



# The Yukon Legislative Assembly

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## **HANSARD**

Thursday, April 2, 1987 — 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

Danny Joe	Tatchun
Sam Johnston	Campbell
Norma Kassi	Old Crow
Art Webster	Klondike

## OPPOSITION MEMBERS

### Progressive Conservative

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

### Liberal

James McLachlan Faro

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Clerk Assistant (Legislative)	Missy Follwell
Clerk Assistant (Administrative)	Jane Steele
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Deputy Sergeant-at-Arms	Frank Ursich
Hansard Administrator	Dave Robertson

<sup>01</sup> **Whitehorse, Yukon**  
**Thursday, April 2, 1987 — 1:30 p.m.**

**Speaker:** I will now call the House to order.  
 We will proceed at this time with Prayers.

*Prayers*

#### DAILY ROUTINE

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

#### TABLING RETURNS AND DOCUMENTS

**Hon. Mr. Penikett:** I have several returns for tabling. They are answers to a number of questions from a number of Members.

**Speaker:** Are there any Reports of Committees?  
 Are there any Petitions?

#### PETITIONS

**Mr. Joe:** I rise to present a petition on behalf of the Member for Campbell. This petition is from 94 people in Ross River who are asking the Assembly to investigate and correct a dangerous situation on the Robert Campbell Highway concerning flying rocks and ore trucks.

<sup>02</sup> **Speaker:** Are there any Introduction of Bills?  
 Are there any Notices of Motion for the Production of Papers?  
 Are there any Notices of Motion?  
 Are there any Statements by Ministers?

#### MINISTERIAL STATEMENTS

##### First Ministers' Conference on Aboriginal Rights

**Hon. Mr. Penikett:** By way of a Ministerial Statement, I would like to report to the House on the First Ministers' Conference on Aboriginal Rights held in Ottawa on March 26th and 27th of this year.

As you are aware, we were unable to reach an agreement on an amendment to the *Canadian Constitution* that would have entrenched the right of aboriginal self-government. The federal government proposal, which recognized a contingent right to aboriginal self-government, was not acceptable to even a minimum of the seven provinces with fifty percent of the population required for a constitutional amendment. Particularly disappointing, as was noted by the Prime Minister, was the fact that some provinces, specifically Newfoundland and Saskatchewan, seemed to have moved away from positions taken in 1985. Nor was the federal proposal acceptable to the four aboriginal groups, who took the position that the *Canadian Constitution* must recognize an inherent right to aboriginal self-government.

The Yukon has participated fully in Ministers' and officials' meetings leading up to the First Ministers' Conference. In the course of these discussions, we have relayed our own experience at the Land Claims table and attempted to facilitate an understanding and a sense of compromise among the various positions and participants.

At the First Ministers' Conference, on behalf of the Yukon Government, I argued that aboriginal rights to self-government ought to be the same as other rights enshrined in the constitution. While we recognize the need for a standard right, we believe it is infinitely preferable for parties to work cooperatively through negotiations to establish self-government rather than resort to the courts. This cooperative approach is one that we have sought for the Yukon Land Claims table.

We further stated that, while the federal government has primary financial responsibility, the provinces and territories as full

participants must collectively create and maintain an adequate and stable financial base for aboriginal self-government. While the First Ministers' Conference failed to come to an agreement on wording to enshrine aboriginal self-government in the Constitution, and with the likelihood that such an agreement is some years away, we must now direct our energies to settling land claims in the Yukon.

In order to progress much further, we need at the earliest opportunity the federal government's Yukon-specific policy with respect to land claims. For our part, we are committing the necessary resources to negotiate a land claims settlement on a cooperative and regional basis. As I have said before, several departments will be asked to make special efforts to help reach agreements. Mr. Speaker, I believe that, with a renewed effort by all parties, a land claims settlement can meet the self-government aspirations of Yukon aboriginal people. In this respect, Yukon could be a model to the rest of Canada.

<sup>03</sup> **Speaker:** This then brings us to the Question Period. Are there any questions?

#### QUESTION PERIOD

##### Question re: Porcupine caribou herd

**Mr. Phelps:** I have a number of follow-up questions. My first one is of the Minister of Renewable Resources. I am wondering whether or not this government has taken a decision with regard to the signing of the draft international agreement for that herd?

**Hon. Mr. Porter:** As I stated yesterday, I hoped that I would be able to convey a decision with respect to that particular agreement to the House today; however, I am not able to do that. I will deliver a Ministerial Statement to the House on Monday.

##### Question re: Land claims, overlap policy

**Mr. Phelps:** Again on follow-up, I received a number of written answers to the questions I asked of the Government Leader regarding the tabling of maps showing overlap both in north Yukon and the eastern side of the Yukon and the southern part of the Yukon and received answers which I would like to get some clarification on.

The first one I have here, the question was: "Will the Government Leader table maps of the Tahltan Nation showing land claims within Yukon?" The answer was: "The Tahltan Nation has not presented a map showing any overlapping claim to the Yukon Government." That statement may be correct, but I am concerned because it is my opinion that I have seen maps showing the Tahltan claim, which have been received from the federal government by this government several years ago. I would like to ask the Government Leader whether or not they will table any maps in their possession, whether they came from the Tahltan Nation or not?

**Hon. Mr. Penikett:** Perhaps the Leader of the Official Opposition can help me in this. If he is referring to maps that may have been received by him during his time as this government's Land Claims Negotiator, perhaps he might be able to advise me — not during Question Period, of course, but on some other occasion — whether those files were closed or sealed in some way at the time there was a change in government, in which case, of course, I would not have access to them. If they were not, then I would obviously be prepared to have a search of the files to pull out claim maps that were received during his time as negotiator.

**Mr. Phelps:** The issue really is whether or not this government has maps from whatever source showing the Tahltan claim and the other claims. We know maps are in existence. I have seen maps. Whether they are in the possession of the government or whether they were shown and not kept, I do not know. I have seen the maps, and what I am concerned about is the wording of the question. Is the question worded so as to put us off the track? Does the Government have any maps, presented by whoever, showing the Tahltan Nation claim?

<sup>04</sup> **Hon. Mr. Penikett:** The curt wording of the question may well have been designed to put the government off track, but I am not responsible for the wording of the question. I assume the Leader of the Official Opposition meant the answer.

I will find out if there are any maps in our possession. It is possible that someone in British Columbia did not know there had been a change of government and a change of land claims negotiator. Perhaps the maps were delivered to him. I do not know, but I will find out if, during our time in office, we have received any maps of the Tahltan claim, or if there are maps on file that were received by the previous administration or by the previous negotiator or conveyed to us by a third party, such as the federal government, either recently or some time ago.

**Question re: Land claims, overlap policy**

**Mr. Phelps:** My concern is similar with respect to the wording of the answers, not the question, to my questions requesting maps of the claim of the Dene of Fort McPherson and Arctic Red River. Again, the wording in the answer is as follows:

"The Dene of Fort McPherson and Arctic Red River have not presented their present position on overlapping claims to the Yukon government."

If the government has copies of the maps of the claims, whether they came indirectly from the Government of Canada or from whomever, I would ask that those be presented and tabled in the House, as well as a similar answer regarding the Dene of Aklavik and their maps, the Atlin Tlingit and their maps, the Dene of Fort Norman and their maps, and the people of Fort Liard and their maps.

Would the Government Leader undertake to table whatever maps are in the government's possession, whether they come directly from the claimant groups or indirectly by way of the Government of Canada?

**Hon. Mr. Penikett:** First, let me assure the Member opposite, the only map I have received personally has been tabled. That is the one of the Kaska Dena. I will undertake to find out what other maps may have been received by whatever means. I assume he would want us to go back and extend to the days when he was the negotiator to establish the maps even of that day. I am certainly not aware of any that have come in during our period as government.

I will give the undertaking to examine the question and report back.

**Mr. Phelps:** The real difficulty here is that we have all these various groups claiming large areas of Yukon in land claims, and there are maps. We have seen maps on TV programs. The map of the Tahltan, I believe, at one point was even published in one of the local papers several years ago when they first made their claim. Why is the government not actively seeking these maps so they can look and see what claims these people are making over what areas of Yukon?

**Hon. Mr. Penikett:** Coming from a person who I understand does not want to negotiate these matters, the idea that we should be going out and soliciting maps is something I find slightly problematic. The Member opposite has suggested that there have been some maps shown on TV. I understand that the maps that have been shown on TV and the program referred to in a question of many weeks ago was the Kaska Dena Claim. We have received our version of that map.

The discussions we have had with the one other group with whom we have been talking with recently besides the Kaska Dena, the Dene/Metis, have been about a framework for negotiations, not specific land claims and certainly not about the large areas the Member has been referring to.

**Mr. Phelps:** It is a large area with regard to the Kaska Dena if that is what he is talking about.

I still do not understand how this government is operating if it is not interested in knowing what the claims are. Whatever method they use to deal with them, they want to consult, they certainly want to know. When claimant groups make their claim at first to the federal government for verification, to Justice, they deliver maps with the rest of their claim. That is common knowledge. I would really like to know why this government has not actively sought out these maps to see what these people are claiming within Yukon.

**Hon. Mr. Penikett:** Let me be perfectly clear. We are not shopping for claimants. If the Member, based on his prior knowledge, knows that there have been claims filed some years ago

with this government and with the federal government and maps presented to him during his time as the negotiator, which may be on file, a knowledge which he has, then I do not know why he is asking me for that knowledge. We have not, in our time, during the time I have been in office, been presented with maps. We have enough on our plate without seeking maps from claimant groups. We have been, first of all, trying to get a policy established by the federal government, whose principle responsibility this is. That has, so far, not had a satisfactory result, which is one of the reasons why we have a court action ensued. I have already told the Member, I have answered specific questions, and I have given him a further undertaking now to see what may be in the files and what information we may have had from other sources.

**Question re: NCPC, management of assets**

**Mr. McLachlan:** I have a question for the Minister of Government Services. How much is the government paying for the management of the NCPC assets by the private utility operator, Yukon Electrical?

**Hon. Mr. Penikett:** As the Member probably knows from reading the newspapers, we have been signing documents and exchanging legal documents including the arrangements for the management of the former Northern Canada Power Commission's assets by the Yukon Electrical Company. As I have already indicated, I will be tabling documents containing that information in this House, hopefully next week.

**Mr. McLachlan:** Can the Government Leader answer if it is a contractual arrangement that is based on a fee-for-service or is it incentive-based, that will give the Yukon Electric people a more profit basis for a more efficient operation?

**Hon. Mr. Penikett:** Rather than telling the Member that it is a bit of both, what I will do is take the question as notice and then, when we have the documents for tabling, he will be able to see the exact answer.

**Mr. McLachlan:** If we could also serve notice on the Government Leader when the O&M debate estimates come up under the Development Corporation, if the Minister could also provide data at that time that relate to the \$4.3 million revenue base to this government as a result of the operation of YDC, that could also be of some benefit because we have it all simply buried in a one-line item that says one dollar. Could he undertake to bring forward the information at that time, as well?

**Hon. Mr. Penikett:** I have no problem doing that. As you know, those are revenue projections, and I am sure if we had not put them in the budget, we would have been criticized for doing so. The Act which created the Yukon Development Corporation made it quite clear how it's monies should be administered. The number — I do not want to anticipate the budget debate — as Members know is a combination of the anticipated return from the power corporation in the first year minus the losses that will be borne in the first year by the Yukon Forest Products operation. The estimated financial picture of the electrical corporation, or the power corporation, is of course a much larger factor.

I had previously provided the House with some information about that, and some information about our projections, but as well as I am able I will be prepared to discuss that further and bring the appropriate officials to the floor of the House to assist me when we get to those estimates.

**Question re: Land claims, overlap policy**

**Mr. Phelps:** My question to the Government Leader is: will this government actively seek to obtain copies of the maps showing the claims of each of the overlapping claimant groups — which I can name, but surely it is not necessary now — within Yukon? Will the government go and actively seek these maps from either the claimant group or from Ottawa, the federal government, so that they know what these people are claiming?

**Hon. Mr. Penikett:** I will take the question under advisement. I have some problems, tactically, with the notion that I would go to potential claimants, people outside Yukon, and ask them to give us maps of their claims, which invites the strongest, hardest position from those groups to be put on the table, with no reference to the

current legal and constitutional context or bargaining environment.

I hope the Members opposite understand and will support the idea that we hold, that our principal purpose is to try and get a just settlement of the Yukon aboriginal people's claim, and that the overlap question cannot be dealt with adequately in the absence of a clear and satisfactory federal policy.

**Mr. Phelps:** To deal with the smokescreen sent up by the Government Leader in his usual fashion, I would like to ask this question: since we have a large number of claims from claimant groups, which have been submitted to the federal government and accepted by the federal government for negotiation, and since those claims — they are the ones that I have referred to, but will go through them again — include all the Dene groups of the Northwest Territories, the Tahltan of BC and the Atlin Tlingit group of BC, have been accepted, and since maps are already in existence, will this government not obtain possession of the maps so that they can at least understand what the claim is with respect to Yukon?

**Hon. Mr. Penikett:** I perfectly understand the political intent behind the Leader of the Official Opposition's question. I understand very well his wish that the idea be conveyed to the public that this is a simple matter. I remain disappointed that he is not at all interested in having tabled here the maps of Yukon aboriginal groups' claims in other jurisdictions. They are just as relevant to the issue, and they are a perfect illustration of the complexity of the matter.

Our efforts, at this moment, are directed towards having discussions with those overlap claimant groups to try and work out framework agreements for dealing with those matters. In the case of the Northwest Territories, we can hopefully do so on some kind of reciprocal basis so that we can expedite a settlement of the Yukon land claim, without seeing the whole matter tied up in endless litigation.

**Mr. Phelps:** Am I then to take that answer as, no, the government is not going to try to obtain maps from the federal government or from the claimant groups to find out exactly what the claim is that has been accepted by Ottawa and which are going to be negotiated? Is the answer no to my last question?

**Hon. Mr. Penikett:** No, it is not. I will certainly do what he is perfectly capable of doing, and what I am sure he has done in the past and that is to obtain what information he can from the federal government about these claims. I will find out what was done in the last few years, going back several years when these claims were first articulated by this government. I will find out what is on our files about these claims, all of which I am sure is known by the Leader of the Official Opposition who is now asking these questions.

Whatever information I can bring forward to the House, I will. I will also, because I think it is important for the public to know, and it is important and relevant to this debate, try to bring in information to this House at the same time about the claims of the Yukon aboriginal groups beyond our borders.

#### Question re: Land claims, overlap policy

**Mr. Phelps:** We are finally starting to get somewhere. The real and only reason for this whole line of questioning had to do with the answers that were given — the cute answer that the people of Fort Liard have not presented a map to the Government of Yukon and so on. All we want to know, and we think Yukoners have a right to know, is what we are facing in terms of claims by overlapping groups who are claiming land into Yukon, and whose claims have been accepted by the federal government for negotiation.

I simply wanted a straightforward answer, and I wanted the maps tabled. I hope the Government Leader will accept my gratitude for his new approach, namely that of trying to fulfill the request made here.

**Hon. Mr. Penikett:** I do not know if, in that long statement, there was a sentence that ended with a question mark, but let me respond anyway.

I will be quite happy this afternoon to place a call to the Land Claims Secretariat, to have them search the files back for a few years during the time when these claims were received by the federal government — which, I believe, was during the time that

the Leader of the Official Opposition was the land claims negotiator. Perhaps he can tell me what is in those files and assist me in my search. I will see what we can pull from those files to present to the House.

#### Question re: Service contracts

**Mr. Lang:** I wanted to go on to a different topic, but I guess the principle is the same. It seems that if we ask a general question looking for information, we get a cute answer from the side opposite. I refer specifically to yesterday's question about service contracts.

**Mr. Speaker,** you will recall that there was a debate for approximately 10 days on the question of whether or not the people of Yukon had the right to the information surrounding the letting of \$20 million worth of contracts that would not necessarily go to public tender.

At that time the Minister of Government Services informed the public and ourselves that we would have that information when this session started. Yesterday, we were informed that he did not have it.

I would ask the Minister of Government of Services: why is that information not ready for the Members of this House?

**Hon. Mr. Kimmerly:** The information requires information of contracts that are relevant up to yesterday, this being April 2nd. Several weeks ago I reminded the public servants of the necessity to collect the information in a timely way to present it to the House. The public servants who are able to access this information and collect it have been working overtime in the past weeks in order to accommodate the wishes of the Members opposite.

I have information as of a few moments ago that with overtime over the weekend that job may be completed by Monday. The government is acting here with all reasonable haste and is incurring considerable overtime expense and the information will be available in a reasonably timely way. That could be, conceivably, but I cannot absolutely promise, as early as Monday.

**Mr. Lang:** I just find it inconceivable how the Minister can come into this House and say how hard people have to work to get this information that we had requested three months ago.

Could I ask the Government Leader how much information was requested by the government? Are we talking nine months of information that, I assume, is on the computer. Is that correct?

**Hon. Mr. Penikett:** Frankly I am appalled. We have information, which does not become available or complete until midnight, March 31st, and we are providing it to the House within one week of that date at massive expense to the public, so we can convenience the Member opposite, and we have been told that that is not good enough. That is outrageous.

We are providing more information to this House, more information to Members opposite than has ever been provided by any administration before. Information in colossal detail, which is not Ministerial information, not policy administration, but administrative detail, something which does not find its way into most legislative Chambers in this form, but we are doing it, and we are doing it as quickly as can be done, at considerable expense. Any reasonable person would say that to take a week to assemble that vast amount of material is not at all unreasonable.

**Mr. Lang:** I recognize I asked a question to the Minister of Government Services. I am asking what information is being prepared by the department that is taking so long and a massive amount of money? Yesterday, I asked, even if it was up to March 1, and leave them for 30 days, and we could carry on with that information later on.

How much information are we talking about? Nine months of information? Is that not correct?

**Hon. Mr. Kimmerly:** The Member knows full well that we are talking about a year of information. We will also, at the same time, provide information for previous years. That is not the reason for any delay or overtime. That information is available and has been for years. The problem is in presenting it in a usable form. It is most appropriate to collect it and categorize it and put it in, for example, order of the various contracts for various individuals. There will not be time to do that because of the haste.

What we will be able to do, I hope, by next week is provide all the contracts as promised. It may be possible to provide the information in a more understandable, digestible form as well, but that will take slightly longer.

**Question re: Service contracts**

**Mr. Lang:** I am so pleased to hear that the Minister of Government Services, or propaganda services, is going to make it in a digestible form so that I, the simpleton, can understand it.

Yesterday, I asked if the Government Leader would provide us with a list of all the contracts that have been let where the lowest bidder had been bypassed and Management Board had to make the decision on contracts of this kind. He took this question under advisement yesterday. Could he report back to the House with decisions that have been made as a result of that?

**Hon. Mr. Penikett:** I am sure I will be able to get the information the Member seeks. I do not have it. Unfortunately, I had other things to do yesterday afternoon and yesterday evening.

**Question re: Joint Commission on Indian Education and Training**

**Mrs. Firth:** With respect to the expenditure of public funds, particularly with respect to the Joint Commission on Indian Education and Training, why did the Minister not go through the normal public tendering process for the contract over \$100,000 and, instead, go to Management Board to get a new spending authority?

**Hon. Mr. McDonald:** Essentially the reasons for the selection of the Joint Commission Commissioners was that they were to be agreed upon by both the Council for Yukon Indians and the Government of the Yukon. It would have been considered inappropriate, certainly by council, and by government to tender it out to the lowest bidder. The persons were considered to be competent, qualified and respected in our community, and who could act as Commissioners on the Commission. That is the reason why an exemption to Management Board directives was sought and received.

**Mrs. Firth:** When that exemption was sought — and that was on June 24 according to the documentation — an authority was given to enter into a professional consulting contract for funding of the Commission. It was assumed at that time that the contract would be with the Chief Commissioner and then it turned out that that was a conflict because the Chief Commissioner was a Government of Yukon employee.

When the decision was made to change to a different form of contract, to a consultant service contract, was there a new Management Board record of decision to proceed with that change?

**Hon. Mr. McDonald:** I am not sure I understand the intent of the Member's question. The reason why the contract was let with an Executive Director of the Commission's choosing was, as the Member mentioned, that the Chairperson of the Commission was a government employee and not eligible to enter into a contract with the government. If the Member wants to clarify the question further, I would be pleased to try to understand what she is talking about.

**Mrs. Firth:** I am upset that I have to use my final supplementary, because I am reading my questions from the notes that were submitted to me by the Minister's Executive Assistant. In those notes it says that on June 24, Management Board gave the Minister authority to enter into a professional consulting contract. Then it was assumed at that time that the contract would be with the Chief Commissioner. The Chief Commissioner turned out to be a government employee so they had to change the kind of contract that they entered into from a professional consulting contract to a consultant services contract. I want to know if there was a Management Board decision authorizing that change to take place, when the Management Board decision that was first given was very specific as to the kind of contract to be entered into.

**Hon. Mr. McDonald:** The events that the Member is mentioning happened a good time ago, and I would have to check the record; I will do that. As to what the sequence of events are, it was my understanding, and I am going on memory, that the character of the contract was not sufficiently different to warrant a return to

Management Board, but I will check that to see if it was necessary or whether it was done if it was necessary. The upshot of the situation was that when it was realized that the Chairperson of the Commission would be a government employee, even on leave; the decision was sought, essentially, to execute the same or a similar type of contract with the Executive Director of the Commission, who would report to the Chairperson of the Commission.

**Question re: Joint Commission on Indian Education and Training**

**Mrs. Firth:** That was why I wanted the specific details of the Management Board minute. Obviously, the Minister does not remember what was on the Management Board minute. When he brings that information back as to whether there was another Management Board minute authorizing a new authority for the expenditure of funds, if there was no Management Board minute for that, I would like to know who made the decision that they could enter into a new kind of contract.

**Hon. Mr. McDonald:** I will be checking as to whether or not the type of contracts the Member is referring to are so generically different that they require a change in the Management Board minute. That will be the first item I will be checking. I will assume that the Member knows what she is talking about when she is suggesting that there is such a generic difference that it requires a return to Management Board, or requires a return to provide an exemption under Management Board directives. That will be the first item for which I will be checking. I will undertake to do that as soon as I can.

I note to Members of the Legislature that the four pages of detailed notes have been provided to the Legislature as to exactly what has been going on. Apart from this one rather technical concern, the information is very complete, in my view.

**Mrs. Firth:** The attitude of the Executive Assistant of the Minister, when he gave me this information, was to put the matter to rest. That is not good enough. I do not care if the information is technical or not. We are talking about spending the public's money here and the Minister having the proper authorization to spend it. If not, who made the decision? The Minister should know what he is signing.

**Speaker:** Order, please.

**Hon. Mr. McDonald:** Question Period is for questions. I would appreciate receiving questions from the Member on the matter. I have been more than patient. I have been providing the answers as completely as I have already. I will continue to do so, as it is my responsibility.

**Mrs. Firth:** On a point of order. The Minister seems to have some ill feeling about me asking these questions. I am asking straightforward questions as the result of the information that has been brought forward. The Minister has a responsibility to answer the questions. They are not unreasonable. They are about the expenditure of public funds.

**Speaker:** On the point of order, I find there is no point of order, but there is conflict between the two Members.

**Mrs. Firth:** I would like to carry on with my question. In my supplementary, I would like to refresh the Minister's memory. I asked him a question Tuesday about how many other contracts in his department have had special Management Board authority to bypass the normal public tendering procedures. Can he answer that question for me now?

**Hon. Mr. McDonald:** No I cannot. I can only state that I am answering all questions put. In this very detailed document, and in the umpteen questions that have been answered in Question Period, and in Estimates over the past six months about every technical detail associated with the Indian Education Commission, there has been no attempt whatsoever to...

**Speaker:** Order, please. Would the Member please conclude his answer.

**Hon. Mr. McDonald:** ...do anything other than to provide all the information that I have at my disposal.

**Question re: NCPC, fish hatchery**

**Mr. Phillips:** I have a question for the Government Leader

regarding the recent acquisition of NCPC and their assets, specifically the fish hatchery. Under the NCPC agreement, there appears to be a legal requirement to provide O&M funding for the fish hatchery. Can the Government Leader give us a commitment today that his government considers the ongoing operation of that hatchery a priority and will continue in the years to come to provide the O&M funds to keep that hatchery open?

**Hon. Mr. Penikett:** Yes. The Member will forgive me if I cannot, at the moment, give him the details of how it is going function or be funded, but, yes, it is our intention to honour that agreement.

**Mr. Phillips:** My supplementary is to the Minister of Renewable Resources. If and when the Government of the Yukon accepts the responsibility of Fisheries, will they examine the possibility of utilizing the hatchery for the production of freshwater fish when it is not being utilized for Pacific salmon?

**Hon. Mr. Porter:** I know that the two departments are, in fact, having discussions with respect to the fish hatchery and its future. I think that the Member does make a good recommendation with respect to utilizing it for freshwater fishery enhancement purposes.

#### Question re: French language instruction

**Mr. McLachlan:** I have a question for the Minister of Education. In light of the Member's spirited defence of the Minister of Justice yesterday in reference to cutting off funds for the Yukon Public Legal Education Association, and in direct reference to the Member's statements during the second reading of the debate, I quote from *Hansard*, "Let me say that there are times when priorities have to be set, and where programs that have some value have to be sacrificed", I would like to ask the Minister if that is the same stance and the same answer the Minister would give when federal funds from the Secretary of State's office expire next year for French language instruction in this territory?

**Mr. McDonald:** Yesterday, when I prefaced my reply to the budget speech, I mentioned that I did not know where the Member was coming from in his speech, and I do not know where the Member is coming from now with this allegation that funds from the Secretary of State will be cut off next year for French language instruction. We have heard absolutely nothing of the kind from the Secretary of State's office. I had a meeting with the Minister only last week and heard nothing of the kind from the Minister. I do not know what the Member is talking about.

**Mr. McLachlan:** The reference is directly to *Hansard* where the Minister has said, "If the Member is going to generically suggest that all programs cut are a necessary act on the part of the government, let me say that there are times when priorities have to be set where programs that have some value have to be sacrificed." The question simply put is: the Minister has made a public statement on what one must presume is public policy in this Legislature, and he is well aware of the fact that the funding from the Secretary of State's office for French language instruction does not have a definite period of contractual obligation. That is what the question is. Will the Minister drop that aspect of French language instruction when those funds are finished?

**Hon. Mr. McDonald:** That is a silly, hypothetical question. We have heard absolutely nothing from the Secretary of State that that funding will be cut; we have heard nothing from the Department of Public Works that the Alaska Highway maintenance funds will be cut; and we have heard nothing from the Ministry of Transport that funding for the maintenance of airports will be cut. When and if any federal decisions are made to cut back services to Yukon people, the government will have to either realign priorities or it will ask the federal government to change its priorities. That is the best I can say, given the incredibly hypothetical position the Member wants me to respond to.

**Speaker:** The time for Question Period has now elapsed. We will now proceed with Orders of the Day.

#### ORDERS OF THE DAY

**Speaker:** Government bills?

#### GOVERNMENT BILLS

**Clerk:** Second reading, Bill No. 42, standing in the name of the Hon. Mr. Kimmerly.

**Speaker:** Is the hon. Member prepared to deal with Bill No. 42?

**Hon. Mr. Kimmerly:** Next sitting day, Mr. Speaker.

**Speaker:** So ordered.

**Hon. Mr. Porter:** I move that the Speaker 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:** Committee of the Whole will come to order. We will now recess for fifteen minutes before we deal with Bill No. 77, *Lottery Licensing Act*.

*Recess*

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

#### Bill No. 77 — *Lottery Licensing Act* — continued

**Mr. Phillips:** I would like to ask for unanimous consent of the House to reopen Clause 8(1), and I think the amendment we will bring forth will solve the problem we had last night.

**Chairman:** Can we have unanimous consent of the House?

**All Members:** Agreed.

*On Clause 8*

*Amendment proposed*

**Mr. Phillips:** I would like to amend Clause 8(1). THAT Bill No. 77, entitled *Lottery Licensing Act* be amended in Clause 8 at page 3 by deleting in (1) all the words after the expression "issue a licence" and substituting therefor the following: "the Board shall within seven days provide written reasons of the decision of the charitable organization."

**Hon. Mr. Kimmerly:** This is an acceptable amendment and we will be voting for it.

*Amendment agreed to*

*Amendment proposed*

**Mr. Phillips:** As a result of the amendment on (1), I would like to make another amendment on (2) and delete (2). THAT on Bill No. 77, entitled the *Lottery Licensing Act*, be amended in Clause 8 at page 3 by deleting section 8(2).

*Amendment agreed to*

*Clause 8 agreed to as amended*

*On Clause 9*

*Clause 9 agreed to*

*On Clause 10*

**Mr. Phillips:** Does the budget that the Minister mentioned before, the \$18,000, include transportation, accommodation and living expenses?

**Hon. Mr. Kimmerly:** Yes.

**Chairman:** Anything further?

**Mr. Lang:** Just for the record, is it not correct to say that that would be in the area of \$3,000 to \$4,000, as far as the total amount that we are talking about is concerned?

**Hon. Mr. Kimmerly:** Yes. It is anticipated that at least one, and possibly two, of the members be resident outside Whitehorse. The expense changes that portion if it is one or two, but it will be approximately \$3,000 or \$4,000 in total for the Board for a year.

**Mr. Nordling:** Did the Minister tell us how many Board members the government plans to appoint? Section 2(1) says a Board consisting of three or more. I wondered what the government had in mind and when the government expects the Board to be chosen.

**Hon. Mr. Kimmerly:** I would anticipate three members, and I

would anticipate choosing them, if the Bill passes, in April or May and proclaiming the Bill during the summer when the Board is formed and meets at least once and is ready to proceed.

*Clause 10 agreed to*

*On Clause 11*

*Clause 11 agreed to*

*On Clause 12*

*Clause 12 agreed to*

**Mr. McLachlan:** Before we clear the final clause of the Bill, I have a question I would like to ask on the regulations. In Article 8(2), it makes specific prohibition against changing the date for the lottery after the tickets have been put on sale. The recent case in Carmacks where inclement weather during the first week in March cancelled that community's entire winter carnival and, with it, the accompanying draw to a later date when the weather was more accommodating, would not be allowed under this regulation.

How would the Minister propose to deal with a situation such as that, where an emergency brought on by the weather forced non-completion of the lottery?

**Hon. Mr. Kimmerly:** It is important to protect not only the interests of the people running lotteries, but the people who buy tickets. The frequently occurring situation is that the organization that runs the lottery does not sell all the tickets they plan to in the required time, and they ask for an extension. That is a very poor service to the people who have bought tickets, not only that they may have to wait, but they may throw away the ticket after the draw date printed on the ticket, as an example. It would change the nature of the lottery entirely.

The safest procedure to protect the people buying tickets is to say that the date of the draw should not be changed after the tickets are actually put on sale.

**Mr. McLachlan:** Further, I would like to ask the Minister: at this time of year, proliferations of games of chance, raffles, lotteries, call it what you want, on the national hockey league playoffs are found in every corner of the territory. There is a provision that says the licence can be issued to any religious or charitable organization if it is less than \$1,000, and it is not a specified group in a lot of cases who are running the lotteries. Now, how far does the Minister intend to enforce the provisions of the Act? Does that become the guys who have a pool in the lunchroom? What is the Minister's intent in this regard?

**Hon. Mr. Kimmerly:** This Bill is not about enforcement, of course; but the general policy will be no more and no less than what we are now doing. Technically, the enforcement would fall to the police, especially if a charge were contemplated. As I understand the situation, illegal lotteries, or potentially illegal lotteries or alleged illegal lotteries, come to the attention of the civil servants who look after the lotteries from time to time. The Member himself spoke about Lotto Tatchun, I believe, as potentially or allegedly being in this category. In situations like that, the civil servants may or may not inform the RCMP. It is their present policy where, in their opinion, the lottery is illegal or allegedly illegal, they do inform the RCMP, and the RCMP follow a policy of investigating where time permits.

May I say that I am perfectly aware, as all Members are, that probably illegal lotteries occur all the time on a very small, friendly basis, and I am not upset about them. I am not about to cause to be allocated any more funds in the investigation and prosecution of those alleged offences as is now occurring.

**Mr. Phillips:** Before we leave this Bill, I would just like to make one comment. We all know that the passage of this Bill has been an extremely traumatic experience for the Minister involved, and we on this side are extremely glad that the Minister pulled together all his intestinal fortitude and decided to stick it out.

*Clause 12 agreed to*

*On Title*

*Title agreed to*

**Hon. Mr. Kimmerly:** In pulling together the intestinal fortitude that I am able, I move that you report Bill 77, *Lottery Licensing Act*, as amended.

*Motion agreed to*

## Bill No. 6 — Second Appropriation Act, 1987-88

*On Clause 1*

**Hon. Mr. Penikett:** I wonder if the Members will be tolerant for a moment while an official from the Department of Finance, and one temporarily not with the department, join me on the floor. While they are arriving, I will just make a couple of observations about the Budget.

As I had mentioned to the House yesterday and on Monday, the proposed budget represents an increase of 3.3 percent over the Main Estimates 1986-87. Of course, the rate of growth in the Yukon economy has been significantly higher than that 3.3 percent rate of growth, and I trust that the capital spending not represented in this Budget, but represented in the budget some weeks ago, will contribute to continued growth in that area. The operation and maintenance expenditures will, of course, play a role in that regard as well.

I did mention last night that I think it is, and ought to be, a source of pride for all Yukoners that last year we had the fastest growth rate of any region in the country, and we will have excellent growth rate again this year. It could be as much as twice the rate of growth in the national economy.

The Members know, from close attention to the work of this House, that we have, in the last few months, taken efforts to correct the abuse of casual and contract employees, which had been occurring in the government. There will be some cost implications for that, not that will increase their total budgets, but which will improve, I think, budgetary controls by Management Board, Ministers and Deputies.

<sup>19</sup> I also want to put the growth rate in the Estimates in the context of the growth in our population, which was four point eight percent in the 1985/86 fiscal year and six percent in the last fiscal year. Most of the new initiatives contained in the new Budget are absorbed within the votes of the departments, although there are some enhancements that were highlighted in the second reading speech and will be detailed further by Ministers in their departmental presentations.

Since there was some comment about the personnel growth in the government in the second reading debate, I should mention that the total establishment has gone from 1,623.3 in the 1986-87 O&M Estimates to 1,733.46 in the 1987-88 O&M Estimates, which represents a total of 101.16 person years, as Members opposite have noted.

As I indicated last year, we are trying to wind up contract employees. Contracts were a way of keeping people on strength without reporting them to the House. Where there was short-term work that required a staff person, they were appointed to term positions for a definable period, which would be reported in the House. There would be some consequence of converting people who were previously under contract status either to a term or indeterminate status. It should be noted that, out of the 101.16 person years that are shown as being added to our establishment, 72.7 — about 72 or 73 percent of them — are indeterminate or permanent person years. Of those, 44 percent were conversions of casuals or contracts who had been engaged, and were engaged, in ongoing permanent duties within the public service, but who were not receiving the benefits of such, nor were they shown in the Estimates.

There is, as well, an increase of 28.46 term person years, of which 2.25 of these are conversions. The Members should know that these are positions in which people were previously being employed as contract and casual workers.

<sup>20</sup> If you take into account the 32.25 conversions and the 28.46 term positions that previously would have been contract positions, you will see that the person year growth in the government is much more modest than the original figures indicated.

All Members of the House have previously expressed the hope and the wish — I think this is true of all Members whether they be urban or rural — that the benefits of public spending be distributed more widely and more evenly among all the communities in Yukon. I am pleased today to table a report on the O&M expenditures by community for the entire O&M budget.



I should explain that I do so not to indicate that we have achieved perfection in this area, far from it, but I think if we table a similar such document every year for years to come it will provide us with a measure of how we are doing on that score.

You will note, from the document being distributed, that about 50 percent of the expenditures, or \$88.5 million, of the O&M Budget is estimated to benefit rural communities or impact upon the Yukon on a territory-wide basis.

I would also mention that the off-highway tax exemptions and medicare premiums have reduced revenues. We are still anticipating a total revenue increase up to \$50,463,000. That figure does not include \$1.6 million worth of northern benefits allowance, which we will be recovering from the federal government through the Formula Financing Agreement, which we would have received had there not been changes in the federal tax system.

With those very brief introductory remarks, perhaps I could just resume my place and invite questions from hon. Members.

**Mr. Phelps:** I have some questions. I am not sure that I jotted down quite accurately what the Government Leader was saying about person years. We have a 101.16 increase. He said that that is largely because they did away with contract workers. Then he talked about 72.7 percent indeterminate person years, of which 44 percent were casuals. I just did not understand what he was talking about. Perhaps he could tell us what the 72.7 person years is all about.

**Hon. Mr. Penikett:** The 101.16 is made up of two types of person years: indeterminate and term. I apologize for the use of the word "indeterminate", but I understand it is a precise term used by personnel professionals. Myself, I prefer the word "permanent" because it seems to have a couple of syllables less. But that aside, in this Budget, there are 72.7 who are indeterminate or permanent. There are 28.46 that are term. The 28.46 are term, which we are using now more frequently to perform those tasks that were previously performed by people who used to be called contract employees, some of them casuals who were kept on for a long period of time, sometimes by being laid off for a day and then kept on for another six-month period. Is that clear to the Opposition?

Of the 72.7, 32.25 of those were conversions. In other words, people had a contract or casual status for a long time and were doing what we believed to be ongoing work in this government. We regularized their status as permanent employees. In other words, they were always in the workforce here; they just did not show up in the books. I think the largest group of those was at Yukon College. If I can get the concurrence of the Minister of Education — I believe, of that group of 32, the largest number within that group were instructors at the college who were, for all intents and purposes, permanent employees, but they were not on permanent status.

The remainder, of course, are new positions in various departments for various tasks, which will be explained and justified by Ministers as we go through the Estimates. But I wanted to, if I could, give that overall picture of the person year growth contained in these estimates.

**Mr. Phelps:** Of the indeterminate person years, there was an increase of 72.7. Thirty-two point two five of those had either been contract or casual. The vast majority of those came from the Yukon College conversion. How many were attributable to Yukon College?

**Hon. Mr. Penikett:** If I could just take that as notice. I am sure I have a spreadsheet showing that information, but I do not have it at my fingertips. I apologize. I could go and look through things, but I will come back with that information. I know I have it in my files somewhere.

The one final point I wanted to make is the real growth in indeterminate person years is to complete the subtraction or addition is 40.45. That is spread out over a number of departments.

**Mr. Phelps:** Nonetheless, you were speaking of contract or casual. Those numbers become of interest. Is the Government Leader telling us they discontinued the use of casuals?

**Hon. Mr. Penikett:** I am sorry. I did not hear the question.

**Mr. Phelps:** The Government Leader said he has converted some casuals. Does that mean there are no casuals left, that he has

discontinued that?

**Hon. Mr. Penikett:** No. The casuals who were converted were, for the most part, people who were not truly casuals in that they were not being used as casuals were intended to be used, for short-term assignments of a few days or weeks duration, but people who had been on-staff for a long time — a number of years, in some cases — who had been kept on for six months, laid off for a day, brought on for another six months, laid off for a day, kept on another six months — who were doing work of a nature, in most cases, that was performed by permanent employees.

**Mr. Phelps:** An interesting statistic, I am sure the Government Leader would agree, would be the number of casuals and the portion of years that have been authorized for this Budget.

**Hon. Mr. Penikett:** As you know, we do not authorize casuals as such. There are, in some departments like Highways and Renewable Resources, approved certain dollars to engage casual or, increasingly now, summer auxiliary employees — those people who come back time and time again. When we get to the Public Service Commission Estimates, I would be more than pleased to give an account to the Member as at this date or as at a recent date how many casuals we believed were working and how many auxiliaries that we expect or we know are in the system at a certain point. Consequently, through this summer, which will be the first summer where we will have a peak of auxiliaries, I think we will be able to give an historic record to the House and to the PAC, and so forth, of how many auxiliaries we have been paying.

**Mr. Phelps:** Just to make the obvious point, if we then find that the casuals and auxiliaries peak out at as much or more than last year, then your point about some of these conversions is not exactly as valid as you would have us believe. We are dealing with hypotheticals. Simply because you have taken some people who used to be contract or casuals and moved them into permanent or term person years — if you have replaced each one with one or two bodies — you still have the same net increase overall.

**Hon. Mr. Penikett:** I understand the point that Mr. Phelps is making, but the real test will, of course, come not just to think in simply the wrong numbers, because, as he will understand, if we are doing more of a certain kind of work in parks one year we may have more casuals in one year. The real test is whether we can exercise proper personnel management in this government and prevent departments from abusing casuals. If a department really has permanent ongoing work that needs doing, they must make a convincing case to Management Board that they need a person year to do that work. What we will not permit is the situation that used to exist, and existed until very recently, and is a problem for everybody, where an employee was being rolled over as a casual time after time after time, when that was not supposed to be done. Strictly speaking, that had not been kosher for years. We now will have, as when we get to the Public Service Estimates I will be able to explain, a better way of keeping a handle on that than we and previous administrations have been able to.

**Mr. Phelps:** I am not disagreeing with the principle of what the Government Leader is saying. The dispute is over what it means in terms of real government growth. That is a different issue. If it is whether or not it is more preferable and you have a better handle by getting rid of the fiction that did exist that there were many employees who were casual and they just got a day off and were placed back for another six months, then I agree with that.

**Mr. Lang:** The Government Leader has given the impression that there is a startling awakening and a revelation that has come to the government with respect to contract employees. For the record, and perhaps his officers can help him out on this, is it not correct that in 1985 the Government Leader, Mr. Pearson, primarily at his own initiative, and in conjunction with the then Opposition Leader who is now the Government Leader, said we must go forward and take our contract employees who are being rolled over once every six months and give them a permanent position?

If I recall correctly, there were something like 65 positions that were converted at that time in that particular budget. What concerns me is that three years later, in conjunction with last year's budget and this one, we are talking about another 100.

Is it not true that in the 1984/85 budget those 65 conversions, I

believe, were taken into permanent person year status?

**Hon. Mr. Penikett:** I cannot vouch for the exact number, but I do know that in that year Mr. Pearson did bring a budget to the House that did convert a large number of not just contracts but casual employees. There has been an effort since then to get a tighter and tighter control on the use of casuals.

The problem with the contracts was that there was no central control on that. If a department had the money in its budget and had been denied person years for a task, it could simply go out and contract with someone. What we are trying to do, except for a genuine consulting contract which is for a specific task for a specific period of time, is wind up all of those if we can in this fiscal year.

<sup>24</sup> **Mrs. Firth:** I would like to ask the Government Leader if the 32.25 person-year conversions really represents 32 people, or does it represent more? Or is it 32.25 positions?

**Hon. Mr. Penikett:** I cannot remember, but I will find out for the Member how many fractions there are. There are a number of fractions of person years — in some cases, three-quarter time; in some cases, half-time and so forth — that exist in this public service, and I can get detail on that. I will be best equipped to do that when we get to the PSC Estimates, but, if you want it before, I will try and get it.

**Mrs. Firth:** And those individuals would be considered fulltime employees, indeterminate employees, in a sense that they were working forever on that three-quarter time position?

**Hon. Mr. Penikett:** Yes, we do have permanent parttime employees.

**Mrs. Firth:** The Government Leader broke down the 101.16 term positions into the indeterminate and the term. Would the Government Leader find out what the 28.46 represents also in the context of positions or actual persons?

**Hon. Mr. Penikett:** Yes, I will take that question as notice and I take the previous question about the departmental breakdown as notice, although it should become apparent as soon as we get into the departments because they will show up in each one of them.

**Mrs. Firth:** When I add the 40.45 person years that are left over after the 72.7 minus the 32.25 conversions, and the 28.46 of the term, is it fair to conclude, then, that the real new growth of person years of the budget is 68.91 person years?

**Hon. Mr. Penikett:** I have, in fact, a total real growth of 66.66. I am sorry, the chart I am given here is not at all clear, but I will come back with an answer to that. I think there is 2.25 who were terms. I am not sure how that arithmetic works out because this is not at all clear, but I will get back to the Member on that.

**Mrs. Firth:** I would appreciate if the Government Leader would get back with that.

I am interested in the same categorization for that final number, whatever it may be, whether it is 66.66, of whether that represents actual employees or positions. The thing I am getting at is that I would like to know if the government has a handle on exactly the numbers of employees who are working for the government.

**Hon. Mr. Penikett:** I think it is a topic that again we could just best get into in the PSC Estimates, but let me just explain. I have just had some help here with my arithmetic. The real growth, which is 66.6, is made up of 40.45 in permanent or indeterminate positions and 26.21 in terms. The reason for the difference between the 26.21 and the 28.46 is because 2.25 of the 28 were in fact conversions as well. In other words, they were working and just got converted into term employees.

<sup>25</sup> **Mr. Lang:** Now that we are on the question of the growth of government, could he tell us where we find the person years, or the monies, or, at least, the indication of the people who are working for the government because of the Capital project? What heading do they come under?

**Hon. Mr. Penikett:** They are in the Capital Budget, of course. In the Capital Mains that were tabled last fall, there were a total of 44 indeterminate positions and 44.82 terms, for a total of 88.82. That information was contained in the Estimates we approved a few weeks ago.

**Mr. Lang:** That is over and above what is in this particular Budget here, though. I just want that clear for the record.

**Hon. Mr. Penikett:** Yes.

**Mrs. Firth:** Could the Government Leader give me that total again, please, for the Capital person years?

**Hon. Mr. Penikett:** I would refer the Member to page 4 of the Capital Mains that were tabled last fall. It is broken down by department, but it is 44 permanent and 44.82 term.

**Mrs. Firth:** I asked that because the Government Leader had given us Capital person year additions effective April 1, 1987. The numbers do not coincide. I will find out where the additions are and, then, perhaps I can find out what the positions are.

**Chairman:** Any further general debate?

**Mr. Lang:** Perhaps the Minister could outline this with respect to the Budget. I noticed that there is an increase in revenues over and above 1986-87. In view of the fact that he does get monthly printouts, the 1986-87 forecast looks at \$49,795,000. Are you going to be pretty close to that figure? Is that December's figure, or are we dealing with February, March?

**Hon. Mr. Penikett:** It is still the best estimate we have, although the Member will understand from his days in Cabinet that the final adjustments on the biggest number — our income tax number — takes up to two years before we get a final number on what we were due. As I remember Mr. Pearson explaining in this House, there is a long period of transactions where we even pay back or they pay us extra.

We have had some thought that, given the rate of growth in our economy, the estimates that we put into our Budgets, which are based on numbers we get from the federal government, may have been low. We will have to see.

**Mr. Lang:** Perhaps he could explain to us why there is such a projected decrease in the investment income for next year.

**Hon. Mr. Penikett:** For two reasons. The main reason is that we will have a smaller surplus. The other reason is lower interest rates.

<sup>26</sup> **Mr. Lang:** Is there any licensing fees, registrations or permits that the government intends to increase over the course of this year in view of the fact you are predicting a \$70,000 increase? Is there any fee, licence, registration or permits that are either going to be increased or implemented which would cause an increase for 1987/88 for roughly \$70,000?

**Hon. Mr. Penikett:** Well, as of this date we are not projecting any fees. Of course, a number of the fees in the government are based on cost and they will be reviewed on an ongoing basis as they always are.

**Mr. Lang:** What is the intention with respect to school and property tax? Are we going to be looking at the same percentage levy as we did this past year?

**Hon. Mr. Penikett:** The same.

**Chairman:** Any further general debate?

Now we can move to Schedule A, the first department being the Yukon Legislative Assembly in the amount \$1,548,000. The details of this department appear on page 14 of your Estimates book. General debate?

#### *On Schedule A*

#### *On Yukon Legislative Assembly*

**Hon. Mr. Penikett:** Before we came to order, I heard some call from Members of the House to bring the Clerk to the Bar of the House to explain this budget and to have him sworn in properly as a witness. Since he is not here, I will see if I can manage by myself.

The budget for the Legislative Assembly during the 1987/88 fiscal year is set at \$1,548,000 which, as Members will see, is an increase of \$2,000 from the 1986/87 forecast and \$20,000 over the 1986/87 Main Estimates.

The difference between the forecast and the estimates for last year is explained by the cost of the Tatchun by-election, which had been provided for through a dollar item. Otherwise, in an overall sense, the amounts estimated and subsequently expended would have come in almost exactly on target.

There are slight increases on two of the programs in this vote when comparing the 1986/87 forecast to the 1987/88 Estimates. Under the program entitled Yukon Legislative Assembly, there is an increase of \$26,000. Much of this is explained by the fact that

the Tatchun electoral district was without a Member for a good portion of the forecast period, and we are projecting the payment of salary to the Member of that electoral district for a full year. The remainder of the \$26,000 increase is made up of an increase of approximately \$9,000 in MLA travel and smaller amounts attributed to a number of other areas.

Also the Clerk of the Assembly Program is being increased by \$5,000, most of which is being devoted to office supplies.

In the Clerk's opinion, the decrease of \$14,000 in the Elections Program is a bit artificial in that the forecast includes the cost of the Tatchun by-election. There is no change in the retirement allowances and death benefits of the program.

**27 Mr. Lang:** Why are we seeing a term position added to the complement of person years?

**Hon. Mr. Penikett:** That is the administrator of elections.

**Mrs. Firth:** Did the Government Leader say there was a \$9,000 increase in costs for MLA travel? Did I hear that correctly?

**Hon. Mr. Penikett:** You heard me correctly.

**Mrs. Firth:** Can the Government Leader tell us why? Is it because of the way MLAs are travelling?

**Hon. Mr. Penikett:** No, I cannot, but I will find someone who can, and I will get the information as soon as possible.

**Mrs. Firth:** I would like to have the information, if I could. It is quite a significant increase. I do not know if MLAs have increased their travel, or if it is because they are travelling by a different method of transportation.

**Hon. Mr. Penikett:** Would the Member be satisfied with a written response from the Clerk, or would she want me to hold that line until we have got satisfaction on it?

**Mrs. Firth:** I do not think we are going to bring the government down on this line item or anything. I will just wait for the written response from the Clerk.

**Mr. Lang:** Maybe I am out of order. Call me out of order if you like. On page 15, I am just looking at the program of the Yukon Legislative Assembly. From 1986-87 to 1987-88, we are seeing an increase of approximately \$26,000. Could he explain why?

**Hon. Mr. Penikett:** I am advised that the \$1,128,000 figure is based on the fact that, for much of the fiscal year, the electoral district of Tatchun was vacant, and that the increase in \$26,000 there, I am advised, represents the costs associated with having a full House.

**Mr. Lang:** I am looking at the previous Budget. I see a total of \$1,141,000 for 1986-87 that was put together with respect to our indemnities and allowances per the legislation. I do not understand why we are going that much more than what was projected costs in 1986-87. I am not worried about the 1986-87 forecast. I understand that.

**28 Hon. Mr. Penikett:** I can offer two solutions. I mean, I can take the question as notice because I do not know the answer to the question put by the Member other than that maybe there is some inflation in the numbers. Or, if Members want to now get into detailed questions, we could summon the Clerk as a witness. I am sure he is in a position to answer that question in detail, if Members wish to pursue it that way. Otherwise I will take the question as notice.

**Mr. Lang:** I am prepared to give the question as notice, but it just seems to me that there is no increase to the indemnities; therefore, those figures should be effectively the same.

**Hon. Mr. Penikett:** In the program, I believe there are other items such as the Commonwealth Parliamentary Association fees, the Legislative Assembly — hang on a second, Mr. Chairman, I may have some information here —

I have a note: the increase from 1986/87 Estimates is, in fact, only \$2,000, which is attributable to a slight increase in Members' travel and the cost of fringe benefits. The difference between the 1986/87 Estimates of \$828,000 and the forecast of \$806,000 — and we are looking here at page 17 for the detail — is due to an underexpenditure of \$10,000 in MLA pay and of \$12,000 on the history of the council project. Due to maternity leave, that project is slightly behind schedule and funds allocated to cover printing costs were not utilized in 1986/87.

Under the caucus support services, there is no change. Under the legislative committees, there is an increase of \$6,000 over the 1986/87 Estimates, of which \$5,000 is budgeted for increased travel and \$1,000 for an increase in legal services for the Statutory Instruments Committee.

The reason the 1986-87 forecast exceeds the 1986-87 Estimates is that the activities of the select committees, Human Rights and Renewable Resources, had not been budgeted for; the activity of the Commonwealth Parliamentary Association increase in this activity is due to a \$2,000 increase in travel and a similar increase in the fees payable to the international organization and to the Canadian region.

**Chairman:** Now that we have dealt with the first program, do you want to continue with general debate in this department?

**Some Members:** Clear.

*On Yukon Legislative Assembly*

*Yukon Legislative Assembly in the amount of \$830,000 agreed to*

*On Caucus Support Service*

*Caucus Support Services in the amount of \$255,000 agreed to*

*On Legislative Committees*

*Legislative Committees in the amount of \$32,000 agreed to*

*On Commonwealth Parliamentary Association*

**Mr. Lang:** I just want to make an observation to the Legislative Assembly because we hear sometimes from the side opposite about the time sitting in the House. I find the statistics interesting on page 18 that we are basically looking at about 10, or maybe at the most 20 more sitting days than we have in the past. Just for the record, I think that observation should be made.

**Hon. Mr. Penikett:** And we have loved every minute of it.

**29 Mr. Lang:** It may be different points.

*Commonwealth Parliamentary Association in the amount of \$37,000 agreed to*

*On Clerk of Assembly*

*On Clerk's Office*

*Clerk's Office in the amount of \$313,000 agreed to*

*On Elections*

*Elections in the amount of \$57,000 agreed to*

*On Retirement Allowances and Death Benefits*

*Retirement Allowances and Death Benefits in the amount of \$24,000 agreed to*

*Yukon Legislative Assembly in the amount of \$1,548,000 agreed to*

**On Executive Council Office**

**Chairman:** General debate?

**Hon. Mr. Penikett:** I will begin by making a few opening remarks in connection with the operations of the department.

We are asking for Members' approval for expenditures in the 1987-88 fiscal year of \$4,023,675. In keeping with the undertakings that we have previously expressed, this represents a decrease of one percent from the approved estimate of last year, and is a modest increase of five percent over the forecast expenditures for 1986-87.

As with all departments, we are striving to achieve clear priorities by reallocating the limited funds with maximum efficiency. In order to do so, we have redeployed our resources within the branches of the department. I will briefly describe the reorganization, together with a summary of budget allocations, branch by branch.

Firstly, to clarify the decrease from 59.5 person years last year to 56 person years this year, as was pointed out during the Estimates last year, three Northern Oil and Gas Action Program positions in the Statistics Branch should have been and are now included in the Capital Estimates tabled last fall.

Further, one person year was transferred from Policy and Intergovernmental Relations Branch to the Department of Renewable Resources, and one-half person year was transferred from the Statistics Branch to the Department of Economic Development.

<sup>30</sup> Perhaps I could just finish, and then I will try and explain all of this in detail if Members wish.

One person indicated in Public Affairs is a correction of the 1986/87 reported figures. It is not really an increase in person years but a correction. The person year has existed but was not recorded properly. That confusion originates with, I believe, Mr. Andy Hume, who was at various times both head of the Public Affairs Bureau and Cabinet Communications Advisor, and carried a person year in his back pocket.

The Administration Branch has increased by one person year to four with the creation of the position of the Director of Finance and Administration, who is also the Chief of Protocol, which utilized a person year from the ECO Secretariat Branch.

The budget for personnel has therefore increased by approximately \$63,000, while the other expenses have been reduced by approximately \$11,000 from the 1986/87 forecast. The net increase for administration is \$53,000, or 16 percent, over the 1986/87 forecast.

Large items are: \$43,700 for office supplies; \$25,500 for other materials; and, \$43,400 for communications.

As I previously indicated, the Land Claims Secretariat has had its budget increased, and we are determined to achieve significant progress towards a settlement in the year ahead. While the permanent establishment remains the same, we have increased funding in the operations budget in order to be able to hire specialized expertise as required by the increased activity we expect. The net result is an increase of \$41,000 over the 1986/87 forecast.

The Public Affairs Branch has been clarified to include a new position of Chief Information Officer. The operating expenses have been trimmed to partially offset this increase, resulting in a net increase of 6 percent, or some \$33,000, for the branch.

The Policy and Intergovernmental Relations Branch includes the federal relations office in Ottawa, but is now separate from the Office of Devolution. The Ottawa office will have a reduced cost for personnel but a slightly higher operation cost in 1987/88 due to the retirement and relocation costs of the former officer in charge. Due to delays in recruiting and the transfer of one position to the Department of Renewable Resources, the branch forecast of actual expenditures for 1986/87 is below the estimate approved for last year.

Because of our determination to have an effective Policy and Intergovernmental Relations operation, there is a net increase of \$43,000 in the estimate for this branch over the forecast of 1986/87. The total increase, including the Ottawa office, is some \$24,000 or 5 percent over the forecast for 1986/87.

<sup>31</sup> The office of the Devolution Coordinator is funded at some \$197,000, and is currently established with two person years, with one person on staff now. As I believe all Members know, the Deputy Minister of Tourism has taken leave of that office to become our Devolution Coordinator and is at work at this moment. This branch represents the vital function of ensuring Yukon benefits from the transfer of programs from the federal government.

The office of the Internal Auditor is funded at essentially the same level as last year, with staff levels remaining the same. There has been some reallocation of dollars from personnel salaries to consulting contracts in order to provide flexibility for specialized, short-term audit needs. The estimate for the Statistics Branch is up approximately seven percent, or \$23,000 over the 1986-87 forecast. It should be noted that three of the person years are term positions established under NOGAP until 1988, and are recoverable. Those may be the three that were in the Capital Budget, so that comment is irrelevant.

The principal items in the O&M budget include some \$24,500 for the production of the Yukon Statistical Review and \$36,800 for computer supplies, survey materials, and technical and research materials. The increased sophistication of this Branch, resulting from its state of the art office automation, is proving to be an invaluable asset in providing technical and methodological support to the government — and I might say to many people in the community, the business community and other citizens, who were requesting statistical information about our society and our eco-

nomy.

The Commissioner's budget has been reduced some \$29,000 for the 1986-87 forecast largely because of last year's retirement benefits for the former Commissioner's secretary. The Operations budget is much the same as last year's, and it should be noted that the Commissioner's travel budget is augmented by DIAND when his travel is for federal purposes. The Cabinet Support budget is slightly decreased from the 1986-87 forecast. There are still thirteen positions, of which twelve are OIC appointments. One is now an Interchange Canada secondment from DIAND, for which we reimburse the federal government. Ministerial budgets have been reduced by nine percent, or \$16,000, by cutting travel costs. Finally, the ECO Secretariat has been reduced by two person years reducing personnel costs by \$61,000, or 27 percent, from the 86-87 forecast. Similarly, the operating budget has been reduced by \$68,000, or 45 percent, by allocation of some of the funding to other branches. The major element remaining is some \$80,000 for contract services to provide for specialized expertise beyond the capacity and capability of permanent staff in the department, such as, for example, the work we are now doing on French language services.

This then is an overview of the Operating budget for the ECO, which we feel is a realistic and responsible allocation of funds for this important central agency.

I welcome questions on the Estimates.

<sup>32</sup> **Mr. Phelps:** I am pleased to see that the Office of Devolution is finally staffed. Why did it take so long to get this extremely important office functioning?

**Hon. Mr. Penikett:** It is a matter of dread to all of us that that was the case. I can only tell you that sometimes in personnel matters these things take longer than you like. I do not want to get into great detail. We twice had identified candidates who would have made wonderful devolution coordinators, who were excellently well-qualified, could have served this government well, but, in the end, we were not able to recruit them at the salary range that we were offering. That happened twice. We were finally able to settle on what I think is a very happy arrangement. We have a very experienced and capable public servant from within this territory's government, to bring the experience and knowledge that that person has to this task. He brings with him a lot of experience in this government, but also a collegial relationship with many of the deputy ministers, whose departments are potentially the recipient of transferred federal programs. That is an extremely important aspect of a person's ability to do the job.

**Mr. Phelps:** You talk about coordination. Who has the lead role in terms of negotiating areas of devolution?

**Hon. Mr. Penikett:** We have a subcommittee of Cabinet, which is a devolution committee that is chaired by my colleague, the House Leader. That includes deputy ministers from ECO and a number of the central agencies and some of the other departments, but principally Finance and the Public Service Commission. Members will understand that, because there are financial and personnel implications with every one of the prospective devolutions, they are among the most difficult items to deal with.

Coordination, on the first hand, is done by that committee, attempting to establish a lineup of our priorities for negotiation and recommend to Cabinet the necessary principles, not only in general but in specific cases that we are bargaining with.

The devolution coordinator, on a day-to-day basis, will attempt to keep a handle on all of the bilateral discussions that are going on between territorial departments and federal departments, and attempt to keep other central agencies that need to know, such as Government Services with respect to space, Public Service Commission with respect to the personnel matters, and Finance with respect to the financial question, involved and informed. In the final analysis, the way that we will make sure that there is no freelancing or no separate deals that are inconsistent with the principles that we wish to espouse, is that we are insisting, at the Cabinet level, that the devolution coordinator be in on the closing of any devolution deals.

<sup>33</sup> **Mr. Phelps:** Returning to the Land Claims Secretariat, there are four person years. What positions are included in the four person

years?

**Hon. Mr. Penikett:** Mr. Piper is the Administrator; Madeline Kennedy's position is described as Secretary/Researcher; Karen Hougen is a researcher in the office; and, Mr. Wolf Riedl, who is an Assistant Negotiator.

**Mr. Phelps:** I am wondering why the figure of \$598,000 for four person years is so high. It is more than double the square above it, Internal Audit. Are these people making a huge sum of money each?

**Hon. Mr. Penikett:** In addition to that, because we do not want to build a large permanent establishment for this purpose, we have several professionals on contract, including the Chief Negotiator. We have a research consultant, Mr. Gerald Isaac, who is involved with us. We have Mr. Tim Keopke, who is on a consultant contract with us, and we are providing one-third of the funding for a communications coordinator, a tri-project communications coordinator, for the three parties. That is a large part of the costs.

The Leader of the Official Opposition will well understand that the kind of travel and meeting costs associated with land claims negotiations that are going on in several communities throughout the territory are obviously bound to be much greater than the costs associated with Internal Audit, most of which work is done in this building in this city.

**Mr. Lang:** I have a question with respect to travel. The Minister indicated that Executive Council Members travel has been cut back by, I believe the figure was, \$9,000. Could he tell me how much was used for travel last year and how much is budgeted for this year?

**Hon. Mr. Penikett:** I will get those figures for the Member. Not all the decisions about cutting back on travel last year were entirely self-inflicted. When the House is sitting, as the Member knows, we can not, practically — or rarely — travel to Ministerial meetings. We sat more days last year and that did affect it. We have, consciously among ourselves, made an effort to increase our travel within the territory and reduce that which may not be absolutely necessary outside the territory. I will shortly be able to give you a detailed breakdown on not only what we estimate was spent last year, but what we plan to spend in the coming year.

I do not have total figures. Please ask another question and we will have the information in a minute.

**Mr. Lang:** I have a question on entertainment. How much entertainment was budgeted for and what was spent last year, and how much is budgeted for the forthcoming twelve months. I am sure you will have to get the numbers.

**Hon. Mr. Penikett:** I will take this as notice and get back to the Member.

**Mr. Lang:** The other question has to do with the Intergovernmental Affairs Office in Ottawa. I would like to hear what the intentions of the government are with respect to that particular branch and what the government intends that branch to do in the forthcoming year, if anything.

**Hon. Mr. Penikett:** I apologize, but I have an extremely detailed note on that that I now cannot find. Let me just simply tell the Member that, as we all know, Mr. Murphy is retiring. We have made some internal decisions about the slight reorientation of the function of that office, which has led to a conclusion about the kind of person we want put in charge of it. We have therefore established the level at which the new person will be. We are currently involved in a classification process with the Public Service Commission about that position, and we will then be going through a process of internal competition initially to see if we can find someone within the Public Service of the Yukon Territory to carry out the tasks that they will be assigned.

**Mr. Lang:** I will go further on that when we get into the actual discussion on that line item. The Minister indicated that he actually saw a decline, I believe is what he said, or a very minimal increase in the Estimates between 1987/88 and 1986/87. I had a question. He talked about the transfer of one-and-a-half person years from last year to this year — and I might have got lost in that dissertation which took 20 minutes — but with losing those one-and-a-half person years, did the money go with it? I believe one went to Renewable Resources, and there was another half person year that

went somewhere else.

**Hon. Mr. Penikett:** Yes, the one-and-a-half person years there consisted of two positions. One was a gentleman who will be well known to Members opposite, Mr. Walter Bilawich, who was in Policy and Intergovernmental, but whose work had been increasing in recent years on renewable issues. Since he was working largely in that area, we felt it was a logical move to transfer him to the department where he was doing most of his work. The second one was a Statistics Librarian who was more suitably located in Economic Development. It was a half person year.

**Mr. Lang:** In the transfer that took place, did the money go with the positions?

**Hon. Mr. Penikett:** Yes, the money and the person year.

**Mr. Lang:** The reason I asked is that sometimes that does not happen.

Is it safe to say that between 1986/87 and this Budget, we actually have an increase of one person year between Renewable Resources and Economic Development, because you have got rid of the other one?

**Hon. Mr. Penikett:** We have one person who shows up in Public Affairs — it is a little complicated to explain — who is not a person year that was approved. It was a person year that was in the ledger but for some reason, which is quite mysterious to examine, was not shown as a result of, I guess, several reorganizations in Public Affairs. It was a person year that had been associated with Mr. Hume when he was head of Public Affairs. When he became the Cabinet communications advisor or Cabinet press secretary, whatever his title was, he moved into that role and even though he was not a public servant anymore, the person year was transferred with him. At some point when they were rationalizing, the person year went into limbo. It had still been approved and was still in the establishment; it did not show in Public Affairs as an approved person year. What we have done is put that back into Public Affairs and decided to recruit the extra information officer. So that does amount, in terms of the accounting here, to an extra person year. Is that the one the Member is asking about?

**Mr. Lang:** I do not want to pursue that line of questioning. We could baffle everybody here for hours on this one.

We talked about contracts. I believe the figure was \$70,000. When the Government Leader comes back after we have coffee, could he report to the House how much contract money was spent last year by the Executive Council, and what projects were undertaken, and exactly what areas he sees contracting out from the Executive Council Office in the forthcoming year?

**Hon. Mr. Penikett:** Since the Member is asking for anticipated areas, it might be most useful to come back with a written answer. I am not sure I can assemble satisfactory answers during the short time of coffee break. I will come back with the information. I can answer some of the questions that he asked earlier.

The total travel for all Ministers for this year is budgeted as \$96,900. Last year, it was budgeted as \$107,400. We will get the actual number to the Member as soon as we can.

Entertainment budgeted this year is total for this operation, including all Ministers, as \$8,900. I will get the number for what was actually spent last year.

**Chairman:** Perhaps at this time we could take a brief recess.

**Mr. Lang:** Prior to doing that, could I just give notice to the staff, how much of the travel was for outside travel, as opposed to internal travel?

**Hon. Mr. Penikett:** We can provide that information.

**Chairman:** We will now recess for 15 minutes.

*Recess*

**Chairman:** Committee of the Whole will now come to order. We will continue with general debate.

**Hon. Mr. Penikett:** Let me just answer a couple of the questions that were put before the coffee break.

For travel this year, we are budgeting \$88,000 for outside travel; inside travel, \$8,900. Last year travel was \$95,000 and \$12,400. That was the budgeted amount last year.

The actual numbers that the Member asked for for last year are very hard to get in total, but we are trying to get some approximate numbers for the Member.

There was a question asked about research contracts. Last year, we went through a piece of research on policies and procedures on intergovernmental agreements, which led ultimately to a Cabinet document and Cabinet decision on the kind of format and makeup of intergovernmental agreements, since there had been some inconsistencies between our departments in the way they pursued them and signed them. We looked at what other governments were doing there.

We did a significant amount of work on science and technology policies, not only arising out of our own science policy, but the work going on nationally, about which I made a Ministerial Statement just a day or two ago.

We did some work on audio visual presentations for government on the Yukon for ambassadors and people like that. There was some work done on land claim policies and processes. There was some work done on Cabinet procedures, some of which is ongoing. I should mention to Members that I have commissioned a review of the procedures and forms associated with Cabinets and submission of Cabinet documents, Cabinet processes and Management Board processes and forms. We are also taking a look at the function and utility of the Management Board subcommittees, as well.

We have been involved in responses to parliamentary committees. In this coming year, we expect to do a significant amount of work on constitutional issues. We expect to do work on sovereignty and offshore jurisdictional issues. We expect that we will be asked, in the course of the year, to prepare responses to the federal government on some matters on parliamentary special committees. We will be doing work on French language services, for which we have been doing ongoing work and, perhaps, depending on negotiations with the federal government, on aboriginal languages. There will certainly be expenditures on legal assistance and research assistance on devolution matters of a great variety.

We have done and will be doing more work on 1002 issues, Arctic National Wildlife Reserve issues, from the intergovernmental point of view. We are going to be doing some work this year on the question of youth unemployment.

In addition to that, I should explain to the Member that central agencies, as he knows from his time in Cabinet, are also reactive in nature, not only proactive. A lot of times we will get requests to do research project, even as a result of issues that arise in the public or in this Legislature, by events in Canada or stimulated by some initiative of the federal government or, as well, a central agency like the ECO will be called upon to do research or to provide some analysis and research on matters that are interdepartmental in nature, which do not fall neatly into the ambit or purview of one department or another.

<sup>37</sup> There are occasions, therefore, when the ECO will be asked by Cabinet to play a role, and the research resources of that department will be called into play often with the case of contract research.

**Mr. Lang:** He referred to work on an audio visual for ambassadors. Could he elaborate on that work done last year? Perhaps he could indicate who did that work.

**Hon. Mr. Penikett:** I know enough to know that it was done by AV Action Services, I believe that is Mr. Cal Waddington's company, but I do not know much more about it. I have not seen it, because it is not finished yet. That is why I have not seen it.

What I will do, if Members would appreciate it, is provide more information about that project by way of a written memo or letter. I think I can do that prior to its being completed. I can get whatever information I can and provide it to the Member.

**Mr. Lang:** What is the actual purpose of this, out of curiosity?

**Hon. Mr. Penikett:** As the Member will know, from time to time we have groups like the National Defence College or groups of ambassadors, or consul people, or officials from other governments come to see us, and it is an attempt to have an AV package that these people can see. It will be a presentation that tells them something about us. It will put us in a historical context in terms of our evolution and our situation today.

**Mr. Lang:** I have to say that I think that is a good idea.

You talked about contracts for the purposes of land claims policies and processes. I do not understand why Executive Council would be contracting work out in this area when you have a land claim branch that has been designated with well over \$500,000 for the purposes of dealing with land claims.

**Hon. Mr. Penikett:** What I was concerned about here is the land claims policy development process or, if you would like, in some cases, our mandates or bargaining positions.

As the Member will know, land claims is not such a discreet activity that you can isolate it in a single shop and basically tell them to go off and do it. There is the problem of ongoing consultation and coordination with various line departments. When dealing with matters of education, you want the education officials involved. You want the Renewable Resources people involved in matters of wildlife and so forth.

I have been concerned to see that we have some kind of process of policy coordination, policy development, a responsibility that resides in ECO that allows us to not only have the consultation with the officials in the department, but a process that sees the particular bargaining mandates of that matter come up properly, as it should, to Cabinet so there is a central authority given to positions that are taken at the table and policies or bargaining positions that we develop and present.

Because of the unusual nature of land claims, it is one of those things that involves many departments of the government. We have only really started the work. In order to ensure that we can facilitate that on an ongoing basis, we will have a mechanism in place where procedures are correct, the processes are signed that we can deal quickly with issues that come from the table, get expert advice for the problems and come to Cabinet with the right kind of instruction.

<sup>38</sup> **Mr. Lang:** Just out of curiosity, this is basically a technical contract, by the sounds of it. Who would do a contract of this kind? Would it be done by a local firm and if so, who?

**Hon. Mr. Penikett:** It is not actually a technical matter, not as technical as perhaps I made it sound. In this case, the particular contract, which was only a start in the process, was a contract we did where the contractor was in fact talking to the different departments and talking to different Ministers and different agencies in the government about where they were in terms of preparedness in Land Claims, what positions the government had inherited from the previous government on some of these issues and how we could roll these all up into Cabinet and how we would be developing positions in Cabinet in terms of some broad principles.

**Mr. Lang:** My question was: who would do a contract of this kind.

**Hon. Mr. Penikett:** Well, part of this work was done by Jennifer Mauro, that is the earliest part we are talking about, the policy coordination function.

**Mr. Lang:** Who is doing the next element of this policy?

**Hon. Mr. Penikett:** A gentleman by the name of Dave Skid did another part of the work, and there will be more work going on this year. No contract has been issued, as such, yet.

**Mr. McLachlan:** When a group of visiting firemen come to town, such as NATO Ambassadors, Armed Forces Generals, which line item in this department gets charged with the entertainment expenses, or, do they pay their own way?

**Hon. Mr. Penikett:** Administration, I think, in answer to the specific question. There are occasions when if it is a parliamentary delegation it may be that we would receive them or host them under the Commonwealth Parliamentary Association budget, which would be, therefore, a legislative function. If the government is receiving and entertaining them in the Executive Council Office, it would come under the, I think, Administration budget. If it is a Minister of Education from another jurisdiction, perhaps visiting the Minister of Education here, that would come under the Minister's budget in the Department.

**Mr. McLachlan:** I understand that part of the intent, but there was a fairly large dinner given last year at the Mount McIntyre Ski Chalet in June, which had a very large contingent of people present and it could get significant when there are thirty or forty of them in one gathering.

**Hon. Mr. Penikett:** I believe he is talking about the NATO



parliamentarians who visited here. The cost of that dinner was split between the City of Whitehorse and ourselves, and our portion was paid for under the Administration item that I previously identified.

**Mr. McLachlan:** During debate on the Ottawa office in previous O&M Budgets, the Minister expressed some concern, when the sharp realities of the cost of Ottawa office space came home. The Minister expressed some wishes that those cost items could be a little bit lower, yet he just said that it has gone up by \$24,000 a year. What is that increase in the Ottawa office due to?

**Hon. Mr. Penikett:** As I previously explained, that \$24,000 is largely as a result of the payout to the previous incumbent. If you give me a moment, I will tell you exactly what that number is.

We are obliged, as a retirement benefit, to pay relocation costs for Mr. Murphy, as per the agreement that was made with him when he took the position. That is the basis of that increased expenditure.

**Mr. McLachlan:** Is the operating cost of the house attached to the Office of the Commissioner borne by this government, or is that borne by the Department of Indian Affairs and Northern Development?

**Hon. Mr. Penikett:** It is borne by the federal government, although we have received suggestions that that should be changed. We have resisted the suggestion so far.

**Mr. Phillips:** Is there provision for government MLA travel in this Budget?

**Hon. Mr. Penikett:** If an MLA is representing the government or taking part in a delegation representing the government, yes, it would come under this Budget.

**Mr. Phillips:** When would that take place? When a Minister could not attend a conference, you would send another MLA, or would they go along with the Minister? What is the policy?

**Hon. Mr. Penikett:** It could take place in the case where a Member was representing a Minister, as has happened, or it might take place where a Member was also part of the delegation. It is essentially the same policy as operated with the previous government where that sometimes happens.

**Mr. Phillips:** If you send the Minister responsible for his portfolio, say, to a communications conference, what would the other MLA do? Would he go along as an aide to the Minister?

**Hon. Mr. Penikett:** I do not know, in the case of a communications conference. In the case of a constitutional conference, for example, you might have a delegation that is composed of Ministers and MLAs because of the particular interest of the community represented by that MLA and the particular matter. In that case, it might warrant a decision by the government to include an MLA in a government delegation.

Normally, in most cases we have had where a Minister has been unable to attend and a substitute represents the Ministers — in, I would guess, 90 percent of the cases — they have either been represented by another Minister or by a senior official in the department concerned.

**Mr. Phillips:** How often does it happen that an MLA would go with a Minister? How often has it happened in the last two years that the government has been in power?

**Hon. Mr. Penikett:** Once under my authority, and possibly one or two other occasions, in terms of the total number.

**Mr. Phillips:** What exactly was the cost of that?

**Hon. Mr. Penikett:** The occasion under my authority? I would be happy to find out.

**Chairman:** Any further general debate?

**Mrs. Firth:** Before we go through the line items, just in a general sense, I think, as a Member of the Public Accounts Committee, I would like to give some recognition to the department and also compliment the Public Affairs Bureau for the statistical information that they have provided, particularly on pages 31, 32 and 33. Also, they have indicated that it was a recommendation of the Public Accounts Committee that this information be made available. I think it is understandable. They have provided some unit costs and estimates for services provided to various departments. I appreciate it is very difficult to arrive at unit costs in this particular area. Therefore, as a Member of the Committee, I would like to compliment the department, and say they have done a very

good job.

**Hon. Mr. Penikett:** I would be pleased to pass on that compliment to the members of that Branch. Unless I inadvertently misled the House, I was reminded a moment ago that there was one occasion on which an MLA has been part of a government delegation, which I led outside of the territory, and another occasion on which an MLA represented me on behalf of the government inside the territory. I will provide the costing of both occasions for the Members opposite.

*41 On Administration*

*Administration in the amount of \$378,000 agreed to*

*On Land Claims Secretariat*

*Land Claims Secretariat in the amount of \$598,000 agreed to*

*On Public Affairs Bureau*

*Public Affairs Bureau in the amount of \$640,000 agreed to*

*On Administration*

*Administration in the amount of \$130,000 agreed to*

*On Information Services*

*Information Services in the amount of \$236,000 agreed to*

*On Photography*

*Photography in the amount of \$122,000 agreed to*

*On Inquiry Centre*

**Mrs. Firth:** That is a fairly significant increase. I am not sure whether the Government Leader has explained it or not in the information he has given us.

**Hon. Mr. Penikett:** The largest increase is a result of the reverse-a-call service for which we are now having to budget something like approximately \$82,000 because of the costs we are bearing. There are people phoning into the government on the Zenith line for the information.

*Inquiry Centre in the amount of \$152,000 agreed to*

*Public Affairs Bureau in the amount of \$640,000 agreed to*

*On Policy and Intergovernmental Relations*

**Mrs. Firth:** The Government Leader made an interesting comment about this area when he talked about the reorientation of the function of the Ottawa office. I wonder if he could elaborate a bit on that?

**Hon. Mr. Penikett:** I do apologize. I had a note on this, which I brought to the House, and now I cannot find it. I apologize for my incompetence on that score, but I will have to take the question as notice. Perhaps someone could leave and get the relevant information from the staff.

Last year, we knew that Mr. Murphy was due to retire. There have been different demands and different expectations on this office. We decided to take a look at the options for the future operation of it, ranging from closure to expansion to reorientation.

We have found that there were some departments that make quite a lot of use of the office in Ottawa, and they use it as kind of a base when they are there working. They get secretarial services out of it; they use it as office space, meeting space, telephone space. Others make practically no use of it whatsoever.

We decided that we would move to a situation where we would take senior, but not deputy minister or assistant deputy minister, offices from this government and send them there, likely on one-year terms. We would like to keep whomever is there fresh and up-to-date with what is happening in the Yukon and what is happening in the government, for a start.

We would also like to have a person there who is able to carry our messages and communicate effectively on our behalf, principally with the federal government, but with other agencies, according to whatever issues are at hand during the time they are there.

For example, let us say we were doing land devolution, and we were really getting into short strokes in land devolution and were really trying to close a lot of transactions. We might decide that, for the year coming up in which we were trying to make a lot of progress on that, we would have someone from this office who had the communications skills, the experience and the stature in the government to equip us well, but who also had the kind of background and knowledge of land and land matters to be able to do the kind of pushing and shoving and negotiating that we needed in Ottawa.

From time to time, we would have to make judgments about whether we want a public relations person there, a negotiator, a lobbyist there or some other kind of person. Those are some of the kinds of persons — or someone who combines more than one of those skills.

We are fortunate still to have in the office Mr. Raghu Raghunathan as fiscal relations officer, who does not work for Intergovernmental but who works for Finance, who has proven extremely valuable to this government, not only in terms of his knowledge of financial matters, but he has, as has Mr. Murphy, been asked to represent us from time to time at conferences, at meetings with officials in Ottawa.

43 What we will be doing, therefore, in the process of looking for a new person, is making some decision about what kind of person we need here and now. We have gone through a process of classification, and we will be looking at internal recruitment. If I can find the relevant page in the document here, it will describe the kind of status level and the skills of the person that we have now decided is appropriate to the office.

I should emphasize, it is quite possible down the road that we will decide that some of the space is superfluous to our needs there, but we have not reached that decision.

Perhaps I could entertain another question. I will come back to the matter of the decision we have made about the kind of person who is going to be going there.

**Mrs. Firth:** It is interesting that the Government Leader says that they may look at someone within the civil service. Is it the kind of position that will go out to competition, or will someone just have the authority to transfer someone to Ottawa?

**Hon. Mr. Penikett:** I have already said in the first instance that we were going to internal competition, because I think my preference would be certainly, first cut, to look at the senior ranks of the public service here in terms of experience, not only of the Yukon, but also of this government. I think those would be two very important prerequisites for the position.

I still have not located the exact document, but I will find it and get back to that question. Can we move on to other questions, and I will return with the information?

*Policy and Intergovernmental in the amount of \$354,000 agreed to*

*On Federal Relations*

*Federal Relations in the amount of \$174,000 agreed to*

*On Total*

*Total of \$528,000 agreed to*

*On Office of Devolution*

*Office of Devolution in the amount of \$197,000 agreed to*

44

*On Internal Audit*

*Internal Audit in the amount of \$280,000 agreed to*

*On Bureau of Statistics*

**Mr. Phelps:** Why is the item Other under allotments?

**Hon. Mr. Penikett:** This breaks down as: \$16,400 Administration; Information Services is \$9,920; Data Dissemination, \$36,600; Data Development, \$49,150; and, Methodological Support, \$8,600.

If the Member wishes more detail on any of those, I can provide it, but perhaps in writing would be the best way.

**Mr. Lang:** These are areas where you can go for contracts for those things, as far as the consultants and this kind of thing?

**Hon. Mr. Penikett:** Yes. In a large part, yes.

*On Administration*

**Mr. Lang:** Following that up, with respect to the information that is supposed to be tabled over the course of this Session, with respect to contracts not tendered, is this where the money would come from? Or is that over and above the \$20 million total that the government has for the purposes of doing various works?

**Hon. Mr. Penikett:** While I am gathering information to answer that question, let me answer the previous question from Mrs. Firth.

The mandate for the Federal Relations Office in Ottawa, which is

a listening post and a means of facilitating communication between the Yukon and federal government, operates by providing advice to the Yukon Executive Council on the progress of federal policies affecting the Yukon government priorities, and the coordinating efforts that may be required to obtain maximum benefit for the Yukon; conveying information to the federal government regarding Yukon's position on a wide range of issues and representing the government, when directed, at meetings and events; and, acting as a specialized resource for the Yukon departments and agents in their interactions with the federal government. Day-to-day direction would be provided by the Director of Policy and Intergovernmental Affairs in the Executive Council Office, but there would be instructions and requests coming from all sorts of departments.

With respect to the persons who will be in the office, they will be accountable for the quality of information and the recommendations provided by the office with respect to federal, territorial and national intergovernmental initiatives that impact on the Yukon.

45 Some of those initiatives will include devolution, land claims, free trade negotiations and things like that. Just to highlight the positions, perhaps the singlemost important responsibility is to identify those aspects of the Yukon government's initiatives with the federal government regarding territorial and national issues that are not consistent with the Yukon government's overall priorities and policies and to make recommendations to correct the situation. That will include, for example, maintaining information gathering networks through contacts in the various federal departments, communicating that information back to this government and the relevant departments, providing recommendations based on this information back to our offices here and representing the view of the Yukon government at conferences and to departments and to Ministers.

The second function, which will be the actual management of the office, is to provide services to Ministers and officials when they are in Ottawa, which can be providing briefing notes, can be providing support services or such like when they are there.

The incumbent will, of course, be expected to be familiar with all of the goals and objectives and broad policies of the government and be able to convey those to people in the national office. They may be asked to provide interpretation of the government's positions on things, of course, in consultation with departments like Justice and Finance. They may make recommendations or give advice to the government based on their assessments of the federal government's likely responses to things and suggestions on who we might meet to facilitate or achieve our ends when we are in Ottawa. Comments on the progress of program transfers, for example, when advance notice on what is upcoming on federal initiatives, which may have not become public but about which they learn.

Those are basically the kind of duties we will expect from the person at this time.

The increase in the \$121,000, I believe, was the subject of Mr. Lang's question and is related to three items: travel in connection with our ongoing work with Statistics Canada, which is out of the budget here but is 100 percent recoverable, so there is a recovery to do with that.

There is also the introduction of the Yukon Employment Survey and additional costs associated with that, and work being done for the Departments of Tourism and Renewable Resources.

46 **Mr. Lang:** My general question was in respect to the allocation of Other dollars that are available for the administration to go into various contracts of consulting or otherwise for the purpose of carrying out the responsibilities. Is that a fair statement? I am asking a general question on the budget, and not just strictly this department.

**Hon. Mr. Penikett:** I want to answer the question in respect to this particular item. I do not want to leave the impression that somehow all of \$121,000 is available for consultants. There are specialized services, some of which I mentioned in connection with, I think, computers, and computer programs, that would have to be retained by this branch. Those are not consultants *per se*. They may be service contracts, or things like that, but I expect that would all be wrapped up in the kind of information that would be



coming back from my colleague, the Minister of Government Services, when it comes.

**Mr. Lang:** In respect to this particular line item, I have some questions. I would like to know just exactly what you propose to do in this particular area for the forthcoming year?

**Hon. Mr. Penikett:** Could the Member repeat the question?

**Mr. Lang:** I just asked what work is going to be undertaken in respect to this particular line item.

**Hon. Mr. Penikett:** Okay. The new initiatives under this line include five items. As well, in this year, there is a budget for seven more ongoing projects. Let me just give the general information. The first one is the visitor-exit survey, and the client in that case is the Department of Tourism. The second one, 1986 Tourism Advertising Response Study, again, the client there is the Department of Tourism. The third new initiative is the Analysis of Canada Health Attitudes and Behaviours Study, and the client is the Department of Education. The fourth new initiative is the Quality of Worklife, and that is a project for which the client is the Public Service Commission Employee Assistance Program.

The fifth one is the Whitehorse Area Study. The client is the Bureau of Statistics. That is coordinating with the Population Research Laboratory, Department of Sociology, University of Alberta, for execution of a Whitehorse Area Study. If this study is performed, it will occur early in 1988.

Ongoing major projects or enhancements include Public Affairs Survey for the Executive Council Office, Analysis of Graduates of Yukon College for the Department of Education, Compensation Branch Information System for the Public Service Commission, Finance and Administration Branch Operational Statistics for the Department of Justice, Analysis of Educational Use of Computers for the Department of Education, Analysis of Disabilities Survey for Public Distribution by the Department of Health and Human Resources, and a Survey of Business Questionnaire for the Business Development Office, Economic Development.

That is the methodological support. Of the data development part of that, there are two more initiatives and 10 ongoing projects, which I will give the titles to the Member.

New initiatives include the Yukon Hotel/Motel Vacancy Survey and the Yukon Business Register and Employment Model.

Ongoing major projects include Yukon Special Price Survey, a Model Feasibility Study, the Community Spatial Price Survey, Community Temporal Price Survey, Community Food Basket Cost Comparisons, Yukon Economic Accounts, Yukon Unemployment Estimates, Yukon Rent Survey, Real Estate Survey, CEIC Data Automation Project, and the Fiscal Equalization Project.

**Mr. Lang:** What is the Fiscal Equalization Project?

**Hon. Mr. Penikett:** This is a study reviewing the territory's public finances, taking a look at our fiscal position and in preparation for our negotiations on formula financing.

**Mr. Lang:** What is the purpose of the Yukon Hotel/Motel Vacancy Study?

**Hon. Mr. Penikett:** The Economic Council has expressed an interest in the development of a survey of the hotels and motels in the Yukon. The branch will be reviewing the potential of this survey in the next few months. We will have to see whether the business community is really interested in having it done. Presumably, it is to look at occupancy rates on a year-round basis.

**Mr. Lang:** Why would you want to look at the occupancy rate in hotels and motels?

**Hon. Mr. Penikett:** One of the reasons is we want to look at the utilization rate. I had a meeting not so long ago with the Yukon Visitors Association, where they were talking about the short season here and the fact that they calculated it down to the number of rooms that had been empty during the peak season here, and what the problem was for them economically, and talked about what we, as a government, might be able to do, either from a policy development, marketing, coordination, or transportation system point of view, to make sure that, during the peak season, they had maximum possible occupancy which, from their point of view, would be 100 percent.

**Mr. McLachlan:** What is the Temporal Study? Community Temporal Study. What is that?

**Hon. Mr. Penikett:** That is price comparisons over time. *Data Development & Methodological Support in the amount of \$174,000 agreed to*  
*Bureau of Statistics in the amount of \$374,000 agreed to*

*On the Office of the Commissioner*

**Mr. Lang:** I want to rise to pay tribute to Marian Morrow, since she has left the employment of the Commissioner's office. She spent a number of years working with Mr. Doug Bell and, prior to that, worked on the Executive Committee floor for quite a number of years and was a major force with respect to the administration of the Government of the Yukon as it evolved. I think Marian's contribution to the Government of the Yukon Territory should not go unnoticed.

**Hon. Mr. Penikett:** I would like to share that tribute. Marian Morrow was a constituent and a friend of mine. I, too, would like to celebrate her retirement and express my slight annoyance, but best wishes to the Commissioners' new secretary, since he stole her from one of my departments.

*Office of the Commissioner in the amount of \$103,000 agreed to*

*On Cabinet Support*

**Mr. Lang:** Are you looking at any increases of staff in Cabinet support?

**Hon. Mr. Penikett:** No.

*Cabinet Support in the amount of \$654,000 agreed to*

*On Cabinet Tours*

*Cabinet Tours in the amount of \$2,000 agreed to*

*Cabinet Support in the total amount of \$676,000 agreed to*

*On Executive Council Office Secretariat*

**Mr. Nordling:** I would like to go back a bit. I might be lost here. I read Cabinet Support at \$654,000, Cabinet Tours \$2,000, for a total of \$676,000. I think we should be clearing \$656,000, not \$676,000. I am referring to page 40.

**Hon. Mr. Penikett:** There appears to be a typo here. I believe the figure must be \$22,000 for Cabinet Tours, not \$2,000. I sort of wondered about that.

**Chairman:** Are there any questions now on the amount of \$22,000?

**Mr. McLachlan:** Is it the intent of the Cabinet's wishes to make a tour into each riding through the year?

**Hon. Mr. Penikett:** It has not been our practice to do as the previous government did, which is to take the entire Cabinet around once a year, as a group, to communities. It will be my intention, as it will be of several of the Ministers, to visit every community in the course of the year. It is my hope that in the coming year we will be able to have Cabinet meetings in the rural communities, and at those meetings also meet formally or informally with groups or individuals in those communities.

**Chairman:** There is a correction to that. The total amount was \$676,000.

*Cabinet Support in the amount of \$676,000 agreed to*

*On Executive Council Office Secretariat*

*Executive Council Office Secretariat in the amount of \$250,000 agreed to*

*On Public Inquiries*

*Public Inquiries in the amount of one dollar agreed to*

*On Plebiscites*

*Plebiscites in the amount of one dollar agreed to*

*On Recoveries*

*Recoveries in the amount of 23,000 agreed to*

*On Grants, Contributions and Other Transfer Payments*

*Grants, Contributions and Other Transfer Payments in the amount of 30,000 agreed to*

*Executive Council Office in the amount of \$4,024,000 agreed to*

**Chairman:** The next department is the Department of Com-

munity and Transportation Services.

**Hon. Mr. Porter:** In view of the time, I suggest you report progress on Bill No. 6.

*Motion agreed to*

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

*Motion agreed to*

*Speaker resumes Chair*

**Speaker:** I will now 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. 77, entitled *Lottery Licensing Act*, and directed me to report the same without amendment.

Also, Committee has considered Bill No. 6, entitled *Second Appropriation Act, 1987-88*, 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 Hon. Members:** Agreed.

**Speaker:** I declare the report carried.

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

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

*Motion agreed to*

**Speaker:** This House now stands adjourned until 1:30 p.m. Monday next.

*House adjourned at 5:21 p.m.*

**The following Legislative Returns were tabled in the House on April 2, 1987:**

87-3-51

Cost of Yukon-Based Furniture Manufacturing Study (Penikett)  
Oral, Hansard, p. 673

87-3-52

Confidentiality of government funded feasibility studies  
(Penikett)

Oral, Hansard, p. 415

87-3-53

Issues related to awarding of timber cutting contracts for Watson  
Lake Forest Products Mill (Penikett)

Oral, Hansard, pp. 514 and 515

**The following Document was filed during general debate on Bill No. 6, *Second Appropriation Act, 1987-88*, by Hon. Mr. Penikett:**

Expenditure by department by community (Filed Document No. 15)