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Debates & Proceedings

Monday November 8, 1976

Speaker: The Honourable Donald Taylor

Whitehorse, Yukon Territory
November 8, 1976

Mr. Speaker: Madam Clerk, is there a quorum present?

Madam Clerk: There is, Mr. Speaker.

Mr. Speaker: I shall now call the House to order.

(Prayers)

ROUTINE PROCEEDINGS

Mr. Speaker: The Honourable Member from Ogilvie.

Ms. Millard: Mr. Speaker, I rise on a point of privilege, it may be a point of order, I'm not sure of the definition here, but it does include both aspects. Concerning the replies to the Speech from the Throne, which were on Thursday. My understanding was that a Motion would be brought forward that the speech would be continued, or the replies to the Speech from the Throne would be considered on a day set down. I have the material here which says on Tuesday, Mr. McIntyre moved that the Speech from the Throne be considered on a day following and that was agreed upon. On Wednesday, Mr. Speaker says, "I think this is something that would have to be determined by resolution, notice having been given if this be the case, but the Chair has had no direction in this regard and perhaps Members could discuss among themselves when they wished to debate the Throne Speech and certainly we will make provisions for it at any given time."

Then on Thursday, Mr. Speaker states, "In as much as some Members have indicated to the Chair that it is their desire today to reply to the Speech from the Throne, at this time the Chair would entertain any replies to the Speech from the Throne." In our standing order, Standing Order Number 32(1) and (2), the understanding I have is that a motion would have to be made and it would be announced from time to time by the Speaker with the consent of the Assembly, and on any such date, this order shall have precedence over other business and since it is a motion, I believe Rule Number 35 applies where there is twenty-four hours' notice shall be given on a motion for leave to present a Bill, resolution or address.

I feel that my privilege has been abused in this regard because I was not notified that the replies from the Speech from the Throne were going to be on Thursday and I would like a ruling so that Members who were not advised that the replies to the Speech from the Throne were going to be on that day may also have the privilege of that opportunity.

Mr. Speaker: Yes, perhaps the Honourable Member does raise an interesting question of privilege in as much as we have not yet adopted the rules referred to in the handbook and are bound by the existing rules of the House. It would be difficult, at this time, for me to rule on this question. The Chair will certainly take it under advisement and, I believe that this would be an appropriate matter for me to seek guidance from the Standing

Committee on Rules, Privileges and Elections and I will so do and report back to the Honourable Member.

Mr. Speaker: Are there any further — we will proceed then with Order Paper, Routine Proceedings, Tabling of Documents.

Are there any documents for tabling? The Honourable Member from Whitehorse North Centre?

TABLING OF DOCUMENTS

Hon. Mr. McKinnon: Mr. Speaker, I have for tabling today, a White Paper on Administration of Territorial Elections; a White Paper on Y.T.G. Land Claim Negotiator and a White Paper on Legal Advice to the Assembly.

Mr. Speaker: The Honourable Member from Whitehorse Porter Creek?

Hon. Mr. Lang: Mr. Speaker, I have for tabling the following documents: a White Paper on Yukon Insurance Rates, a White Paper on Western Canada Lottery.

Mr. Speaker: The Honourable Member from Whitehorse West?

Hon. Mrs. Whyard: Mr. Speaker, I have for tabling a White Paper on Coroner's Inquests and a Green Paper on Appointments to the Yukon Territory Water Board. A Green Paper.

Mr. Speaker: Are there any Reports of Committees? Petitions? Are there any Introduction of Bills? Are there any Notices of Motion for the Production of Papers?

The Honourable Member from Kluane?

NOTICES OF MOTION FOR THE PRODUCTION OF PAPERS **Mrs. Watson:** Mr. Speaker, I'd like to give Notice of Motion that the Territorial Government's Position Paper from Yukon Indian Land Claim negotiations entitled "Meaningful Government for Yukon" be tabled in this House.

Mr. Speaker: Are there any further Notices of Motion for the Production of Papers?

Are there any Notices of Motion or Resolution? Any statements by Ministers?

We will then proceed to the Question Period.

QUESTION PERIOD

Mr. Speaker: Have you any questions this morning? The Honourable Member from Ogilvie?

Question re: School Gym in Old Crow

Ms. Millard: Mr. Speaker, I have a question for the Minister of Education.

I would like to know why it is that this summer I received a reply from him on a question that I gave to him concerning the school gymnasium in Old Crow, which was completely negative, that there would not be a school gymnasium in Old Crow.

Now, I receive information that —

Mr. Speaker: Order, please. Would the Honourable Member please state her question?

Ms. Millard: Yes, the question is why is it that officials from the Department of Education have been in Old Crow in the last two or three weeks, encouraging the people to believe that a school gymnasium will be built?

Mr. Speaker: The Honourable Member from Whitehorse Porter Creek?

Hon. Mr. Lang: Mr. Speaker, I can't recall the exact wording in the correspondence that I had with the Honourable Member. I recall that in the request for a gymnasium for Old Crow, I was asked if whether or not there should be a play area and if I recall, my response was that if we were going to put any construction in at a school, we would attempt to put it at a comparable level anywhere else in the Territory and I would expect at some given point in time, we would be prepared to go ahead with the regular sized gymnasium.

At this given point in time, we're seriously considering it, but as we all know, it's all subject to the budget session forthcoming, and I cannot answer the question until I find out what our financial situation is.

Mr. Speaker: The Honourable Member from Hootalinqua?

Question re: Federal Government Policy Paper on Expenditure per Child

Mr. Fleming: Yes, Mr. Speaker, I have a question for either the Minister of Education or the Commissioner:

Has the Federal Government a policy paper on education as to how much money is to be spent by the Territorial Government on Status Indian education per child?

Mr. Speaker: The Honourable Member from Kluane?

Question re: Fire Insurance Renewal

Mrs. Watson: Mr. Speaker, I have a written question for the Commissioner and it involves a very serious situation which we have in the Yukon today. My question involves the fact that various lodges and small businesses in the Yukon have been refused renewal of fire insurance coverage. It apparently has been declared the policy of the various insurance underwriters in the Yukon not to cover lodges or businesses of a wooden frame structure.

Because of the owners' inability to obtain fire insurance coverage for their premises, they are not able to fill the requirements of their mortgage, and so some of them are now facing —

Mr. Speaker: Order, please.

Mrs. Watson: — foreclosure of their mortgage.

Mr. Speaker: Order, please. I believe the Honourable Member is making a statement. Only questions are

allowed in the Question Period as all Members I'm sure are aware. Perhaps the Honourable Member could get to her question?

Mrs. Watson: Yes, Mr. Speaker.

This is a very serious situation and I want to know what steps this Government is prepared to take to assist these businesses to obtain insurance, to at least meet their minimum mortgage commitments, so they do not lose the business that they have worked for years to maintain.

Mr. Speaker: Are there any further questions? The Honourable Member from Hootalinqua?

Question re: Status Indian Children

Mr. Fleming: I have a question this morning for the Minister of Education. How many status Indian children are attending school in the Yukon at this time?

Mr. Speaker: The Honourable Member from Whitehorse Porter Creek?

Hon. Mr. Lang: Mr. Speaker, the Honourable Member raises a very interesting point, a very good question.

As you know, it's been the policy of this Government for many years not to differentiate by race within the school system, but unfortunately in the last year, the Federal Government has insisted on statistics. We went through the school system to attempt to see how many Status Indians were involved in the school system of the Yukon, and the approximate figure is 650.

Mr. Speaker: The Honourable Member from Hootalinqua?

Mr. Fleming: Supplementary, Mr. Chairman — Mr. Speaker, sorry.

If you — and I must explain a little: if you have only statistics that you're not too sure of, of 650 children, say, how do you, the Territorial Government and the Department of Education collect your money from Ottawa in the right amounts of money, to see that these children have the proper education?

Mr. Speaker: The Honourable Member from Whitehorse Porter Creek?

Hon. Mr. Lang: Mr. Speaker, I'm not too sure of the question. If I'm reading him correctly, what happens in our budgetary programming is that we assess what needs we have, and then the negotiations go on at the I.D.C. meetings in Ottawa and that directly goes to the Yukon consolidated revenue fund and subsequently the budget is brought down.

I would also like to point out and I think the Honourable Member will agree with me, all Members will agree with me, that our school facilities and our ability to give education to all children in the Yukon is I don't believe, surpassed anywhere in Canada.

Mr. Speaker: The Honourable Member from Whitehorse Riverdale?

Question re: Yukon Rail Study

Mr. Lengerke: Thank you. I have a question for Mr. Commissioner this morning.

Recently a study was completed, I think dealing with possible rail extension in Yukon. I believe that study was called the Yukon Rail Study. My question to you this morning is what action has been taken by — to date, and what can we expect or when can we expect an official reaction from the Yukon Government to that study?

Mr. Speaker: Mr. Commissioner?

Mr. Commissioner: Mr. Speaker, the Yukon Rail Study has indeed been completed and in an attempt to throw the ball back to the company that is interested in extending the rail service, the Federal Government, including the Territorial Government, have established a working committee to review the document and their first task is to prepare an environmental guideline so that the proponents of a rail extension will have a precise idea of the requirements of the Federal Government in various environmental laws will require of them, so that they can make a true feasibility test of the viability of such an extension.

Mr. Speaker: The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Mr. Commissioner, just a supplementary to that. I am led to believe that the environmental —

Mr. Speaker: Order, please. Would the Honourable Member kindly address the Chair?

Mr. Lengerke: I believe that the environmental study has been completed, Mr. Commissioner: Are you aware of this?

Mr. Speaker: Order please. I would have to rule that question out of order. All questions must be directed to the Chair. If the Honourable Member would like to restate his question — the Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Mr. Speaker, I would like a supplementary question to the Commissioner. Has the environmental study actually been completed, that you're aware of?

Mr. Commissioner: Mr. Speaker, I understand a preliminary environmental survey was carried out by the proponent, but that was carried out prior to them being aware of what environmental guidelines would be established by the Government and it was at, I believe, their request the Government sat down and faced this problem, and to tell them in black and white just exactly what environmental studies would be required, and what such an extension.

Mr. Speaker: The Honourable Member from Whitehorse South Centre?

Question re: Litter Prosecutions

Mr. Hibberd: Mr. Speaker, I have a question for the Commissioner on behalf of the Member from Watson Lake. This is a written question regarding litter - would the government advise the Assembly: (1) how many prosecutions were entered at both the Municipal and Territorial levels in respect to violations to litter laws for the fiscal years 1974-75 and '76, to date; (2) how many convictions resulted?

Mr. Speaker: Are there any further questions? The Honourable Member from Hootalinqua?

Question re: Fiscal Responsibility for Education of Indian Children

Mr. Fleming: Yes, Mr. Speaker. Once more on education, I have a question I think should maybe be answered by Mr. Commissioner. A direct question - is it the Federal government's responsibility to give the Yukon Territorial Government enough money to teach the Indian children in any manner, in a manner that they should be taught, or is it the duty of the Territorial Government just to raise money as best they can to teach those Indian children?

Mr. Commissioner: I think the Executive Committee Member in charge of Education would like to respond to that and I would appreciate it if he would.

Mr. Speaker: The Honourable Member from Porter Creek?

Hon. Mr. Lang: Mr. Speaker, as the Honourable Member knows, the Yukon Government is empowered under the Yukon Act to administer education for all people in the Yukon. The only conflicting area that you come across in the Federal Government legislation is the Indian Act. But we are entrusted with the responsibility of education for all children within the Yukon.

Mr. Speaker: The Honourable Member from Klwane?

Question re: Criteria for Land Claims Benefits

Mrs. Watson: Mr. Speaker, this is a question for the Commissioner and he may take it as a written question if he wishes, and it is almost a supplementary question to the type of question that the Member from Hootalinqua was asking. The Territorial Government statistics state that there are approximately 2,500 status Indians on the Band Lists in the Yukon, and yet the President of the Council of Yukon Indians stated that there were approximately 6,000 native people eligible for Land Claims. My question is: can you find out for, get the information, what criteria was used to establish the fact that there were approximately 6,000 native people eligible for land claims?

Mr. Chairman: Is that a written question?

Mrs. Watson: Yes.

Mr. Speaker: The Honourable Member from Klondike?

Question re: Drilling Program

Mr. Berger: Yes, Mr. Speaker, I have a question for Mr. Commissioner and he may take it as a written question. It is: how many oil companies are going to conduct a drilling program north of Dawson in the northern part of the Yukon this year?

Mr. Speaker: I'm afraid I didn't hear the question, but is the question — was it directed to Mr. Commissioner?

Mr. Berger: That is correct, Mr. Speaker
My question was: how many oil companies will be conducting a drilling program north of Dawson this year?

Mr. Speaker: Mr. Commissioner?

Mr. Commissioner: Mr. Speaker, I can't answer that at the moment, but I will get the information and take the question under advisement and get back to the Honourable Member.

Mr. Speaker: Very good. Are there any further questions this morning? Mr. Commissioner?

Mr. Commissioner: Mr. Speaker, on November the 4th, the two questions were proposed to the Commissioner which I took under advisement and I have a response to those and I would like to table them with the Clerk at this time, if that would be all right?

Mr. Speaker: Are there any further questions? We will then proceed to Motions.

MOTIONS

Motion Number 5

Madam Clerk: Motion Number 5, standing in the name of the Honourable Mrs. Whyard.

Mr. Speaker: The Honourable Member from Whitehorse West, are you prepared to discuss Motion Number 5 this morning?

Hon. Mrs. Whyard: Yes, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse West, seconded by the Honourable Member from Whitehorse North Centre, that representatives of the Council of Yukon Indians be invited to appear before Committee of the Whole at the earliest mutually convenient time to discuss the subject of communications between this government and the CYI.

The Honourable Member from Whitehorse West?

Hon. Mrs. Whyard: Mr. Speaker, I don't intend to speak at any length on this Motion, which is self-explanatory, and I would hope would receive endorse-

ment from every Member in this House. My reason for tabling this Motion is that I'm hearing, on all sides, that there is a lack of dialogue, a lack of communication, a lack of consideration, on one side and another of the needs and aspirations of the native people of the Yukon, and it seems to me, Mr. Speaker, that it would be most timely to invite representatives of the Council of the Yukon Indians to come and at least begin some official dialogue in this House through the Committee of the Whole.

I have always felt that communication can solve a great many problems, but it has to be a two-way street, as I said the other day. And there is no point in one side of an issue declaiming its views unless there is an opportunity for the other side to do the same and I think that there are many questions that we could clear up to great satisfaction if an opportunity was provided for this kind of discussion. Therefore, I am moving that this invitation be extended and I would hope that it would occur during this Session.

Mr. Speaker: The Honourable Member from Ogilvie?

Ms. Millard: Mr. Speaker, I must rise in opposition to this Motion. I feel that this may be a very honest attempt at trying to communicate with the Indian people in Yukon, but it is again a white attempt to impose the white social values on to a culture who do not understand them. It is almost an attempt to confront the CYI, rather than communicate with them. Because of the formality of the situation in the Committee of the Whole, it is not a two-way street, as the Member suggests. A witness coming to our table is not allowed to debate; he is not allowed to do much more than make a formal presentation of views and then be questioned on those views. I feel that we would never keep to the subject of the Motion, which is communication between this government and CYI, we would probably wander into the realm of Land Claims and many other development problems. I don't think that we would strictly stick to communications, because this has been my experience in this House. It is impossible to maintain such a strict criterion for having discussion witnesses come. On Friday, Mr. Johnson of the CYI, stated that the CYI is perfectly willing to begin a format of informal talks with YTG concerning the constitutional development of the Yukon. This is not informal talks. It is highly public; it is something that could be very embarrassing to both sides; it could be very divisive. I do not think that the Indian people would respond in a positive way to this Motion because of that, because it is not a situation that is conducive to co-operation and a positive approach between the YTG and CYI. I would suggest that the House, instead, consider a Motion which would, or even just a letter to the CYI, suggesting that a caucus meeting be set up, or a meeting between the Ex-Com and CYI prior to any public meeting which is so reported wrongly in the papers, over the CBC, that it can be used in a very detrimental way. I feel that if we're going to try to communicate we have to first think of the realities of the situation.

Mr. Speaker: The Honourable Member from Hootalinqua?

Mr. Fleming: Mr. Speaker, although I do have some regard for the Honourable Member on my left, as to the Committee of the Whole and a witness situation, I do feel that this Motion is something at least towards getting somewhere, because I find after my questions here this morning and after some of our other problems we've had in the Yukon with situations where the Federal Government has no policy whatsoever as to what they are supposed to do and what they are not supposed to do with health and with education and this type of thing, with the native peoples, and don't seem to be able to direct them or us as to which way we should go or what we should pay, that it's time we all got together and discussed the matter and find out who is running the show.

So therefore, the Motion myself, I feel that it's a step forward, although I do have some misgivings as to the Committee of the Whole and the witness situation, where the other side don't really have a chance to possibly put forward their views direct to us. If this is possible at that time, I suppose through briefs and so forth and so on, then I think maybe we will definitely get something out of it.

Therefore, I do go along with the Motion.

Mr. Speaker: The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Yes, Mr. Speaker.

I've heard the comments about special structures and special privileges for guaranteed participation in the Yukon Government for Indian people, but I'm convinced that any form of communication to bring out to the public the frustrations that the Indian people have with Indian Affairs, and in turn the frustrations that Y.T.G. has with the Federal Government, would be beneficial.

I can well appreciate the comments made by the Member from Ogilvie that possibly there could be some stifling effect to the conversations to the type of discussion that may take place in a public forum such as this, but I would hope that we would proceed with this Motion, in inviting them here and possibly from that we'll be able to set up a resulting structure that will bring about some informal communication, and a possible standing or special committee of this Council, along with a special committee from the Yukon Indians that will enable this to go on in a long time fashion.

Mr. Speaker: The Honourable Member from Whitehorse South Centre?

Mr. Hibberd: Yes, Mr. Speaker.

I think the purpose of this Motion was quite clear. We're trying to establish lines of communication between the Territorial Assembly and CYI, and I think it's the initial move towards that, it's a good move. It's a first attempt.

If there are objections on the part of CYI towards this, good, fine, let's hear them; maybe we will establish some other method of communication, but this is the first step to get that rolling so let's get this Motion through and let's get ... give CYI the opportunity to respond.

Mr. Speaker: Is there any further debate? The Honourable Member from Whitehorse North Centre?

Hon. Mr. McKinnon: Mr. Speaker, I seconded the Motion by my colleague, the Honourable Member from Whitehorse West and was very pleased to do so.

I think the Honourable Member from Whitehorse South Centre brought out some extremely valid points, because the Motion reads, "That representatives of the Council of Yukon Indians be invited to appear before Committee of the Whole, at the earliest mutually convenient time, to discuss the subject of communication between this government and the CYI."

I think what all Members of this House should be trying to do is to cut through the political rhetoric that is evident on both sides of this question at different times and see whether there are any areas of communication and co-operation that we can establish, and certainly that is all that we are attempting to do by having representatives from the CYI at Committee. If the representatives say that we find this atmosphere of our House stifling and doesn't lend itself to proper communication, then that's fine; I think there's all kinds of other areas that can be struck to be able to arrive at a mutually acceptable method of communication, whether it's through informal caucus.

But one of the real difficulties up to this point in time in the whole Indian/white communication problem is that everything that has been done hasn't been done where the public can see it at all, but rather away somewhere else. One gets the impression from the things that are said that there is no communication going on constantly. I refuse to accept that, Mr. Speaker, because I know that the Department of Local Government probably is more involved in all local communities than perhaps other departments, but there are problems that come up on a daily basis dealing with all Yukon communities, including Yukon Indian communities.

I see no problem up to this point in time in informal, direct, formal communications, any type of communications that have to be set up to deal with any specific problems. So this myth that we keep hearing about by other vested interests who would like, seemingly, to destroy the Yukon Territorial Government, just are false and misleading and are incorrect, as far as the public of the Yukon are concerned, because there are continuing and ongoing communications dealing with specific problems with YANSI, with the YNB and with the CYI, and there will continue to be so as long as problems arise and problems are certainly always going to continue to arise.

So I welcome this first step, Mr. Speaker, in publicly attempting to show that there is no problem at all in the communication between the YTG and the Indian people of the Yukon, and that I would like to see, and I think all Members do, that this be set up on more or less a formal or informal basis, but the whole point of the discussions are to find out where we can strengthen and have a constant line of communication, one with the other.

I think it's very important, for another thing, I'm not going to put on a political hat at this time because I'm going to condemn the Federal government since the Yukon Act carved out the Yukon from the rest of the Northwest Territories. There has been, there continues to be and there will continue to be until all the people of

the Yukon, regardless of race and colour, are willing to sit down and realize who they should be fighting and who the common enemy is, that common enemy since the days when the Yukon Act carved out the Yukon Territory, has been the Federal Government. The Indian people and the white people have so closely the same desires, needs and aspirations for their citizens, as the Government of the Yukon Territory, that when we finally sit down and discuss these things we will wake up to the fact that we have only one common enemy, and it's not dividing the people of the Yukon, but dividing — but fighting against the Federal Government policies regardless of what political party happens to be in power in Ottawa at any given time.

Thank you, Mr. Speaker.

Mr. Speaker: Is there any further debate? The Honourable Member from Whitehorse West?

Hon. Mrs. Whyard: Mr. Speaker, I'm disappointed that some Honourable Members feel that this is not a satisfactory way to proceed to open dialogue with the native people. I am restricted as a Member of this House from suggesting that we all adjourn to somewhere else for informal discussions. I cannot do that.

Mr. Speaker, to invite someone to appear when we are in Committee is as informal as we can get in this Legislature. I am afraid I resent the comment made that appearing before that Committee is a difficult and inhibiting process, because many times over the past years we have had groups appear in Committee, at their request, to make their views known to us, and the views have been accepted and there has been good discussion and dialogue, and I don't know why it should be so intimidating.

As for the comment that this would be public, Mr. Speaker, that is the whole point of the Motion, and there has been a great deal going on in the public media and not in this House, which should be defined and in some way controlled so that we can move on from that kind of statement to some meaningful dialogue.

If, as one of the Honourable Members said earlier, the means of movings on are to appoint a committee or to accept a joint committee between Members of this House and members of the CYI, that can be determined during the meeting here in Committee of the Whole. I really see no actual reason for objecting to this invitation being extended, and I want the invitation extended to the Council of Yukon Indians from this House.

Mr. Speaker: The Honourable Member having twice spoken now concludes debate. Are you prepared for the question?

Some Members: Question.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

Mr. Speaker: I shall declare the Motion as carried.

(Motion carried)

Motion Number 6

Madam Clerk: Motion Number 6, standing in the name of the Honourable Member, Mrs. Watson.

Mr. Speaker: Is the Honourable Member prepared to proceed with Motion Number 6 this morning?

Order, please, I'm asking if the Honourable Member, Mrs. Watson, is prepared to speak.

Mrs. Watson: Mr. Speaker, I am prepared, but I think it would be much easier to discuss this Motion in Committee of the Whole.

Mr. Speaker: Yes, well perhaps then we will proceed with the Motion, and if the Member wishes to move it to Committee of the Whole following the reading of the Motion from the Chair, that is quite within the prerogative of the Member.

Mrs. Watson: Agreed.

Mr. Speaker: Motion Number 6, moved by the Honourable Member from Kluane, seconded by the Honourable Member from Whitehorse Riverdale, that the Government of Yukon amend the policy directive number two — or, pardon me, 2/2 titled "Access to Files", to accommodate the specific needs of the Members of the Legislative Assembly, who need to have access to government information, in order to carry out their responsibilities as the elected representatives of the Yukon people, and that the amendments be tabled in this House during the life of this Session.

The Honourable Member from Kluane? The Honourable Member from Whitehorse North Centre?

Hon. Mr. McKinnon: I move that Motion Number Six be discussed in Committee of the Whole.

Mr. Speaker: Seconder?

Mr. Lengerke: I'll second that.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse North Centre, seconded by the Honourable Member from Whitehorse Riverdale, that Motion Number 6 be referred to Committee of the Whole.

Are you prepared for the question?

Some Some Members: Question.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

Mr. Speaker: I shall declare the Motion as carried.

(Motion carried)

Motion Number 7

Madam Clerk: Motion Number 7, standing in the name of the Honourable Mrs. Watson.

Mr. Speaker: Is the Honourable Member prepared to proceed this morning with Motion Number 7?

Mrs. Watson: Yes, Mr. Speaker, I am.

Mr. Speaker: It has been moved by the Honourable Member from Kluane, seconded by the Honourable Member from Whitehorse Riverdale, that matters relating to the Community Assistance Ordinance and the Homeowner's Grant Ordinance be discussed in Committee of the Whole. The Honourable Member from Kluane.

Mrs. Watson: I would ask for question, Mr. Speaker.

Mr. Speaker: Question has been called. Are you prepared for the question?
Are you agreed?

Some Members: Agreed.

Mr. Speaker: I shall declare the motion as carried.

(Motion carried)

Mr. Speaker: This brings us this morning to public bills.

ORDERS OF THE DAY PUBLIC BILLS

Madam Clerk: Third reading Bill Three, an Ordinance respecting the Institute of Chartered Accountants.

Mr. Speaker: The Honourable Member from Whitehorse North Centre.

Hon. Mr. McKinnon: Mr. Speaker, we'll be prepared to give third reading to public bills on the Order Paper on a day following.

Mr. Speaker: Thank you. There being no further Public Bills, what is your pleasure at this time? The Honourable Member from Whitehorse Riverdale.

Mr. Lengerke: Mr. Speaker, I move that we now, that Mr. Speaker now leave the Chair and we resolve ourselves in Committee of the Whole, for the purpose of discussing Bills, Sessional Papers and Motions.

Mr. Speaker: Is there a seconder?

Mrs. Watson: I second it.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse Riverdale and seconded by the Honourable Member from Kluane that Mr. Speaker now leave the Chair and that the House resolve in the Committee of the Whole for the purpose of discussing Bills, Sessional Papers and Motions. Are you prepared for the questions?

Some Members: Yes.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

Mr. Speaker: I shall declare the motion as carried.

(Motion carried)

COMMITTEE OF THE WHOLE

Mr. Chairman: I now call the Committee to order. We will have a brief recess and then we'll be discussing the Insurance Ordinance. I now declare a brief recess.

(RECESS)

Mr. Chairman: I now call this Committee to order. We have with us as witness, Mr. Kennedy, who is a representative of the Insurance Bureau of Canada.

As we all know, this is a lengthy Ordinance. Is it your wish that I read the Bill in entirety or merely call out the clauses as we proceed?

Hon. Mr. McKinnon: Read it, Mr. Chairman.

Some Members: Agreed.

Mr. Chairman: I understand that the agreement is to call out the clause by number and not to read it clause by clause?

Mrs. Watson: No, Mr. Chairman, my understanding was that we would have it read.

Mr. Chairman: Is that the wish of Committee?

Ms. Millard: Perhaps a compromise could be reached by reading the marginal notes which I found very informative.

Mr. Chairman: I don't think we can do that.
Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, I think it should be read clause by clause, in order to give everybody an opportunity to go through it and possibly get to the very technical questions that should be asked of the witness here, who has come a long ways from Toronto, in order to explain this Bill.

Hon. Mr. McKinnon: How many weeks does the witness have, Mr. Chairman?

Hon. Mrs. Whyard: Mr. Chairman, may I point out

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: — that the sitting week for this group is only three days. Thursday is a holiday, you've got three days if you're going to get through this Ordinance.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: If we're going to go through this properly, I think this is our duty and our function, and whether it takes four days or five days, we should do it. We should read it clause by clause.

Mr. Chairman: Either way is proper, Mrs. Watson. Now, do I understand it is the wish of Committee that we proceed with the total reading of the Bill?

Mrs. Watson: Agreed.

Hon. Mr. McKinnon: Mr. Chairman, could I hear from other Members of the Committee? I've heard from one Member other than Members of the ExCom, and I certainly would like to know whether — I have no strong feelings on this. If the majority of the Members of Committee want it to be read clause by clause, I am willing to accept that. If they want it to be just the clause to be read out, and then any questions on that from the Chair, I'm willing to do that too, but I've only heard from one Member of Committee up to this point in time and I don't know what they want.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Yes, Mr. Chairman, I really have no difficulty with it either way. I would be quite happy to, if it's the wishes again to read it clause by clause, fine, but I have no problem with going just looking at the clauses and voting on it as such, because it is a model piece of legislation, and I think we could ask pertinent questions of the witness that would give us the kind of answers we need.

Mr. Chairman: Then I'll ask for a show of hands. Those in favour of the total reading of the Bill? Those in favour of reading it by number only?

We will proceed with reading by number only, the vote was five to four.

I also would like for Members' consideration that after the reading of the first clause, we will then enter general debate on the Bill.

One (1):

(Reads Clause 1)

Mr. Chairman: Is there any general debate? Are there no questions to be raised at this time?

Mrs. Watson: Mr. Speaker, could I point out that — Mr. Chairman, you could have read it while you were waiting.

Mr. Berger?

Mr. Berger: Just a suggestion. I was wondering if the witness could give us more background on this Bill at this time, more than we have in explanatory notes?

Mr. Chairman: Mr. Kennedy, I would like to introduce Mr. Kennedy to Committee of the Whole. Mr. Kennedy has come a long way to give us this information and as I mentioned earlier, is a representative of the Insurance Council of Canada.

Mr. Kennedy, could you give us some background on this legislation?

Mr. Alex Kennedy: Mr. Chairman, this legislation is basically uniform legislation across Canada. There are slight variations from jurisdiction to jurisdiction but for very obvious reasons, this insurance is a type of subject

which should be pretty uniform all across the country so that people can be treated the same way no matter where they are. And particularly this is true, I think, of automobile insurance with the great amount of travel there is. Because of this very fact, I think it was during the First World War, the Superintendents of Insurance started meeting together as a body and formed the nucleus of the association that is now called the Association of Superintendents of Insurance of the Provinces of Canada.

They meet regularly every year with the Federal Superintendent and with the industry at the public session and they make recommendations there for changes in the law and they try and recommend that the changes are brought in at a uniform date in each jurisdiction. Again, for the sake of uniformity. Originally, the job was done by the Commissioners of Uniformity of Legislation but since I think the mid-1920's, the Superintendents of Insurance themselves have taken on this function.

We, as in industry, are completely behind what you're trying to do here. You've amended your existing Ordinance, you've brought it up to date. It's now similar to the similar ordinances and acts in the various provinces. You've gone further in some respects than some of them. You have provisions in Part Eleven which give a great deal of protection to individual consumers. You're ahead of most of the other jurisdictions in that respect and I congratulate you on it. I think that it's something that, as an industry, we don't like to think that either companies or individuals are guilty of unfair practices but the provisions are there just in case there is any trouble. I don't think there's really anything else I can add at this time.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, I have a question for the witness. When you were introduced, the Chairman indicated that you represented the Insurance Bureau. Could you give us an outline of what the Insurance Bureau is and, I take it, it is an organization of the insurance industry.

Mr. Kennedy: Mr. Chairman, the Insurance Bureau of Canada is an association which acts on behalf of the general insurance companies who are writing insurance in Canada. Perhaps I should say that there are separate associations for the life companies and the accident and sickness companies. This one represents those companies that write automobile insurance, property insurance, everything other than life and accident and sickness. Basically there is, we represent the interests of the insurers, but we're there as a voice from the insurance industry in discussions with government. We're there for the public to come to with complaints or for information or help. We keep, we have been appointed as the statistical agent for each of the provinces other than British Columbia, Manitoba and Saskatchewan, which have their own government-run schemes, for keeping statistics on automobile insurance. There is a requirement in all of the provincial laws and in the law that you're about to enact that requires automobile insurers to report statistics on accidents and losses and these are compiled by the Bureau and made available to

all Superintendents and to the public. It also acts as a public relations voice for the industry.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Yes, Mr. Chairman, the witness answered most of my questions, but just further to that, and he many not want to answer this, who pays your wages?

Mr. Kennedy: The Insurance industry.

Mr. Lengerke: Thank you.
I'm an employee of the Insurance Bureau of Canada Council.

Mr. Chairman: Ms. Millard?

Ms. Millard: Mr. Chairman, I would like to ask the witness if the Insurance Bureau of Canada makes recommendations to their members on the cost of insurance to the consumer?

Mr. Chairman: Mr. Kennedy?

Mr. Kennedy: I'm sorry, I didn't quite catch it. If the Bureau makes recommendations to who?

Ms. Millard: To their companies on the price of insurance?

Mr. Kennedy: No, we have nothing to do whatsoever with insurance rates. There are separate organizations for that. We have nothing whatsoever on that side of it, other than keeping the statistics on which the rates are based, but we don't ourselves get into the rate making function.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: One other point perhaps before we proceed into the Ordinance, there may be some confusion in the House that I would like to clear up now and that, Mr. Kennedy is here at our invitation to assist in a study of this Ordinance. It's not that the industry has asked to have him here, but we appreciate having him because of his expertise.

Mr. Chairman: Is there any further general debate? Are there any amendments to Clause 1?

Some Members: Clear.

Mr. Chairman: Shall the Clause carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: In view of the nature of the Bill and the consideration of having it read in total, I would suggest that if there are sections that are contentious or that Members wish to be read, we will do so.

Interpretation, Clause Two(1).

(Reads Clause 2)

Mr. Legal Advisor: Mr. Chairman, can I raise a point in this Section?

Mr. Chairman, in Section Two, there's a missing page which was omitted in the typing at page 8, this is to be reproduced as page 8A and to be circulated and I understand it is in the typing stage at the moment. I haven't got the typed copy. The typist overlapped from one page to the next and omitted a page in preparing the copy for the transcript, so it has to be circulated.

Mr. Chairman: We will stand Clause Two over then. Part I, Superintendent and his Duties, Clause Three. Mrs. Watson?

(Reads Clause 3)

Mrs. Watson: Mr. Chairman, would it be in order to ask a question regarding Clause Two for an explanation by the witness?

Mr. Chairman: Yes, it probably would. If there are any further changes, it would be advisable to ask them now.

Mrs. Watson: I would like to ask the Legal Advisor, automobile insurance exchange, page four, Mr. Chairman.

Mr. Legal Advisor: Mr. Chairman, perhaps Mr. Kennedy could answer this better than I can, Mr. Chairman.

Arrangements were made by Mr. Taylor with the insurance organizations, whereby we would make use of an exchange method of pooling the insurance resource for the benefit of people in this Territory who are unable to obtain it from any of the individual companies to whom he applies in the Territory.

The system is that the request, having been refused in Whitehorse, is referred down to this insurance organization. It's a voluntary organization of insurers and for our purposes are located in Calgary, and then the risk is pooled and organized in such a way that the person does in fact get insurance, and no person is ever refused insurance because of the refusal by individual companies.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, a further question to that. That means, though, you could obtain the insurance but it would probably be at a higher rate?

Mr. Legal Advisor: It may be at a slightly higher rate, and a fee is charged to cover the cost of the request of these exchanges, an administrative fee.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Further question. I don't know whether the witness is aware of the situation we have in the Yukon today regarding fire insurance; the businesses that are unable to obtain fire insurance coverage, and the necessity for fire insurance is a clause in many of their mortgages. Could some arrangement like this be set up to obtain fire insurance for people in business, or even for a householder?

Mr. Kennedy: Mr. Chairman, I wasn't personally aware that there was a real problem with fire insurance, but I think the industry would be very happy to co-operate with — we've never had to, up to this date, form any kind of exchange on the fire side. We've been able to make other arrangements to take care of it, and I'll certainly take this message back and see that some negotiations are begun right away to look into this.

Mr. Chairman: Returning to Clause Three. Shall this clause carry? Are you agreed? Are you agreed?

Some Members: Agreed.

Mrs. Watson: Mr. Chairman?

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Who would assume this function within the Territorial Government administrative structure?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, the Territorial Secretary's office was performing the functions which are laid out here. The specific appointment would have to be made after the passage of the Bill. There is no formal superintendent appointed as far as I know.

Mrs. Watson: Not now.

Mr. Legal Advisor: -- but this is the area of responsibility within our government.

Mrs. Watson: Mr. Chairman?

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Another further question. Would this require a full man year?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: I can't give a specific answer to that, but my understanding, Mr. Chairman, is no.

Mr. Chairman: Clause Four.

(Reads Clause 4)

Mr. Legal Advisor: Mr. Chairman, there's a typing error in the fifth line — 'their' is spelled wrong.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Are you referring to any other Ordinance relating to insurance? Is Workmen's Compensation considered insurance in the — under Section Four (One)?

Mr. Legal Advisor: No, Mr. Chairman, it's a government scheme whereby on an action occurring certain payments are made. It is in the nature of insurance, but it's not regarded as insurance.

Mrs. Watson: Not under this?

Mr. Chairman: Are there any amendments to Clause Four? Shall this clause carry?

Some Members: Agreed.

Mr. Chairman: Clause Five.

(Reads Clause 5)

Some Members: Agreed.

Mr. Chairman: Clause Five is carried. Clause Six.

(Reads Clause 6)

Mr. McIntyre?

Mr. McIntyre: Will this have any effect on people in the Superintendent's Office being insured in a mutual company, where the insurees are all considered to be shareholders?

Mr. Chairman: Mr. Kennedy?

Mr. Kennedy: I think technically it could be, but I'm sure that it would never be so interpreted in fact.

Mr. Chairman: Shall Clause Six carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Carried. Clause Seven.

(Reads Clause 7)

Are there any amendments? Mr. Taylor?

Hon. Mr. Taylor: Mr. Chairman, in respect of the Superintendent bringing actions and instituting proceedings in his name of office, in effect there is no Government of the Yukon Territory in law, there is only a Commissioner. How does Section Seven and the case I have stated, they would appear to be in conflict. What would give — if there is no Government of the Yukon Territory in law, certainly not in the Yukon Act, there is only a Commissioner and an administrator in his absence, how can this power be given to the Superintendent?

Mr. Legal Advisor: Mr. Chairman, the basic position is that without this Section the Superintendent could not bring the action and have the title of it, the Superintendent of Insurance of the Yukon Territory versus the Sun Life of Canada. It would have to be commenced in the name of the Commissioner; the Commissioner would then be a party of the action.

It's a fine point in drafting at this particular phase of the existence of this House, when you put in the words "Superintendent of Insurance" and when you put in the word "Commissioner", and we thought that in the drafting of it, possibly we could make the change at this point

from 'the Commissioner may bring an action' to 'the Superintendent may bring an action', and it does in fact, I suppose, represent a slight political change in that sense in that the Superintendent would act under the direction of the Executive Committee and his Executive Committee Members how he administers this Ordinance. It's just a modest change.

Mr. Chairman: Mr. Taylor?

Hon. Mr. Taylor: Mr. Chairman, with due respect, I still say how can you empower this man to act on behalf of you know, without stating the Ordinance, who he's acting on behalf of. Should you ought not to be saying that the Superintendent may, under the authority of the Commissioner, bring an action. I mean, how can you give this person the power when, you know, when the power hasn't been given to anyone else but the Commissioner?

Mr. Legal Advisor: Mr. Chairman, the Honourable Member is too modest. This House has the authority to make this Section, and if it passes it, it becomes the law, although it hasn't been law before. Once the House says this is the law, it becomes the law.

Hon. Mr. Taylor: Mr. Chairman, with due respect, who is the Superintendent bringing action, on whose behalf? It can't be the Government of the Yukon Territory 'cause it does not exist in law. It can only be the Commissioner, so am I correct that the Superintendent in bringing any action brings it on behalf of the Commissioner? Is that correct?

Mr. Legal Advisor: Yes, Mr. Chairman, that is correct.

Mr. Chairman: Shall Clause Seven carry?

Mr. Chairman: Clause Eight.

(Reads Clause 8)

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: I have a question of the witness or the Legal Advisor, Mr. Chairman. Eight (one), Eight (two) and Nine (one), Nine (two) and Nine (three), if I could just — I think that they're all related. Does this procedure that's outlined here, does it differ any from what we're doing now?

Mr. Legal Advisor: Yes, Mr. Chairman, this is the first register of licences of this nature that we have.

Mr. Lengerke: This is the point of my question; in fact, we do not have a register now.

Mr. Legal Advisor: As far as I know, not a formal register in this matter.

Mr. Lengerke: Thank you.

Mr. Chairman: Are there any amendments to Clause Eight? Shall this clause carry?

Some Members: Clear.

Mr. Chairman: Clause Nine.

(Reads Clause 9)

Mr. Chairman: Are there any amendments to Clause Nine?

Mr. Chairman: Shall this clause carry?

Some Members: Carried.

Mr. Chairman: Clause Ten.

(Reads Clause 10)

Are there any amendments to Clause Ten? Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause Eleven.

(Reads Clause 11)

Are there any amendments to Clause Eleven? Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, I wonder if the witness could give us a case in point, an example of what really this section is allowing? Could he give me an example, you know, an inpractice example?

Mr. Kennedy: I suppose a company or an agent, broker, anyone who applies for a licence and for any reason is turned down by the Superintendent, could appeal that decision. I suppose it's basically to stop someone being deprived of their livelihood in the case of an individual or someone being prevented from carrying out their business in part of a corporation. I've never known, in fact, an appeal under this provision.

Mr. Chairman: Are there any amendments to Clause Eleven? Shall this clause carry?

Some Members: Agreed.

Mr. Chairman: Clause Twelve.

(Reads Clause 12)

Ms. Millard?

Ms. Millard: Mr. Chairman, it might be because of the length of this or the tiredness of my eyes, but I wasn't able to find a penalty section which specifies whether this person is guilty of an offence. is repeated through and through the whole Ordinance, but didn't say whether it was a summary conviction, and what is the penalty?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: I couldn't say without glancing

through it, but we would have a penalty section at the back and normally as part of the Ordinance as a whole. If it's not there, the question has to be considered, but it is intended to have a penalty section for a person who carried out the business of an insurance company without being entitled to do so under this Ordinance. Now, of course, as the House knows, there are contracts of insurance which will exist and continue to exist in respect of individuals in the Territory and companies which are outside the Territory. We're trying to control the companies who are doing business within the Territory, who are linked with companies who do business within the Territory. But it's impossible, having regard to our jurisdiction, to completely control every form of insurance.

Ms. Millard: Mr. Chairman, I still don't understand — is the intention a summary conviction then?

Mr. Legal Advisor: That's the second part of the question. Unless otherwise stated, all offences created by this House would be summary conviction offences.

Mr. Chairman: Are there any amendments to Clause Twelve? Shall this clause carry? Are you agreed?

Clause Thirteen.

(Reads Clause 13)

Mr. Chairman: Shall this clause carry?
Clause Fourteen.

(Reads Clause 14)

Shall this clause carry?
Members are very vocal this morning.
Clause Fifteen.

(Reads Clause 15)

Mr. Chairman: Are there any amendments to Clause Fifteen? Shall this clause carry?

Some Members: Agreed.

Mr. Chairman: Clause Sixteen.

(Reads Clause 16)

Mr. Chairman: Mr. McIntyre.

Mr. McIntyre: Yes. Sixteen (two), Notice of a Postal Address; shouldn't we say that within the Territory?

It could supply a postal address in Madagascar which wouldn't do anybody much good.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: I think it's a good point, Mr. Chairman. But exactly how the draft would go, we would have to look at it in relation to other section, if not, it could be held over, we could come back later after that discussion.

Mr. Kennedy: Mr. Chairman, I —

Mr. Chairman: Mr. Kennedy?

Mr. Kennedy: Mr. Chairman, I don't think in fact you need that — I think this is just to take care of the situation where an insurer has its head office outside the Territory and the Superintendent, if a Writ or anything is served on him, can in fact pass it on to the Company.

If the insurer had an office here, I don't think there would be any need for that.

Mr. Chairman: Is that satisfactory to you, Mr. McIntyre?

Mr. McIntyre: Yes.

Mr. Chairman: Shall Clause Sixteen carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause Seventeen.

(Reads Clause 17)

Mr. Chairman: Shall Clause Seventeen carry?
Clause Eighteen.

(Reads Clause 18)

Shall Clause Eighteen carry?
Part II, General Provisions Applicable to Insurers.
Clause Nineteen.

(Reads Clause 19)

Mr. McIntyre: Mr. Cairman?

Mr. Chairman: Mr. McIntyre?

Mr. McIntyre: I would like to go back to Clause Sixteen again. Normally, we would have two addresses for a party. We would have an address for service and a postal address. The address for service must be within the Territory, so we have omitted something important there, I think. We have no address for service, we only have postal address. We must have some place in the Territory where a process can be served.

Mr. Kennedy: Mr. Chairman, I think it is the point of this provision that where you have an insurer with its office outside of the Territory, the process can in fact, be served upon the Superintendent, and that's deemed to be service on the company.

Mr. Legal Advisor: Subsection (1) and subsection (2) of that Section, are part of a group together. It provides first that there should be a chief office and it should be served there, but if accidentally there happens to be no chief officer, it is served on the Superintendent, who then forwards it on, but in any event, service is not prevented.

Mr. Chairman: Any amendments to Clause Nine-

teen? Shall Clause Nineteen carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Licences, Clause Twenty.

(Reads Clause 20)

Shall Clause 20 carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause Twenty-one:

(Reads Clause 21)

Shall Clause Twenty-one carry?

Some Members: Agreed.

Mr. Chairman: Clause Twenty-two:

(Reads Clause 22)

Shall Clause Twenty-two carry?

Some Members: Agreed.

Mr. Chairman: Clause Twenty-three:

(Reads Clause 23)

Mrs. Watson?

Mrs. Watson: Mr. Chairman, Clause Twenty-three sub one, I wonder if the Legal Advisor could give an example of the classes of licences that maybe used in this. We have classes of insurance and classes of licence.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, perhaps Mr. Kennedy could give a better example, but you can understand that there is life insurance, there is property insurance, there is fire insurance, automobile insurance, and there's accident insurance and mutual benefits besides and what have you.

Each can be created into a class, well then one insurance company may have to have licences to transact two different classes or it may only deal in one single class.

Mr. Kennedy: Yes, Mr. Chairman, I don't think I can really add anything to that. I think it's that and I think it's getting into the licences for agents and brokers and adjusters beyond the subject matter of insurance as Mr. O'Donoghue said, there's automobile insurance, there's property insurance, there's a number of different classes.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, that's what I had assumed it involved, but I wonder if there was any further defining of classes within a class, where the amount of business is sort of limited by an amount of money or this type of thing?

Mr. Kennedy: Mr. Chairman, I can't think of any subdivision of that —

Mr. Legal Advisor: When the broad applications are made out, in this Ordinance, there's a separate part given to the major classifications —

Mrs. Watson: For each class?

Mr. Legal Advisor: — and these would probably be the only classifications in which we would deal with in this particular Ordinance, or under any licence. A person could get a licence under each part.

There are some applications, Mr. Chairman, some companies don't undertake, livestock insurance has a special section to itself, but we aren't aware of any livestock insurance companies operating.

Mr. Chairman: Are there are amendments to Clause Twenty-three? Shall Clause Twenty-three carry?

Some Members: Agreed.

Mr. Chairman: Clause Twenty-four:

(Reads Clause 24)

Mr. Chairman: Mr. Kennedy, I would like to — I would suggest to you that if you have anything that would be of value to us, please offer this to us during the reading.

Mr. Kennedy: Thank you. Well, perhaps I could say on this particular provision, this is one of the very important provisions in the Ordinance, and it's saying basically that if a company is licensed to write automobile insurance in the Yukon, then any action that is commenced in the Yukon under a contract that was issued say in Quebec, or in Ontario, the insurers can't raise any defence, or ground on any limits that would be applicable in the other province. He's got to come up with the limits in the Yukon, if they happen to be higher than they were.

Say a policy that was issued in Prince Edward Island, where the Limits of liability insurance are 35,000 and if a Prince Edward Island motorist was in the Yukon and involved in an accident, then his policy will in fact respond to the \$50,000.00 limit, which is the minimum limit in the Yukon.

It's a very important provision which carries across, all across the country.

Mr. Chairman: Is that minimum in the Yukon, is it fairly consistent with what is across Canada now?

Mr. Kennedy: The Yukon is at 50,000 at the moment, and that's about the normal. Most provinces have 50; I think Prince Edward Island and Quebec are the only

two with 35. Newfoundland at the moment is the highest with 75, although Ontario has just introduced a Bill to raise it to a hundred.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, just a point of clarification. What would happen in the reverse of that, Mr. Kennedy, if you were in Nova Scotia or somewhere where the limits were 35,000 and you had been given insurance here of — with a limit of 50. How does that ...

Mr. Kennedy: Well your policy responds to — your policy would respond to the 35,000 in Nova Scotia, that's all people down there would be entitled to.

Mr. Lengerke: Yes, if that has been the limit. Thank you.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I was just going to ask Mr. Kennedy for a little amplification on the rate manual. Who gets to see that?

Mr. Kennedy: Well, the Insurance Bureau of Canada takes no part in the rate making function at all, but the rate manuals are in hands of the companies and presumably in the hands of the regions, so that they know how to make — what rate to charge.

I don't think there is anything particularly secret about them, except insofar as there is a competitive edge between companies; one company won't want its competitor to see its own rate line, although obviously the knowledge gets out and around pretty quickly.

Mr. Chairman: But the manual itself is not available to the general public?

Mr. Kennedy: No. Well, in a sense, in those provinces which have rating boards, and there are some of the provinces now with rating boards, either a rating bureau on behalf of its member companies, or the individual companies have to file their rates, and in that sense, they are public.

Mr. Legal Advisor: Mr. Chairman, in this section, the Insurance Exchange publishes a rate manual which is open to the public.

Mr. Chairman: Is there any further debate?
Mrs. Watson?

Mrs. Watson: After the remarks of the alegal Advisor, what does subsection three mean then?

Mr. Legal Advisor: Subsection three Mr. Chairman?

Mrs. Watson: Yes.

Mr. Legal Advisor: The Insurance Exchange have to give the Superintendent their rate manual. This is now — we said earlier that there is this organization,

informal organization which currently exists as far as we are concerned in Calgary, and they publish a rate manual and the Superintendent of Insurance will have access to that rate manual.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: But Mr. Chairman, does that necessarily mean that it is public information??

Mr. Legal Advisor: It doesn't say that it is private information and if there's a party with reason to look at it, will look at it. All of the insurance companies would already know what this rate manual is. It isn't set out to be anything secret about it.

Mr. Chairman: Mr. Legal Advisor, with our experiences in dealing with government in trying to get information from them, we would have to assume it's private information, and not available.

Mr. Legal Advisor: I don't think so at all, Mr. Chairman.

Mr. Chairman: Well there is, in terms of past performance.

Mr. Legal Advisor: Not in our office, Mr. Chairman.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, just a question of the witness. In Clause Twenty-four (4), it says a licence may be cancelled when the holder commits a breach. I am assuming that that's the licence of the company, the insuring company, it hasn't anything to do with the licence of the agent, has it?

Mr. Kennedy: No, Mr. Chairman, subsection One is dealing with the licence of the insurer, and that's where if an insurance company tried to, for example, pay less than the minimum limits, you know, if it was a company that had insured a motorist from Prince Edward Island with \$35,000.00 limits and he was involved in an accident up here where the full 50,000 say was felt to be paid, then if a company tried to get off with just the 35,000 of this, it would be in danger of losing its licence.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I'm intrigued by this Rate Manual. The wording of Subsection Three says that it has to be submitted to the Superintendent and shall not be used unless approved by him. Are we getting into Price Control, Mr. Chairman?

Mr. Kennedy: Mr. Chairman, you are to the extent that the automobile insurance exchange basically comes into being because of the poorer drivers; they're the people generally who have difficulty in getting insurance. And where you've got compulsory insurance you've obviously got to provide a market for it and this is a means of getting the market. But the rate for the poorer drivers is, you know, it tends to be higher than the rate for a good driver. And this is an attempt to have

some kind of approval given to the level of rates because they can't be used unless the Superintendent is satisfied that they're reasonable.

Mr. Chairman: Mr. Berger.

Mr. Berger: Yes, Mr. Chairman, I'm quite concerned with this; it looks so innocent but I don't think it is that innocent.

Mr. Chairman: I'm sorry. Would you repeat that?

Mr. Berger: I said, I'm quite concerned with this because it looks so innocent but I don't think it is innocent. To me, my interpretation of this section would be that there is no more competition. I mean, if you go back to the interpretation section, it says automobile insurance exchange means an organization of insurers undertaking automobile insurance in the Territory, formed for the purpose of allocating automobile insurance risk, so as to ensure the availability of insurance coverage to owners and drivers wishing to purchase automobile insurance. In other words, we are forming one price, the way I interpret this section, and I hope that I would be wrong.

Mr. Chairman: If it's appropriate, Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, if I could ask the witness, is my understanding of this section, that this is making allowance for a driver who is a poor risk, who has gone through numerous accidents, has provisions here to make that individual accessible to insurance at a price that is decided by the Automobile Insurance Exchange and approved by the Superintendent — is this not correct?

Mr. Kennedy: That's absolutely correct.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: One further point, Mr. Chairman: the particular section is necessary in this Ordinance because, under the provisions of the Combined Investigation Act, which is now part of the Criminal Code of Canada, it becomes an offence for any individual to agree with any other individual or group of individuals to combine to set a price for the sale of services. So the insurance companies, by agreeing to accept this higher risk group, at a fixed price, will be committing an offence unless they meet the subsection within the section of the Criminal Code which allows them to do this if it's permitted by legislation under a provincial or territorial government. So, in order to allow this exchange group to function and take these high risk people, it's necessary that this section be passed.

Mr. Chairman: Mr. Legal Advisor, I don't think you really satisfied Mr. Berger's apprehension.

Mr. Legal Advisor: Mr. Chairman, I thought that Mr. Lang had pointed out that insurance companies are in competition within the Territory at a quote "rate for rate" — it may be the same, it may be different; but it's

open competition. But there are some people who, at the fourth or fifth accident, find it difficult to get insurance because none of the insurance companies really wants to handle it, so the risk is referred to the pool which exists in Calgary and it's taken on a turn-and-turn-about basis, or some other way, but the person will get insurance and nobody is refused; but their rates then have become a monopoly for that narrow group and therefore the insurance company group have agreed to submit their rates for approval to the Superintendent of Insurance because of the monopoly nature in relation to that small group.

Mr. Chairman: Mr. Berger?

Mr. Berger: As has happened this past year in the Territory, there was, to my knowledge, there was a few people who were refused insurance for no apparent reason. Who determines who is a high risk insured?

Mr. Legal Advisor: It's so, Mr. Chairman; high risk people, the quota of a particular insurance agent in the Territory, may have been filled and this may be so temporarily in respect to the three or four, five or six insurance agents who were acting as agents for companies outside. When their quota is filled, they have no authority from their parent companies to undertake any more insurance. Then each person is refused in turn, and it may not be a high risk. Perhaps the matter can be clarified if Mr. Kennedy or Mr. Taylor or the Territorial Secretary could produce information about how many references have been made to this pool in the last twelve months say, and obtain it direct from the pool, how many cases have been handled and relate that to the total number of people who are actually insured in the Territory for driving in any event. That will be a better piece of information, Mr. Chairman, than I could give, and I don't think Mr. Kennedy could give it off the top of his head.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Mr. Chairman, I'm just not quite sure that this question does relate entirely to this, but in Four, a licence may be cancelled on a whole if a breach of conditions set out in Subsection One, and this is a licence for an automotive insurance company. I'm wondering what, in the case of an automotive insurance, if there is more than one insurer on any vehicle. I'm assuming that there wouldn't be, but if a company with a fleet may have more than one insurer or not, as it is with the fire insurance in the Yukon Territory. Many insurance companies cover one piece of property. If this was the case in this instance, then a fleet policy was given and covered by so many insurance companies and then the licence may be cancelled when the holder commits a breach of condition. Now, that would, I take it that would not be the agent in this Territory that had that licence to operate in this Territory, that would be the one insurance company that the breach was under.

Mr. Kennedy: Mr. Chairman, that is a reference to the insurance companies, not a reference to the agent, and it would be very unusual, I wouldn't — very unusual for more than one company to be on the risk. Most

companies, you know, individually insure fleets.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I think it was very interesting what the witness and the Legal Advisor said about quotas that the insurance companies have for the number of policies or the amount of insurance that they will underwrite.

Is there anything that we can do under our licensing structure to ensure that companies who are licensed will fulfill or set a quota figure that will satisfy the needs of the residents? It seems rather unfair that if someone who isn't a high risk person goes to get insurance and they can't get it unless at the exchange rate, which is a higher rate, simply because — not because they are a high risk, but because the companies have filled their quotas.

Is there any structure in the licensing that could be restricted — that, you know, the fee structure could reflect in some way the quotas that these people are prepared to underwrite in the Yukon?

Mr. Chairman: Mr. Kennedy?

Mr. Kennedy: Mr. Chairman, I think the reason the Exchange comes into being is because of this aspect of companies having reached their quota, as you put it, but with the exchange in operation, an agent can phone direct to the exchange and get covered. He has direct access; he doesn't have to be acting for any particular company. He phones the exchange and a market is available. That's one part of the problem, but it doesn't quite answer your question about the cost, and that, I'm afraid, would only be a question of the number of companies that were prepared to do business in this Territory.

As there are a number of companies there, or if there are sufficient companies writing business, you shouldn't really have a market problem.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: That is the problem. It's becoming more obvious every year, and if you refer to the exchange, even by an insurance, a normal insurance company, an ordinary one, you still have to pay the exchange's rates; you don't pay the rates that the company would charge on a normal basis in the Yukon, and it is becoming quite a problem here, and if there's something we can do through licensing we would be discouraging companies from operating if we tried to do something through licensing.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, if it's a question of the automobile thing alone, I think the thing has worked fine, and it's wrong to say that all the rates are high. Where the person has a clean sheet, he gets his insurance on his car and he only pays the referral fee, which I think is \$5.00 or \$10.00, and then he gets his rate.

If he has a bad accident record, he is rated accordingly, and that rate is subject to inspection under the manual, to see that it's fair, but it will vary, just like an

ordinary company. It will vary depending on the record of the driver and, of course, his age and other matters.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Yes, Mr. Chairman, could I address a question to the witness? I would like to know what criteria do the insurance companies use in order to set up a quota? How do they get to the point that they will only take a hundred applicants for insurance? Or whatever?

Mr. Kennedy: I don't know, Mr. Chairman, if I can really answer that, but I think most companies will have some arrangement with their own agent, for instance, that they are only going to take a certain proportion of high risk business, a certain proportion of automobile business, a certain proportion of fire business, property business, to protect their own interests, so that they don't, for example, get one agent giving them all the bad business or one agent giving them nothing but automobile business, so that if they have a bad year in automobile insurance they've got nothing, no other class of business in which they can try and recover.

I think that's all I could tell you on that.

Mr. Chairman: Would they not be then creating an unfair situation, whereas the number of agents involved were dictated to by their companies who were from outside the Territory and there's a gap left between the number that they will accept and the number that require the insurance? This would be a continuing problem.

Mr. Kennedy: Yes. I think, mind you, Mr. Chairman, most companies want to write the business, you know. They are looking for a reason to write it rather than a reason to turn it down. I think that's true of all classes of business.

Mr. Chairman: As Mrs. Watson has pointed out, we are having considerable difficulty in the Yukon at this time ...

Mr. Kennedy: Yes, I understand that and I'm not sure if Mrs. Watson is talking about other than automobile, or she is including automobile in it, but certainly I will take this message back and see whether something can be done to alleviate the situation.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman. We are on mobile insurance; I'm wondering, is there any provision in this Ordinance, other than I have found, whereas the individual having an accident that is absolutely none of his fault, can the insurance company then raise that applicant's insurance on his car, automatically, say the next year, because this is where you get your raise due to a high accident rate of a person?

But I'm saying a person that has absolutely no fault and has been cleared by law, can his policy also be raised?

Mr. Kennedy: Well, Mr. Chairman, the little I know

about the rating end of it is if you're involved in an accident and you're completely innocent, your premium won't be affected at all ...

Mr. Berger: Mr. Chairman?

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, I'm still not really satisfied, especially with the explanation Mr. Legal Advisor gave us that the insurer only has to pay five or ten dollars more when he gets an exchange rate. I feel it shouldn't happen this way, because it's not the person's fault in a lot of cases.

I was wondering if there would be some sort of appeal way for the customer to appeal the decision of insurance companies, to force them to pay five or ten dollars more — it may have been more or less — but I think it's unfair to the consumer that he would have to be rated on a high rate.

Mr. Legal Advisor: Mr. Chairman, there's no question it's slightly unfair, even in a general sense, but it's a free market and this arrangement had been made to take care of the gaps, and any appeal process would be very much more expensive. It could be done, you know, I suppose it could be arranged and so forth, but the question is, is it worth it?

We could produce these figures, we'll try and produce the figures from the exchange, on how many people are in fact affected in relation to the total, if we can.

Mr. Chairman: Mr. Berger?

Mr. Berger: Mr. Chairman, it's not a free market at all to the consumer. On the one hand, he is forced by government that he carries an insurance so that he can drive his vehicle. On the other hand, he is turned down by an insurance company for no apparent reason. Where does the free market come into that?

Mr. Chairman: Mr. Kennedy?

Mr. Kennedy: Mr. Chairman, I'm certainly not aware of anyone — you know, I hadn't appreciated there was any problem with a person with a good driving record getting insurance. The exchange certainly comes into being normally because of people with very poor driving records. Insurance companies certainly are, as individual companies, they don't want to take too many poor risk drivers, but they try to provide a market by getting together to form this pool, so that everyone, where insurance is compulsory, will have access to it.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Thank you, Mr. Chairman. My question has already been answered I think in part by the witness, but I would just ask this. Is the problem in the Yukon not really, or is it a fact that there is a greater number of high risk paper written in the Yukon with respect to automobile insurance?

Mr. Kennedy: Mr. Chairman, I wasn't aware it was any greater than — in the Yukon than anywhere else.

You know, the costs of drivers of the major cause of concern all across the country, this is from coast to coast, is the young under 25 driver and as you get down to the 16 — 17 group it gets even more so. We've got all kinds of statistics that show the 16, 17 and 18 year old, his rate of accident and the severity of the claim that he engenders, is a lot higher than with the older drivers.

Mr. Chairman: Then, Mr. Kennedy, would these people in this age group automatically be subject to a higher rate, despite the fact that they have no — they have a clean record?

Mr. Kennedy: No, I think most companies are giving young drivers with a clean record, particularly if they have taken advantage of any driver training courses, I think they give them the benefit of not applying automatically the full rate to them. I think most companies do that in some way or another.

Mr. Chairman: That is not the case in B.C. is it?

Mr. Kennedy: I couldn't speak for B.C. where it's a government run scheme. I'm not very sure what happens.

Mr. Chairman: Well, in my experience, the rates for this group are very high.

Mr. Kennedy: Well they do, the rates do tend to be higher, there's no question about that. The — but I think, well I know for a fact, a great many companies do encourage young drivers to take the driver training courses where they are available and if they do take them and successfully pass them, they give them a benefit. I think they regard them as having been driving accident free for one year or two years, or something like that.

Mr. Chairman: Any further questions? Mr. Lengerke?
Mr. Lang is —

Hon. Mr. Lang: Mr. Chairman, I think there should be one thing clarified for the Members of the Committee here, and I would ask if the witness would correct me if I'm wrong.

It's my understanding in the Automobile Insurance Exchange, if you were a new resident to the Yukon, you came in and made application for insurance, you were no risk involved as far as application but they had reached their quota, it is my understanding that this is the last avenue, as far as insurance is concerned. You could apply to the Automobile Insurance Exchange, they would give you your insurance at the rate, a comparable rate as it would be to a local company here and the only thing that you would pay over and above the fact that you couldn't get insurance within the Yukon, is a \$5.00 telex charge or something, is that not correct?

Mr. Kennedy: Yes, that's as I understand it.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I was just going

to add to what Mr. Kennedy had said regarding the rebate for younger drivers who have taken driving instruction, and there is such a thing, it does apply in the Yukon, but you do have to go to bat to get it. Nobody offers it.

Mr. Chairman: Does the rebate bring the insurance rates commensurate with an older group, say, or is it still at a higher —

Mr. Kennedy: No, they're still in a higher category.

Mr. Legal Advisor: Mr. Chairman, there's a lower rate for girls than boys..

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, I'm sorry to see the Honourable Member leave, because I'm appalled that anybody could come up and say honestly, oh it's only \$5.00 more, where he has no defence over this type of thing.

I think this is what we are here for, to ensure that the consumer is not taken by quota systems established by insurance companies who have no idea of what is going on in the Yukon here, except somebody says, oh we reached the level of high risk, all of a sudden there's no more insurance available for anybody.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, it's wrong to think that we're the only person who have this arrangement. The Insurance Association Exchange in Calgary exists for us, the Northwest Territories, Alberta and I think, British Columbia.

There's another one I think in Winnipeg, another one in Halifax and another one in Toronto, which covers their regions. It just happens that the nearest one located to us, which we deal with, is Calgary. It's the same situation right across Canada, it's not peculiar to Whitehorse or the Yukon.

Mr. Chairman: These rates that they would be arriving at would be peculiar to the jurisdiction involved?

Mr. Legal Advisor: That is obviously correct, that they are related to the — they are zoned and we happen to be in a particular zone which is covered for insurance purposes but they would also be geared to the driving record of the individual.

Mr. Chairman: I think my concern is that a person who happens to be in a higher age group that has a good performance record is penalized because of others in that group and I don't agree that he should be having to pay a higher rate merely because of his sex or age.

Mr. Legal Advisor: Certainly I, Mr. Chairman, have no question of this but as against that, people in our respective age group get a benefit because of a good driving record and because of grey hairs.

The question is how do you organize roundabouts on the swing?

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: I like Mr. Berger's comments really because I think there is some merit in what he is saying and you would think that after all these years in the insurance business that the companies would in fact know, really have an idea how much insurance they are going to write in each province and what would be the problem, why do you need a commission?

Or another area where you have to go and pay \$5.00 more, what is the problem there, can't they make enough insurance available?

Mr. Kennedy: I am surprised to hear that there was a market problem in this respect because I can see the need for the exchange for the high risk driver but I am very surprised to learn that there was market shortage over and above that.

Mr. Lengerke: Well, there is.

Mr. Legal Advisor: One thing that affects it and I don't know precisely how it affects it but insurance companies who are licensed in Canada are basically controlled by Federal law which requires for every premium and risk they undertake, they must hold a certain proportion of that money against the risk to pay out. And when they ——— In certain circumstances, they find it is unable legally to write any more policies in that particular company because of the technical rules of holding so much money against their liabilities and therefore they must stop and another company then takes over until it fills its quota.

These are things which are controlled by law. I don't understand exactly how it is done under the Insurance Act of Canada.

Mr. Kennedy: Mr. Chairman, that is a very valid comment because, the last few years have seen in the general insurance area, the number of law suits has exceeded anything that it has ever been before and this has resulted in fact in a number of insurers withdrawing from markets, either from part of a province or a territory or in fact, some of them withdrew from Canada altogether, and this does put a strain on the other companies as far as providing the total market, there is no question about that.

Mr. Chairman:

From your remarks, Mr. Kennedy, you make the suggestion that there is not this difficulty in obtaining insurance elsewhere in Canada whereas in the Yukon there are several areas where there has been considerable difficulties in persons obtaining insurance.

Mr. Kennedy: I wouldn't like you to think that there has been no difficulty to anyone else in Canada. We have had major problems in some of the Maritimes and in Northern Ontario with this very problem of insurance companies because of their loss record having to pull out of certain areas where the record has been very unprofitable and causing a problem for a while. It gets solved, it solves itself in a little while, usually.

Mr. Chairman: It being twelve o'clock, Committee will adjourn until 1:30 p.m.

(RECESS)

Mr. Chairman: I now call this Committee to order. I have invited Mr. Peter Gillespie, the Assistant Commissioner and Mr. Herb Taylor, the Territorial Secretary, to join us this afternoon in helping us with our deliberations on this Ordinance. At recess, we were discussing Clause Number Fourteen, no Twenty-four. Any further debate on Clause Twenty-four?

It was mentioned this morning, by Mr. Legal Advisor, that there would be — no — that insurance would be available to everyone, in other words, there would be no denial for anyone in their ability to obtain insurance. This has certainly not been the case recently. Are we, is there assurance in this Ordinance that insurance will be available to everyone?

Mr. Gillespie: There is not that assurance for other than automobile insurance and even there, the Ordinance itself does not provide the assurance. It does provide the Government with the ability to operate with an insurance exchange — it's permissive in that sense. But it does not ensure that insurance will be available to all those that seek it or need it.

Mr. Chairman: I would consider this a very serious matter that really should be considered. There has been considerable difficulty, I'm sure many Members have encountered it with their constituents where they have been unable to obtain insurance under any terms. And I would think it would be of foremost importance that we provide some form of coverage for these people.

Mr. Gillespie: Mr. Chairman, we agree very strongly with what you are saying, with the problem as you describe it and, as a result of that, over the last year have managed to obtain an arrangement with the Alberta Insurance Exchange for automobile insurance. The other forms of insurance we're working on now. Mr. Kennedy has kindly agreed to assist us in developing some kind of an arrangement to assure that insurance is available on fire and other matters. But we don't yet have arrangements worked out that we can describe to this House.

Mr. Chairman: Would this not be of primary importance in consideration of this Ordinance, that such coverage would be available?

Mr. Gillespie: I don't know, Mr. Chairman, that it's possible to legislate that private enterprise will provide insurance to all those who are seeking it, because we are dealing with private enterprise in a market situation.

Mr. Chairman: But surely, Mr. Gillespie, we do enforce regulations on private enterprise in other areas, and this is certainly a very serious lack on the part of private enterprise.

Mr. Lengerke?

Mr. Lengerke: I wonder if one of the witnesses can tell me, or if they know, how many automobile insur-

ance companies actually will write insurance for Yukon. Is there a significant number, or are there only a limited number?

Mr. Taylor: I'm not sure of the number of companies that will write automobile insurance at the present time, but there are very few. There might be a half a dozen, but automobile insurance now is the one thing we can ensure that everybody is covered under this Insurance Exchange.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I raised that this morning on the fire insurance aspect of it, and I think that really government has an involvement in this very specifically, in mortgages held — the mortgages that are held by either I.D.B. or the Small Business Loans of the Yukon Territorial Government and the clauses in these mortgages are that there shall be adequate insurance coverage.

Now, these are the people, and others, that are being faced with not being able to get fire insurance coverage. I agree with the Chairman, I know that it's very difficult to legislate something like this, but before we proceed with the Bill, we may have to try to attempt to get something the same as what we have done with the automobile insurance, and I believe that Mr. Kennedy expressed his agreement that he would try to arrange something like this. But we have a problem now, people are being threatened with foreclosure of mortgages within 30 days, within 15 days, within 60 days and I don't think these people can wait a year.

How long would it take to try to arrange something like this?

Mr. Kennedy: Mr. Chairman, I will certainly, immediately I get back, report this to our Board of Directors, so that the market can be discussed at once. I don't really think they would be wanting particularly to set up any kind of exchange, because it tends to be a fairly expensive thing to operate, but I'm sure that as they've done in other parts of Canada in the last year, they will find a means of providing the market.

I take it from what Mrs. Watson said, basically it's a commercial problem rather than individual homeowners we are talking about?

Mrs. Watson: Small businesses, Mr. Chairman.

Mr. Kennedy: M'hmm.

Mr. Chairman: Mr. Gillespie, is there no way that the government can give us some sort of undertaking to cover this?

Mr. Gillespie: Beyond saying that we are aware, acutely aware of the problem that Mrs. Watson has raised, it has been raised to us by various of the parties who are directly affected and that we are very actively looking into it and meeting with a number of people not only here but in British Columbia, and anybody else that we think may be able to help us find a solution, and now Mr. Kennedy has offered to help us as well.

We're doing everything we can to come up with a

solution as quickly as possible, because we are fully aware of the urgency of this matter.

Mr. Chairman: Really the answer is no, you're not able to give us such an undertaking, Mr. Gillespie.

Mr. Gillespie: No.

Mr. Chairman: Mr. Berger.

Mr. Berger: Yes, Mr. Chairman, we all have this White Paper on Insurance in front of us and I find an interesting subject on the second page where it says premium rates are set according to past experience and future projections. I wondered if the witness could tell us how far ahead are those future projections set on automobile insurance?

Mr. Kennedy: Insurance rates, Mr. Chairman, are fixed for the year ahead. An automobile insurance policy is a twelve month policy and they're based for a twelve month period. If it's a twelve month policy some companies issue six-month policies, and if that's the case, they'll be based on the six months.

Mr. Chairman: Mr. Berger.

Mr. Berger: Supplementary Mr. Chairman, in other words, if an insurance company determines that inflation rates are going to be say, ten or twelve percent, this is the projection the insurance company goes by then, is it?

Mr. Kennedy: One of the factors that they certainly take into account is what the likely insurance, what the likely inflation rate would be. There's no question of it. They have to, that's one of the reasons that we've been hit so badly in the last several years was the fact that no-one foresaw the inflation rising as much as it has.

Mr. Chairman: Any amendments to Clause Twenty-four? Shall Clause Twenty-four be carried?

Some Members: Carried.

Mr. Chairman: Clause Twenty-five:

(Reads Clause 25)

Mr. Chairman: Shall Clause Twenty-five be carried?

Some Members: Carried.

Mr. Chairman: Clause Twenty-six:

(Reads Clause 26)

Mr. Chairman: Shall Clause Twenty-six be carried?

Some Members: Carried.

Mr. Chairman: Clause Twenty-seven:

(Reads Clause 27)

Mr. Chairman: Shall Clause Twenty-seven be carried?

Some Members: Carried.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: I noticed that shouldn't it be say situated in that province, in Section Three, Subsection Three?

Mr. Legal Advisor: Mr. Chairman, I note on the English it should be situate .

Mr. Chairman: Clause Twenty-eight:

(Reads Clause 28)

Mr. Chairman: Clause Twenty-eight carried?

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, why is it that so many of these things are left to the discretion of the Superintendent? Why would some applicants for licences have to be given publication and others not? Is there any reason for this?

Mr. Legal Advisor: I don't know anything about this.

Mr. Kennedy: No, Mr. Chairman, I can't think of any reason why. I suppose it's just to make the public aware that there is someone applying for a licence.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, I think that it is sort of the discretion of the Superintendent. He may require such notice, he may do it with one application and not with the other. It's not consistent.

Mr. Kennedy: I couldn't tell you really why. I don't think that it would matter really much whether he was required to or whether he had the discretion to do it.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Mr. Chairman, maybe we should say that the Superintendent shall require such notice at least, for whatever it's worth, the general public would at least get to know an insurance company is wanting to do business in the Territory. It's one way of notifying.

Mr. Gillespie: Mr. Chairman, may we take this under advisement and return with an explanation when we can discover if there's any strong reason one way or the other, whether it should be may or shall.

Mr. Chairman: I'll stand Clause Twenty-eight over then.

Clause Twenty-nine:

(Reads Clause 29)

Mr. Chairman: Does Clause Twenty-nine carry?

Some Members: Agreed.

Mr. Chairman: Clause Thirty:

Mr. Legal Advisor: Could you stand Twenty-nine over? There is an omission that we haven't been able to trace accurately, a couple of words in one of the subsections.

Mr. Chairman: Clause 29 will be stood over.
Mr. Lengerke?

Mr. Lengerke: Yes, Mr. Chairman, which subsection is not complete?

Mr. Legal Advisor: Subsection three. Its probably a typist's error, but we'll have to check it back.

Mr. Chairman: Clause Thirty:

(Reads Clause 30)

Mr. Chairman: Is Clause 30 carried? Mr. Fleming?

Mr. Fleming: Mr. Chairman, why the 30th day of June each year, not ending with the government's fiscal year?

Mr. Legal Advisor: Mr. Chairman, it's a standard across Canada apparently, and they all do the same thing and we are falling into it. I don't think there is any special reason for June.

Mr. Chairman: Is Clause 30 carried?

Some Members: Agreed.

Mr. Chairman: Clause Thirty-one:

(Reads Clause 31)

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, Thirty-one, is there any relationship to Section 11 — we'll go back, that's the section aggrieved for an applicant for a licence under this Ordinance, or any person who considers himself aggrieved by a decision of the Superintendent. That concerned me when we went through that section. Does it tie into this section, or what kind of a grievance would a person have?

Mr. Kennedy: Mr. Chairman, I think it's basically directed to an individual who has had an application for a licence turned down, or who has had his licence withdrawn or suspended or something of that nature. He could quite easily show, I would think, he was aggrieved.

I can't really think of anyone else who would be affected.

Mrs. Watson: Well, Mr. Chairman —

Mr. Chairman: Mrs. Watson?

Mrs. Watson: — Section 11, sub One, I think the wording is a little ambiguous, and I wondered at the time, and I really didn't think it related to Thirty-one sub One and Two related to it and yet there is an indication. I think maybe it should be reviewed, Section Eleven sub One.

Mr. Legal Advisor: Yes, Mr. Chairman, we can review that with the other matters. I'm glad to have it drawn to our attention, it is a little bit wide.

Mr. Chairman: Clause Thirty-one:

Mr. Legal Advisor: That was subsection One, Mr. Chairman.

Mr. Chairman: All right. Does Clause Thirty-one carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I should probably know the answer to this, but I don't. If in an instance such as Section Thirty-two sub One, where the assets of an insurer are insufficient to justify its continuance, and they remove their licence or they refuse to renew the company's licence, what happens to the people who are insured with that company at that time?

Throughout this whole lengthy Ordinance, the best seem to be a protection for people who have insurance with the companies whose licence won't be renewed or is being cancelled. Is that taken care of in consumer legislation, or where is it taken care of?

Mr. Legal Advisor: Mr. Chairman, it would be a question of common law. There is a contract in existence between a person and an insurance company. The cancellation of the licence doesn't destroy that contract which still exists and the insurance company continues to be liable in respect to that contract but they cannot continue to transact business.

Mr. Kennedy: Mr. Chairman, I think too with the — any company that's doing business in the Yukon, is registered in Ottawa as a federal company and it's supervised fairly closely by the Federal Superintendent and, in fact, if a company gets anywhere close to posing a problem, the Federal Superintendent has many powers, one of which he can step in himself and take over the control of the company, with a view to stop it.

They have got red lights that give ample warning so that steps can be taken before anything does happen. There hasn't been a case of an insolvent company in Canada for a long time. It happens fairly frequently down in the States, where the supervision is a lot less than what it is in Canada.

Mr. Chairman: Is Section Thirty-two carried?

Some Members: Agreed.

Mr. Chairman: Clause Thirty-three:

(Reads Clause 33)

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, just a general question of inquiry again to Mr. Kennedy.

Could you tell me if the format of this particular piece of, this Ordinance, is somewhat exactly the same — or somewhat the same as the provinces? In other words, is the wording that much different?

Mr. Kennedy: No.

Mr. Lengerke: Or is this blow by blow or clause by clause piece of —

Mr. Kennedy: This Ordinance, you know, for the sake of uniformity, follows very, very closely what's called the Uniform Insurance Act across the country, and this particular provision you're looking at right now, is, this is the one that requires all automobile insurance companies to file their automobile statistics, and in fact it's done with the Insurance Bureau, and it's on the basis of these statistics that the rating bodies on the individual companies make their own rates.

Mr. Lengerke: Thank you, Mr. Chairman, that clears it up for me.

Mr. Chairman: Is Clause Thirty-three carried? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause Thirty-four:

(Reads Clause 34)

Mr. Chairman: Does Clause Thirty-four carry? Mrs. Whyard?

Hon. Mrs. Whyard: I'm merely just continuing with the Honourable Member from Kluane's concern, and that is that this information may well be made available to the Superintendent, but how are we assured that it's made available to the insured under that company — they may not be receiving that information.

Mr. Kennedy: Mr. Chairman, this particular information I really don't think would be of very much value to an ordinary individual. It comes out in what's called in the industry the "Green Book", and it's a very thick document which gives information about loss ratios and all that type of thing.

You would have to have some very substantial assistance in understanding it. It is a public document in the sense that anyone can buy a copy, it's available I think for \$10.00 or a price something like that, and it does go to the individual Superintendents automatically.

Mr. Chairman: Does Clause Thirty-four carry?

Some Members: Agreed.

Mr. Chairman: Clause Thirty-five:

(Reads Clause 35)

Does Clause thirty-five carry?

Some Members: Agreed.

Mr. Chairman: Clause Thirty-six:
(Reads Clause 36)

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: This is really almost the same point again, Mr. Chairman. Is it incumbent upon the Superintendent then to examine every piece of literature distributed by all the insurance companies, in order to make sure that they are not differing from the statements filed with him?

Mr. Kennedy: Mr. Chairman, I don't think the obligation is put on the Superintendent in this context, I think it's put on the company. It makes it an offence for a company to file something that isn't in accord with the statement.

Hon. Mrs. Whyard: Yes, Mr. Chairman, my question is who is checking?

Mr. Kennedy: That is for the Superintendent to check.

Hon. Mrs. Whyard: Thank you, Mr. Chairman.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: I don't think we are completely getting the answer we are desiring. What happens to the people who have insurance with those companies — will they be protected?

Mr. Chairman: I'm sorry, Mrs. Watson —

Mrs. Watson: Will they be protected?

Mr. Chairman: I'm sorry, I don't think we could hear your question.

Mrs. Watson: It's the companies. We're not that worried. We are worried about the people who have insurance with these companies, will they be protected?

Mr. Kennedy: There certainly is a provision in a part of the Ordinance I mentioned earlier. I think it's Part XI, that deals with unfair practices. If anyone is guilty of anything they shouldn't be doing, they would certainly be picked up there just as well as being picked up here and could lose their licence under that part of the Ordinance.

I'm not sure if I've answered the question, but —

Mr. Chairman: Shall Clause Thirty-six carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause Thirty-seven:

(Reads Clause 37)

Mr. Chairman: Shall clause Thirty-seven carry?

Some Members: Agreed.

Mr. Chairman: Insurance with Unlicensed Insurers, Clause Thirty-eight:

(Reads Clause 38)

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I wonder if we could have an explanation of Section Thirty-eight? From any of the witnesses, or all of them?

Mr. Legal Advisor: A person may insure with a company in America or in Ontario who does not normally transact business here, because he may live there and insure groups of property and include a piece of property, say, in Dawson in his major policy. This legalizes that transaction, notwithstanding that the insurance company does not normally do business and would not be licensed here, it's still a legal contract to make.

Mr. Kennedy: Mr. Chairman, I think this provision originally came into being because of people who lived on the borders of one province and another province and had their main home in the one province but had a country house, cottage or something just across the border and allowed them to place all of their insurance with the one company, even though it wasn't licensed in the other jurisdiction. This is what Mr. O'Donoghue was saying.

Mrs. Watson: Thank you.

Mr. Chairman: Does Clause Thirty-eight carry?

Some Members: Clear.

Mr. Chairman: Clause Thirty-nine:

(Reads Clause 39)

Mr. Chairman: Mr. Berger.

Mr. Berger: Mr. Chairman, I'd like to get back to Thirty-eight once more. Mr. Legal Advisor said that the consumer may live in Ontario or the United States, but how about if the consumers living in the Territory, may he also insure with an outside company, say with the United States?

Mr. Legal Mr. Legal Advisor: Yes, Mr. Chairman.

Mr. Chairman: Shall Clause Thirty-nine carry?

Mr. Chairman: Clause Forty:

(Reads Clause 40)

Mr. Chairman: Shall Clause Forty carry?
Clause Forty-one:

(Reads Clause 41)

Some Members: Clear.

Mr. Chairman: Clause Forty-two:

(Reads Clause 42)

Mr. Chairman: Shall Clause Forty-two carry?

Some Members: Clear.

Mr. Chairman: Clause Forty-three:

(Reads Clause 43)

Mr. Chairman: Shall Clause Forty-three carry?

Some Members: Agreed.

Mr. Chairman: Penalties, Clause Forty-four:

(Reads Clause 44)

Mr. Chairman: Shall Clause Forty-four carry?

Some Members: Clear.

Mr. Legal Advisor: Mr. Chairman, I just draw attention of the House, this is a question that is asked at the commencement of the Ordinance. Is there an offense section dealing with companies who commit an error and the penalties here, sir?

Mr. Chairman: Fees and Regulations, Clause Forty-five:

(Reads Clause 45)

Mr. Chairman: Shall Clause Forty-five carry?

Mr. Chairman: Clause Forty-six:

(Reads Clause 46)

Mr. Chairman: Shall Clause Forty-six carry?
Mr. Berger.

Mr. Berger: Thank you, Mr. Chairman, again I have to go back to Forty-six. I've just a question to any of the witnesses here. It concerns federal government insurance, I think it may be the time to bring it up. People living in the federal government camp cannot get its property and personal insurance under property in the Camp for some unknown reason. Is there any explanation for this?

Mr. Gillespie: Mr. Chairman, I don't know the answer to that question. I'll have to try and find out and return to the Honourable Member with the answer.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: May I ask for clarification as to what kind of insurance the Honourable Member is referring to? Is he talking about fire insurance or a floater policy or theft or an act of God?

Mr. Berger: I wasn't talking about God but I was talking about plain insurance, it may be may be God to some people, but people living in camps in some cases live there year 'round — it's their home away from home and they have all sorts of property in the camp, and, at the present time, they're refused insurance by insurance companies.

Hon. Mrs. Whyard: Mr. Chairman, but what kind of insurance? Fire, theft, flood?

Mr. Berger: Mr. Chairman, I said property. For obviously it's the personal belongings and so forth.

Hon. Mr. Lang: Mr. Chairman.

Mr. Chairman: Mr. Lang.

Hon. Mr. Lang: I'm still at a loss at the question. Is it fire protection for personal belongings that they are unable to attain or what? What kind of insurance are we talking about?

Mr. Berger: Yes, Mr. Chairman, it's any kind of insurance. They cannot get any theft insurance, fire insurance, anything.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, I wonder if the Honourable Member from Dawson means people who live in staff housing or dormitory quarters or both?

Mr. Berger: No, Mr. Chairman, I said specifically, camps, and in most cases they're trailer units. Maybe five, six of those in a unit in individual trailers. But those people right now cannot get insurance on their belongings.

Mr. Chairman: That information will be brought forward, in the meantime we'll carry on.

Mr. Berger: Thank you, Mr. Chairman.

Mr. Chairman: Clause Forty-seven:

(Reads Clause Forty-seven)

Mr. Chairman: Shall Clause Forty-seven carry? Clause Forty-eight:

(Reads Clause 48)

Mr. Chairman: Shall Forty-eight carry? Clause Forty-nine:

(Reads Clause 49)

Mr. Chairman: Shall Clause Forty-nine carry?

Some Members: Agreed.

Mr. Chairman: Clause Fifty:

(Reads Clause 50)

Mr. Chairman: Shall Clause Fifty carry? Clause Fifty-one:

(Reads Clause Fifty-one)

Mr. Chairman: Shall Clause Fifty-one carry?

Some Members: Agreed.

Mr. Chairman: Clause Fifty-two:

(Reads Clause 52)

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: I wonder if we could be informed, Mr. Chairman, how many appraisers there are at present in the Yukon and what you do if there aren't two to appoint an umpire?

Mr. Kennedy: Mr. Chairman, this appraisal section in the Ordinance is very, very rarely used. I don't know what really the problem with it is, whether it's in practice, it's just as simple to litigate or what, but there are very, very few appraisals in fact.

Mr. Gillespie: Mr. Chairman, I'm informed that there are two appraisers in the Territory.

Hon. Mrs. Whyard: At the present, Mr. Chairman, not always.

Mr. Chairman: Shall Clause Fifty-two carry?

Some Members: Carry.

Mr. Chairman: Clause Fifty-three.

(Reads Clause 53)

Mr. Chairman: Shall Clause fifty-three carry? Clause 54:

(Reads Clause 54.)

Mr. Gillespie?

Mr. Gillespie: I'm sorry, Mr. Chairman, but I'm referring to 52. (5) (c) on page 43, "An appraiser or umpire refuses to act is incapable of acting or dies", it's a typographical error, I believe. Pardon me, or is, there should be the word, "is" after "or".

Mr. Chairman: We will consider that a typographical error, thank you. Shall fifty-four carry?

Some Members: Agreed.

Mr. Chairman: Clause fifty-fifty:

(Reads Clause 55)

Mr. Chairman: Shall Clause fifty-five carry?

Some members: Agreed.

Mr. Chairman: Clause fifty-six:
(Reads Clause 56)

Mr. Chairman: Shall Clause fifty-six carry?

Some members: Agreed.

Mr. Chairman: Clause fifty-seven:
(Reads Clause 57)

Mr. Chairman: Shall Clause fifty-seven carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause fifty-eight:
(Reads Clause 58)

Mr. Chairman: Shall Clause fifty-eight carry?

Some members: Agreed.

Mr. Chairman: Clause fifty-nine:
(Reads Clause 59)

Mr. Chairman: Shall Clause fifty-nine carry?

Some members: Agreed.

Mr. Chairman: Clause fifty-nine:
(Reads Clause 59)

Mr. Chairman: Shall Clause fifty-nine carry?

Some Members: Agreed.

Mr. Chairman: Clause sixty:
(Reads Clause 60)

Mr. Chairman: Shall Clause sixty carry?

Some Members: Agreed.

Mr. Chairman: Insurance as Collateral Security, Clause sixty-one.
(Reads Clause 61)

Mr. Chairman: Mr. Gillespie?

Mr. Gillespie: Clause sixty-one (2), the third line, the word should be "mortgagee", another "e" added to it, a typographical error.

Mr. Chairman: Thank You, Mr. Gillespie.

Mr. Gillespie: And Mr. Chairman, also at the top of that page, fifty-nine. (3), third line, the word should be "contract" rather than "contact".

Mr. Chairman: Shall Clause sixty-one carry?

Some Members: Agreed.

Mr. Chairman: Clause sixty-two:
(Reads Clause 62)

Mr. Chairman: Shall Clause sixty-two carry?

Some Members: Agreed.

Mr. Chairman: Contracts of Title Insurance, Clause sixty-three.
(Reads Clause 63)

Mr. Chairman: Shall Clause sixty-three carry?

Some Members: Agreed.

Mr. Chairman: sixty-four:
(Reads Clause 64)

Mr. Chairman: Shall Clause sixty-four carry?

Some Members: Agreed.

Mr. Chairman: Part IV, Fire Insurance. Clause sixty-five:
(Reads Clause 65)

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, all I'm going to do is to get again the assurance of the witness here that he would look into the cause and the reason for insurance that's been refused in the Territory, and I was thinking especially in the Dawson area where homes have been refused fire insurance and businesses with no reason given.

Mr. Kennedy: Mr. Chairman, I'll certainly look into this.

Mr. Chairman: Shall Clause sixty-five carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause sixty-six:
(Reads Clause 66)

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: I may not have gone far enough in this Section, Mr. Chairman, I'm just looking for the word "arson".

Mr. Legal Advisor: Arson is just a particular cause of fire, Mr. Chairman. The insurance company pays in all cases, unless the insured person himself by fraud

deliberately sets fire to his own premises.

Hon. Mrs. Whyard: Thank You, Mr. Chairman. It's just that we are listing riots and everything else in here, and I didn't see it.

Mr. Legal Advisor: It's covered under (five), Mr. Chairman.

Mr. Chairman, our list of exclusions, and arson is not an exclusion for a fire policy.

Mr. Chairman: Thank you, Mr. Legal Advisor: Shall Clause sixty-six carry?

Some Members: Agreed.

Mr. Chairman: Clause 67:

(Reads Clause 67)

Mr. Chairman: Shall Clause sixty-seven carry?

Some Members: Agreed.

Mr. Chairman: Clause 68:

(Reads Clause 68)

Mr. Chairman: Shall Clause sixty-eight carry? Mr. Fleming?

Mr. Fleming: Mr. Chairman, could I go back to, just a moment to sixty-six? sixty-six (two), "...caused by contamination by radioactive material directly or indirectly resulting from fire, lightning or explosion within the meaning of subsection (1)."

Am I to understand that the government did have some setup somewhere that caused the radioactive material to possibly burn down a town or people's property or anything that there would be no way to get back to the government for this?

Mr. Kennedy: Mr. Chairman, it's because of the catastrophic nature of radioactive loss, there is separate provisions under the Atomic Energy Act, for insurance. I think there's a fund of seventy or seventy-five million dollars that's available, and I think the point is that it's not the type of loss that insurers can buy reinsurance for, so they don't want to be paying under that policy, because almost all of the major insurers are part of it, and they have to pay under another policy, and they have already paid a huge amount once.

So I don't think, there's so much money involved in that pool, it's very unlikely to be a shortfall.

Mr. Legal Advisor: Mr. Chairman, the Member was asking, could the person who is damaged get back against the government? The answer would be, if the explosion was caused by radio-active explosion by negligence of the government, a person would have direct action against the government. It wouldn't be a question of insurance.

Mr. Chairman: Shall Clause sixty-eight carry?

Some Members: Agreed.

Mr. Chairman: Clause sixty-nine:

(Reads Clause 69)

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Just some clarification on sixty-nine. (one). I see that every policy will be stamped or be headed with "Statutory Conditions". Is this just applicable to Yukon then under this, or does this wording appear on all policies across Canada, and if in fact that's what happens, why wouldn't we identify it with Statutory Conditions, Yukon, for instance?

Mr. Kennedy: Mr. Chairman, the Statutory Conditions, these are Statutory Conditions that have to be inserted on every fire policy, no matter in which jurisdiction it's issued. These are every jurisdiction which has a fire part in its Ordinance or Act, and they all do, there's a requirement that certain conditions be shown on the policy. This is what you do in the event of a loss, that type of thing, the information must be printed on a policy, and the insurer can't waive these conditions to the prejudice of the insuree. It can always waive them if it's to the advantage of the insuree, and this happens in many cases.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Just further to that, wouldn't it be a good idea to have that identified for each and every province? It just seems to me that—...

Mr. Kennedy: Well, the conditions are—they're identical.

Mr. Lengerke: I realize that, but you know, for the sake of—if insurance is being written in British Columbia or in Alberta, then why not Statutory Conditions - Alberta written on that, because then you would certainly know the proper authorities had identified those to be correct?

Mr. Kennedy: They are completely identical, and they could be, I suspect, the policy form shows somewhere or other that it's a policy issued in ...

Mr. Lengerke: Okay, thank you.

Mr. Chairman: Shall Clause sixty-nine carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Statutory Conditions.

Mr. Legal Advisor: Mr. Chairman, the next Section is Section seventy, which appears on Page sixty.

Mr. Chairman: Clause seventy:

(Reads Clause 70)

Mr. Chairman: Shall Clause seventy carry?
Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause seventy-one:

(Reads Clause 71)

Mr. Chairman: Shall Clause seventy-one carry?

Hon. Mrs. Whyard: Mr. Chairman, I think we would appreciate a little background on that from Mr. Kennedy.

Mr. Kennedy: Mr. Chairman, I think this clause is just setting out that if you have property insured under more than one policy, you know you could have a house, for example, insured with two separate insurers for the same amounts, that the individual isn't in fact going to collect twice for the same loss, but what happens is that both insurers split the loss according to their proportion of the total coverage.

That's basically what this provision is about.

Mr. Chairman: Shall Clause seventy-one carry?

Some Members: Agreed.

Mr. Chairman: Clause seventy-two:

(Reads Clause 72)

Mr. Chairman: Shall Clause seventy-two carry?
Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause seventy-three:

(Reads Clause 73)

Mr. Chairman: Shall Clause seventy-three carry?

Some Members: Agreed.

Mr. Chairman: Part V, Life Insurance, Interpretation. Clause seventy-four:

(Reads Clause 74)

Mr. Chairman: Shall Clause seventy-four carry?

Some Members: Agreed.

Mr. Chairman: Application of part, Clause seventy-five:

(Reads Clause 75)

Mr. Chairman: Shall Clause seventy-five carry?

Some Members: Agreed.

Mr. Chairman: Clause seventy-six:

(Reads Clause 76)

Mr. Chairman: Shall Clause seventy six carry?

Some Members: Agreed.

Mr. Chairman: Issuance of Policy and Contents Thereof. Clause seventy-seven:

(Reads Clause 77)

Mr. Chairman: Shall Clause seventy-seven carry?

Some Members: Agreed.

Mr. Chairman: Clause seventy-eight:

(Reads Clause 78)

Mr. Chairman: Shall Clause seventy-eight carry?
Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause seventy-nine:

(Reads Clause 79)

Mr. Chairman: Shall Clause seventy-nine carry?

Some Members: Agreed.

Mr. Chairman: Clause eighty:

(Reads Clause 80)

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Just a question on seventy-nine. (one), it's nothing too important, but (d), the period of grace, if any. Isn't the period of grace a predetermined amount of time, or is this flexible?

Mr. Kennedy: Mr. Chairman, I think it's not insurance business, but I think it's spelled out in the contract, it's usually thirty days.

Mr. Lengerke: Yes, thank you.

Mr. Chairman: Shall Clause Eighty carry?
Are you agreed?

Some Members: Agreed.

Mr. Chairman: The Conditions Governing the Formation of Contracts — Clause Eighty-one.

(Reads Clause 81)

Mr. Chairman: Shall Clause Eighty-one carry?

Some Members: Agreed.

Mr. Chairman: Clause Eighty-two.

(Reads Clause 82)

Shall Clause Eighty-two carry?

Some Members: Agreed.

Mr. Chairman: Clause Eighty-three.

(Reads Clause 83)

Shall Clause Eighty-three carry?

Some Members: Agreed.

Mr. Chairman: Clause Eighty-four.

(Reads Clause 84)

Shall Clause Eighty-four carry?

Mr. Chairman: Clause Eighty-five.

(Reads Clause 85)

Shall Clause Eighty-five carry?

Some Members: Agreed.

Mr. Chairman: Clause Eighty-six.

(Reads Clause 86)

Shall Clause Eighty-six carry?

Some Members: Agreed.

Mr. Chairman: Clause Eighty-seven.

(Reads Clause 87)

Shall Clause Eighty-seven carry?

Some Members: Agreed.

Mr. Chairman: Clause Eighty-eight.

(Reads Clause 88)

Shall Clause Eighty-eight carry?

Some Members: Agreed.

Mr. Chairman: Clause Eighty-nine.

(Reads Clause 89)

Shall Clause Eighty-nine carry?

Some Members: Agreed.

Mr. Chairman: Clause Ninety.

(Reads Clause 90)

Shall Clause Ninety carry?

Some Members: Agreed.

Mr. Chairman: Clause Ninety-one.

(Reads Clause 91)

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, could we have an explanation of Ninety-one, sub (two)?

Mr. Kennedy: Mr. Chairman, I think that's if a contract that's been in existence for, say, two years and then is lapsed because of non-payment of premiums but the fellow comes back within the period of two years and pays the premium that should have been paid, the contract starts again, but he's then subject to the same initial period that if he commits suicide within, whether it's a year or two years, that wouldn't be covered. I suppose that's to stop someone who's maybe taken a definite decision to take his life after he's allowed his insurance to lapse to get it in force and then go and commit suicide and has his estate collect.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Kennedy, do not most policies have an exclusion for suicide?

Mr. Kennedy: I think that there's an exclusion for suicide within a certain period of a policy being taken out, but I think that most policies in fact provide suicide cover, but they don't allow you to buy insurance and then immediately go out and commit suicide.

Mr. Chairman: Does Clause Ninety-one carry?

Some Members: Agreed.

Mr. Chairman: Clause Ninety-two.

(Reads Clause 92)

Mr. Chairman: Shall Clause Ninety-two carry? Designation of Beneficiaries — Clause Ninety-three.

(Reads Clause 93)

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I find Ninety-two very interesting. Am I reading it incorrectly that if you let it lapse for two years you can go back and pick it up? For straight life insurance, you can be reinstated?

Mr. Legal Advisor: Yes, Mr. Chairman, you can be reinstated.

Mrs. Watson: Mr. Chairman, but that's just straight life.

Mr. Legal Advisor: It excludes the group in a contract — life is not covered in this section.

Mr. Chairman: Clause Ninety-three.

(Reads Clause 93)

Shall Clause Ninety-three carry?

Some Members: Agreed.

Mr. Chairman: Clause Ninety-four.

(Reads Clause 94)

Mr. Taylor?

Hon. Mr. Taylor: I note a printing error on page seventy-seven, under Ninety-four (one) in the word "Canada" on the top line.

Mr. Chairman: Thank you, Mr. Taylor. Shall Ninety-four carry? Are you agreed?

Some Members: Agreed.

Mr. Lengerke: Are we still on Ninety-four. I couldn't hear above the noise.

Mr. Chairman: I asked if Clause Ninety-four carried.

Mr. Lengerke: It didn't as far as I was concerned; I was just going to ask a question.

Mr. Chairman: Yes, Mr. Lengerke?

Mr. Lengerke: May I, Mr. Chairman?

Mr. Chairman, Ninety-four (one), I wonder if I could have an explanation on that? I don't read the language too good.

Mr. Legal Advisor: Mr. Chairman, there are certain circumstances when a person undertakes to insure his life, irrevocably to protect a contract situation or other thing. If he does it in this way, he cannot change the designation; it's irrevocable, but it must be filed in head office.

If you just merely take out your life insurance policy and you nominate your wife as a beneficiary, then a simple notice to the insurance company changing it to another person is acceptable, unless you do it in this way.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Under what circumstances would you be doing that, because that — do you get better benefits by doing that?

Mr. Legal Advisor: No, Mr. Chairman, you're merely part of a contractual situation of the purchase of property, or settlements, or getting other benefits through wills or family settlements and you may have to, as your share of the deal, do this thing and then this would make it possible for you to do it.

Mr. Chairman: Clause Ninety-five.

(Reads Clause 95)

Shall Clause Ninety-five carry?

Some Members: Agreed.

Mr. Chairman: Ninety-six.

(Reads Clause 96)

Shall Clause Ninety-six carry?

Some Members: Agreed.

Mr. Chairman: Clause Ninety-seven.

(Reads Clause 97)

Shall Clause Ninety-seven ... oh, Mr. Lengerke?

Mr. Lengerke: Ninety-seven (one)(c), who is the person — how do you determine a personal representative, who might that be?

Mr. Legal Advisor: It's a legal thing, Mr. Chairman. It just means the executor, if he has a will, or the administrator if he has no will. In this Territory, the public administrator if he has neither.

Mr. Lengerke: Why wouldn't you say that, Mr. Chairman; why wouldn't that be cleared up that way?

Mr. Legal Advisor: That would take about three sentences, Mr. Chairman, and we have used the two words "personal representative".

Mr. Lengerke: Thank you.

Mr. Chairman: You wouldn't expect a lawyer to put it in such simple language, Mr. Lengerke, would you?

Mr. Lengerke: Thank you, thank you.

Mr. Chairman: Clause Ninety-eight.

(Reads Clause 98)

Shall Clause 98 carry?

Some Members: Agreed.

Mr. Chairman: Clause Ninety-nine.

(Reads Clause 99)

Shall Clause Ninety-nine carry?

Some Members: Agreed.

Mr. Chairman: Dealings with Contract During Lifetime of Insured — Clause One hundred.

(Reads Clause 100)

Shall Clause One hundred carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and one.

(Reads Clause 101)

Shall Clause One hundred and one carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and two.

(Reads Clause 102)

Shall Clause One hundred and two carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and three.

(Reads Clause 103)

Shall Clause One hundred and three carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and four.

(Reads Clause 104)

Shall Clause One hundred and four carry?

Some Members: Agreed.

Mr. Chairman: Minors — Clause One hundred and five.

(Reads Clause 105)

Shall Clause One hundred and five carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and six.

(Reads Clause 106)

I would assume from this that it would not be specified in the policy, if the age was specified say at age twenty-one, that would be enforceable, but if there is no age specified it's the age of eighteen, is that the way it is?

Mr. Kennedy: Mr. Chairman, I suspect that this might be when twenty-one was almost universally the age of majority, and it was reduced to eighteen so that money could be payable without having to wait two or three years before the person could get it himself.

It probably really doesn't make all that much sense now, when the age of majority is nineteen — I think it is — in the Yukon, but it's there as a relic of the standard provision across the country. I really don't know — I couldn't speak to this.

Mr. Chairman: Shall One hundred and six carry?

Hon. Mr. McKinnon: I think that it's discriminatory that a guy can enter a contract at sixteen but he can't be a beneficiary to the contract he enters into until he's eighteen.

Mr. Legal Advisor: It's not expected he'll die for two years after he becomes the beneficiary. Let's put it this way: when a man makes a, takes out a, contract, he is doing it for other people. This will deal with the person in Section One hundred and five who has taken out a contract on his own life. He can make that contract, this is enabling him to make that contract at sixteen. For the purposes of paying him, he can only give it discharge if he's eighteen or over. Normally he'd have to wait until nineteen. This is easing the benefit to him, making it one year earlier.

Mr. Chairman: Shall One hundred and six carry?

Mr. Chairman: Proceedings Under Contract — Clause One hundred and seven.

(Reads Clause 107)

Does One hundred and seven carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and eight.

(Reads Clause 108)

Does One hundred and eight carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and nine.

(Reads Clause 109)

Does Clause One hundred and nine carry? Agreed?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ten.

(Reads Clause 110)

Mrs. Watson?

Mrs. Watson: May I go back to One hundred and nine?

Mr. Chairman: Yes.

Mrs. Watson: It states there that if the contract was made in the Territory, an action on it may be brought in a court by a resident of the Territory if the insurer was authorized to transact insurance in the Territory at the time that the contract was made. Now what about people who take out insurance with companies who are not licensed in the Yukon? Can they take an action to court against that company?

Mr. Legal Advisor: This is an enabling section, Mr.

Chairman. It enables a person who is living here to bring an action here, notwithstanding the fact that he happened to be out in B.C. when he made the contract — provided that the company that we were talking about, either was licensed at that time to do business or at the time the action is brought. It's an enabling section, not a restricting section.

Mrs. Watson: But if the insurer wasn't authorized to transact insurance in the Territory at the time the contract was made?

Mr. Legal Advisor: Then it still takes action within the Territory because an action will always lie at the place that a contract is made. So whether this section is written or not, he can take action in Whitehorse if he gets an insurance company — if the insurance contract was made in Whitehorse. This section is not designed for that position. This section is designed that the man goes to B.C. and makes his contract and then returns to Yukon. He can sue also.

Mrs. Watson: Against the company in B.C.?

Mr. Legal Advisor: Against the B.C. company and he can have it actioned here except that he will have to go to the trouble of hiring a B.C. lawyer and suing in the Supreme Court in British Columbia.

Mrs. Watson: But what if he has insurance with an American company?

Mr. Legal Advisor: The same rule would apply. If it's located here, has a branch here, he can sue it.

Mrs. Watson: But if it isn't licensed here?

Mr. Legal Advisor: Yes, if a contract was made here, he can sue the company here, even though it was an American company or a Chinese company. Because that's the normal forum for taking an action is, where the contract was made. That's the common law. So it does not need to be stated in this Ordinance, regardless of the nationality of the company. We are just saying, additional to that, if he did not make it within the Territory where the normal action would lie, and he makes it here if the company then or later becomes located here.

Mr. Chairman: We're dealing with Clause One hundred and ten. Does One hundred and ten carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and eleven.

(Reads Clause 111)

Does One hundred and eleven carry?

Mr. Chairman: Clause One hundred and twelve.

(Reads Clause 112)

Does Clause One hundred and twelve carry?

Some Members: Carry.

Mr. Chairman: Clause One hundred and thirteen.

(Reads Clause 113)

Mr. Gillespie: Mr. Chairman, there's a typographical error in the second last line.

Mr. Chairman: Thank you.

Mr. Chairman: Does Clause One hundred and thirteen carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and fourteen:

(Reads Clause 114)

Mr. Chairman: Shall Clause One hundred and fourteen carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and fifteen:

(Reads Clause 115)

Mr. Chairman: Shall Clause One hundred and fifteen carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and sixteen:

(Reads Clause 116)

Mr. Chairman: Shall Clause One hundred and sixteen carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and seventeen:

(Reads Clause 117)

Mr. Chairman: Shall Clause One hundred and seventeen carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and eighteen:

(Reads Clause 118)

Mr. Chairman: Shall Clause One hundred and eighteen carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and Nineteen:

(Reads Clause 119)

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, could we have an explanation of One hundred and nineteen, because doesn't that contravene some terms that are usually laid out in a will?

Mr. Legal Advisor: Mr. Chairman, a very complicated situation arises because some people consider it's impossible for two people to die at the same time, time is so narrowly measured, but certain rules are laid down by courts, as matters of custom, for the benefit primarily of common sense, of the people involved. So the usual rule to follow is that in a simultaneous action, the older person is deemed to have died first, rather than the second.

Now, this has complicated issues over inheritance taxes and such like, so that at some times a three million dollar inheritance can be reduced to a few thousand dollars by all of the family crashing at the same time and the money is deemed to have been transmitted from point to point, but for inheritance purposes, three million pounds becomes 20,000 pounds at the end of it.

Now, this is laying down that type of rule for the benefit of the fund and the person. It's saying how they would be deemed to be counted in order of death, so that the fund is protected against other people, that's what it's really saying. It's not going by common sense, it's going by the benefit of the people to whom the money is coming, as against the state.

Mr. Chairman: I think the government is willing to give us certain funds then, are they?

Mr. Legal Advisor: It doesn't come to this government, Mr. Chairman, so it's willing to give up quite easily.

Mr. Chairman: Is Clause One hundred and nineteen carried?

Mrs. Watson: Mr. Chairman, does that tie in usually what it states in a will, most of the wills have some statement where one of them dies within a month, if the other one dies, there is always some — does this tie in with that? I can't recall for sure

Mr. Legal Advisor: It's hard to say what's in any particular person's will, because most people keep their wills secret until they are dead. But if I was drafting the will, I would transmit the money to say my wife, provided that she survived me for not less than 30 days or 60 days or something —

Mrs. Watson: Yes.

Mr. Legal Advisor: — so that it wouldn't go and come like a yo-yo between a piece of property going to her and then reverting back to the children, so that she would be disinherited in the event of a simultaneous accident.

If she had died before me, if she happened to be older than I was, then she would normally have been deemed to die first and then everything would be fine but most men marry women who are younger than themselves,

so they get into a bind over it.

It's a fairly complicated section, although it looks to be simple.

Mr. Chairman: Mr. Taylor?

Hon. Mr. Taylor: No, I was simply looking for an explanation, that's fine.

Mr. Chairman: Clause One hundred and twenty:

(Reads Clause 120)

Shall Clause One hundred and twenty carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and twenty-one:

(Reads Clause 121)

Shall Clause One hundred and twenty-one carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and twenty-two:

(Reads Clause 122)

Shall Clause One hundred and twenty-two carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and twenty-three:

(Reads Clause 123)

Shall Clause One hundred and twenty-three carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and twenty-four:

(Reads Clause 124)

Shall Clause One hundred and twenty-four carry?
Mr. Lang?

Hon. Mr. Lang: Could we go back to Section One hundred and twenty-one? I have a question for the witness. It states, "rate declared from time to time by the insurer". Would that not be the going rate of interest? It says —

Mr. Kennedy: Mr. Chairman, I think probably depending on when the contract was issued, there will be a rate specified there.

Hon. Mr. Lang: Well, the only reason I raise this point, Mr. Chairman, is I thought that provision was a little earlier in the Section and if the interest rate has not been agreed upon, and the rate declared from time to time by the insurer, I'm just wondering — I mean, I realize rates do fluctuate, but is it the going rate, or do

the insurers say that you get three percent, four percent and dictate to the beneficiary, or —

Mr. Kennedy: Mr. Chairman, it is — it's certainly with interest at a rate agreed upon, so it's something that there is — presumably there's some agreement in the contract.

Oh, I'm sorry, it's the later part, I beg your pardon. I don't know, I'm not really familiar with the life part of the Act, I couldn't tell you that. I can certainly inquire and find out for you.

Mr. Legal Advisor: Mr. Chairman, there doesn't seem to be any way of doing it in an Ordinance, because what is happening here is that a man dies and he has made an agreement with an insurance company, whereby they insure his life, say for a hundred thousand dollars and then as a subsidiary to that particular contract, he has agreed with them that he will pay out the interest on that hundred thousand dollars, rather than the principal sum, to his wife over a number of years.

This is a method of — for her benefit in case he was afraid that something might happen, or she might be overborne by somebody else who would take the principal if it was given to her. It's a method of protecting it.

Now, he will have agreed on a rate, or to be set at bank rate or something, but he cannot forecast really, in 1971, what year he will die in or what interest will be in 10 or 15 or 20 years' time, when he's eventually foreseeing his death, so we couldn't fix it in an Ordinance, of 10 percent, 8 percent, 12 percent, because nobody can forecast what the interest rates will be in the future, and the person might lose.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, my point in raising this is I realize you cannot put a figure in here, as far as the interest rate is concerned. My only concern is that I'm sometimes skeptical about insurers who will — from the way I read this, will make the decision of how much the beneficiary is going to claim from the insurance interest.

My point is that it should be something to do with the current interest rate on an interval basis, or something to this effect, because you're leaving the whole leeway of this particular section to the insurer.

Mr. Kennedy: Mr. Chairman, I'll be happy to phone the Canadian Life Insurance Association and find out what the history is of this provision and what their response to it is.

Hon. Mr. Lang: Thank you, Mr. Chairman.

Mr. Chairman: Shall Clause One hundred and twenty-four carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and twenty-five:

(Reads Clause 125)

Shall Clause One hundred and twenty-five carry?

Some Members: Agreed.

Mr. Chairman: Miscellaneous Provisions, Clause One hundred and twenty-six:

(Reads Clause 126)

Mr. Gillespie: Mr. Chairman, the title of this Clause is "Provisions", rather than "Prvisions".

Mr. Chairman: Thank you, Mr. Gillespie.

Shall Clause One hundred and twenty-six carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and twenty-seven:

(Reads Clause 127)

Shall Clause One hundred and twenty-seven carry?

Some Members: Agreed.

Mr. Chairman: I shall now declare a brief recess.

(RECESS)

Mr. Chairman: I now call this Committee to order. We are having some trouble with the sound system and I would ask all Members to speak up and speak clearly. Part Six — Automobile Insurance, Clause One hundred and twenty-eight:

(Reads Clause 128)

Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and twenty-nine:

(Reads Clause 129)

Shall this Clause carry?

Some Members: Carry.

Mr. Chairman: Clause One hundred and thirty:

(Reads Clause 130)

Mr. Gillespie.

Mr. Gillespie: There appear to be about three lines missing in the middle of One hundred and thirty, sub three. It's missed out in the typing and I would appreciate standing that section.

Mr. Chairman: We'll stand Clause One hundred and thirty over.

Clause One hundred and thirty-one:

(Reads Clause 131)

Shall this clause carry? Are you agreed?

Some Members: Agreed.

Mr. Chairman: Clause One thirty-two.

(Reads Clause 132)

Shall this Clause carry?

Some Members: Carry.

Mr. Chairman: Clause One thirty-three.

(Reads Clause 133)

Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One thirty-four.

(Reads Clause 134)

Shall this Clause carry? Are we agreed?

Some Members: Agreed.

Mr. Legal Advisor: Section One hundred and thirty-five commences on page one hundred and seven.

Mr. Chairman: Clause One thirty-five.

(Reads Clause 135)

Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Vehicle Liabilities, Policies — Clause One thirty-six.

(Reads Clause 136)

Shall this Clause carry?

Some Members: Carry.

Mr. Chairman: Clause One thirty-seven.

(Reads Clause 137)

Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One thirty-eight.

(Reads Clause 138)

Shall this Clause carry?

Some Members: Carry.

Mr. Chairman: Clause One thirty-nine.

(Reads Clause 139)

Shall this Clause carry?

Some Members: Carry.

Mr. Chairman: Clause One forty.

(Reads Clause 140)

Shall this Clause carry?

Some Members: Carry.

Mr. Chairman: Clause One forty-one.

(Reads Clause 141)

Mr. Chairman: Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One forty-two.

(Reads Clause 142)

Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One forty-three.

(Reads Clause 143)

Mr. Legal Advisor: Mr. Chairman, could this be put back because there's a piece missing out of it. It has to be retyped.

Section One hundred and forty-three, the existing (b) is really paragraph (c) and the (b) is left out. I'm not sure why.

Mr. Chairman: Clause One forty-three will be stood over.

Clause One forty-four.

(Reads Clause 144)

Shall Clause One forty-four carry? Are we agreed?

Some Members: Agreed.

Mr. Chairman: Clause One forty-five.

(Reads Clause 145)

Shall this clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One forty-six.

(Reads Clause 146)

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Mr. Chairman, I'm just not quite clear as to One forty-six (d) and (e), in the case of a

small boat trailer, we'll say, that's being towed by the automobile, and of course the automobile is involved in an accident and, granted, it's to the automobile itself, the trailer is possibly not insured, or the boat is not insured. Has it any effect on the car insurance in this case, if the trailer is licensed?

Mr. Kennedy: Mr. Chairman, the automobile policy itself provides that if you are towing a utility trailer, I think it's called, that any damage caused by the trailer is deemed to be damage caused by the automobile. This is really what we're thinking of here, is the trucks with the big trailers, the commercial trucks.

Mr. Fleming: Thank you.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: I didn't hear that explanation. Were you saying, Mr. Kennedy, that if in fact the car was pulling a utility trailer that it would be insured?

Mr. Kennedy: There is insurance there, yes. For liability. There isn't insurance for damage to the trailer itself, unless you've bought that specifically.

Mr. Lengerke: Thank you.

Mr. Chairman: Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One forty-seven.

(Reads Clause 147)

Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One forty-eight.

(Reads Clause 148)

Shall this Clause carry? Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, there was some discussion when we were considering this Ordinance on the word "irrevocable" in sub (c), page one hundred and sixteen, and I think it might be of interest to other Members to have the Legal Advisor give us his dissertation on that subject.

Mr. Legal Advisor: Mr. Chairman, the Honourable Member from Mayo is much more an expert in dealing with Powers of Attorney — having done it for twenty years — than I, but as I understand it, you — when you appoint a person your Power of Attorney, you can revoke it at any time, or you can appoint a person for a particular purpose to be irrevocably appointed, in which case he is your agent and you have lost control of the action.

In this case, this provides that the insurance company, for the purpose of defending an action brought against you in another province, the insurance com-

pany is deemed to be your irrevocable attorney and can carry on the case in your absence or in your stead, and there is nothing you can do about it. But in that case, of course, they will have to pay all the costs as a portion of the contract. But you've lost control of the action.

Mr. Chairman: Shall this Clause carry? Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, I would like to direct a question to the witness.

In the Yukon here, if we go for insurance here, and say our policy is \$50,000.00 and subsequently I go to Nova Scotia, I have an accident which amounts to about — the policy is set at \$35,000.00 in Nova Scotia, then I would be able to go under my policy in the Yukon Government here, or the Yukon Territory, which is \$50,000.00 rather than the lower policy in Nova Scotia, is that not correct?

Mr. Kennedy: Yes, if in fact you had a judgment given against you in Nova Scotia for \$45,000 your policy would respond to that because by contract you've got \$50,000 coverage.

Hon. Mr. Lang: But Mr. Chairman, the reverse is not true though; if I'm from Nova Scotia and I come here, then I would come under the \$50,000 that's allowable in the Territory.

Mr. Kennedy: But the reverse is in fact true because if the minimum limits in the province, as they are in the Yukon, are \$50,000 and someone comes here from Nova Scotia with \$35,000 limit, this insurer agrees to pay the minimum \$50,000. Each insurance company is agreeing in fact to pay whatever the minimum limits are in the province where the accident occurred, and if they're higher than the limit stated in the policy then the higher limit will apply.

Mr. Chairman: Does One forty-eight carry?

Some Members: Agreed.

Mr. Chairman: Clause One forty-nine.

(Reads Clause 149)

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: One forty-nine (one). I'd just like an example of that.

Mr. Kennedy: Mr. Chairman, I assume that's just saying that one insurer may have issued half a million dollars in insurance on something and another insurer could agree to give insurance above that level. You're not going to have, you know, the second policy becomes excess to the first, the first would have to be exhausted before you'd get on to the second, and I don't think that it's going to happen very often in practise.

Mr. Lengerke: My next question is, does it happen often, 'cause I don't think that it does, does it?

Mr. Chairman: I would ask, remind, Members to address the Chair, please.

Mr. Lengerke: I'm sorry, Mr. Chairman.

Mr. Legal Advisor: Mr. Chairman, it is not uncommon in certain types of fleet coverage for a Canadian insurance company to reinsure with Lloyds of London, the liability on any accident happening over, we'll say, a half a million dollars up to a limit, say, of fifty million dollars; this is what happens.

Mr. Chairman: Does One forty-nine carry?

Some Members: Agreed.

Mr. Chairman: Clause One fifty.

(Reads Clause 150)

Does this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause One fifty-one.

(Reads Clause 151)

Shall Clause One fifty-one carry?

Mr. Lengerke: Mr. Chairman, again, just a question of maybe some interest to enquire here. How come there is so much mention made of atomic energy, nuclear blasts and the rest of it? We seem to be covering a lot of clauses with this meaning in here, and I was just wondering, you know, was this Ordinance written or was this type of legislation written when there was a great problem with a nuclear war?

Mr. Kennedy: Mr. Chairman, I think this provision was actually written in to the Act about fifteen or sixteen years ago when there was the — insurers who were providing the market for this nuclear type of risk just could not get any reinsurance — that was basically what it was and having agreed to become part of the pool that was providing the initial cover, they didn't want to be picking up again either under a homeowner's policy or under an automobile policy. I suppose under an automobile policy you could have someone carrying some radio-active material in the vehicle and this would be the fear. It could be bought, I understand the cover could be bought, separately, you know, but they didn't want to give it.

Mr. Lengerke: Thank you, Mr. Chairman. Just a point of interest.

Mr. Chairman: Mr. Berger.

Mr. Berger: Yes, Mr. Chairman, it's quite interesting to hear the Honourable Member from Riverdale, but I think it is more applicable right now than it was fifteen or sixteen years ago in the light of the extended expansion of the nuclear power plants and I think it has a reason to be in here for this.

Mr. Chairman: Does Clause One fifty-one carry?

Some Members: Carry.

Mr. Chairman: Clause One fifty-two.

(Reads Clause 152)

Does One fifty-two carry?
Clause One fifty-three.

(Reads Clause 153)

Does One fifty-three carry? Mrs. Whyard?

Hon. Mrs. whyard: This is a point which also occurred to me when we were looking at the section dealing with the Superintendent and we had the same kind of information being inadmissible for any future trial or charge. The information filed by the insurer is privileged, that's what we're saying again in this section, I assume. No? Could I be advised about that?

Mr. Legal Advisor: Mr. Chairman, it isn't quite the same point. This is a case of the owner of a car being involved in an accident and two companies or the insurers are, they've insured one company with Lloyd's, and a dispute arises as to the matter, it can be settled in court. Now each of the parties will reveal certain things in court, but there's basic underlying rule of law that in an action by the person knocked down against the car owner, it is not disclosed to the court the fact at all that they are insured or anything about the contract. It is treated as a straight deal between two private persons. And this covers this type of situation.

Mrs. Whyard: Thank you, Mr. Chairman.

Mr. Chairman: Shall clause One fifty-three carry?

Some Members: Agreed.

Mr. Chairman: Clause One fifty-four.

(Reads Clause 154)

Mr. Fleming?

Mr. Fleming: Thank you, Mr. Chairman. Clause One fifty-four (three): "A creditor of the insured is not entitled to share in the insurance money payable under any contract unless his claim is one for which indemnity is provided for by that contract". In other words, I take it that no other creditor can step forward at that time, but that does not exclude that money for ever after from any credit, I would not presume so anyway.

Mr. Legal Advisor: What it does, Mr. Chairman, it provides a protection to the insurance companies; if you hold the money and pay off the claim.

Now, what we are talking about here is a person who is knocked down and somebody else is driving a car, and there is a law case or the equivalent of a law case in discussions. Creditors of these people cannot attach the monies in the hands of the insurance companies until the decisions are made or the judgment is given and then at that point, when it becomes legally due, it can be

attached, but that's the only protection provided.
It doesn't lock it up for ever from creditors.

Mr. Kennedy: Mr. Chairman, this is actually one of the most difficult to read sections in the whole of the Ordinance. It's also one of the most important. It's the one that imposes an absolute liability on the insurance company.

If you, as an individual, are involved in an accident with someone else, you may be completely in breach of your policy; you may have been taking part in a race, you may have been drunk, you may be under age, you may not have a licence. Then you have the conditions which normally would have meant that your insurance was void.

Well, to give protection to the injured third party, the insurance company is going to be stuck with the basic \$50,000.00 limit, so it's a means of ensuring that someone who's injured is going to get something, irrespective of the fact that the insured may well have breached his policy.

Hon. Mrs. Whyard: Mr. Chairman?

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Would this then mean, Mr. Chairman, with this new approach, that there will no longer be any need for an Unsatisfied Judgments Fund in some jurisdictions?

Mr. Kennedy: Mr. Chairman, I don't think we can ever do away with the need for an Unsatisfied Judgments Fund because, even if insurance is compulsory, you'll get people coming into the jurisdiction from outside who don't have insurance, and you always get some people who can beat the system.

They can have evidence of insurance in force one day, the insurance may expire the next day after they've got their licence, so even in those jurisdictions that have compulsory insurance there always has been some need to maintain a fund.

You don't have a fund in the Yukon, and there's no fund in the Northwest Territories, but the insurance policy itself responds there for damage caused by an uninsured motorist.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I have a reputation for harping on this, and I receive very little support.

Mr. Chairman: Shall Clause One fifty-four carry?

Some Members: Agreed.

Mr. Chairman: Clause One fifty-five.

(Reads Clause 155)

Shall Clause One fifty-five carry?

Some Members: Agreed.

Mr. Chairman: Physical Damage Cover — Clause One fifty-six.

(Reads Clause 156)

Shall Clause One fifty-six carry? Are we agreed?

Some Members: Agreed.

Mr. Chairman: Clause One fifty-seven.

(Reads Clause 157)

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Excuse me for going back, but just again, clarification, One fifty-five (one) says "Every insured against whom an action is commenced for damages occasioned by...", and it says it's got to be done in writing within five days.

Now, do I understand that that could be in writing through your insurance agent, or does the actual insurer have to submit a letter?

Mr. Kennedy: Most notification nowadays is given by telephone, although strictly speaking to protect yourself you should give notice in writing.

Mr. Lengerke: So it's written but it isn't practised?

Mr. Chairman: Shall Clause One fifty-seven carry?

Some Members: Agreed.

Mr. Chairman: One fifty-eight.

(Reads Clause 158)

Shall Clause One fifty-eight carry?

Some Members: Agreed.

Mr. Chairman: Limited Accident Insurances — Clause One fifty-nine.

(Reads Clause 159)

Mr. Gillespie: Mr. Chairman, with your permission, we'd like to stand this one apart now; again we have some typographical errors.

Mr. Chairman: Clause One fifty-nine will be stood over.
Clause One sixty.

(Reads Clause 160)

Mr. Kennedy: This may be of interest, but this section one-sixty is providing medical and funeral benefits so that every policy, every liability policy in force now has to provide these medical and funeral benefits. They are specified in the schedule which we will come to later.

Mr. Lengerke: Mr. Chairman, I just wonder how much that is going to increase the insurance premiums?

Mr. Kennedy: I think, Mr. Chairman, on average

the cost of the accident benefits coverage as it is called, is somewhere around nine or ten dollars. This means an offset in the cost of your liability insurance because what is happening is that you go to your own insurer, whether or not you are at fault in an accident, and you get immediate benefits, so to the extent that you get that you don't sue the other party, so there is an offset.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: I would find it interesting to have Mr. Kennedy delineate the effect this may have on fraternal lodges and societies who have burial funds.

Mr. Chairman: Mr. Kennedy?

Mr. Kennedy: Well I don't think this provides—I don't know what amount of benefits you would normally get from a fraternal society and certainly for a funeral benefit, this isn't all that much, it is five hundred dollars. This was introduced not as any — it is certainly not intended to be a proper program of accidental death insurance or anything like that. It just arose because there were so many deaths and injuries as a result of motor vehicle accidents that there was felt to be a need for some immediate payments to the individual rather than his having to wait, perhaps, for an action to be settled in court to determine who was at fault. It is a limited form of no fault cover, that is what it comes to. It provides for immediate payment. We come to a later section which deals with weekly payments. This medical benefit would provide you with cover that wasn't provided under the existing medical or hospital coverages.

Hon. Mrs. Whyard: Thank you Mr. Chairman.

Mr. Chairman: Shall clause one sixty carry?

Some Members: Agreed.

Mr. Chairman: One sixty-one

(Reads Clause 161)

Shall clause one sixty-one carry?

Some Members: Agreed.

Mr. Chairman: Clause one sixty-two.

(Reads Clause 162)

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: I shouldn't be asking this question of the Legal Advisor, but if the person is killed in the accident, how does he demand by registered mail?

Mr. Legal Advisor: The registrar keeps a note on that person or his personal representative may, this question has arisen before from the Honourable Member from Riverdale asked who was the personal representative. I don't want to give a six paragraph description, but that person who was then described to

that Honourable Member, could make the demand.

Hon. Mrs. Whyard: Thank you, Mr. Chairman.

Mr. Chairman: Shall clause one sixty-two carry?

Some Members: Agreed.

Mr. Chairman: Clause one sixty-three.

(Reads Clause 163).

Shall Clause 163 carry?

Some Members: Agreed.

Mr. Chairman: Clause one sixty-four.

(Reads Clause 164)

Mr. Chairman: Shall Clause one sixty-four carry?

Some Members: Clause one sixty-five.

(Reads Clause 165)

Mr. Chairman: Mr. Gillespie?

Mr. Gillespie: Mr. Chairman, One sixty-five (one)(c), another typographical error — "there is no person" rather than "there is not person".

Mr. Chairman: Thank You.

Shall clause one sixty-five carry?

Some Members: Agreed.

Mr. Chairman: Clause one sixty-six

(Reads Clause 166)

Mr. Chairman: Shall Clause one sixty-six carry?
Clause one sixty-seven

(Reads Clause 167)

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Maybe I can ask Mr. Kennedy or Mr. Legal Advisor just to give me a little further explanation of one sixty-seven (one), so that we really do have it defined as what the claimants obligation is.

My concern, Mr. Chairman, is that the claimant may not know the full coverage that he has got if he is neglect in making this statement then maybe his insurance would be void.

Mr. Kennedy: I think this is just — one of the points about these accident benefits coverages is that you go initially, if for example, you were a passenger in a car that was involved in an accident, you would claim against the insurance company of the owner of the car. You might exhaust the accident benefits under that source, you could then claim against your own insurance if you were an automobile owner yourself and had

insurance, you could then claim under your own policy for excess coverage under the accident benefits. I think it is just a case of the insurance company wants to know what other insurance companies may be involved.

Mr. Lengerke: Yes, that was my point, Mr. Chairman. It says, "he shall furnish the person against whom the claim is made full particulars" and there could well be certainly in this day and age, people buy insurance fairly blind and they might not even know what some of their other particulars are. I was wondering if there is any obligation in that?

Mr. Kennedy: No, Mr. Chairman. I think all that is required there is the name of the company and the policy number, the company itself will soon find out.

Mr. Lengerke: That is all I want to know.

Mr. Chairman: Shall clause one sixty-seven carry?

Some Members: Agreed.

Mr. Chairman: Clause one sixty-eight.

(Reads Clause 168)

Shall Clause One sixty-eight carry?

Some Members: Agreed.

Mr. Chairman: Clause one sixty-nine.

(Reads Clause 169)

Mr. Gillespie?

Mr. Gillespie: I think that we may have a problem with this one and we would like to check into it if we may and stand this over.

Mr. Chairman: Clause one sixty-nine will be stood over.

Mr. Chairman: Clause one seventy.

(Reads clause 170)

Mr. Gillespie: One seventy (five) the third line should read "are insured" rather — pardon me, "be insured". Subsection five, the word "are" is missing before the —

Mr. Chairman: Shall this clause carry.

Some Members: Carry.

Mr. Chairman: Accident and Sickness Insurance, Clause one seventy-one

(Reads Clause one seventy-one)

Clause one seventy-one carry?

Some Members.: Carry.

Mr. Chairman: Clause one seventy-two,

(Reads Clause 172)

Clause carry?

Mr. Chairman: Clause one seventy-three.
(Reads Clause 173)

Shall this clause carry?

Clause one seventy-four

(Reads Clause 174)

Shall this clause carry?

Some Members: Agreed.

Mr. Chairman: Clause one seventy-five,

(Reads Clause 175)

Shall this clause carry?

Mr. Chairman: Clause one seventy-six,

(Reads Clause 176)

Shall this clause carry?

Some Members: Carried.

Mr. Chairman: Clause one seventy-seven,

(Reads Clause 177)

Shall this clause carry?

Some Members: Carry.

Mr. Chairman: Clause one seventy-eight.

(Reads Clause 178)

I draw your attention to Subsection two (C), I assume that's "No person".

Shall this clause carry?

Some Members.: Agreed

Mr. Chairman: Clause one seventy-nine.

(Reads Clause 179)

Shall this clause carry?

Mrs. Whyard: Mr. Chairman?

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: What is the difference between the information which is set forth in this document referred to in one seventy-nine (one) (a), (b) and (c) and in an actual policy?

Mr. Kennedy: Mr. Chairman, I think that the policy of course will contain the whole conditions of the contract, the certificate is just giving the necessary particulars to any individual insureds so he knows what company he's involved with, what the number of the policy is and what the coverage is. It's to avoid the cost of, with these group plans you could have a tremendous number of people involved and it's to save the cost of issuing everyone of them with a full copy of the policy. I assume that that's what it's for.

Mrs. Whyard: Thank you, Mr. Chairman.

Mr. Chairman: Clause one eighty.

(Reads Clause 180)

Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause one eighty-one.

(Reads Clause 181)

Shall Clause one eighty-one carry?

Some Members: Carry.

Mr. Chairman: Clause one eighty-two.

(Reads Clause 182)

Shall Clause one eighty-two carry?

Some Members: Carried.

Mr. Chairman: Clause one eighty-three.

(Reads Clause 183)

Does Clause one eighty-three carry?

Some Members: Agreed.

Mr. Chairman: Clause one eighty-four.

(Reads Clause 184)

Clause one eighty-four carry?

Some Members: Agreed.

Mr. Chairman: Clause one eighty-five.

(Reads Clause 185)

Mr. Chairman: Shall Clause One hundred and eighty-five carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and eighty-six:

(Reads Clause 186)

Shall Clause One hundred and eighty-six carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and eighty-seven:

(Reads Clause 187)

Shall Clause One hundred and eighty-seven carry?

Some Members: Agreed.

Mr. Chairman: One hundred and eighty-eight:

(Reads Clause 188)

Shall Clause One hundred and eighty-eight carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and eighty-nine:

(Reads Clause 189)

Shall Clause One hundred and eighty-nine carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety:

(Reads Clause 190)

Shall Clause One hundred and ninety carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-one:

(Reads Clause 191)

Shall Clause One hundred and ninety-one carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-two:

(Reads Clause 192)

Shall Clause One hundred and ninety-two carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-three:

(Reads Clause 193)

Mr. Lengerke?

Mr. Lengerke: Clause One hundred and ninety-two sub one, Mr. Chairman, maybe the Legal Advisor could give us an example of that in some layman's words.

Mr. Legal Advisor: This group of sections, Mr. Chairman, are designed to pick up the fact that a person may be ill, may not disclose it, and then if it's not discovered for two years, then in effect, in layman's lan-

guage, he gets away with it. That's what it's attempted to cover.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: If in the case of a physical condition which would have no effect whatsoever on something else that happened to the person that's insured, could they use the physical condition as an excuse not to pay?

Mr. Legal Advisor: It depends on the condition of the policy which was set out to have priority. What we are talking about is a group insurance such as exists in respect of the management group of the Territorial Public Service. Either there's a disclosure clause or there is not, or there may be a limited disclosure clause, so if there's a disclosure clause then he should disclose.

But if he doesn't and it's not discovered for two years, then he gets protection because they've accepted premiums in respect of it for two years. It's a consumer's benefit that's conferred on the consumer, to the detriment of the company.

Mr. Chairman: Shall Clause One hundred and ninety-three carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-four:

(Reads Clause 114)

Shall Clause One hundred and ninety-four carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-five:

(Reads Clause 195)

Shall Clause One hundred and ninety-five carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-six:

(Reads Clause 196)

Shall Clause One hundred and ninety-six carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-seven:

(Reads Clause 197)

Mr. Fleming?

Mr. Fleming: Mr. Chairman, in all respect, I would like to go back to One hundred and ninety-four there, One hundred and ninety-four sub four, the designation, if by chance a will was revoked, it has been revoked by law, say for instance, this does not revoke the claim in its entirety, it just revokes that will and the claim would therefore then have to be paid to his heirs or whatever?

Mr. Legal Advisor: Mr. Chairman, this is trying to design an easy reference for how a person would designate who gets the money under the policy, and it sets out if he does it in the will and the will is valid, that's a valid point. If the will turns out to be invalid, then the revocation is revoked, and it has a series of rules.

But in no event does the insurance company escape the duty of paying to the beneficiary, but if there's no designation made, it goes to the Member from Riverdale's friend, the personal representative.

Mr. Chairman: Shall Clause One hundred and ninety-seven carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-eight:

(Reads Clause 198)

Shall Clause One hundred and ninety-eight carry?

Some Members: Agreed.

Mr. Chairman: Clause One hundred and ninety-nine:

(Reads Clause 199)

Shall Clause One hundred and ninety-nine carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred:

(Reads Clause 200)

Shall Clause Two hundred carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and one:

(Reads Clause 201)

Shall Clause Two hundred and one carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and two:

(Reads Clause 202)

Shall Clause Two hundred and two carry?

Some Members: agreed.

Mr. Chairman: Clause Two hundred and three:

(Reads Clause 203)

Shall Clause Two hundred and three carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and four:

(Reads Clause 204)

Shall Clause Two hundred and four carry? Oh, Mr. Fleming?

Mr. Fleming: Yes Mr. Chairman. This relates back to, way back to One hundred and sixty again, where the Member from Riverdale had a question. I also was wondering about the cost of the insurance. We have medical services and so forth in the Territory.

Now as I understand it, we are going to be able to buy insurance from Medical Services and also funeral arrangements and so forth and so on, which actually may not necessarily be needed by some people and of course the government is the one that demands the insurance and you must have the insurance, therefore they say you've got to have the insurance.

I'm just wondering if this clause in here is actually necessary at all?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, this is a very essential clause to have in this particular Bill. This is the particular clause which allows the insurance company to make an immediate payment of \$2,000.00 as soon as a person dies, so to cover the cost of the funeral expenses and any other expenses incurred in connection with it.

True, the medical expenses may not be recoverable or necessary now, but the person could have died in a place where medical expenses were payable, so this is a very valuable clause and is an addition to the existing Ordinance, and is of great benefit.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: I'm having a little problem with Section One hundred and ninety-eight sub one and this section to differentiate between a creditor and someone who has provided these services and is paid aside from the insured.

Mr. Legal Advisor: We're not really talking about creditors, Mr. Chairman, we're talking about a relative of the deceased who takes care of the expenses immediately. It is not an ordinary creditor and is not covered by the provision of section One hundred and ninety-eight. Section One hundred and ninety-eight protects general creditors of the deceased himself, before he died. People who pay the funeral expenses are not creditors of the deceased, they're creditors of the estate. The person represented.

Hon. Mrs. Whyard: Well, it doesn't say that, it says any person as well as the relative.

Mr. Chairman: Is section Two hundred and four carried? Are we agreed?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and five:

(Reads Clause 205)

Hon. Mrs. Whyard: Mr. Chairman.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: Section Three, please. If it were to the advantage to the insured to have the payment made in American dollars, if the head office was in the States, why does it have to be Canadian?

Mr. Legal Advisor: We discussed Canadian money as legal tender, because at the time that these items were prepared, people thought that it was as fine as any in the world. People continue to think this way.

Mr. Chairman: I'm not sure that was an answer but we'll accept it.

Mr. Legal Advisor: It's a hard question to answer, Mr. Chairman.

Mr. Chairman: Shall Clause Two hundred and five carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and six:

(Reads Clause 206)

Shall Clause Two hundred and six carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and seven:

(Reads Clause 207)

Shall Clause Two hundred and seven carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and eight:

(Reads Clause 208)

Shall Clause Two hundred and eight carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and nine:

(Reads Clause 209)

Shall Clause Two hundred and nine carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and ten:

(Reads Clause 210)

Shall Clause Two hundred and ten carry?

Some Members: Agreed.

Mr. Chairman: Part Seven — Livestock Insurance. Clause Two hundred and eleven:

(Reads Clause 211)

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and twelve:

(Reads Clause 212)

Shall this Clause carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and thirteen:

(Reads Clause 213)

Shall Clause Two hundred and thirteen carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and fourteen:

(Reads Clause 214)

Does this Clause carry?

Some Members: Agreed.

Mr. Chairman: Part Nine — Fraternal Societies, Clause Two hundred and fifteen:

(Reads Clause 215)

Mr. Lengerke.

Mr. Lengerke: Mr. Chairman, I was wondering if one of the witnesses could tell me what company does write livestock insurance in the Territory. There is a very famous company that does this of course, but I was wondering if they are in business in Yukon.

Mr. Kennedy: Mr. Chairman, I'm not sure if anyone is writing livestock insurance, I couldn't tell.

Mr. Legal Advisor: Mr. Chairman, it might cover circuses with elephants and lions coming to the Territory. They might be insured under a policy.

Mr. Chairman: In that case, I'm certainly glad we have this section in.

Shall Clause Two hundred and fifteen carry?

Some Members: Carry.

Mr. Chairman: Agents, Adjusters and Brokers — Licences of Insurance Agents, Clause Two hundred and sixteen.

(Reads Clause 216)

Shall Clause Two hundred and sixteen carry?

Some Members: Agreed.

Mr. Chairman: Licences of Insurance Salesmen, Clause Two hundred and seventeen:

(Reads Clause 217)

Shall Clause Two hundred and seventeen carry?

Some Members: Agreed.

Mr. Chairman: Licences of Insurance Brokers, Clause Two hundred and eighteen:

(Reads Clause 218)

Shall Clause Two hundred and eighteen carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and nineteen:

(Reads Clause 219)

Shall Clause Two hundred and nineteen carry? Are we agreed?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and twenty:

(Reads Clause 220)

Shall Clause Two hundred and twenty carry?

Some Members: Agreed.

Mr. Chairman: Clause Two hundred and twenty-one:

(Reads Clause 221)

Shall Clause Two hundred and twenty-one carry?

Some Members: Agreed.

Mr. Chairman: Clause Two twenty-two.

(Reads Clause 222)

Shall Clause Two twenty-two carry?

Some Members: Agreed.

Mr. Chairman: Licences of Insurance Adjusters — Clause Two twenty-three.

(Reads Clause 223)

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, if I could revert to Two twenty-two, could we have some indication of how this agent who had entered into an unlawful contract would ever be around when the time came to face the music? How would anyone ever enforce this section?

Mr. Legal Advisor: The only way you could enforce this is to sue him and as the Honourable Member has said, a person in that position is not likely to be around, but it does set up a cause of action.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: In Two twenty-three (two), I would just be kind of interested to hear from probably the secretary on this one. It says here "that the applicant shall state his name, age, residence and occupation" blah, blah, blah, "and such other information as the Superintendent may require". What is the other information? I am kind of interested in the qualifications for all these people and it has been referring to a suitable person, but you know, you can be a suitable person by what it says here, but I am sure there is other pertinent information required, and what is that information?

Just supplementary, is there an application form with a bunch of criteria laid out for this? What are the qualifications?

Mr. Taylor: Mr. Chairman, that is precisely what will be on the application form — the qualifications of the adjuster, where he took his training, et cetera. I think Mr. Kennedy can answer that, what qualifications they have outside.

Mr. Kennedy: I think, Mr. Chairman, this is one of the areas in which, before the Ordinance is proclaimed into effect, there will be a good deal of work required to be done in the way of regulations and things like that, and all kinds of forms required to be drawn up. This is certainly — I think I am right in saying — the provinces do have spelled out in regulations what the basic requirements are.

Mr. Lengerke: Mr. Chairman, I think I probably should have asked this question a long while back but it pertains again to the salesmen, the agents, these kind of regulations are going to be forthcoming, I would imagine, the criteria laid out?

Mr. Taylor: Yes, Mr. Chairman, they are.

Mr. Chairman: That imposes quite a burden on Committee; we are here passing enabling legislation which is going to be covered by regulations later over which we have no jurisdiction.

Mr. Legal Advisor: Mr. Chairman, this Ordinance will take a long time before it comes into force; there will be a long, long lead time to enable the insurance companies to get notice and all of these people to get notice. There will be quite a long time for the preparation of regulations. The regulations will in the normal course of events be laid before this House, as all regulations are. At that time, the Honourable Members will be supplied with copies.

Mr. Chairman: Will it be a long time, Mr. Legal Advisor?

Mr. Legal Advisor: I am thinking in terms, the Ordinance may not come into force for twelve months.

Mr. Chairman: It might take us twelve months to read this.

Mr. Legal Advisor: I thought you were doing very well, Mr. Chairman.

Mr. Chairman: Shall Clause Two twenty-three carry?

Some Members: Agreed.

Mr. Chairman: Clause Two twenty-four.

(Reads Clause 224)

Mr. Chairman: Shall Clause Two twenty-four carry?

Some Members: Agreed.

Mr. Chairman: Provisions relating to agents, brokers and adjusters generally — Clause Two twenty-five.

(Reads Clause 225)

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: In our more recent Sessions dealing with all the qualifications for various types of people involved in the insurance business, I didn't see the licensing qualifications for an appraiser or an assessor. Would you assume that an adjuster is also an assessor?

Mr. Kennedy: I don't think adjusters are appraisers.

Appraisers, to the best of my knowledge, aren't licensed for insurance purposes. They may be licensed under other legislation, some of them are, but there hasn't as yet been any licensing of appraisers.

Hon. Mrs. Whyard: Mr. Chairman, the obvious question: why not?

Mr. Legal Advisor: Mr. Chairman, there has never been any attempt at legislation of appraisers, but for the purposes of this particular Ordinance, when it mentions the word "appraiser" it means anyone who is selected by either the insurer or the company who says, "This is my appraiser". It's anyone, any lay person, who is doing appraisals or can be an appraiser. They are really arbitrators.

Mr. Kennedy: I think, Mr. Chairman, that's a valid comment. The appraisal provision, I think, was put up to try and speed up what was the arbitration procedure. I don't know in fact whether it has or whether it hasn't, but you could nominate anyone you want as an appraiser.

Hon. Mrs. Whyard: Thank you, Mr. Chairman.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, Two hundred and twenty-four(b), I would like a little more explanation. Apparently you can't have an advisor, a consultant or adjuster or investigator, you can have anybody on your behalf at all if you have a claim against an insured. I would like a little bit more explanation as to that paragraph.

Mr. Kennedy: Mr. Chairman, I understand that this provision goes back some time in time. I understand it was in to in fact prevent ambulance chasing by adjusters.

Mr. Lengerke: But not by lawyers?

Mr. Chairman: Shall Clause Two twenty-five carry?

Some Members: Agreed.

Mr. Chairman: Clause Two twenty-six.

(Reads Clause 226)

Shall Clause Two twenty-six carry? Are we agreed?

Some Members: Agreed.

Mr. Chairman: The Chair will entertain a Motion.
Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, I move that Mr. Speaker now resume the Chair.

Mr. Chairman: Seconder?

Ms. Millard: I second that.

Mr. Chairman: It has been moved by Mr. Lengerke, seconded by Ms. Millard, that Mr. Speaker do now resume the Chair.

Are you ready for the question?

Some Members: Question.

Mr. Chairman: Are you agreed?

Some Members: Agreed.

Mr. Chairman: Motion is carried.

(Motion carried)

Mr. Chairman: The witnesses are excused. Thank you.

(Mr. Speaker resumes Chair)

Mr. Speaker: I shall now call the House to order.
May we have a report from the Chairman of Committees?

Mr. Hibberd: Yes, Mr. Speaker.
The Committee of the Whole have considered Bill Number Seven, Insurance Ordinance, and directed me to report progress, albeit slow, on same, and ask leave to sit again.

Mr. Speaker: You have heard the Report of the Chairman of Committees. Are you agreed?

Some Members: Agreed.

Mr. Speaker: Leave granted.
May I have your further pleasure?
The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Mr. Speaker, I would move that we now call it five o'clock.

Ms. Millard: I second that Motion.

Mr. Speaker: It has been moved by the Honourable

Member from Whitehorse Riverdale, seconded by the Honourable Member from Ogilvie, that we do now call it five o'clock. Are you prepared for the question?

Some Members: Question.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

Mr. Speaker: I shall declare the Motion is carried.

(Motion carried)

Mr. Speaker: This House now stands adjourned until ten a.m. tomorrow morning.

(ADJOURNED)

Mr. Speaker
Members of the Assembly

On November 4, 1976, Councillor Millard asked the following question:

“At what stage of progress is the rural and remote housing programme in the Yukon?”

The answer to the above question is as follows:

The Management Committee comprised of representatives from the Yukon Housing Corporation, Central Mortgage and Housing Corporation and Yukon Native Housing Association (comprised of members from the Yukon Native Brotherhood and the Yukon Association of Non-Status Indians) have been meeting on a regular basis to determine policy and other matters concerning this programme.

In addition, Yu-Native has employed a Housing Director and field workers to determine need, land availability, etc.

It is now anticipated that at the next meeting of the Management Committee final details will be concluded so that the programme can be discussed at the Community level.

Mr. Speaker
Members of the Assembly

On November 4, 1976, Councillor Lengerke asked the following question:

“Mr. Commissioner, during the last Session, there was considerable discussion, debate, about economic development, economic opportunities and one of the things we were talking about was the housing situation in Yukon and it was demonstrated that possibly a prefab housing programme could be instituted in Yukon, and I think a resolution emanated from this House that asked the government to look into this, and I’m just wondering, has there been any response to that?”

The answer to the above question is as follows:

The Yukon Housing Corporation engaged a Consulting Firm from Saskatchewan who are actively involved in Pre-Fab Housing to review the Yukon situation. The Consultants’ report is expected to be available on or about November 20, 1976, at which time it will be tabled for Members’ information.

THE FOLLOWING PAPERS WERE TABLED:

White Paper on **Administration of Territorial Elections**
Sessional Paper 76-3-2

White Paper on **YTG Land Claim Negotiator**
Sessional Paper 76-3-3

White Paper on **Legal Advice to the Assembly**
Sessional Paper 76-3-4

White Paper on **Yukon Insurance Rates**
Sessional Paper 76-3-5

White Paper on **Western Canada Lottery**
Sessional Paper 76-3-6

Green Paper on **Appointment to Yukon Territory Water Board**
Sessional Paper 76-3-7

White Paper on **Coroners’ Inquests**
Sessional Paper 76-3-8

WHITE PAPER ON ADMINISTRATION OF

TERRITORIAL ELECTIONS

1976 (Third) Session

Mr. Speaker,
Members of the Assembly

Prior to 1958, Territorial Elections were conducted by the Territorial Government under the direction of the Territorial Secretary. The initiative to transfer the administration of territorial elections to the federal government was taken by Commissioner Brown in 1954. The current Elections Ordinance had originated in 1919 and proved to be an unworkable piece of legislation. To quote the Commissioner: "Our present Ordinance is not a good one. At times arbitrary decisions have to be made on points not covered by the Ordinance in order to make it work." (Dec. 4/54 file 615-1-1 memo to Deputy Minister)

In view of the long and difficult task of writing new legislation, Commissioner Brown suggested that the conduct of elections be transferred to the Chief Electoral Officer of Canada and that the Canada Elections Act apply *mutatis mutandis* to the territorial elections. This suggestion was accepted by both governments and the machinery to effect the change was put into motion.

Amendments to the Canada Elections Act were put through Parliament in 1955. The new Elections Ordinance was stalled in Council for two years. The qualifications of electors provided the main controversy—especially the right of Indians and British subjects to vote. Finally, in 1957, an acceptable Elections Ordinance cleared Council and the amendments to the Canada Elections Act were proclaimed into force.

Commissioner Brown's assumption that the Canada Elections Act would apply *mutatis mutandis* to territorial elections was erroneous. The Act had to be adapted to fit the territorial situation, but there is a limit to how much it can be modified to meet all local contingencies. Thus, every territorial election is preceded by the negotiation of a modifications agreement between the Commissioner of the Yukon Territory and the Federal Chief Electoral Officer.

During the latter part of 1974, the Minister of Indian Affairs and Northern Development suggested that Yukon might wish to resume the administration of territorial elections.

In 1975 the Executive Committee recommended that the administration of territorial elections be transferred to a local agency to be effective for the 1982 territorial election. The next general election of 1978 and any by-election up to 1982 would be conducted by the Chief Electoral Officer of Canada.

The office of the Clerk of Council has been designated as the department responsible for the co-ordination of all aspects necessary for the implementation of an Elections Commission to administer the territorial elections in 1982. Mr. W.H. MacDonald, former Clerk of the Alberta Legislature and Chief Electoral Officer and also member of the Electoral Boundaries Commission, is currently under contract to develop policies leading to the transfer of election administration under a new Elections Ordinance. He will also make recommendations relating to any other relevant statutes that will have to be amended to conform with the new Elections Ordinance.

In order to transfer the administration of elections to Yukon, the Canada Elections Act must be amended, deleting Section 113 which refers to the Chief Electoral Officer conducting territorial elections. A "saving clause", however, would be placed in the Canada Elections Act to allow the Chief Electoral Officer to continue administering Yukon elections until Yukon's Election Ordinance is proclaimed.

The Government's goal is to have Yukon's Election Ordinance introduced into the Assembly in the fall of 1977, and proclaimed in 1978. The Chief Electoral Officer would administer territorial elections pursuant to the new Elections Ordinance until 1982. Following 1982, a Yukon Elections Commission would assume full administering responsibilities. The four-year period between 1978 and 1982 will provide an opportunity for the Yukon Elections Commission to be formed and to take advantage of the experience and expertise of the Chief Electoral Officer.

Therefore, during the fall session of 1977, the Government plans on introducing into the Assembly a new Elections Ordinance and amendments to other relevant territorial ordinances. The Government is also in communication with the Minister of Indian Affairs and Northern Development with regard to having the Canada Elections Act amended to allow the transfer.

Sept. 10 1976
Date

A.M. Pearson
Signature

WHITE PAPER ON YUKON LAND CLAIM NEGOTIATOR

1976 (Third) Session

Mr. Speaker,
Members of the Assembly

Motion: On May 26th, 1976, this Assembly carried the following

"It has been moved by the Honourable Member from Klwane, seconded by the Honourable Member from Whitehorse Riverdale whereas James Smith, Commissioner of the Yukon will cease to hold office as such Commissioner after June 30th, 1976, and whereas continuity in negotiations respecting the Yukon Indian Land Claims is of the highest importance.

Now, therefore this House, respectfully requests the Honourable Judd Buchanan, Minister of Indian Affairs, to appoint James Smith as Yukon's chief representative in the current Yukon Indian Land Claims negotiations. The appointment to continue until a settlement has been reached, notwithstanding that Mr. Smith will not continue as Commissioner of the Yukon Territory."

Subsequent to this Motion, Yukon Indian Land Claims negotiations became protracted. Mr. James Smith on August 27th, 1976, informed the Honourable Judd Buchanan that in view of the prolonged negotiations together with the time and responsibility constraints relative to his being chairman of the Northern Canada Power Commission and negotiator for the Government of the Yukon Territory on Indian Land Claims, it did not appear practical for him to continue as the Territorial Government's negotiator. Accordingly, he asked the Minister of the Department of Indian Affairs and Northern Development to take these factors into account while considering this Assembly's request.

The Honourable Judd Buchanan thereby advised me of his decision on September 14, 1976, that I, in my capacity as Chief Executive Officer of the Yukon, immediately assume this important responsibility of representing the Territorial Government on the Yukon land claims negotiating team. Furthermore, he requested that I and any other representatives I may see fit to designate on my behalf from time to time, be prepared to participate in claims discussions and negotiations. He asked that I convey his decision to the Members of this Assembly together with his assurance and confidence that in the future as in the past, your views and the interests of the citizens of the Yukon will be represented as negotiations progress.

At this time, I wish to make it known that I fully intend to follow the procedure of my worthy predecessor, Mr. James Smith, of consulting with my colleagues, Members of the Executive Committee, on all matters relating to land claims. As a member of the Executive Committee, I ask this Assembly for its continuing support of our endeavours to achieve a just and expeditious Yukon settlement of Indian Land Claims.

NOV. 1 1976
Date

A.M. Pearson
Signature

WHITE PAPER ON LEGAL ADVICE

TO THE ASSEMBLY

1976 (Third) SESSION

Mr. Speaker,
Members of the Assembly

At the Second Session of 1976, Mr. McCall, seconded by Mr. Berger, proposed that

"Whereas other legislative assemblies have access to independent legal advice for the purpose of determining ramifications of proposed legislation and assisting them in determining procedural points and other related matters,

Now Therefore Be It Resolved that the Government of the Yukon Territory investigate methods whereby independent legal advice on business of the House can be made available to members of this Legislative Assembly, and further that this information be tabled at the next session."

In attempting to comply with the instructions of the Legislature one immediate problem was the definition of "independent legal advice." It was interpreted by the various provincial jurisdictions as advice from a private source that was completely separate from Government, and which could be called upon for consultation when required. However, the motion also stated that legal advice was desired to assist "in determining procedural points and other related matters". This is the function of the officers of the House, and the question that arises is, does the Legislative Assembly want to employ independent legal consultants where necessary and available; or would the motion best be fulfilled by the creation of a position of Law Clerk, who would have the necessary expertise to assist on procedural points.

In researching the question all provinces were asked for details on their system of providing independent legal advice to their Legislative body. In no case was there a system where the Members of the Legislature regularly retained legal service. In Quebec it was possible for private members to request the President of the Assembly to provide the services of independent legal advisors and in some cases this occurs; however in the majority of the cases the request for advice is transmitted to the Secretary-General of the Assembly, the Law Clerk of the Legislature, or one of the legal advisors of the Department of Justice. The only other province that left some ability for members of the legislature to obtain outside legal expertise was Nova Scotia. They provide funds to members for office space, supplies and equipment, clerical staff and research assistants. Since these funds are not committed for specific purposes they can be used to obtain independent legal expertise if Members so desire. However, in Nova Scotia as well, the office of the Clerk of the House provides all advice on procedural and administrative matters, and the Legislative Council assists private members in preparing legislation.

There are a number of difficulties that would be encountered in obtaining independent legal advice, which undoubtedly explain why the Provinces have tended to opt for an addition to the legislative support staff in the form of a law clerk. Primarily, the 'independent' legal expertise would have to consist of a number of different individuals - all of whom would be experts in various legal fields. This would still create difficulty, even if it was possible to find the necessary advisors (and the number of possible candidates who would be experts in their field with corresponding knowledge of the Yukon situation would be very slight) it would still not result in the Assembly having additional advice on procedural matters since the legal ramifications of the business of a legislative body are highly complex and very few of the legal professions would be capable of offering advice. For procedural advice the precedent established within parliamentary systems is that the Clerk's Office assist the Speaker to provide information on any matter of House procedure. Moreover, the drafting of legislation is a highly complex matter, and familiarity with the topic being considered is not sufficient to ensure proper drafting. Competent drafting and legal advice in house business can best be obtained by securing the services of a specialist as law clerk. At the present time five provinces have created a position for a law clerk whose duties are to "advise and inform members of the Assembly on all matters of law relating to the business of the Assembly and to the discharge of their duties as legislators".

One of the main functions of a law clerk would be to draft legislation. In the larger jurisdictions government legislation is drafted by a legislative Counsel (normally in the Attorney General's office), while the law clerk is available to draft private members bills. However

smaller jurisdictions have found that the volume of work involved in drafting did not justify duplicating the function. In P.E.I. and Saskatchewan the law clerk is responsible for drafting all legislation

The government accordingly has determined that the needs of the Yukon could best be satisfied by following the examples provided in P.E.I. and Saskatchewan. The creation of a position of Law Clerk within the Clerk of the Assembly Office should satisfy most of the members' needs for 'legal advice' and should also help to improve the legislative drafting procedures. This individual will be responsible for consultation and research respecting proposed legislation; draft public legislation on instructions of government departments; generally ensuring accuracy of bills at all stages of drafting and printing; acting as a legal advisor to MLA's, the Clerk and department officials on matters respecting legislation; consolidation of statutes; and review of all government regulations.

The major drawback is the difficulty in obtaining experienced legislative draftsmen. Accordingly it will be necessary to employ a solicitor in the position of Law Clerk and to provide on-the-job training. During the training period any deficiencies can be overcome by the Federal Justice Department providing temporary assistance.

Nov. 1, 1976

(Date)

CM Pearson

(Signature)

WHITE PAPER ON

YUKON INSURANCE RATES

1976 (Third) Session

Mr. Speaker,
Members of the Assembly

On Thursday, February 27, 1976, the Honourable Member from Whitehorse Riverdale proposed Motion No. 7, which read as follows:

"That Commissioner James Smith request the Underwriters' Association of Canada to explain the reasons why certain insurance companies doing business within the Territory, have refused to insure residents in the Territory, or companies doing business within the Territory, for fire, casualty and other risks, and to explain and justify the severe increases in rates which have been imposed in respect of fire and casualty and motor vehicle insurance business in the Territory, and prepare a Sessional Paper on the matter for this House as soon as possible after he has received replies from the Association."

The Insurers Advisory Organization and the Insurance Bureau of Canada have provided the following information in reply to the Honourable Member's question:

The Insurance industry as a whole has paid out more in claims and expenses than it earned in premiums for the last seven years in succession; the over-expenditure was \$330 million in 1974 alone. These losses were caused primarily by inadequate rate-making methodology, competition within the industry, and rapid inflation, magnified by the practice of writing three year policies at predetermined rates. Although long-term policies have generally been discontinued, it must still be noted that to counter inflation, premium levels for any particular year must provide for repair costs and expense which will occur as much as two to three years later.

Premium increases are compounded by many individuals and businesses who have increased insurance amounts to cover inflated values and property replacement costs.

It should also be recognized that the Insurers Advisory Organization is an "advisory" body only and that rate proposals are in no way binding on individual companies. A number of Yukon insurers do not even belong to the organization.

The Insurers Advisory Organization have also provided a number of specific rate adjustment proposals required to bring 1973 premiums up to the level necessary to pay 1976 losses:

Personal Property Insurance:	34%	(compared to 35.2% increase in Residential construction price index)
Commercial Property:	22% plus 7% on adjusted premium	(compared to 38.6% increase in Non-Residential construction price index)
Casualty & Automobile:	<u>1974</u>	<u>1975</u>
Burglary (all covers)	+ 5%	No change
Glass (all covers)	+12%	No change
Guarantee (all covers)	No change	No change
Employers Liability & Workmen's Compensation Insurance	No change	No change
General liability (Bodily Injury & Property Damage combined all covers)	+12%	+15%
Private Passenger	No change	+31.6%
Commercial	+19.7%	+22.3%

Additional information relating to automobile insurance was provided by the Insurance Bureau of Canada. Premium rates are set according to past experience and future projections in each province or area and throughout Canada. In addition to direct claim cost figures, supplemental trend data is compiled on related factors such as:

- Average weekly wages (1975 increase, 14%; 1976 projected, 12.8%)
- Consumer Price Index (1975, 10.8%; 1976 projected, 9.5%)
- Hospital Operating Expense per Patient Day (1975 increase, 25.7%)
- Average Hospital Per Diem Rates (1975 increases ranging from 9.8% to 39.6% in various areas)

No specific answers have been given regarding market shortages. This problem has resulted from quotas imposed on insurance companies and from arbitrary refusals to insure high-risk individuals. At the request of Yukon and Northwest Territories governments an Automobile Insurance Exchange similar to that operating in Alberta and the Atlantic Provinces has been established to commence operation September 1, 1976. The Exchange will provide coverage, at rates mutually set by member companies, to any individual who has previously been refused insurance. Premium levels have been established for all classes and risk levels, and the company to which the policy is assigned will receive an additional commission of 5-7 1/2%. The policies

will be assigned by the Exchange on an equitable basis to member companies, and the companies in turn must accept the policy. Although premium rates will necessarily be somewhat higher than normal levels, this system will make coverage available to all persons.

Sept. 16 1976
Date

R. Billegree
Signature

WHITE PAPER ON WESTERN CANADA LOTTERY

1976 (Third) Session

Mr. Speaker,
Members of the Assembly

At the 1st Session, 1976, of the Territorial Council it was recommended that consideration be given to the transfer of responsibility for distribution of Western Canada Lottery tickets to either the Yukon Recreation and Amateur Sports Advisory Committee or the Yukon Sports Federation.

The Yukon Recreation and Amateur Sports Advisory Committee recommended that the administration of the lottery be transferred to the Yukon Sports Federation. This transfer is to take place as soon as the Federation has engaged the services of a part-time employee to administer the lottery program and no later than January 1st, 1977.

The Territorial Secretary's Office will continue to administer the lottery program until the transfer to the Sports Federation can take place. At that time the government will work with the Yukon Sports Federation to ensure that they have a complete understanding of the administration of the program.

The government will be represented at the Provincial Marketing Meeting in Edmonton at the end of October to obtain further information regarding the procedure for the administration and distribution of the new Bi-Monthly and Bi-Weekly lottery tickets. All agencies will be advised of the new lottery operation and the change in administration.

The National Lottery Regulations provide that Loto Canada Inc. is the administrator of Loto Canada and it is not their intention to distribute tickets through this government.

Nov. 1 1976
Date

R. Billegree
Signature

GREEN PAPER ON
Appointment to
YUKON TERRITORY WATER BOARD

1976 (Third) Session

Mr. Speaker
Members of the Assembly

Introduction

The Northern Inland Waters Act provides for its regional administration by Territorial water boards. These boards are given the responsibility to approve applications for use of water. In so doing, the board plays an important role in the equitable distribution or sharing of surface and ground water resources among persons and private and public corporations with legitimate, but often conflicting, claims to the use of water. Moreover, the board is instrumental in controlling the pollution of our water resources by establishing, and maintaining in principle, that rights to the use of water for beneficial purposes are dependent on users accepting

the responsibility for maintaining the quality of the water or restoring its quality, after use, to acceptable standards before discharging the water back to its natural environment.

The Yukon Territory Water Board members are appointed by the Minister of Indian Affairs and Northern Development from among nominees of Federal Government departments which have water management responsibilities in the Yukon and from nominees named by the Commissioner-in-Council. An extract from the Act (Section 7) is attached which outlines the method for establishing the board (Item A).

It is our understanding that the Minister is presently considering a realignment of the Board with a view to increasing the representation from the local public sector. Until such time as Section 7 of the Northern Inland Waters Act may be amended, it is the Minister's intention to have new members named by the respective Commissioner-in-Council and subsequently appointed by him.

Three seats on the Board are currently allocated for membership on the recommendation of the Commissioner-in-Council.

Background - Northern Inland Waters Act

The Yukon Territory Water Board was established in 1970. During the discussion of the appointments in Council (Fourth Session, November 10, 1970) the Commissioner was asked if any guidelines existed as to selection of members. It was the opinion of Commissioner Smith that members should not be employees of the Territorial Public Service nor members of the Council, although this was not impossible. It was also suggested that members should include:

1. Someone with technical qualifications, who would have knowledge of needs of the mining industry, but presumably would be independent of the industry;
2. Someone with an involvement in local government and knowledge of municipal water requirements;
3. Someone, from outside Whitehorse, who could represent the interests of the remoter areas of the Territory.

It was also suggested that the three members be selected entirely by Council. The motion nominating the three members, Mr. A. Wright, Mr. H.E. Boyd, and Mr. J.D. Livesey, was passed on November 13, 1970. No mention was made at any time of terms of membership or duration of membership. In accordance with the Council's recommendations, Messrs. Boyd, Livesey and Wright were appointed by the Minister on February 10, 1972.

(A)

NORTHERN INLAND WATERS ACT

Section 7 - Establishment of Water Boards

7. (1) There shall be two boards to be known as the Yukon Territory Water Board and the Northwest Territories Water Board, each consisting of not less than three and not more than nine members appointed by the Minister.
- (2) The membership of each board shall include:
 - (a) at least one nominee of each of the departments of the Government of Canada that in the opinion of the Governor in Council, are most directly concerned with the management of water resources of the Territory and the Territories; and
 - (b) at least three persons named by the Commissioner-in-Council of the Yukon Territory in the case of the Yukon Territory Water Board and at least three persons named by the Commissioner-in-Council of the Northwest Territories in the case of the Northwest Territories Water Board
- (3) The Minister shall designate two of the members of each of the boards to be chairman and vice-chairman respectively of the board of which the persons so designated are members.
- (4) The main office of the Yukon Territory Water Board shall be at the seat of government of the Territory, and the main office of the Northwest Territories Water Board shall be at the seat of government of the Territories.

On June 27, 1974, the last Territorial Council passed a motion recommending that Mr. George Shaw be appointed to the Water Board as a representative of placer mining interests at the "first possible opportunity". The motion also requested that the Water Board submit an annual report to the Territorial Council.

In the original Act no provision is made to specify the length of tenure for members of the Yukon Territory Water Board. A motion was passed in the Territorial Council May 21, 1975 (2nd Session) that set an expiry date on the terms of office for each of the then-present members of the Board.

Mr. Cliff Geddes	June 30, 1978
Mr. Bert Boyd	June 30, 1977 (Chairman)
Mr. Al Wright	June 30, 1976

A copy of this Motion is attached as Item B.

Section (4) of this Motion stipulated:

"That in the event of the resignation or termination of the office of any member that his successor be appointed in the first instance for the unexpired term of his predecessor but be eligible thereof for a three year appointment".

Current Status of Yukon Representation

The present Yukon representatives to the Water Board are Mr. H.E. Boyd, (Chairman), and Mr. C. Geddes. One additional member must be named to complete Yukon representations on the Board.

The activities of the Water Board are reported annually to the Minister of Indian Affairs and Northern Development. The Minister has advised that this report is available to the Territorial Council on request. This has been requested by Motion #11, 1975 (2nd Session).

With the expiration of Mr. Wright's period of office, the Commissioner-in-Council is asked to recommend by Motion to the Minister of Indian Affairs and Northern Development the name of a representative.

Sept. 28 1976
Date

A.M. Pearson
A.M. Pearson, Commissioner

MOTION NO. 11

MOVED BY: THE HONOURABLE MEMBER FROM WHITEHORSE RIVERDALE
SECONDED BY: THE HONOURABLE MEMBER FROM MAYO

THAT the Minister be requested to implement provisions for tenure of office with respect to membership of the Yukon Territory Water Board to provide for continuity of membership on the Board as follows:

1. THAT Mr. Cliff Geddes be appointed to hold office for a period of three years and be eligible for reappointment.
2. THAT Mr. H.E. Boyd be continued in office for a period of two years and be eligible for reappointment.
3. THAT Mr. A. Wright be continued in office for a period of one year and be eligible for reappointment.
4. THAT in the event of the resignation or termination of the office of any member that his successor be appointed in the first instance for the unexpired term of his predecessor but be eligible on the expiry thereof for a three year appointment.
5. THAT the persons to be appointed on the recommendation of the Commissioner-in-Council consult and report to this House through the Executive Committee of the Territory.
6. THAT the Annual Report of the Yukon Territory Water Board by furnished to this House annually within a reasonable time after the Report is made to the Minister.

WHITE PAPER ON
CORONERS INQUESTS

1976 (Third) Session

Mr. Speaker,
Members of the Assembly

All members of the Assembly received copies of proposed changes to the Coroners Ordinance which were submitted by Local 926 of the United Steelworkers of America (copy attached). These proposals are mainly administrative in nature and do not require amendments to the Coroners Ordinance.

The Coroners Ordinance will be amended, when the opportunity arises, to provide, as requested by Local 926, for the disqualification of jurors in coroners inquests respecting mine accidents of all representatives of mine management, persons directly involved in the accident, relatives of any person injured and officials of the trade union certified as bargaining agents of the employees of the mine.

The Chief Coroner will issue new instructions to Yukon Coroners on procedures to be followed at all inquests. These procedures will include instructions on the Government policy respecting the inclusion on juries dealing with mine accidents of jurors familiar with the type of work undertaken by the deceased at the time of the fatal accident. The Coroners will be instructed to state at the outset of an inquest that if the jurors wish to have the witnesses answer specific questions they may either question them directly or have the Coroner question the witness on their behalf.

Jurors will be fully briefed by the Coroner on their duties and obligations and will be advised that they may have access to legal advice if required.

Coroners will further be instructed to advise, at the commencement of proceedings, that they do not have any shares or any financial involvement with any company or firm on whose property or works the fatal accident occurred.

The Chief Coroner has available copies of the "Coroner's Instructor Manual" which includes all procedures to be followed by Coroners.

UNITED STEELWORKERS OF AMERICA

LOCAL 926

P.O. BOX 4296 - WHITEHORSE, YUKON Y1A 3T5

May 14, 1976

Attached is a list of proposed changes to the Coroners Ordinance as passed unanimously at the Steelworkers Area Council March 1976.

All members of the Legislative Assembly have received a copy as we are requesting the help and co-operation of all members on this important issue.

Thank you.

Sd/ R. Osborne, President

G. Coffey, Fin. Secretary

UNITED STEELWORKERS OF AMERICA
LOCAL 926
P.O. BOX 4296 - WHITEHORSE, YUKON Y1A 3T5

AMENDMENTS TO YUKON CORONERS ORDINANCE

WHEREAS, concerning the death of Brother Jules Pellerin, underground, at Whitehorse Copper July 15, 1975, that there was a subsequent Coroners Inquest held September 15, 1975,

WHEREAS, serious inadequacies of the present Inquest procedure and of the Coroners Ordinance as a whole, were observed:

BE IT RESOLVED, that the following amendments, following the example of the British Columbia Coroners Ordinance, be made to the Yukon Coroners Ordinance, as follows:

1) that the Coroner be required to make a public statement at the beginning of any Inquest to the effect that he or she does not have shares or any financial involvement with the Company concerned.

2) an Inspector, any person authorized to act by him on his behalf, a representative of mine management, and a representative of the local union or safety committee are entitled to be present and to examine or cross-examine any witness at any inquest concerning a death caused by an accident in or about a mine.

3) a- the jury summoned to inquire into the death shall where practical, be composed wholly of men familiar with the type or work the deceased was doing at the time of the accident.

b- no person involved in the management of the mine in or about which the accident occurred, no person injured by the accident, no relative of such person, and no official of a trade union certified under the Labour Relations Act as the bargaining agent for any employee or employees in the mine is qualified to serve on the jury.

4) any person whose interests may be affected by any of the evidence likely to be adduced at an inquest may appear personally or by counsel at the inquest and may tender evidence and call witnesses and may examine, cross-examine, or re-examine witnesses, as the case may be, and he may obtain from the Coroner a summons directed to any witness whom he desires to call.

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