctly because of the difference in the US dollar against ours, it would make the cost spread look a little better. Have any thoughts been done in this direction?

Hon. Mr. Kimmerly: Yes, that is the way we are thinking. However, we cannot go too fast. As the Member is aware, the Conservative opposition think we are going too fast already. We can only take the steps one at a time. When we get a local kiln and increased sawmilling capability, and we are able to maximize the local jobs here, that is exactly the time to go on an aggressive marketing strategy.

Mr. McLachlan: When the Minister uses the term "we" collectively, is he referring to the case where a local furniture manufacturing sector, hopefully in his opinion, can be built, that "we" applies to the private sector making and exporting, and that it is not a government-run locally manufacturing industry?

Hon. Mr. Kimmerly: Yes, that is precisely our plan. We are not building this furniture in-house. It is interesting that we do have carpenters employed who could be, but we are not. This is an effort to use the government procurement policy to stimulate, as far as we can, the development of the local private sector. It is our hope that the private sector, both in manufacture and in retailing, be involved here. There is a tremendous opportunity. I say, publicly, that for all those business people who are interested in getting involved we will help as much as we can within the programs that are available.

Mr. McLachlan: The Minister made reference to part of a bigger plan. I wish to ask him about an experience in the Northwest Territories government that went sour on problems relating to administration. The Northwest Territories government went into manufacturing furniture locally. The idea was that they would put the furniture into Housing Corporation homes, because of the problem in many areas in the NWT of accessibility only by aircraft. It was simply too expensive to move furniture back and forth.

Furniture was to go into the housing units and be left there for the use of those government employees transferred to the town.

Because of problems related to the set-up, the manufacture, the design and the materials purchased the plant went sour and floundered in about a year to a year-and-a-half. It was restructured and is working on a better basis now.

Is the government thinking in the direction of manufacturing furniture other than desk sets, other than office furniture, but more designed toward the residential market, such as couches, chairs, loveseats, whatever, for sale territory-wide? What are the Minister's thoughts in this direction?

²² **Hon. Mr. Kimmerly:** The short answer is no. The Northwest Territories' government is heavily into staff housing. Some years ago we had decided to get out of the area as much as possible, except in the communities, under the Yukon Housing Corporation. I lived in the Northwest Territories for three years before I came here, and I am aware of the furniture in their houses, and it is not locally manufactured. It is wood furniture, all manufactured in Ontario.

Mr. McLachlan: In conclusion to my remarks on this subject, the only thing that I am just a little bit wary about is when the Minister speaks in glowing terms of problems with local wood. It has been my experience, and, of course, reference has been made to the kiln, that without proper preparation a lot of it twists horribly and has caused problems in some areas of the building industry. If this particular element is not carefully looked after, and I can only hope that you are hiring proper people, or have had proper input into the kiln and the types of woods that would be used, I have some reservations about the use of the wood and the manufacture of that. I can only hope that our directions are channelled properly in the manufacture and the use and the direction of that kiln.

Hon. Mr. Kimmerly: I thank Mr. McLachlan for raising that issue. I think it is perfectly right. It is the advice given by most of the local carpenters who I have spoken to. It is a real problem to use local woods. However, I believe that it is not an insoluble problem. It is wrong to think that we are going to be able to use local woods exclusively, but we should be able to maximize the use of local wood.

Northern wood is different from southern wood, and, in some parts of the world, because of the unique wood-grain structure, it is sought after as an unique wood. If it is properly milled or dried I think it could be the specialty product and, as our king salmon, as an example, could be utilized better than it is. Perhaps, also, local game meats, and those kinds of products; northern leathers, as an example.

The other possibility is in reducing the wood to pulp or chips and making plywoods or manufactured highly-processed woods. That is an area that the Scandinavian foresters have excelled in.

²³ We could learn a thing or two there, I expect. The message is that this industry, like the agricultural industry, is really in its very infancy in the Yukon. The development is all in the future. Good leaders have a long term view as well as a short term view.

Mr. Brewster: I think we are forgetting a few things around here. I do not think any of us has said, or that anyone would say, that there are not good craftsmen around here. I do not think that is the argument. We have probably closed the barn door, and the horse is out.

You are showing beautiful desks. I do not think anyone says they are not. All the material has come from outside. The oak comes from outside. The cherrywood comes from outside. The steel handles come from outside. The nails come from outside. Everything did.

This is a problem that we live with in the Yukon. I have no problem understanding what the government is trying to do. Perhaps if the government had gone around and taken some of our wood that is going to twist and turn, and I am not a carpenter, but I have seen carpenters try to use it. It would be different if you had taken some of this and made four sets of desks out of Yukon material, you would be selling a product that you do not even have. You are talking about using Yukon wood. This is cherrywood, and you are telling us this is what our product is. This is not our product. If you do what you are supposed to do, you would be looking after everything in the Yukon. You would be using Yukon wood. You have not proved that. You say "you think".

You admit that carpenters tell you it will twist, but you think. Did your advisors and engineers tell you that this wood would come out this way? You say we cannot go that way, we are going to use pulp. Now you are saying something sensible.

You need to go through B.C. to see the hundreds of mills that have gone belly up. They are sitting right beside the market, the United States. We are sitting up here. Sure, we can sell some to Alaska, but you need first class wood, and no one has proved to me, and if you are honest you will admit that no one has proved to you, that we can produce good lumber. We can produce lumber; I have lots of it at home. I make my chickenhouses and barns out of it. Some people make their houses out of it, but it is not good lumber.

Nobody has proved this, but you have bought this furniture and say that this is what we are producing. That is not the argument. Any craftsman could have done this work.

You say you have so many person-years of work. How many of the other furniture stores are now going to lay off employees? You cannot say you have eight or ten men now working. You have to figure on how many were laid off because the furniture would not sell. There may only be four or five left working.

The philosophy is good. I am all for it, but the horse was let out of the barn and you closed the door. The government is now selling something that is not what we are looking for. If you had used Yukon wood and produced four sets of desks, you probably would not have the problem that you have on this side.

Hon. Mr. Kimmerly: I agree with everything that Mr. Brewster said. I would like to say that that is our ultimate intention. I think it is a very fine idea to commission four desks made entirely out of Yukon wood. I think that is a fine idea.

²⁴ I was aware of the problem about the many-failed small mills in BC. He is absolutely right about the American competition. It would be beneficial, I think, if the machinery from one of those small mills would be purchased by a Yukoner and moved up here and experimented with. The policy of the government will be to buy local, not to buy American, if that product was available.

Mr. Brewster: We are going to have this furniture worn out before we even get to use it. We are not going to go too fast here. We talked about bringing one of those mills up. Has anyone in this government ever made a study if this is feasible? He says that my idea here of doing the local furniture was a good one, and it was. If it came from me it had to be good.

I am not sure how much he has spent on furniture. Now he is going to blow some more and start another scheme. I should have kept my mouth shut and not said anything and took the loss that we have taken. We have taken a beating. If he had started this in the first place, I would have been with him. The sun might even turn around if you and I can agree on something. I think we might have. I do not agree with the way we are going right now.

Mr. Phillips: The Minister indicated that he is planning to buy 20 sets of executive furniture. The executive furniture that we will be purchasing lasts longer than the quality of furniture that we have been purchasing for executive furniture before. He said it would last 20 or 25 years.

Is there a plan in place that we need x amount of executive furniture in the next three to five years, or is this just a one-year purchase of 20 sets of furniture?

Hon. Mr. Kimmerly: If I understood that, there were two questions implicit. If I do not understand, I apologize, and we will continue the conversation. The present guidelines, based on experience, are that desks of the executive quality are replaced every 10 to 15 years, based on wear. It is usually wear around the drawers, and things like that.

The policy is based on the kind of furniture historically bought over the last 20 or 30 years in all of the major governments of the country.

²⁵ That is the first issue. The second issue is around the plans of the government. Historically, we have purchased furniture to the tune of approximately \$500,000 a year, every year. That is a continuing purchase. When I say "furniture", I also mean bookcases, tables, and various other things aside from desks.

The plan of the government is not to make a large purchase in one

year and then abandon the market entirely. It is to spread it over many years and to do as evenly as possible. Our more detailed plan, in fact, which will occur eventually, is to make it a winter industry. The construction season here is extremely short, and carpenters who cannot obtain work in the season would be thankful for this kind of indoor winter works. If we can stimulate the market that way, that is exactly the way we would like to do it.

Mr. Phillips: I think the point I am trying to make is that I am just a little concerned that if we buy 20 sets now, how many are you going to buy next year? Do you have a five-year forecast? How many executive sets of furniture do we need in government, if these new ones are going to last 25 years, as you have said? When do we reach the upper limit?

The other concern that I have is with the tendering. If you buy 20 this year, what is your intent next year? Are you going to retender for the executive furniture next year, and all the manufacturers will have an opportunity to retender? What if someone comes in just a shade lower than the fellow who has gone to all the set-up costs, we are going to have two businesses that are going to have a very difficult time trying to make it. One will just start up and quit, and I can see some difficulties there down the road.

Hon. Mr. Kimmerly: So can I. I have the same concerns, but we will do our best to overcome them, as best we are able, using the government's procurement policy. It is my expectation that we will not be buying 20 executive desks every year; I think that is too many. It would almost entail 20 more civil servants every year. If we did that, I would not be able to continue to be in agreement with Mr. Brewster, I am sure, or Mr. Lang.

The intention is to probably buy something else next year, which can be manufactured by the local cabinetmakers, continuing to stimulate the local industry; possibly school desks, possibly secretarial desks if the local manufacturers can get their prices down a bit. I think they can, with a little more careful attention. I could call it specialty furniture. For example, I think it would be an excellent idea to commission a new Speaker's chair, made by local people. The expenditure would be justified in my view. The waiting room furniture in the Philipsen Building is all to be purchased. The atrium furniture, the furniture in all the new buildings, is all potential future work. I hope that the maximum possible will be locally manufactured.

Mr. Phillips: I understand that the Minister is going to encourage this local entrepreneur of executive furniture to eventually branch out into all kinds of other furniture, including administrative.

Did the government do any feasibility study whatsoever on the impact that branching into administrative furniture would have on the five or six businesses in town now where probably 50 percent of their business is government business? They are going to have to lay people off. Has there been any thought given to the ramifications of moving into this field and setting one business up and really robbing Peter to pay Paul?

Some of these businesses are struggling now and have been complaining vehemently about the government going to this type of a system. It appears that if this is the route the government is going to go, they have already made the conscious decision that next year the Minister will allow 100 percent difference in the cost of administrative furniture, and award it to this local furniture manufacturer for the cost-effective jobs that he claims he is going to create.

I will tell him, we are going to lose jobs at the same time, and that is the concern I have for these local businessmen. If this is the policy of the government, what other areas is this government going to get into that will do the same thing? It is going to start someone locally here, which will put a supplier out of business — a supplier who has been here and raised his family here for 10 or 15 years.

Hon. Mr. Kimmerly: All business people know that the economy is not static. If you keep the same business for years and years and years without adjusting, time will pass you by.

The private sector is best able to adjust to changing market conditions. I am confident that, eventually, they will. The answer is yes, we have thought about the impact on retailers, also the impact on the transportation industry. That impact is not as much, but there

is an impact. It is the case that there are more jobs if we manufacture as much as possible.

Mr. Phillips: The Minister said that the public sector is best able to adjust, and the public sector will find there is still a market. I wrote down what the Minister said.

Hon. Mr. Kimmerly: Point of order, Mr. Chairman.

Chairman: Mr. Kimmerly, on a point of order.

Hon. Mr. Kimmerly: I believe I said "the private sector". If I did not, I should have. I meant the "private sector".

Mr. Phillips: That reinforces my argument. The private sector is best able to adjust. It is very difficult for the private sector to adjust to the daily market changes. I know what happens when you are in the private sector and competition comes in. It is difficult to adjust. Profit margins are rather low in the Yukon economy now, although, it appears to be on an upswing.

When the government steps in in one area and subsidizes to 100 percent, you cannot survive. There is no way in the world that a private sector can survive with that. Has the Minister really done a feasibility study to find out how many jobs he is costing, not the jobs he is creating. I can understand that. Those figures are inflated.

I would like to see a feasibility study on the number of jobs his executive furniture and his plan for administrative furniture is going to cost. Could he table a study like that in the House? I am sure he has done it, because no one gets into business without looking to see if there is a market, so I am sure he must have done one.

Hon. Mr. Kimmerly: I have already answered that three times, but I will try again. There is no need for a study, but we have thought about it. The analysis will continue.

There is a displacement impact on local retailers. The impact on jobs is something that we have looked at. It is not very significant. There is certainly some impact. The impact probably is on profit margins but not on jobs.

I do not believe that there is a single person-year of employment involved in the private sector concerning executive furniture. There are, I think, five, maybe six, Whitehorse distributors now, and that may be too many. The private sector will sort that out.

The job impact on the government purchase of furniture in the past has been very little. The government has purchased furniture by placing an order with a retailer who has existing facilities and existing staff primarily for office equipment such as paper, office supplies and electronic equipment like word processors and typewriters.

They place an order immediately, generally to Edmonton, and it is shipped up in due course. There is not a single identifiable job. If you consider the impact on all of the businesses, yes there is an impact.

Mr. Phillips: We are quite aware that there is an impact, there is a displacement of that activity for local retailers. However, the number of jobs in manufacturing, even when we consider manufacturing out of totally imported materials, the number of jobs is approximately six times greater.

Mr. Phillips: The Minister has not done a very good job analysis. I think if he would have talked to the furniture suppliers whom we are talking about here, they would have told him that, first of all, this is probably one of the largest single purchases of furniture that the government has gone ahead with in one lump sum, and, secondly, that if any one of those people had got the job, they probably would have hired more people. The reason they do not have all those people on staff right now is because times are lean. Times are going to be a lot leaner when the government purchases this subsidized furniture, and it is subsidized.

Where you have to look at it is at what cost do we purchase this furniture? The Minister says the analysis will continue. I will suggest to the Minister that the analysis will be in how many furniture businesses here in the next five years, that have been here for five, 10 or 15 years, will fail, because we will be in government subsidizing to the hilt locally-manufactured furniture businesses.

It was a political decision on his behalf and I believe the intent was good. I think he has gone into the wrong business, and gone into it the wrong way. He is going to find that if he had done his analysis, he would have found that this is not the business he should

be in, at least not at this time.

Hon. Mr. Kimmerly: I have three points to make. One is that the opposition cannot have it both ways. In the front bench they are trying to deliver the message that the furniture is not needed and it is too expensive and we should not buy new, expensive furniture. On the back bench they are trying to say that the local retailers ought to get the business. There either is business or there is not. That is inconsistent.

Secondly, the government policy continues to be to support those local retailers. We could save money, and I could argue, in the short-sighted sense, it is cost effective to purchase all our paper and office supplies and typewriters and desks in Vancouver and Edmonton. We are not doing that in order to promote the private sector retailers. That is a local purchase policy. That is a good policy. It was developed by the previous government. We supported it then. We support it now. We continue to. We are simply taking it a step further, and our bottom line here is jobs. We want to maximize local jobs.

Thirdly, I am told by Mr. Phillips that it is a good idea, but we are in the wrong business. It is the wrong example. I challenge him to not be entirely negative, but to be positive, to be constructive like Mr. Brewster was a moment ago.

²⁹ Tell us what is the right business. We will probably do it.

Mr. Lang: I am getting tired of the pontification of the Minister of Justice, now the Minister of Government Services, now the Minister of Forestry. The point we are trying to make is that we see the government getting into an area that we believe is not in the best interest of the individual's directly involved.

We do not believe there is a big enough market out there. Our question initially, from the Leader of the Official Opposition, which we never did get an answer to, was "was there a study done?" The Liberals thought it was a good idea, providing they got a cost effective study with its relationship to the market place.

What did we get? We got a Minister running around bringing up a mill from northern B.C. that has gone broke. That is the cost effectiveness that he is thinking about. He smiles to himself when he thinks about spending someone else's money.

The rational thing to do is to take a very in-depth look at the prospects of marketing a product. That is what we have to do. That is the smart way to proceed.

I point out to the Minister, who is all of a sudden the inspiration of all the good ideas that have ever emanated out of these Chambers, that the Speaker's chair was made locally. It was made at F.H. Collins. It was made under the leadership of a woodworking teacher who was here at that time by the name of Mr. Grant McCready, and it was commissioned by the Legislature.

Perhaps that is one job initiative that the Minister does not have to take in view of the fact that the chair was locally made.

Once again we are not getting answers to our questions. I think the question has been put. Can we have a yes or a no to this question. Is there any marketing feasibility study done within the government for this cottage industry? Has anything been done that the Minister can table other than the letter that was tabled in the House? I would like a yes or a no, not us wandering down to northern B.C. to pick up a plant.

Hon. Mr. Kimmerly: I listened intently to the Member opposite, and I will read it again in *Hansard* and consider it seriously.

Yes, there was work done. No, there is no study. We did not hire a consultant to do a study. That is the answer.

Mr. Lang: Except for personnel information, could it all be tabled in the House?

Chairman: Order. It should be: could the Minister have it tabled in the House?

Mr. Lang: Could the Minister have it tabled in the House, as opposed to Chairman?

Hon. Mr. Kimmerly: I gave that commitment in Question Period to Mr. Phelps last week. I make it again.

³⁰ **Mr. Lang:** Perhaps he could be available next week, during the course of the time that we are in this particular portion of the session?

Mr. Phelps: In listening to the comments of the Minister, and

observing his penchant for sequiturs, the Minister talks about both ways, and so on, and makes a very absurd argument in logic.

The very simple and logical position of this side on the issue of the furniture is that we feel that if furniture of comparable quality can be purchased at a cost of \$3,400 a set, as opposed to \$8,450 a set, the government has no business buying the furniture for the extra cost of some \$100,000 this year, particularly when there has been no market analysis, and particularly when the viability of the industry has not been examined, and particularly when it seems a backwards way of approaching the problem. A grant or a no-interest loan or a forgivable loan or something would be more appropriate in the circumstances.

We have challenged the Minister to have an independent appraisal done of the two sets of furniture with respect to quality. He has refused to appoint someone to undertake that kind of appraisal on the recommendation of an independent body such as the Chamber of Commerce. It would seem that his entire program collapses on its face if it can be shown by an independent expert that the two sets of furniture are of comparable quality.

Mr. Lang: I will move onto another area. This is an area that the Minister should be familiar with, in view of the fact that we discussed it in part last night. That is the question of contracts.

I referred specifically to procedure 3-105. Is that still in effect? He was going to check on that.

Hon. Mr. Kimmerly: Yes.

Mr. Lang: The statement that was made last fall in a legislative return in response to a question made by myself: "Procedure 3-105 was not endorsed by the previous government's Management Board, nor by the current government's Management Board, therefore, it has no statutory basis as a Management Board Directive. In the absence of clear policy direction, project managers have, in the past, exercised their discretion in terms of what was the most cost effective means to get the job done."

Has that been endorsed by the Management Board?

Hon. Mr. Kimmerly: I am taking the word "that" to mean the policy 3-105. In the present government, no, that policy has not come before the Management Board. As additional information, that policy is in need of a revision. It has been in need of a revision for three or four or five years, and we will eventually do it.

³¹ **Mr. Lang:** Here we go again. We ask for information in the House; it was asked in good faith last fall. Today, I am asking the same question to the Minister responsible, and I am told "no" that was not the case last fall. It was not in effect last fall, but now it is, and it is the policy of the government. I think this is very poor. I feel, as a Member, that the questions we are putting to the government are kind of laughed off and, for political expedience, an answer is given to us.

One of the basic principles of this House, to the extent possible, is that the information be accurate, succinct, and fully understood by all Members. That is not the case here. I am not going to belabour this. The fact is, the Legislative Return that was tabled by the Government Leader, and now I am told, effectively, that it is policy. It is policy, and I knew it was policy then, too, quite frankly. I know how Management Board works. I have 12 years of experience in this government. Surely, since the taxpayers of the territory were paying me on a monthly basis, I would have some knowledge and give some credence for learning a few things during 11 years in the executive wing of government.

I am going back to the contracts, and I want a straight answer out of the Minister. I am getting tired of the Minister stating that this is "technical and detailed"; the play on words. Just for us layman, for us people who are really stupid, the public whom you are educating on human rights, you wrote a letter to the Contractors Association...

Chairman: Order, please. Address your remarks through the Chair, please.

Mr. Lang: Mr. Chairman, the Minister wrote a letter to the Contractors Association committing the government expeditiously and forthwith to amend the directives, if necessary, to regulations. If the Contractors Association, in their next meeting, request of the Minister that the contract directives be converted back to regulations, is the Minister prepared to act on that recommendation and

revert to recommendations?

Hon. Mr. Kimmerly: The answer to the question is yes; however, technically, he asked am I prepared to revert it back to regulations. I am saying this because it is important that I not be misunderstood. The commitment that I have made to the Contractors Association and publicly, and repeatedly publicly, is that, yes, I will take it to the Management Board; I will recommend that it be made into regulations and use whatever persuasive powers I have to achieve that.

The Contractors Association understand that very well. They have considered that question at some length. Before Mr. Lang exhibited his synthetic emotion, he made comments about the Legislative Return submitted by the Government Leader in the past session. I am not going to enter into a long debate, but I want to say for the record that if the Member reads the wording carefully, he will see the inconsistency in his own words.

3-105 is a policy, and it has been for many years — its status is unchanged — that is not a directive under the *Financial Administration Act* as the contract directives are.

Mr. Lang: I am not going to proceed any further on the question of the contract directives. I can see I am not going to get a straight answer from the Minister. I do not have any further comments in general debate. We can proceed line-by-line if all Members agree.

Mrs. Firth: Can the Minister of Government Services tell us who is responsible for the construction faults that have now been revealed on the Robert Service School? Did the Department of Government Services follow the project management system that the Public Accounts had requested so that when this kind of situation occurs again somebody could be held responsible for the cost of the fault and so that some kind of reimbursement could be received?

Hon. Mr. Kimmerly: In order to avoid confusion and to be efficient, I will get the most up-to-date and the most detailed information on that, which is appropriate. I will include the engineering information and the budget management information that is spoken of. I will supply it in written form.

Mrs. Firth: I do not really know if there is a need to go to all that work and provide me with a lot of information when all I really want is one question answered.

We understand that a part of the Robert Service School is now sinking. I want to know simply if the government is going to have to assume the costs for all of the repairs. There was a certain amount of money spent on it. I believe it was over \$500,000. Do we have any recourse to go to the construction company or the architects or are we just going to assume responsibility for it?

Hon. Mr. Kimmerly: The Member says it is a simple question, but it really is not. It involves a legal opinion as to who is responsible. I will get the most up-to-date administrative information that is available and supply it.

Mrs. Firth: I will wait and see what information the Minister brings, and review it, and then perhaps have some further questions.

The other subject I wanted to follow up on was the Faro school, the Del Van Gorder School. When the Minister of Education and I were having a debate on that school, he explained that the department had made certain requests to Government Services regarding the parts of the building that could be used. I understood from the debate it was only the old section of the school, and that the gym was unusable because of the danger factor, and the new section was also unusable, that something was going to be done and that the Minister of Government Services would be able to explain to me what the department had in mind, whether they were going to tear it down and reconstruct it, or what was planned.

Hon. Mr. Kimmerly: The information in the question is correct. I am unable to give the answer that is required because we do not know yet. The decision has not been made yet.

Mrs. Firth: When would the Minister anticipate that decision being made? Is something going to be done before the next school term? I imagine there would be tendering procedures and either a contract to disassemble the building — there is probably a correct terminology for it. Something has to be done, particularly with the

gymnasium, the part that is creating a danger to the children.

Hon. Mr. Kimmerly: The decision as to what is wanted will depend upon the number of children who are attending that school and the decisions that the Department of Education takes with respect to what buildings they actually want built and the availability of the money.

The decisions will be primarily taken by the Department of Education. The Department of Government Services will give construction advice to the department. That question is more properly put to Mr. McDonald.

Mrs. Firth: The word I was looking for was "demolition", not "disassemble". When I asked the Minister of Education about the decisions, he told me that it would more properly be addressed to the Minister of Government Services. All I want to find out is, is it going to be demolished and is something going to be built in its place, and when?

Hon. Mr. Kimmerly: I do not know. What is wanted will be decided within the Department of Education. I am aware that that decision has not yet been taken.

Mrs. Firth: Maybe the Minister of Education could tell me when the decision is going to be made and the request put forward to Government Services with that decision as to what is going to happen to the Del Van Gorder School?

Hon. Mr. McDonald: As I explained once before, the reason why I referred at least one question to the Minister of Government Services was that it was of a technical nature about demolition itself. I indicated to the Member that most of the new addition on new foundations would not be used — it is not useable — and that every precaution would be taken, until its demolition, to keep people away from that addition.

In the time between now and the next school year, there will be efforts made to renovate the rec centre facility for use by the school children. As Members will recognize from the Capital Supplementaries, there is funding identified for that exercise.

With respect to the actual demolition, I am not sure exactly when the demolition will take place, but I can secure the information for the Member and will discuss the matter with the Minister of Government Services.

Chairman: At this time we will recess for 15 minutes.

Recess

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

Mr. Lang: I would not want this event to be cancelled through lack of interest. I think we can proceed line by line.

On Administration

Chairman: Administration, general debate.

Mr. Lang: Is this the area in which the contract administrators on staff are involved? I see the Minister nodding in assent.

Has there been an increase in person-years in this area from last year?

Hon. Mr. Kimmerly: Yes. There is one term position starting in 1986-87.

Mr. Lang: Why is it a term position? How long is it for, and what is the person going to be doing?

Hon. Mr. Kimmerly: That is necessary because of the increased volume of capital works. It is not a permanent position for exactly the reasons often and eloquently stated by Mr. Lang. It may not last. The Capital Budget and the contract administration has expanded considerably, and there is a need to get the tenders out on time.

Mr. Lang: How many term positions are included in the Budget?

Hon. Mr. Kimmerly: There are 11 in total.

Mrs. Firth: Are there any contract positions that have recently been converted to permanent person-years that would not be included in the budget, as we found in Economic Development?

Hon. Mr. Kimmerly: No, there are not, except for the ones I explained yesterday, which are now person-years as identified here. There are no additional ones, and none made since the publishing of the budget today, and none contemplated in the immediate future.

Mr. Lang: What do the other 10 term positions do, of the total of 11 that he spoke of?

Hon. Mr. Kimmerly: They are for Capital Works, as the previous Minister is well aware. They are not identified by dollars in this budget here. The dollars are chargebacks to the capital under other departments. There are not any dollars here.

On Administration

Administration in the amount of \$953,000 agreed to

On Property Management

Mr. Lang: This is the area that deals with leasing and the actual property acquisition of the government. In 1985-86, there were five facilities owned. In 1986-87, there were 11. That is an increase of six. Other than the Philipson Building, what were the other five included in this figure on page 130?

Hon. Mr. Kimmerly: It is not that we have purchased any new buildings. We have not, but we have increased our activity in the management of them. I will supply a list of which buildings those are. I do not have it here. I have the rental expenses and the contract services expenses.

Rental expenses for the Worker's Compensation Board are \$47,000; the new Health and Human Resources is \$25,000. We are considering a figure for escalation that I will not publish, but I will supply it privately. The Mainstele is \$17,000. The Prospector Building is \$40,000. Keith Plumbing is \$320,000. The Lynn Building is \$200,000. The Medical Arts Building is \$94,500, and the Federal Building is \$75,000. Last year it was \$210,000, but we are moving out in July.

The Carcross Indian Band is \$300,600. 208B Main Street is \$30,000. Tutshi Holdings is \$25,000. Financial Plaza is \$6,000. Jean Holdings, the Land Claims Office is \$72,000. Health and Human Resources in Teslin is \$9,000. The MacKenzie Building in Ross River is \$18,000. Mike Mitchell in Carmacks is \$3,000. The Ottawa office is \$33,400.

Mr. Lang: He said he had increased activity, but he had not increased land holdings of the government. Can he explain why all of a sudden we are looking at this major increase in footage? Was it charged against other departments last year, and, if so, did those particular budgets go down correspondingly with the transfer of dollars, or is that further slush funds for other departments?

Hon. Mr. Kimmerly: There were leases that came into this budget this year that were not here previously. They were in other budgets. Whether it decreased in the other budgets I do not know.

Mr. Lang: Are there any other departments, other than Health and Human Resources, which I gather has been budgeted in this department, moving within the next month or two months to other than the Philipson Building?

Hon. Mr. Kimmerly: No. We have no present plans to lease additional space in the immediate future.

Mr. Lang: In Others, \$2,389,000, are there any areas of studies or professional services? If so, what areas will the money be spent in?

Hon. Mr. Kimmerly: No, there are no monies for studies. *Property Management in the amount \$2,830,000 agreed to*
Administration in the amount of \$3,783,000 agreed to
On Systems and Computing Services

Chairman: General debate on Systems and Computing Services.

Mr. Lang: I do not have any specific questions. Could he give us any further areas he is looking at for professional special services for planning and that type of thing?

Hon. Mr. Kimmerly: There are not. I was put on notice about questions about the Three-Year Projections, which I have. Perhaps I will send it over to Mr. Lang.

Mr. Lang: One of the reasons we can expeditiously go through the line items is that we have covered most of the policy areas in general debate, and the reason I am asking specific general questions is to give the Minister the latitude to inform us of things that are on the political agenda that should be noted in view of the limited information that is here. So, I am holding the Minister accountable in that I am asking a very general question and expecting to get an answer, in a general sense, on the political agenda side of any of these particular branches.

Hon. Mr. Kimmerly: I understand that, and I accept that. There is nothing on the political agenda to report.

On Administration

Administration in the amount of \$276,000 agreed to

On Processing Services

Mr. Lang: We have dropped \$500,000 here. Could the Minister explain what happened?

Hon. Mr. Kimmerly: This is because of the reorganization in staffing that I explained in the introduction. I have had the calculations done as if the new organization existed last year. If that were the case, under Processing Services, the number would be \$681,000 for a decrease of two percent.

Processing Services in the amount of \$675,000 agreed to

On Systems Development

Systems Development in the amount of \$721,000 agreed to

On Technical Services

Mr. Lang: There is a substantial increase here. Does the Minister have a general comment about the increase?

Hon. Mr. Kimmerly: It is where Processing Services went on the reorganization. If the reorganization had occurred last year, the 1985-86 forecast would be \$336,000. There is still an increase here. I would emphasize that the Information Resource Centre with one person-year has become Technical Services with three person-years. That explains the entire increase.

Technical Services in the amount of \$450,000 agreed to

On Office Systems

Office Systems in the amount of \$411,000 agreed to

Systems and Computing Services in the amount of \$2,533,000 agreed to

On Supply Services

Chairman: General debate?

Mr. Lang: We have covered a lot of ground here. Did he say a decision was going to be made in August with respect to the reservation clerk last evening?

Hon. Mr. Kimmerly: Yes. I checked the speech I made in response to the Public Accounts debate. The date for the completion of the review is August 31. I fully expect to be called on to explain the situation after that, either in Public Accounts or in the House, perhaps both.

On Administration

Administration in the amount of \$103,000 agreed to

On Purchasing

Purchasing in the amount of \$368,000 agreed to

On Queen's Printer

Queen's Printer in the amount of \$748,000 agreed to

On Asset Control

Asset Control in the amount of \$90,000 agreed to

On Transportation

Mr. McLachlan: Has the repainting of the vehicles been completed, or are we still spending money in painting the orange Human Resources cars blue?

Hon. Mr. Kimmerly: It is completed. There is no money identified for repainting in this budget at all.

Mrs. Firth: Why is there such a tremendous increase in the volume of printed material on page 135 under the line item Queen's Printer? Printing volume has increased by 1,000,025 pieces. Can the Minister explain what all the printing is going to be?

Hon. Mr. Kimmerly: I cannot explain it specifically except to say that it is a general increase at the request of the departments. We are printing more as the years go on. There is not a specific reason for that. That is simply an estimate, not an actual. There is substantial printing activity in the House. There are White Papers, substantial bills and the like.

Mrs. Firth: I asked the question because the cost of the activity line item Queen's Printer did not go up that much, but the printing volume seems to have taken an increase compared to previous years. I would question what kind of printing the government is planning on doing. Is the estimate that accurate? Are we going to be looking at a supplementary estimate because of the volume of printing is going up so much?

Hon. Mr. Kimmerly: There will not be a supplementary

projected now. There is no plan to change the printing practices or policies. This is an estimation that the activity will increase next year over last year. That is the sum total of the rationale for that larger number of 12 million.

*41 Asset Control in the amount of \$90,000 agreed to
On Transportation*

Mrs. Firth: The line aircraft charters has gone up considerably from 1984-85 and 1983-84. Can the Minister explain why that has happened? That is on page 135.

Hon. Mr. Kimmerly: Next year's estimate is almost exactly this year's forecast. The prime user here is the Department of Renewable Resources. I have no other explanation.

Mr. Brewster: Renewable Resources is spending that much money on charters to fly around to count bears and wolves and coyotes? Is he sure that they are spending a big portion of that?

Mr. Lang: Does this not include the cost of medivacs? If it does, that would be the lion's share of the expenditure.

Mr. Brewster: Perhaps the Minister could get back later. I am just curious. If he says a portion of that is Renewable Resources, that seems an awful lot of money to me.

Hon. Mr. Kimmerly: The increase here is five percent over last year's. It is a similar amount in this line over 1984-85. The question about the statistics will include all of the aircraft charter for the government as a whole. Some of that funding is in this line under Transportation; some of it is not. The medivacs, I believe, are in the Department of Health, and would show up on the statistics page as aircraft charters. The Transportation line on page 134 does not include medivacs, I believe.

Mr. Lang: I think it is something that the Minister could bring back next week, at the start of Committee.

Hon. Mr. Kimmerly: Certainly.

*Transportation in the amount of \$988,000 agreed to
On Warehousing*

*Warehousing in the amount of \$221,000 agreed to
On Records Management*

Records Management in the amount of \$934,000 agreed to

*42 Supply Services in the amount of \$3,452,000 agreed to
On Public Works*

On Administration

Administration in the amount of \$57,000 agreed to

On Building Maintenance

*Building Maintenance in the amount of \$1,850,000 agreed to
On Internal Energy*

Mr. Lang: I have a question on the retrofitting of buildings. I am assuming that is a portion of this. Have there been any proposals accepted by the government for the purposes of eliminating energy costs to the government as far as this or any other government building is concerned by people who are interested in getting that kind of business?

Hon. Mr. Kimmerly: No. In keeping with an effort not to be misleading, the question was "any proposals accepted by the government". The answer is no, but we are continuing to look at that question, especially in the global context, for all the major public buildings in Whitehorse, including the Philipsen Building and Yukon College.

Mr. Lang: Are you publicly advertising for proposals so that people are aware that the government is prepared under a general set of criteria to consider proposals and act upon them if they make sense? The reason I ask if there have been proposals put forward and I think they have been sat on and I know it puts the government in a difficult position to go out for call, then you have every right to move forward if you feel it is in the best interest of conservation of energy and the taxpayer.

Hon. Mr. Kimmerly: There are proposals for the supply of heat. There is Mr. Harder's proposal, which was in the media recently, specifically about the Philipsen Building, and there is discussion about coal. This branch and Economic Development are intimately involved with those proposals and the government is as interested as the previous government, I would venture to say, even more so, in finding an economic, cost-effective alternative.

Mr. Brewster: I would just like to ask the Minister one question on the allotment. The wages have gone down yet the

person-years went up by three.

43 Hon. Mr. Kimmerly: This is entirely due to the chargeback practice of the department to charge time to capital projects. The money occurs in other budgets.

Internal Energy in the amount of \$106,000 agreed to

Public Works in the amount of \$2,013,000 agreed to

Chairman: Are there any comments on the information on page 140, Revenues and Recoveries?

Mrs. Firth: I think it should be noted that staff parking is now free, is that correct?

Hon. Mr. Kimmerly: Yes it is.

Mr. McLachlan: Could the Minister explain what the Sale of the Ordinance is?

Hon. Mr. Kimmerly: The revised statutes will not be distributed free. They will be sold at the approximate printing costs.

Department of Government Services in the amount of \$11,781,000 agreed to

Department of Health and Human Resources

Chairman: Department of Health and Human Resources, general debate.

Hon. Mrs. Joe: I have some corrections for this department. I will have them distributed.

Chairman: I will pass around the general directions for the budget for this department.

Hon. Mrs. Joe: I am pleased today to introduce the O&M Budget for the Department of Health and Human Resources for the 1986-87 fiscal year.

We have consistently stated the principles underlying our actions and priorities in improving the health and social welfare of Yukoners. This budget reaffirms the government's commitment to the enhancement of the social and health needs of Yukoners.

Debate on these Estimates will, in my opinion, provide a concrete demonstration of that commitment and will emphasize our dedication to the improvement of the quality of life for all Yukoners.

First, I would like to provide the Members with a brief explanation of the format of the 1986-87 Estimates since they are somewhat different than the 1985-86 Estimates. In 1985-86, the Estimates listed 17 departmental programs, whereas in 1986-87, the Estimates list four departmental programs.

The drastic reduction in the number of departmental programs reflects the recent changes made in the department's Chart of Accounts. The previous Chart of Accounts, as well as the overall organization of the department, had resulted in unclear delegation of responsibility and accountability for the various programs.

Program activities had become segregated and isolated, and ultimately resulted in program overlaps, differing views of program responsibilities and a general lack of accountability by individuals in the department.

This situation was highlighted in an audit of the department, and specific major recommendations to deal with the situation were contained in the departmental audit report approved by the former government in late 1984. The reduction in the number of program areas in the 1986-87 Estimates is a visible result of one of the Audit Report recommendations.

The newly designated program areas, namely Administrative Services, Human Resources, Community and Family Services and Health Services, now relate directly to the organizational structure of the department and its new Chart of Accounts.

44 As a result, all programs or, more correctly, all activities listed separately in the 1985-86 Estimates have been regrouped under one of the earlier-noted departmental programs. For example, the nine separately identified health activities listed as departmental programs in the 1985-86 Estimates have been amalgamated under a single program, namely Health, in the 1986-87 Estimates. It may prove problematic, initially, to identify one of the former programs under the new scheme, but I will make every effort to assist with this identification during our detailed review of the Estimates. However, these changes are an essential step in addressing our commitment to the Public Accounts Committee, to enhance departmental accountability and to improve our statistics and reporting practices respecting departmental performance.

The basic goal of the Department of Health and Human Resources is to maintain, promote and improve the health and social well-being of individuals and families in the Yukon. Although social programs are often perceived from a negative perspective, their development and maintenance are a vital aspect of the comprehensive economic policy. Individuals are more productive, more innovative and, generally, more satisfied members of society when they are healthy and secure.

Therefore, in preparing the 1986-87 Budget submission, the department was guided by the premise that social and health objectives had to be consistent with, and supportive of, the government's economic goals, because funding is, and always will be, limited. The Estimates were formulated, not only with due regard for the overall social environment, but also for consistency with our economic goals and for efficiency and effectiveness in program delivery.

The 1986-87 departmental estimates, totalling \$36,900,000, represent an increase of \$1,944,000 over the 1985-86 Estimates, which totalled \$34,956,000. The six percent increase in the departmental estimates is a relatively small percentage increase, even though a number of new initiatives are included. The minimal increase signifies our commitment, not only to the enhancement of programming, but to the enhancement of the department's effectiveness and efficiency as well.

As noted previously, the basic goal of the department is to maintain, promote and improve the health and social well-being of all Yukoners. The various departmental programs pursue a variety of objectives to achieve this goal. The basic objective of the Community and Family Services Program to achieve the goal is the provision and promotion of activities and resources throughout Yukon, to strengthen and enhance individual, family and community life.

The activities and resources include the provision of family support services such as counselling and family workers; the provision and promotion of services, resources and activities for families and children, such as financial support for Kaushee's Place, and the operation of training sessions for perpetrators of family violence, which are intended to reduce the incidence of family violence and minimize the adverse effects of family violence; the provision of services to ensure the safety and protection of children, such as the operation of children's group homes and, finally, the provision and promotion of support services to communities, youth court and young offenders to reduce the incidence of juvenile crime and to protect society.

The establishment of diversion committees in a number of communities is an example of the support being provided. The prime Human Resources program objective to achieve the departmental goal is the provision of a full range of preventative and treatment services to Yukoners, aimed at promoting and maintaining economic independence and social well-being.

These activities include financial assistance, counselling and employment-related services to persons in need to insure a basic standard of living and the promotion of economic self sufficiency. In addition, comprehensive services, such as education, assessment, prevention counselling and treatment are offered to reduce the prevalence of alcohol and drug abuse in the Yukon.

Finally, a comprehensive range of activities, including income maintenance, residential services and specialized counselling for seniors and the disabled are provided to insure that the program objective is met.

The Health Services' basic objective is to insure access by all Yukoners to appropriate supportive disease preventative and treatment services in a cost effective fashion so as to facilitate the maximum physical and emotional development of the individual. A broad range of activities, including but not limited to the development of community clinics, the provision of free dental services for elementary school children, the provision of hospital services, the provision of medical travel for treatment and the provision of services are coordinated and provided to insure, to the extent possible, the achievement of the program objective.

Finally, the objective of the Administrative Services Program is to provide the administrative leadership and assistance to depart-

mental management in the effective and efficient planning and delivery of the various programs and services to the Yukon public. Significant changes have taken place in the department in the past year and the estimates before you outline the changes planned for the coming year.

I would now like to review what has been accomplished and outline our plans for 1986-87 as embodied in the estimates.

With respect to the Administrative Service Program, the Administrative Services Unit has been restructured to provide more effective and more efficient support for management and programs across the department. The major recommendations of the 1984 Audit Report have been implemented, and a process to establish measurable program objectives and performance indicators is underway.

It is anticipated that the outcome of this process will improve the financial management and accountability at all levels of the department.

The Social Development Worker Training Program, designed to enable the hiring, internal development and advancement of local residents is proceeding. Negotiations are underway with the School of Social Work at the University of Regina, and it is expected that instruction will begin in the autumn of 1986.

The Policy, Planning and Evaluation Unit is finally fully staffed and is active on a number of important projects. The most important project is the development of a departmental program planning process, which, in conjunction with the new financial management system, will significantly enhance the fiscal accountability of the department.

I am pleased to report significant advances in the Community and Family Services Program during the past year. After extensive consultation with interested groups and individuals concerned about daycare, new regulations establishing updated standards were promulgated. More important, perhaps to those needy individuals in our society requiring our assistance in the provision of daycare, increases in daycare subsidies were implemented effective November 1, 1985. The maximum subsidy payable for children two years of age and older was increased from \$250 to \$350 per month, and for children under two years of age or with special needs the subsidy was increased from \$250 to \$350 per month.

Not only was the subsidy increased but, on the basis of public representation made to this government, the method of payment was also changed. Since January 1986 payment of the subsidy could be made directly to the operator of the daycare if so requested by the recipient.

Finally, the position of Day Care Coordinator was expanded from half-time to full-time.

The estimates before you make provisions for additional funding for daycare throughout Yukon. The funding will be allocated as follows. For direct grants to licenced day care centres for the purpose of assisting with ongoing operational and maintenance costs of \$30 per month per licenced space in Whitehorse and \$45 per month per licenced space in other communities.

This government is committed to the provision of quality day care throughout the Yukon and this funding is being provided to encourage the establishment of facilities in our rural communities and to ensure that the standards of service will be improved over time.

On training costs of day care workers in the area of first aid as required pursuant to the regulations, this government has made a commitment to implement the applicable recommendations of the Task Force on Family Violence. Numerous initiatives are underway in-house to implement some of the recommendations. For example, provision has been made to include an appropriate interview room and to provide the recommended recording equipment in the facilities soon to be occupied by two units of Community and Family Services.

There are, however, recommendations that extend beyond the bounds of the department and that cannot be dealt with by government in isolation. As a result, the Estimates contain the following initiatives to deal with these external requirements.

Funds have been reallocated within the department to provide additional resources to Kaushee's Place for child care and counselling services. Basic funding has been allocated for the development

of a safe house program for our rural communities.

It is anticipated that the safe house pilot project will initiate the development of a service that will provide victims of family violence with temporary living accommodation and support. I look forward to the participation of concerned individuals and communities in the development and implementation of the pilot project.

Community consultation respecting implementation of the *Young Offenders Act* in the Yukon was completed, and a report on the consultations was tabled in this House earlier this session.

Work continues in the department respecting the promotion of community alternatives and the development of crime prevention programs for young offenders. In addition, planning continues for additional open custody facilities and the establishment of a secure custody facility. The Estimates include funding for the operation and maintenance of these additional facilities.

The Community Addictions Program has been reestablished pursuant to the commitment I made in this House during the 1985 Summer Session. I am pleased to advise that staffing for the program has been completed and that all staff were hired in their home communities.

These employees will be amongst the first students to be enrolled in the Social Development Worker Training Program.

The only significant changes that have occurred in the Human Resources Program relate to the enhancement of the residents at Macaulay Lodge. Improvements in service delivery have been instituted with a designation of charge nurses and the employment of a patient care coordinator.

The Alcohol and Drug Services Unit is now fully staffed after longstanding vacancies were filled during the past few months. Although changes in the area have been minimal in the past year, the recommendations resulting from the major activity reviews that are underway at the present time could possibly predict major changes in the near future. These reviews were established to examine the needs of clients in the area of geriatrics, rehabilitation services, alcohol and drug services and social assistance to identify the problems encountered in the delivery of these services and to make recommendations respecting improvements to service delivery.

Each review other than the review of Alcohol and Drug Services directed by the departmental study group involves extensive consultation with other government departments and agencies, knowledgeable individuals in each of the fields and representatives of the appropriate community interest groups.

The review of Alcohol and Drug Services is being directed by the Substance Abuse Advisory Committee whose terms of reference were outlined in a recent Ministerial Statement.

The reports of each study group are to be submitted to me by late summer. I will be pleased to advise the Members of this House of any action this government decides to take with respect to the reports at the fall session.

In the health services program area, work continues on the redesign and computerization of the final major health systems, namely registration, premiums and claims. It is expected that this major project, which was initiated in 1983, will be completed by the fall of 1986.

During the past year, relations with National Health and Welfare have improved. Formal memoranda of understanding between the two departments have enhanced Yukon's role in the planning and decision making associated with health care services in the Yukon. Our full participation in the planning for a new hospital is but one example of the improved relations.

The Communications Disorders Clinic is finally fully staffed for the first time. As a result, the program services in this area have been expanded and improved. Two new initiatives in the area of health services have been included in the 1986-87 Estimates. The first initiative is the enhancement of the existing Chronic Disease and Disability activity. It is an expansion of certain existing health benefits, such as drugs, medical appliances and prostheses for the elderly and chronically ill and disabled. It will bring to an end the financial hardship felt by many persons with such conditions as lung disease and poorly controlled diabetes.

The second initiative has been discussed in this Assembly over a

period of years. I am pleased to announce the establishment of a Home Care Program in the Yukon. Home Care is basically an integrated delivery system of such services as home nursing, occupational therapy, certain medical services for those Yukoners in need of those services in their homes.

These services will enable many Yukoners to continue to live independently in their own communities and homes. Not only will the activity enhance the independence of many of our residents, but it also has the potential to reduce expensive institutional costs.

Since the two initiatives will involve internal reorganization in the Health Services branch, as well as the development of new regulations under the *Health Care Insurance Plan Act*, the implementation date is October 1, 1986. However, as some cases, especially those in need of home care, are urgent and pressing, I have made provision for Home Care services on an emergency basis until the program is formally established.

I have presented you with some of our accomplishments to date and an overview of the major initiatives planned for 1986-87. I am convinced that we are on the right track and that our initiatives are indicative of this government's commitment to the enhancement of social and health programs for Yukoners. I am certain that the Members opposite are totally supportive of the initiatives outlined and, as a result, will give our estimates their favourable attention.

Mrs. Firth: In view of the time, as opposed to entering into great philosophical debate with only approximately two minutes left, I move that the Chairman report progress on the bill, if the Minister is willing?

Motion agreed to

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

Motion agreed to

Speaker resumes the Chair

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

Mr. Webster: The Committee of the Whole has considered Bill No. 5, *Second Appropriation Act, 1986-87*, and directed me to report progress on same.

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

Some Members: Agreed.

Speaker: I declare the report carried.

Hon. Mr. Porter: I move that the House now adjourn.

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

Motion agreed to

Speaker: This House now stands adjourned until 1:30 Tuesday next.

The House adjourned at 5:26 p.m.

The following Documents were filed May 15, 1986:

No. 7

Letter dated March 25, 1986, from Prime Minister to Bill Brewster re Tatshenshini River area (Brewster)

No. 8

Summary of Safety Measures and Operating Conditions for the Hauling of ore by truck from Faro, Yukon to Skagway, Alaska (McDonald)