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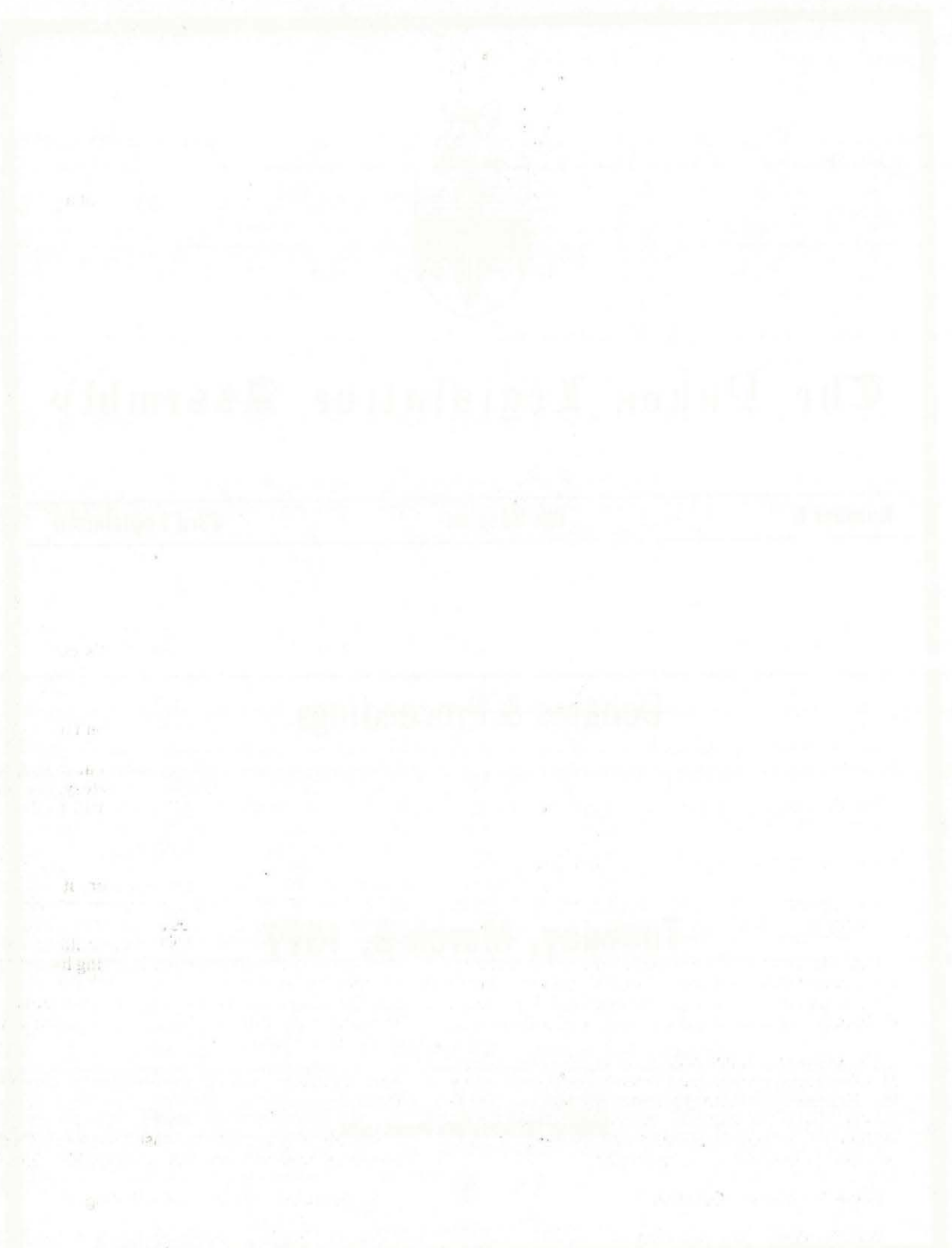
23rd Legislature

Debates & Proceedings

Tuesday, March 8, 1977

Speaker: The Honourable Donald Taylor

10-11-2011
10-11-2011



Whitehorse, Yukon Territory
March 8, 1977

Mr. Speaker: I now call this House to order.
We will proceed with morning prayers.

(Prayers)

Mr. Speaker: We will proceed at this time to the Order Paper.

ROUTINE PROCEEDINGS

Mr. Speaker: Are there any documents or correspondence for tabling this morning?
The Honourable Member from Whitehorse West.

TABLING OF DOCUMENTS

Hon. Mrs. Whyard: Mr. Speaker, I have for tabling, copies of replies to motions which have not previously been tabled in the Legislative Assembly. These are in reply to Motion 8 and Motion 10 of the 1976, Second Session and Motion 38 of the 1976, Third Session.

Mr. Speaker: Are there any further documents or correspondence for tabling?

Are there any Reports of Committees? Introduction of Bills? Oh, pardon me, are there any Petitions?

PETITIONS

Madam Clerk: Mr. Speaker, I have the honour to report that a petition was laid upon the table on Monday, March 7, 1977 by the Honourable Member from Whitehorse Riverdale and 195 other signatories. This petition prays that a forceable legislation be enacted establishing herd laws or associated control measures. I have examined the Petition under Standing Order No. 55, and the same appears to be in order.

Mr. Speaker: Are there any further petitions?
Introduction of Bills?

BILLS: INTRODUCTION AND FIRST READING

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

Hon. Mr. Lang: Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse North Centre, that a Bill entitled, "Recreation Development Ordinance" be now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse Porter Creek, seconded by the Honourable Member from Whitehorse North Centre, that a Bill entitled, "Recreation Development Ordinance" be now introduced and read a first time. 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)

Mr. Speaker: When shall the Bill be read for the second time?

Hon. Mr. Lang: Next sitting of the Assembly, Mr. Speaker.

Mr. Speaker: Would the Honourable Deputy Speaker kindly take the chair?

Mr. Speaker: The Honourable Member from Watson Lake?

Hon. Mr. Taylor: Mr. Speaker, I would like to move, seconded by the Honourable Member from Klondike, that a Private Members' Public Bill entitled "An Ordinance to Amend the Medical Profession Ordinance" be introduced and now read a first time.

Mr. Speaker: It has been moved by the Honourable Member from Watson Lake, and seconded by the Honourable Member from Klondike, that a Private Members' Public Bill entitled "An Ordinance to Amend the Medical Profession Ordinance" be introduced and now read a first time.

Are you ready for the question?

Some Members: Question.

Hon. Mr. McKinnon: May we have an explanation, Mr. Speaker, on first reading? That's customary.

Mr. Speaker: A brief explanation is customary.

Hon. Mr. Taylor: Mr. Speaker, I don't have a copy of the Bill, I just sent it to the Clerk, but the Bill — I don't believe there's any debate permitted at first reading.

All members have a copy as a courtesy, and an explanatory note is on that Bill which will explain it.

Mr. Speaker: Mr. McKinnon?

Hon. Mr. McKinnon: Mr. Speaker, it's a point of order that is common when a Member introduces and asks for first reading, just as a courtesy of the House, if he's asked to explain in a short, concise statement what the purpose of the Bill is. It aids in giving his colleagues the ability to give first reading, and that's all, I think, that I'm asking for, is just a short explanation of the intention of the Bill, so I know what I'm doing when I give it first reading.

Mr. Speaker: I think the Member is correct. Mr. Taylor?

Hon. Mr. Taylor: Well I wasn't aware that we were permitted to debate on first reading, Mr. Speaker.

Mr. Speaker: We are not debating it.

Hon. Mr. Taylor: However, this is a Private Members' Bill, the amendment has the effect of ensuring that the Board of Inquiry under the Medical Professions Or-

dinance will have to in future, conduct its proceedings in accordance with that followed by a court of civil jurisdiction.

Mr. Speaker: Are you ready for the question?

Some Members: Question.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

Mr. Speaker: I declare the Motion as carried.

(Motion carried)

Mr. Speaker: And when shall the Bill be read for a second time?

Hon. Mr. Taylor: Next sitting day, Mr. Speaker.

Mr. Speaker: Are there any further Introduction of Bills?

Are there any Notices of Motion for the Production of Papers?

NOTICE OF MOTION FOR THE PRODUCTION OF PAPERS

Mrs. Watson: Yes, Mr. Speaker, I would like to give Notice of Motion seconded by the Honourable Member from Hootalinqua, that the draft of the Area Development Regulations to control land subdivision, as outlined in Sessional Paper Number 4, Spring Session, be tabled in this House this session, before their presentation to the Regulation Review Committee.

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

Notices of Motion or Resolution?

The Honourable Member from Ogilvie?

NOTICES OF MOTION

Ms. Millard: Mr. Speaker, I give Notice of Motion, seconded by the Honourable Member from Kluane, that the White Paper on Decentralization be moved into Committee of the Whole for discussion.

Mr. Speaker: The Honourable Member from Ogilvie?

Ms. Millard: Mr. Speaker, I give Notice of Motion, seconded by the Honourable Member from Whitehorse South Centre, that:

WHEREAS this Government has as its responsibility the care and well being of our senior citizens;

AND WHEREAS there has been much controversy of late concerning the Yukon Territorial Government's response to that responsibility, particularly in the area of accommodation of our aged citizens;

THEREFORE BE IT RESOLVED that this Assembly request the administration to look into the following areas of concern and report back to this House by the end of this session, concerning possible action in these areas:

(1) encouragement by the YTG of involvement by non-profit organizations in the field of seniors' housing;

(2) discussions with the Yukon Housing Corporation concerning take-over by them of present Welfare Branch seniors' housing;

(3) expansion of seniors' housing programs to the smaller communities, through the cooperation of the Welfare Branch, Yukon Housing Corporation, non-profit organizations, Indian Affairs, native organizations and all other interested parties;

(4) programs within and without government housing which will promote and ensure the independence of our seniors.

Mr. Speaker: The Honourable Member from Pelly River?

Mr. McCall: Yes, Mr. Speaker, I give Notice of Motion, seconded by the Honourable Member from Whitehorse Riverdale that:

WHEREAS a study entitled "A Preliminary Assessment into the Viability of Home Manufacture in the Yukon" has been prepared;

AND WHEREAS in order to fully respond and realize the potential of a viable home manufacturing industry, some further information and promotion is required.

It is the opinion of this House that an in-depth study involving a detailed analysis of the market, and an examination of various financial aspects and assessment of potential participators in such a venture, and a study of the socio-economic impact of such a facility upon the Yukon economy be carried out:

FURTHER that such a study form an integral part of the socio-economic planning unit reporting on Yukon's economic and social future.

Mr. Speaker: The Honourable Member from Kluane.

Mrs. Watson: Yes, Mr. Speaker, I'd like to move, seconded by the Honourable Member from Hootalinqua, that Sessional Paper No. 4, Spring Session, 1976, be moved into Committee for consideration and discussion.

Mr. Speaker: The Honourable Member from Whitehorse Riverdale.

Mr. Lengerke: Mr. Speaker, I give Notice of Motion, seconded by the Member from Whitehorse South Centre:

THAT WHEREAS it is apparent that questions with respect to the immediate future of the Cyprus Anvil operation at Faro are being asked, and the need for clarification is essential;

BE IT RESOLVED that a telegram on behalf of this Assembly be sent forthwith to the President of the Cyprus Anvil Corporation, asking for confirmation as to the continued operation of the Cyprus Anvil Mine at Faro, to advise the people of Yukon as to the specific duration that the mine operation will continue in Yukon, on the basis of a reasonable mineral or metals market.

Mr. Speaker: The Honourable Member from Ogilvie.

Ms. Millard: Mr. Speaker, I give Notice of Motion, seconded by the Honourable Member from Whitehorse Riverdale:

THAT a Standing Committee on Statutory Instruments be established to review all regulations as they are published;

THAT Messrs. Fleming, McCall and Berger be appointed to the said Committee;

THAT the Committee have the power to report from time to time, to call for persons, papers and records, to print such papers and documents as may be ordered by the committee, to arrange for verbatim transcripts and to sit during the inter-sessional periods;

THAT the Clerk of the Assembly be responsible for providing the necessary support staff to the said Committee.

Mr. Speaker: The Honourable Member from Hootalinqua.

Mr. Fleming: Yes, Mr. Speaker, a Motion, moved by myself, seconded by the Honourable Member from Riverdale;

THAT WHEREAS the Federal-Territorial Lands Advisory Committee now comprises of a total membership of government representatives;

AND WHEREAS it is the desire to have non-government representation;

BE IT RESOLVED that the Minister of Indian Affairs and Northern Development, when appointing members to the Committee, consider nominations recommended by the Yukon Legislative Assembly.

Mr. Speaker: Are there any further Notices of Motion or Resolution?

Are there any Statements by Ministers?

The Honourable Minister of Local Government.

STATEMENTS BY MINISTERS

Hon. Mr. McKinnon: Mr. Speaker, what I would consider to be a major development in land policy is being brought about by the signing of regulations effecting land controlled by the Yukon Government. An amendment to the Lands Regulations will allow persons holding residential leases in conjunction with agricultural leases to purchase title to a one acre residential site.

If the lessee wishes to relinquish the remaining agricultural lease, he will be allowed to purchase up to three additional acres, contiguous to the one acre residential site.

In many cases, Mr. Speaker, large agricultural leases have been obtained simply because it was the only way to satisfy a legitimate desire for small acreage holdings. This change in land policy recognizes these desires and allows for ownership in order to protect the individual dwelling and investment.

In addition, we are currently attempting to satisfy this need through a policy of developing small holding subdivisions in a number of Yukon communities, which will be offered at the lowest cost possible. Reference copies, Mr. Speaker, of these new regulations are available immediately to M.L.A.'s. They are being sent to municipal and L.I.D. offices and branch libraries and will also be available from the Territorial Lands Office.

Mr. Speaker: Are there any further statements by Ministers?

The Honourable Member from Whitehorse West?

Hon. Mrs. Whyard: Mr. Speaker, do you require a written statement, or may I make an oral one?

Mr. Speaker: The Honourable Minister can make an oral statement if she chooses.

Hon. Mrs. Whyard: Mr. Speaker, I was asked last week by a Member of the Legislative Assembly for an update report on the continuing negotiations for the transfer of delivery of health services from the Federal Department of Health to ours.

I have had no time to prepare a written statement, Mr. Speaker, but I would like to report this morning for the interest of all Members, just a very quick recap.

A year ago now, the Federal Government appointed a co-ordinator for the transfer of the delivery of health services from the Federal to the Territorial Government, Mr. Fleming. Mr. Fleming made two visits to the Yukon, during which he discussed the matter with the then Commissioner and with the C.Y.I. and other native groups, returned to Ottawa, prepared a report which was submitted to his Federal Minister early last summer, but was not officially considered, I believe, until about October by Mr. Lalonde.

Upon approval of the recommendation in that report, that the entire facilities and services be transferred from the Federal to the Territorial Government, negotiations in the form of tripartite meetings began. The first such meeting being held in January, here in Whitehorse, with representatives from the Federal Department, headed by Mr. Fleming, representatives from the Department of Indian Affairs and Northern Development, representatives from the Yukon Region, Northern Health Services, representatives from the Yukon Native Brotherhood, and representatives from our Department of Health and Welfare.

There was general agreement on the recommendation in the Fleming report that the transfer of facilities should take place. The one exception in the report's recommendation being that the traditional national public health programs would still be carried on as a federal responsibility. The main point being made by the Territorial Government representatives at these meetings has always been that the health care provided for the native people in the Yukon would continue to be a matter to be negotiated between the native people and the Federal Government, which has been responsible for those services.

This has been stressed always by the Territorial Government representatives at those meetings. Our concept of this transfer is that we will undertake to deliver health services to all Yukoners, and that any specific special care which is the right of the native people will continue to be delivered to the native people on the instructions of the federal government.

There was concern expressed by the Yukon Native Brotherhood that they required time to study the impact of such a transfer upon Health Care as it would be delivered to them. They obtained the approval of the financing for such a study from the federal department involved. The study has been on-going for the past six weeks. It is expected that the result will be available for

the next meeting between the federal co-ordinator, the YNB and the YTG this month. There has been a meeting set for March 22.

In the meantime, Mr. Speaker, the concern of this government has been for the 240 federal employees who have been left in limbo by statements of a year ago that such a transfer was imminent, who have not been given any further details about what is going to happen to them or to their jobs or to their families, and, Mr. Speaker, there is still an objective date of October 1, 1977.

I have been urging on the federal authorities the necessity for including these federal civil servants in some kind of informative process. Our Public Service Commissioner stands ready to begin talks with the personnel people in the federal department, so that some kind of on-going discussions may be originated now. The time is becoming very short, Mr. Speaker, if any such transfer is to take place by October 1 of this year.

On our side, we are most anxious to begin advertising for the appointment and selection of an appropriate person to head this department of health section. We would think that a man or a woman of the calibre we are seeking would require at least three months to arrive here and we want the continuity of at least three months in order to ensure a smooth transfer. But the federal government has been adamant in its stand that we must not begin any such talks with personnel until the Yukon Native Brotherhood has satisfied itself completely that there is no threat to the Health Care Services for their people. This is a concern that I can understand, despite the fact that we have tried in every possible way to make it eminently clear that they are going to continue to receive the same health service.

One of the concerns they also share, I am told by their researcher, is whether or not the federal people now delivering those health services will remain, following the transfer. And that is a question that we would like very much to answer, but, because the personnel people are not allowed to approach the federal employees, we are unable to answer that question. So it's a chicken and egg situation, Mr. Speaker, which is very frustrating to this government.

I am very hopeful that at the meeting later this month we will find that the fears and concerns of the Native Brotherhood have indeed been relieved, that they do indeed believe us when we say that their health care will continue to be a matter to be negotiated between them and the federal department which is responsible.

At the risk of repeating myself, Mr. Speaker, I would say once again that we have used the example of a freight carrier coming up the Alaska Highway with a load of freight; the person in Ottawa has ordered what is to be sent, the person in the Yukon is going to receive what is sent, and the Territorial Government Health Department will act as the carrier, the deliverer. That is it as far as the Native Health Services are concerned. Now, I know that that is oversimplification, but it's a simile that is attractive to us and that is exactly our position.

There have been questions recently regarding the ability of this government to finance any such transfer, Mr. Speaker, and I have no difficulty whatsoever in replying to those, because the ongoing cost sharing will continue as it does with any province. We are not going to suffer financially because of the transfer.

I cannot give you dollars and cents at this moment, but you are all aware that the hospitals were put into a review, a budget review, position a year ago now and we are on top of the actual costs of every institution in the Yukon which has been providing health and hospital care.

As I said, Mr. Speaker, this month's meeting I am very hopeful will determine action taking place now. I would visualize the establishment of one or two committees immediately to look into the "nitty-gritty" of this transfer and begin the transfer co-ordination. One of them, I would hope, would be a personnel committee so that the Public Service Commissions of both governments can sit down to talk with the Public Service Alliance and the Professional Institute regarding the actual transfer conditions affecting the individuals, their pay, their housing, their education, all the things which are of great concern to them now and which we cannot tell them about.

The other committee, I would suggest, would be one which would deal with the actual facilities, the capital and the financial side, and I'm very hopeful, Mr. Speaker, that upon the request of the Yukon Medical Association which was made to us some time ago there will also be input from the medical side.

I think that is a fair summary of the activities to date, and I hope that, before this session ends, there will be something definite to report.

Thank you, Mr. Speaker.

QUESTION PERIOD

Mr. Speaker: Are there any further questions?

The Honourable Member from Whitehorse South Centre?

Question re: Timing of Transfer of Health Services

Mr. Hibberd: Mr. Speaker, I would like to thank the Minister for that very excellent and informative report. I'm sure that's very helpful to all of us.

Does the Minister actually envisage that this transfer will occur by that target date?

Mr. Speaker: The Honourable Minister of Health and Welfare?

Hon. Mrs. Whyard: Mr. Speaker, that is the date which has been announced by the Federal Department, and it depends on how you visualize transfer, as of that date.

I am very hopeful that there will be a document signed by all those concerned, with that as the activating date. I certainly don't expect to see everybody moved from one side to the other on that specific date, but it gives us something to use as a basis for such transactions and such transfers, and I think it's an objective.

Mr. Speaker: The Honourable Member from Klwane?

Question re: Land Subdivision Regulations

Mrs. Watson: Yes, Mr. Speaker, I have a question for the Minister of Local Government. Have the area development regulations regarding land subdivision

been brought into force?

Mr. Speaker: The Honourable Minister of Local Government?

Hon. Mr. McKinnon: No, Mr. Speaker.

Mr. Speaker: The Honourable Member from Hootalinqua?

Question re: Native Housing in Tagish

Mr. Fleming: Yes, Mr. Speaker, I have a question this morning for the Member of Local Government.

There have been some, possibly a rumour, I'm not sure, in the area of Tagish, that the Department of Indian Affairs is planning on putting in some, probably, native housing on the opposite side of the river to the present development there now.

I'm wondering if the Minister knows anything about it or has heard anything at all to this effect?

Mr. Speaker: The Honourable Minister of Local Government?

Hon. Mr. McKinnon: No, Mr. Speaker.

Mr. Speaker: The Honourable Member from Ogilvie?

Question re: Resolutions passed by Schools Committee Conference

Ms. Millard: Mr. Speaker, I have a written question for the Minister of Education. First, how many resolutions passed by the Schools Committee Conference of November 19th, 1976 have been acted upon; which ones are they; when may we expect action on any remaining resolutions?

Question re: Executive School Committee

Ms. Millard: And secondly, if the Executive School Committee has been formed, are there monies available for them to travel and hold meetings? Will the Minister be forming a policy delineating the relationship of his Department with the Executive School Committee, and may we have a copy of that policy?

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

Question re: YTG Council Chambers Sound System

Mr. Hibberd: Yes, Mr. Speaker, I have a question for the Minister of Public Works, regarding a publication in a local paper yesterday. I see there is an article listed where a contract was let by this government, and I quote:

"To Baron and Strachan, Vancouver, B.C., to examine the cause of problems in the sound system, Yukon Government Council Chambers."

Mr. Speaker, I have been led to believe that the sound system was under warranty for one year. I am wondering why the Government of this Territory is now paying a bill when this is under warranty?

Mr. Speaker: The Honourable Minister of Local Government?

Hon. Mr. McKinnon: I will certainly attempt to find out, Mr. Speaker. The only thing I can add is I hear Honourable Members all too well!

Mr. Speaker: The Honourable Member from Ogilvie?

Question re: Drop-in Centre for Senior Citizens

Ms. Millard: Mr. Speaker, a question for the Minister of Health, Welfare and Rehabilitation:

The Golden Age Society is requesting funds from us for a permanent drop-in centre for senior citizens. It is also requesting that the Territorial Government building on Wood Street be set aside for this use. Has any action been taken on this?

Mr. Speaker: The Honourable Minister of Health and Welfare?

Hon. Mrs. Whyard: Mr. Speaker, this request was received from another group of senior citizens a year ago for the same building and was investigated at that time. The information we were given then, which still stands today, unfortunately, is that a portion of that building will continue to be used by the Game Department for their laboratory. The original thought was that the building would be available when the new proposed Federal lab, inter-governmental, inter-departmental lab, was constructed in Whitehorse. I certainly hope that no Honourable Members are holding their breath until that day, because whenever I ask for a bulletin there isn't anything to report.

Unfortunately, it is not possible to allow people to use that building as long as that lab is there, for various good reasons. We would earnestly support the requests from the Golden Age Society. I understand that this is looking at the future because they have a grant of \$6,000.00 which pays their rental in their present quarters for about 18 months. I'm very pleased that their drop-in centre is proving to be so successful.

I realize that their request for a building of their own is a natural one and I would hope that there would be other sources of support available to them as well as this government, and I would certainly hope that their request is going to be brought to the attention of a number of service groups and the population in general who may be able to assist in finding such a building.

We are certainly most sympathetic toward the request, Mr. Speaker, but in the case of that particular building, it will not be available for some time yet.

Mr. Speaker: The Honourable Member from Pelly River.

Mr. McCall: Yes, supplementary, Mr. Speaker, to that question. I wonder if the Honourable Minister could advise us who actually owns that building where this federal lab is located.

Mr. Speaker: The Honourable Minister of Health and Welfare.

Hon. Mrs. Whyard: Mr. Speaker, I didn't quite get the last few words. Where the new lab would be located?

Mr. McCall: No, Mr. Speaker, where the actual lab is located now. Who owns that particular building?

Hon. Mrs. Whyard: The Territorial Government, Mr. Speaker, and the lab is located in the basement, as I understand it.

Mr. Speaker: The Honourable Member from Hootalinqua?

Question re: Community Hall for Tagish

Mr. Fleming: Yes, Mr. Speaker, I have a question for the Minister of Local Government regarding the community of Tagish, in respect to a piece of property to build a community hall on. And they were having a problem with this. Has the Minister anything on that at all? Is it going forward? Are they going to get the land to build their community hall on?

Mr. Speaker: The Honourable Minister of Local Government.

Hon. Mr. McKinnon: Mr. Speaker, we have a policy, and I've put it into effect in just about every community in the Yukon, where land is available for community purposes and the Territorial Government has control of it, that land has been made available at no cost or the cost of one dollar to the community for community purposes. So, barring unforeseen circumstances and difficulties, which I do not know about in the Tagish area, that policy holds true for there as well as any other place in Yukon.

Mr. Speaker: The Honourable Member from Ogilvie.

Question re: Brief submitted by YTA

Ms. Millard: Mr. Speaker, a question for the Minister of Education. Has any action been taken by him on the brief submitted to him by the — to his department, by the Yukon Teachers' Association, concerning proposed amendments to the School Ordinance.

Mr. Speaker: The Honourable Minister of Education.

Hon. Mr. Lang: Mr. Speaker, we received that brief a couple of months ago and I've informed the Yukon Teachers' Association that I'd be prepared to discuss it possibly later on this spring. In relation to amendments to the School Ordinance, there's thought of amending the School Ordinance at the present time.

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

Question re: Yukon Participation in Canada Summer Games

Mr. Hibberd: Yes, Mr. Speaker, for the Minister of Education, regarding the Yukon participation in the

Canada Summer Games. Can the Minister supply this House with information regarding the cost to this government of the Yukon participation in these Games?

Mr. Speaker: The Honourable Minister of Education.

Hon. Mr. Lang: I'll bring that in, Mr. Speaker.

Mr. Speaker: The Honourable Member from Ogilvie.

Question re: Recreation

Ms. Millard: Mr. Speaker, a question for the Minister of Education, concerning recreation. Yukon Sports Federation would like to have a representative on the Recreation and Amateur Sports Advisory Committee. Has any action been taken on this?

Mr. Speaker: The Honourable Minister of Education.

Hon. Mr. Lang: Mr. Speaker, I would suggest that we'll be discussing that at great length when we start discussing the proposed Recreation Development Ordinance, along with its regulations.

Mr. Speaker: The Honourable Member from Klondike.

Question re: Programs at Vocational School

Mr. Berger: Yes, Mr. Speaker, a question to the Minister of Education. Can he tell the House what programs the Vocational School has at present or will have to prepare the pool of labour needed for the proposed pipeline.

Mr. Speaker: The Honourable Minister of Education.

Hon. Mr. Lang: Mr. Speaker, to my knowledge, at the present time the Canada Manpower Needs Committee, at the present time, is investigating the needs that would have to be met if the pipeline were to be built. At that time, once they come up with some firm recommendations, then I will report back to this House.

Mr. Speaker: The Honourable Member from Hootalinqua?

Question re: Cost of Transfer of Health Services

Mr. Fleming: Yes, Mr. Speaker, I have a question for the Minister of Health.

On the turnover of the Health Services, I'm a little concerned as to her saying that the cost will not be any more to us. Does the Minister not foresee a lot of cost in the sorting out of the native people in the small health centres, all over the Yukon, the cost of the paper work that's going to have to be done to sort them out on a different program than actually what we're on, and regaining that money back from the Federal Government?

Mr. Speaker: The Honourable Minister of Health and Welfare?

Hon. Mrs. Whyard: Mr. Speaker, that process has always been in position. This government does get reimbursement from the federal government for about 30 per cent of our total costs, because about 30 per cent of those services are provided to Status Indians, and this will continue as it always has, I would presume.

But, Mr. Speaker, I really would not like to be specific about the financing of this new transfer, until we get a little further into the positions. I can tell you now, quite honestly, that we are paying 70 per cent of all these costs out of our territorial revenues, and only 30 per cent is reimbursed for the native people.

We are paying all the costs of all our other services and hospitalization through the normal means, and recovering the same amount as a province would.

Mr. Speaker: The Honourable Member from Ogilvie?

Question re: Involvement of Land Claims Secretariat in Negotiations

Ms. Millard: Mr. Speaker, a question for Mr. Commissioner.

On the information we were given yesterday concerning the Economic Research and Planning Unit, it states that our Land Claims Secretariat Members are attending and have participated in the negotiations taking place regarding a Yukon Indian land claim settlement.

To what extent is this involvement?

Mr. Speaker: Mr. Commissioner?

Mr. Commissioner: Mr. Speaker, the members of the Land Claim Secretariat act as support for Members of this government who sit at these meetings, and when the Planning Council is in session, they are there full time.

We have been meeting occasionally over the last month, as everybody knows, and we are currently in the process of meeting again and will meet again this afternoon.

In addition, the Land Claim Secretariat assumes certain responsibilities for working groups to help them get established, and they are in the process now of carrying out this type of activity.

Mr. Speaker: The Honourable Member from Hootalinqua?

Question re: Small Business Loans and Insurance

Mr. Fleming: Yes, Mr. Speaker, I have a question this morning, I think it would be Mr. Commissioner in regards to small business loans and insurance.

I'm wondering if the government, and the Commissioner, has ever thought of or considered insuring, in some way, the small business loans such as charging possibly a little interest or something, due to the fact that people now can have the loan, their business can be under all the regulations of the territorial government, but possibly not just the way the insurance company wants it, and not get insurance on a business that has got

government money — being funded by government money.

Mr. Speaker: Mr. Commissioner?

Mr. Commissioner: Mr. Speaker, indeed it is being considered. There is nothing firm to report on it at this time.

Mr. Speaker: Are there any further questions? The Honourable Minister of Health and Welfare?

Hon. Mrs. Whyard: Mr. Speaker, on March 2nd, Ms. Millard asked the following question: Why has there been no social worker visit Old Crow since August, although I have three times since August been promised that someone would travel there from Whitehorse, since there is several cases needing immediate attention?

And the reply to the question, Mr. Speaker, is Old Crow has traditionally been serviced by the social worker from Dawson City. This position was vacated on October 23rd, 1976 and will be filled within the next few weeks.

The last visit to Old Crow was on August 18th, 1976. A visit planned by the social worker in October was cancelled, because he was required for pressing child welfare matters which necessitated his court appearance.

Since October, 1976, the Dawson City office has been manned by a temporary social service worker who has maintained telephone contact with Old Crow, utilizing local resource people such as the public health nurse and the Anglican rector.

The Old Crow Band Social Assistance Worker has acted as a referral agent to our Dawson City office.

Throughout this time, the field services supervisor has been available to fly in from Whitehorse should a crisis occur. No such crisis has arisen.

In the past years, Old Crow has been visited once every two months by the Social Welfare Branch. With upgrading of social service establishments in Dawson City, more regular visiting will be possible, and I am happy to say, Mr. Speaker, in the near future, Dawson City will have under the auspices of the Social Welfare Branch, a social worker, social service worker, alcohol community worker, and the office clerk typist available as a service base, and we are certainly hopeful that this will allow better service to Dawson City, the area and Old Crow.

And for the information of Members, Mr. Speaker, I would add that the case load of the Social Welfare Branch in Old Crow, as of the end of February was 16 cases. These break down as follows: 3 adoption, 7 general family service and 6 social assistance. The 6 social assistance cases comprise two senior citizens, two labour force exemptions and two single parents.

A general estimate of the population in Old Crow is approximately 50 non-Status Indians, and approximately 150 Status, and these people are served by the band social assistance worker, Rene Charlie, who has acted as a go-between for us during the last few months, and to whom we owe a great deal of gratitude.

Thank you, Mr. Speaker.

Mr. Speaker: Are there any further questions?

We will then proceed on the Order Paper to Orders of the Day.

ORDERS OF THE DAY

MOTIONS

Motion No. 1

Madam Clerk: Item Number 1, standing in the name of the Honourable Member, Mr. Lengerke.

Mr. Speaker: Is the Honourable Member prepared to discuss Motion Number 1 this morning?

Mr. Lengerke: Yes, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse Riverdale, seconded by the Honourable Member from Klondike, that:

WHEREAS a majority of Yukon citizens and the Legislative Assembly reject most recommendations as put forth by the Task Force on Electrical Energy Costs in the North;

AND WHEREAS the Minister of Indian Affairs and Northern Development has himself been critical of the report;

AND WHEREAS the Minister has indicated other options were open to him to be investigated, and in turn acted upon;

THEREFORE BE IT RESOLVED that the Minister of Indian Affairs and Northern Development be asked to communicate to the Legislative Assembly of Yukon forthwith his findings and decision as to the financial relief for the Northern Canada Power Commission, so as to avoid additional consumer electric rate increases in the immediate future, and to ensure the efficient operation of N.C.P.C. by way of total debt write-off, and the eventual establishment of a Yukon Power Corporation, to be controlled, directed and operated by Yukoners with financial guarantees from the Government of Canada;

AND BE IT FURTHER RESOLVED that this Resolution be conveyed by telegram to the Prime Minister of Canada, the leader of the Opposition, Senator Lucier, Erik Nielsen, M.P. and Members of Standing Committee on Indian Affairs and Northern Development.

The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Thank you, Mr. Speaker.

The Resolution, I think, is quite self-explanatory, but just in the event that Members don't realize what report we're talking about, it's the report of the Task Force on Electrical Energy Costs in the North.

Mr. Speaker, rather interesting, the date on this report is November the 15th of 1976, and I don't think any Member in this House, or the Members of the government received any information about it until about December 15th, some month or 30 days later.

As I say, or said earlier, and the Resolution indicates, it's a very simple one that I don't think should be any problem for Members to respond to. What I'm trying to find out is just exactly what the Minister intends to do about some of the recommendations that were in this report, and as you know, he himself was critical of the report and suggested that other options were open to him, and I would like to know what other options he has decided to act upon.

I think, Mr. Speaker, that in view of the recent rumours about the Cyprus Anvil situation, and if anybody has read the Task Force Report, you'll see in there that recommendations were made to renegotiate contracts for the use of electrical, or for electrical energy, and also that it was recommended that Cyprus Anvil be put on a demand basis.

If things are going to happen with respect to Cyprus Anvil, then certainly that kind of recommendation isn't too valid, and we should be looking at other things.

I also think that as a result of discussion of this Resolution, that possibly it will prompt Members to bring forth something else with respect to assistance that — measures of assistance and relief that could be available to Yukoners, something like the Honourable Minister of Health and Welfare mentioned yesterday, some assistance for the program of northern building and insulation, something to this effect.

Maybe we should be putting forth a strong mandate on behalf of this House, or a commitment that we are going to continue on with the assistance program that, the subsidies, because, Mr. Speaker, one of the recommendations is that no general subsidies other than those currently provided by the YTG through equalization payments in the Yukon or by N.C.P.C. through cross-subsidization be granted to domestic consumers of electrical power in the Yukon and Northwest Territories, and what are we going to do when the equalization fund runs out. I think we need a commitment somewhere along the line.

I don't expect that to be the response to this particular resolution at this time, Mr. Speaker, but I would hope that Members will be prompted to do something about it at this Session.

With that, I would just say that again I hope that nobody has any difficulty with this resolution. It's very simple, I think we need some answers. I'd certainly like to know. Maybe Members have talked to the Minister and have got those answers, and if they have, then please let me know and we don't have to worry about the resolution, but I think that explains it.

Thank you.

Mr. Speaker: The Honourable Member from Hootalinqua?

Mr. Fleming: Yes, Mr. Speaker, I have no problem with this Motion at all in supporting it, every bit of it, because I think it's time that we started really looking into the power situation, and really getting down and saying look, are we going to run power in this country ourselves, or are we going to let the federal government run whatever they wish to do with this, or are we going to take a private company and let them sell us power bought from the government in the first place, or just what we're going to do.

I'm quite prepared, at any time, to just sit down and pass a Motion in this House that will help that cause, and I think this Motion does ask that we at least get some answers as to what the government, the federal government, what their feelings are, and hopefully they will come across, which they have never done very often before.

I think myself that it's time that we did run our electrical power, because I cannot see where any group of people or a government or a province or anybody else

cannot run their own businesses as efficiently as somebody else. Because if I was that somebody else, I would want to make money. And as a person running his own business, privately, and if he doesn't wish to make any money, he doesn't have to. And I've been running business for a good many years and I haven't made a nickel yet in the actual business. You get it somewhere else. So I think we can run our own power situation: I think we could take over the power and we could run it. However, we have to get the federal government's okay before we can do this, and I wholly support this motion.

Mr. Speaker: The Honourable Member from Klondike.

Mr. Berger: Mr. Speaker, I don't want to hold up this House much longer, but I would like to just get on the record as saying that I never did receive the task force report voluntarily. I asked for it from a Board member and I finally received it, but it was never sent to anybody. I don't think. I find it quite appalling that a task force report, which should be of concern to all the people of the Yukon, is not volunteered to all the Members of this House, because there were some quite important recommendations and discussions going on in Ottawa which really concerns the Yukon.

I would like to see it in future no longer to happen like this, that people have to just about beg for a report like this.

Mr. Speaker: The Honourable Member from Klondike.

Mrs. Watson: Mr. Speaker, I'm quite concerned about the motion: I don't think it's as straightforward as the Honourable Member from Riverdale is stating and I would hope that, and maybe I should undertake to do it now, to move it into Committee because, Mr. Speaker, there are amendments that are required, because I think that the motion is actually contradicting itself and may be contradicting the best benefits of where we want to go in regard to electrical energy in the Yukon Territory. So, with your permission, I would like to move this motion into Committee for further discussion and I would like it so, so that I could have an opportunity to prepare an amendment.

Hon. Mr. McKinnon: Mr. Speaker, I would like to second that motion of the Honourable Member and I just want to point out once again that I really think that all Members should be aware of this, and the members of the public also.

I think we've all supported all of the motions that have gone for some relief for northern users for electrical rates in the Yukon and we've sent motions and we've sent petitions to the Prime Minister, to the Senators, to the M.P.'s, the Leader of the Opposition, to the Standing Committee — and we'll continue to do so. I don't think that anybody should give up because of the absolute one hundred per cent failure rate that we've had up to this point in dealing with anybody for relief of electrical prices to northern consumers.

But, you know, let's realize where this is going to come and I will guarantee that at the budget session of next spring we'll be looking, Mr. Speaker, at a million dollar deficit in the electrical rate equalization fund and

the total pressure of the government and of the people of the Yukon will be for the people of the Yukon to find that money to equalize electrical rates from their own resources.

I don't want to sound like a prophet of doom and gloom, but with the success ratio we've had so far in dealing with the federal government on this issue I think, you know, all members of the public and Members of this Legislature should be aware of probably where we'll end up at next budget session.

Mr. Speaker: Yes, perhaps I should just state the motion and then we can continue the debate.

It has been moved by the Honourable Member from Klondike, seconded by the Honourable Member from Whitehorse North Centre, that Resolution Number 2 be referred to Committee of the Whole.

The Honourable Member from Whitehorse South Centre.

Mr. Hibberd: On a point of order, Mr. Speaker, that's a procedure of motion that's not debatable. Not that I don't enjoy the rhetoric from the Minister of Local Government.

Mr. Speaker: Well, I'll hear further debate on the main motion.

The Honourable Member from Whitehorse Riverdale.

Mr. Lengerke: Mr. Speaker, ...

Mr. Hibberd: A point of order, Mr. Speaker. This procedural motion is not debatable.

Mr. Speaker: Well, this is correct. 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)

Mr. Speaker: May I have your further pleasure at this time?

The Honourable Member from Pelly River.

Mr. McCall: Yes, Mr. Speaker, I would move that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Mr. Speaker: It has been moved by the Honourable Member from Pelly River, seconded by the Honourable Member from Hootalinqua, that Mr. Speaker do now leave the Chair and the House resolve into Committee of the Whole.

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)

(Mr. Speaker leaves Chair)

COMMITTEE OF THE WHOLE

Mr. Chairman: I call this Committee to order and declare a brief recess.

(Recess)

Mr. Chairman: I now call this Committee to order.

We will continue with our review of the supplements on Bill Number 1, Establishment 120, regarding the Economic and Research and Planning Unit. Members now have that information.

Mrs. Watson?

Mrs. Watson: Yes, Mr. Chairman, I wonder if it's possible to ask the Commissioner questions on this; is he a witness?

Mr. Chairman: Yes.

Mrs. Watson: Okay. We have a paper on the Economic Research and Planning Unit, and the first sentence states:

"Economic Research and Planning Unit reports directly to the Commissioner."

Then, the rationale on page two for the Economic and Planning Unit, that's sort of the justification for it, is:

"The need for establishment of a research unit was recognized in 1974. The Executive Committee at that time recommended that such unit be formed after additional material on the actual duties and personnel involved was established"

and then further into the paragraph:

"The administrative reorganization was carried out to provide the necessary support to the Executive Committee."

I rather feel that those are contradictory statements, when it's a unit reporting directly to the Commissioner and it's also supposed to be a unit that's providing support to the Executive Committee, and I wonder if the Commissioner would care to comment?

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, the Commissioner is Chairman of the Executive Committee and, although it reports directly to the Commissioner, this is for administrative purposes.

If Executive Committee decision is made with regard to an area of activity for economic research and planning, what it means is that the Commissioner communicates that to the Chief Economic Research and Planning Officer, much as the Member responsible for education would report a directive to the Superintendent of Education.

Economic Research and Planning is a function of the Government of the Yukon Territory, and Executive Committee decision dictates the sort of activities that

the organization will undertake.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: A further question — that is quite logical, the answer that the Commissioner has given, it's quite logical as the Chairman of the Executive Committee, he would request certain duties to be done by the Economic Research and Planning Unit, but would it not also be possible, because they answer only to the Commissioner, that the Commissioner could request the unit to perform certain functions for him, without first going to the Executive Committee?

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, yes, it is possible and it may happen on occasion that, in developing an idea to be brought forward to the Executive Committee for consideration, the Commissioner would instruct the Economic Research and Planning Office to develop an idea, but not for unilateral action and expenditure of funds of this government without Executive Committee approval.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, I wasn't referring to the expenditure of funds, really; that's a thought though. But I was referring more to the very difficult position that the Commissioner of the Yukon Territory finds himself in. He is a chairman of almost an elected body and yet he is also answerable first of all to a Minister. Would it not be possible that under the direction of the Minister you would be obligated in some instances to go to the Research and Planning Committee without having to go to your Executive Committee?

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, that is possible in any aspect of administration of this government. If I receive a directive, I could do it. I assure you it is not my intention to do it.

Mr. Chairman: Thank you, Mr. Commissioner.
Mrs. Watson.

Mrs. Watson: Mr. Chairman, a further question. I think Mr. Commissioner realizes the very difficult position that we're in. Last year, when we debated the Estimates, we were told that certain positions were required by the administration. For example, the inter-governmental Affairs, the Research Officer with the Tourism Branch, there were three of them. And I think even at that time some of us had doubts about the Research Officer requirement for the Tourism Branch, but they did a good sell on us.

So, we come back and we find out that really that wasn't such a good idea and in mid-stream somebody's changed their mind and is spending the money for something else. I think this is one thing that concerns all of us, that a unit like this was set up transferring positions within the government, which, if you have the authority to do this, I grant you, but I think it would have been much easier and more acceptable to us had we had

a sessional paper outlining the intentions, because I think a lot of arguments can be made for such a unit.

I think that would have been much more acceptable to the Members of this House. I think what we, or I, personally feel, almost an affront, that we vote money for something else and in mid-stream somebody else uses the money for a different purpose, and this gives me a great deal of concern.

I have another question for the Commissioner. Are you going to cut down on the functions of the inter-governmental, I believe that's the inter-governmental, Department or Affairs Branch of the administration, because you've taken I believe two positions from that Branch?

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, no, I do not intend to reduce the functions of the inter-governmental Affairs office. The inter-governmental Affairs office was set up for very specific reasons, and just as they are described, inter-governmental affairs.

The two positions that were taken out of that department and moved were those directly related to a committee called the Manpower Needs Committee and the Manpower Training and Research Committee, Needs Committee.

They were moved — because Manpower was felt to be a very intricate part of economic research and planning for the Yukon, it was felt that they could function more effectively with a group of colleagues who were also involved in that field, and indeed, they were simply moved administratively to this area.

There are further administrative changes being contemplated with regard to the entire area of manpower responsibility, that is extra-territorial government manpower responsibility, in this administration at the present time, but I am not reducing the inter-governmental affairs offices' original intent and function.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, I have also got a question for Mr. Commissioner.

On the paper we were presented, on page 3, Economic Research and Planning Unit, it says basically it's a unit to plan and research material, and (b), it says, to initiate on behalf of the people of the Yukon, projects that would lead to social and economic development of the Yukon, which would benefit all Yukoners.

I was wondering if Mr. Commissioner could further elaborate on that, what he would picture in the initiating, because I think it's contradictory to the Department.

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: The word "initiate" refers to initiate the actual research and planning, under direction from Executive Committee.

Mr. Chairman: Mr. Berger?

Mr. Berger: Thank you, Mr. Chairman. I have a further question on page 9, the last sentence says, "In an

emergency situation". I would also like to get an explanation of what Mr. Commissioner would picture an emergency situation in the Yukon.

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: I refer now to, for example, all of a sudden task report on formation of a Strontium 90 mine in the upper atmosphere over the Yukon, you know anything that occurs all of a sudden which requires a research project, an economic and social research project to be undertaken. Those are what I call emergencies, very short term, very sudden, unexpected and which we have not anticipated.

Mr. Chairman: Ms. Millard?

Ms. Millard: Mr. Chairman, I would like to discuss a little with Mr. Commissioner and ask him some questions on the definition of "socio-economic". I feel, in my experience, that socio-economic means social research and economic research, in very definite, two separate definite fields, which come together in socio-economic research.

I don't feel that this plan is a socio-economic plan. It is an economic plan, the several projects that are underway, consumer price index, labour force, industrial opportunities, economic indicators, every single one of them has to do with economics, not with social planning.

It hasn't stated anything about the social problems in the Yukon, trying to solve things like, for instance, referring to the Motion I made this morning about the senior citizens, there's no social planning for senior citizens in the Yukon. It obviously isn't going to be considered, it's not in the paper.

I feel this is a great lack in this, and I think that we should be honest in calling the Economic Research and Planning Unit an Economic Research and Planning Unit, not a socio-economic planning unit, because I think it's very misleading.

As a scientist, and someone who has experience in this field, I'd like to ask Mr. Commissioner how he feels about that definition.

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, the Honourable Member is quite right. The social planning and economic planning, or social research and economic research are separate field, if you take them separately. What we are trying to do is to put together, and I think what is generally accepted is that when you put the two together to call it socio-economic research, you are committed to looking closely at the social implications of any development plan, in addition to the straight dollars and cents idea.

Socio-economic as a term, is relatively new, and is relatively vague, I will admit, but in the past, economic programs or development proposals have simply been looked at in terms of how many dollars and cents will flow, and it's not the intention of this government that we look at that as a total — for total analysis of a project, that we include in it, the very important social aspects of what it will do to the quality of life, what it will cost in terms of social costs.

I only feel — I feel very strongly that in order for a

program of any kind to go ahead in the Yukon, that all of these considerations should be taken into account, and thus although we call the unit an Economic Research and Planning Unit, my instructions that I discussed with the Executive Committee, and which we are going forward on, are that the proposals would be viewed in a socio-economic term.

Mr. Chairman: Ms. Millard?

Ms. Millard: Mr. Chairman, I presume with less emphasis on the social than the economic.

I do have a further question. On page 8, we are told that the second inter-related and equally important project is the development of a constitutional plan for Yukon. I'm wondering if this is in conjunction with our Standing Committee, or in conjunction with any other committee that's — we're going to end up with several different bodies discussing constitutional plans and economic plans for the Yukon.

Just how is this going to be integrated with the existing Standing Committee?

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, that's impossible for me to answer at this time, but some of the areas that we are discussing at the Planning Council, involve the future government of the Yukon Territory, what it will look like and so on, and we haven't got down to discussing that, but it's certainly one of the items that's sitting there for consideration of the Planning Council, and how the Land Claims Secretariat will relate to the Standing Committees, for example, I can't answer at this time.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, your paper indicated that your unit would be working, or representatives of your unit would also represent the Yukon on the Federal-Territorial Economic Planning Committee, which is a sub-committee of the Advisory Committee on the Northern Development. Does that mean then the studies and reports and research that have been done by all these other committees and sub-committees will be available to our research unit?

Mr. Chairman: Mr. Commissioner.

Mr. Commissioner: Yes, we will be part of those sub-committees and thus available to us and to the Executive Committee.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Well, just one area where I just noticed it. On your Natural Resources Development, you're planning some of the more specifics that your unit plans to go into. Under Energy, it's on Page 6, under Energy, "assess the relative merits of hydro versus thermal coal, oil and gas power generation."

Then just going through the task force report last night, there is a statement made, and there are representatives on the task force from the federal government, that I thought rather interesting and I thought

maybe it might save us some money and some time of your unit if they got the information that these people based their statement on.

The conclusion "E", "Given the evident advantage of hydro electric plants in the Territories, particularly in light of escalating fuel and labour costs for thermal plants." So they are assuming the evident advantage of hydro-electric. Either they're assuming it or they have some substantial studies on which they can base that assumption. So I would certainly hope that we are not going to be duplicating some of the work that's already been done by some of the federal government agencies.

Mr. Commissioner: Mr. Chairman, I simply share the Honourable Member's hopes and this is the obvious type of thing that I don't think we can accept without question and I would hope that these are the very sort of things that the Economic and Research Planning unit would investigate to determine the validity of such statements and the facts behind them.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Just a couple of more questions. Referring to the federal-territorial Economic Planning Committee and the sub-committee of the Advisory Committee on Northern Development, we've all heard some of their report and we've all sort of seen some of their plans, and I think we all realize that we all have the same thoughts about them, that they're really quite general and they expound theory rather than practicality and they're very hard to go into any specifics.

I would hope very much that our Economic Research and Planning unit becomes more basic, more down to earth than their reporting, than some of the airy-fairy things come forward from these other committees. They do some planning and they make three big, long, general recommendations that would fit almost any situation. I hope we're going to be a little more specific than that, for the Yukon's sake.

One question, the draft of the General Development Agreement on Planning Economic Development in the Yukon, there is an information pamphlet we received not too long ago, suggesting that this would be tabled in the Legislature this Session. Is it ready to be tabled, Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, it is and it should be in any day.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, since the Commissioner is with us it might be apropos as we say in bilingual Canada, to ask him at this time how he visualizes the development of this unit into what we all hope will some day very soon be our own government department of resources, or development, or whatever you want to call it, as any provincial government has, which I would assume would be under the — would be a responsibility of an elected Member of the Executive Committee. Is this unit going to grow into such a department?

Mr. Chairman: Mr. Commissioner.

Mr. Commissioner: Mr. Chairman, that's not an issue that I really tried to cope with at this time. I don't really think that the — personally now — that the control of the renewable resources gets involved with people doing socio-economic research and planning. I can support, and do support, the idea of formation of a renewable resource department, but I don't see this particular group of, small group of specially trained economists developing into a renewable resource administrative department. That's my own personal feeling.

Hon. Mrs. Whyard: Mr. Chairman?

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: For clarification, Mr. Chairman, what I meant to imply was a department of Economic Development, not simply of renewable resources.

Mr. Chairman: Mr. Commissioner.

Mr. Commissioner: Well, Mr. Chairman, that is an option that is open, I believe, to this government and we'll acquire a consensus and discussion of Executive Committee. At the present time, in our development, I think the consensus was that we favour a very small, specialized group to assist the Executive Committee in looking at the many thrusts for economic development and social social change that are being put on this Territory.

At this time, one can predict it growing into a full-scale department, but I certainly don't think that it's the desire to create another department in the immediate future.

Mr. Chairman: Ms. Millard?

Ms. Millard: Mr. Chairman, I'm trying to sort out in my mind, a few of the details in here about the positions themselves and when they occurred. Since I believe the positions were created in our last budget, our budget last year under inter-governmental affairs, every one of them, and then it was assembled in October, '76 as the Research and Planning Unit.

In other words, in theory, no new positions, it says, was created in the YTG in establishment of the unit.

I'm curious about the lack of planning in this planning unit, because if they didn't know in our last budget session that this unit was going to be established, then it had to be struck together in October and then brought to us in a supplemental.

It's strange that they didn't have any better economic planning than that, just as a comment.

I'm wondering when Mr. Munroe was employed, when was the first date of his employment, the same with Mr. McIntosh, how long did they stay in the inter-governmental affairs and when did they actually start becoming the chief economic research and planning officer and his assistant?

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, neither of the three economists were ever in the inter-governmental affairs office.

Mr. Munroe was hired specifically to take on the responsibility as chief economic research and planning officer, and Mr. Munroe arrived in November, and he was then given latitude with direction, to hire the other two economists, economic research and planning officers, Mr. McIntosh and Mr. Sproule.

They were subsequently hired and arrived on the scene in January, and the unit then became fully operational, so the unit has only been fully operational for a month, with a full complement of staff.

Ms. Millard: So, Mr. Chairman, we can presume that the statement "No new positions were created in the YTG", really only states that positions were created last budget which weren't filled until the Economic Research and Planning Unit was organized.

In other words, the positions — it's a funny way to get around calling it "no new positions", when they simply were not filled in one department, and then established as a separate unit, and such a very important unit. I certainly agree with the Member behind me, that this has been a despicable kind of way to go about establishing a unit, without any input from this Assembly.

Such an important aspect of our — the whole operating of the Territory, the whole philosophy of the Territory is engendered in this planning unit, and we didn't have the courtesy to have any input into it. It really upsets me that this can be done, and no one seems to be objecting very strongly to it.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, I have one more question of Mr. Commissioner. I was wondering if he could tell us how much cooperation with this particular planning unit is going on right now with the Minister of Northern Affairs in his proposed plan of northern development?

Mr. Commissioner: Could I have the question repeated, Mr. Chairman?

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, I was wondering how much cooperation in this planning unit is going on at the present time with the Minister of Northern Affairs' proposed plan of northern development?

Mr. Commissioner: Mr. Chairman, is the Honourable Member referring to the plan for constitutional development?

Mr. Berger: Mr. Chairman, no. The Honourable Minister of Northern Affairs, Indian Affairs and Northern Development, in the last two weeks or three weeks ago, announced a proposed plan he has for the north, and I presume the Yukon is included in this particular plan, and I was wondering how much cooperation is going on with this Research Department and Planning Unit, and this particular plan?

Mr. Commissioner: Mr. Chairman, none whatsoever. The plan as far as I know, has nothing to do with specific economic development planned for the north,

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, a very minor question, but I found it rather interesting. I don't think the paper was edited too carefully, because on page 4, "Projects Ongoing and Proposed", it states,

"Despite the rather short time that the unit has been operating, the staff has been particularly busy. Mr. Munroe, assisted by Information Services was responsible for the completion of two speeches for the Commissioner ..."

and then it goes on to say what someone else did, so it indicates that Mr. Munroe has written two speeches, and I don't think that was the intent.

I hope it wasn't the intent.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, just an additional question to my previous question. I find it kind of curious, the answer I received from Mr. Commissioner, because if I got the information right through the news media, the Honourable Minister of Indian Affairs and Northern Development has a definite plan for the north, and it's going to affect the Yukon in a lot of ways, economically, socially, and I find it really curious that this department, or this unit is not involved in this plan.

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, I can't respond more to that. I'm completely out in left field with regard to what is being discussed.

Mr. Chairman: Ms. Millard?

Ms. Millard: Yes, Mr. Chairman, I believe Mr. Berger has brought up several questions in my mind about the relationship of this unit to other units, other things going on. For instance, their relationship to the Minister of Indian Affairs and Northern Development.

I understood that the Minister was creating an economic, social, constitutional plan for the Yukon, and I would like to know just what input this unit may have into that plan. I would like to know what sort of relationship that unit is going to have with our Standing Committee on Land Claims, our Standing Committee on Constitutional Development, and all the other little bodies that are running around doing all their individual research, or what is the relationship going to be with, for instance, the native organizations?

Is there going to be input from individual people into this unit, or are they going to operate in their own little vacuum, and come out with a nice little plan that has no input from actual Yukoners.

Are they going to be so scientific and so educated, that they can do that, or is there some kind of plan to have a relationship with these other bodies? They should know where they stand in relationship to other planners.

Could -- Mr. Chairman, if I could just ask the Commissioner if there is any definite policy on their relationship with other bodies, particularly our Standing Committees?

Mr. Chairman: Mr. Commissioner?

Mr. Commissioner: Mr. Chairman, no, there is no policy with regard to this unit towards Standing Committees. They are responsible to the Commissioner and the Executive Committee, not Standing Committees, and like any other Department of the Government of the Yukon Territory, I think that there has not been, as far as I know, a definite relationship worked out between individual Standing Committees and Departments of this government.

Obviously, there is going to be inter-relation and communication, because information flows between various Departments of the Yukon Territory and the Executive Committee.

With regard to the first question, I am totally at a loss as to how one envisions the office of Economic Research and Planning having any relationship or liaison with the Minister. The Minister has his own massive organization in Ottawa. This is ours, this is the Yukon's attempt to take some of the very serious problems that face Yukoners and to put it into the perspective of the Yukoners and the Yukon Territorial Government, not the Department of Indian and Northern Affairs.

There will undoubtedly be liaison, there will be discussion between our Department, or our office and Ottawa, but more so, there will be liaison with this office and Yukon organizations and Yukon people, and that's where this organization will seek their advice and their information.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, if I may just make one comment to the Commissioner's answer. I think the most serious problem that the Yukon faces right now is the Department of Indian Affairs and Northern Development.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I think that the questions we're hearing now, are evidence of the difficulty Yukoners are having in equating this new unit with the wishes or information or input from Yukoners, because it is reporting directly to the Commissioner, and in the eyes of the Members of this Assembly, the Commissioner represents a Federal Department, and I think this is the difficulty that is coming forth here.

The difficulty for elected Members of this Assembly is to understand how a unit which reports directly to the appointed representative of a Federal Government Department is not working with that Federal Government Department, and I would think, Mr. Chairman, that normally such a branch of any department is the responsibility of a Member of the Executive Committee, and not the Chairman, and I think this is the crunch of what is being discussed here today.

Whether or not the Commissioner wishes to make any comment on that, I do not know, but I have the same difficulty in accepting the fact that an appointed Chairman of the Executive Committee is actually in charge of one branch of this government, rather than it being the responsibility as other Departmental responsibilities are.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: It raises an interesting question, as far as I'm concerned, Mr. Chairman. I just asked the Honourable Minister of Health and Welfare that at the Executive Committee level when this unit was being discussed, was that problem not raised and why wasn't it ironed out at that point in time? How come it was over-ruled?

Hon. Mrs. Whyard: Mr. Chairman.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: The Honourable Member is well aware of the fact that what goes on in the Executive Committee meetings is privileged. We are not allowed to divulge those conversations. I am not allowed to divulge what discussions took place regarding that unit in the Executive Committee.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, just in conclusion as far as I'm concerned, I think that everyone is looking at this new unit. I think they can all see the advantages of it, but I don't think they're really going to have that much confidence in it until they're able to basically come forward with some concrete plans and also to, so they can show the people of the Territory that they are a very vital part of the Government. They're in evidence, and I'm thinking of, in working for the, planning for our electrical requirements and many things like this; in the pipeline debate and the planning for the pipeline if it should go ahead. There are many areas.

If there's some indication that Yukon is ready, has their homework done, as a result of having this unit, I think they'll get the credibility that they require.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: I have one question of the Commissioner, Mr. Chairman. In the Economic Development Plan for Yukon, Mr. Commission, I think I've asked this question before, but I'll ask it again. What targets have been set? What is the time limit? When are you going to get some answers? You say here that it will be achieved through a public participation program which will determine the type of Yukon that best serves the needs of Yukoners as a whole.

We've got some very major resource developments on the threshold and, as you yourself pointed out in a number of addresses to, say, the Chamber and the Vancouver Chamber, that Yukon's going to make some decisions, and it has to be based on what people of Yukon want. So, I'm asking again, what is the time frame for this? When are you saying to your Planning unit to have this information ready?

Mr. Commissioner: Mr. Chairman, the first part of that is a public participation program, and the exact forum that that will take is yet to be decided. Phase one is well underway. Phase one, we are a government who are seeking advice from Yukoners and Yukon organizations, and we don't really believe that in situations like that, you should say the deadline for submissions to your government is 'x' date. We are cajoling, we are encouraging, we are communicating with many people

and many organizations, asking for input.

I can say that Phase One is, we have just about used up all of our avenues for input into Phase One and we will be bringing together the ideas that have been gathered soon.

At that stage, Phase Two goes into effect. When the consolidated information is packaged and put back to, for open discussion, and it will be for open discussion in many areas. I would certainly hope that we will have reached a concensus within the next three months, but I can't guarantee that, it depends upon many other things and many other demands upon the time of this organization and the government as a whole.

We are well aware, Members of the Executive Committee and myself, of the very, very stringent time constraints, and the problems that are on the horizon for the Yukon, and we are actively pursuing some solutions these problems, or some suggestion of solutions to these problems.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, I just want to clarify my position in this. My statement that I'm not looking for an end-all type of plan or a blueprint. What I envision, and I hope this is what the Economic Planning Unit is going to do, it will be a basic plan, it will be a basic strategy, and this is something that will have ongoing input, as long as there's a Yukon.

But my question is, as the Commissioner has pointed out, and I'm concerned, that that basic bench mark position is determined, and that, you know, is my concern. I will wait now, very -- with baited breath, let's say, when that plan comes forth, or when the second phase of this comes forth, because it's going to be very interesting how they accomplish this.

Mr. Chairman: Is there any further debate on Establishment 120?

Some Members: Clear.

Mr. Chairman: Clear? Committee will recess until 1:30.

(Recess)

Mr. Chairman: I now call the Committee to order.

We again run into the problem that we ran into yesterday afternoon, in that the Commissioner and the Minister of Local Government are not available. And we're also running into the problem that the government is not yet ready to proceed on most of its legislation and it is the suggestion of the Chair that we do not carry the debate further as there is very little we can do this afternoon, and that we meet in caucus to discuss what course should be taken next. Is Committee in agreement?

Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, I understood from the Minister of Local Government that the answers that had been provided were for the questions in his areas so that we could finish this up. Is this not correct?

Mr. Chairman: He might have provided the informa-

tion, but I understand from Members that they have questions occurring from his information that has been supplied, so therefore we cannot proceed with it.

Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, you're going to finish off the supplementaries that we're able to finish this afternoon, is that not correct?

Mr. Chairman: That is not correct. I'm suggesting to Committee that we recess at the present time.

Hon. Mr. Lang: Well, Mr. Chairman, I would like to clear my supplementaries in Vote 3, if I can --

Mr. Chairman: We would like to clear all the supplementaries and get on with what we're supposed to be doing here, but we're lacking the opportunity to do so because the government is not in a position to proceed.

So, if Committee is in concurrence, I will recess. Agreed?

Some Members: Agreed.

(Recess)

Mr. Chairman: I now call this Committee to order. We would like to resume review of the supps, but our witnesses are not as yet here. They have been contacted.

Hon. Mrs. Whyard: Mr. Chairman, while you are awaiting the arrival of the witnesses, I have been asked during consideration of the supps earlier, for -- or I volunteered to bring in information on the procedures followed for emergency evacuation --

Mr. Chairman: Establishment 504, yes.

Hon. Mrs. Whyard: -- and I have that, if you would like to have it circulated now.

Mr. Chairman: Thank you, Mrs. Whyard.

Hon. Mrs. Whyard: If I could read this into the record?

Mr. Chairman: Yes, Mrs. Whyard.

Hon. Mrs. Whyard: The routine followed when a patient is to have emergency evacuation, is that form CO1974/126 is completed by the attending physician or nurse, and a copy of that form is being circulated now.

The request is approved or not approved by the Chief Medical Officer of Health in consultation with the Medical Audit Committee, so there are controls imposed which I think was the question asked at that time.

Now, in an emergency, that's for a routine transportation form. In an emergency, when a doctor, nurse, R.C.M. Pofficer, et cetera, is notified of an emergency, he or she will contact the Chief Medical Officer of Health, or in his absence, the Whitehorse General Hospital, describing the symptoms or condition of the patient.

The Chief Medical Officer of Health, or the Whitehorse General Hospital doctor on call, will assess

the case and initiate the appropriate action which would be transport the patient by ambulance or by air, or other means, to the treatment centre, or to dispatch medical assistance to the emergency and so on.

The form that I referred to above is completed by the doctor or the nurse involved when the emergency has been dealt with.

I trust that answers the question regarding the procedure for emergencies.

Mr. Chairman: This concerns Establishment 504. Is there any further debate on that Establishment? Then I would like to return to Establishment --

Mrs. Watson: Mr. Chairman?

Mr. Chairman: Mrs. Watson?

Mrs. Watson: One very brief question, subsidized travel, Medical Necessity. If an ambulance is used to evacuate a person from an area outside of Whitehorse, into Whitehorse, is that ambulance fee charged to medical evacuation or is it charged to ambulance services?

Mr. Chairman: I think it's charged to ambulance services. It depends on the type of evacuation. Air evacuations are charged via this procedure that Mrs. Whyard outlined.

Mrs. Watson: Mr. Chairman, that is why I was wondering whether we were being charged for the actual ambulance service, whether it goes to the ambulance vote. If it doesn't go to the ambulance vote, well then what are we paying all the salaries for? You see, I think there's a bit of a conflict and I wonder, I don't want you to bring me a bunch of paper, I just want someone to get me some answers.

(Laughter)

Mr. Chairman: All right, these forms that Mrs. Whyard supplied are used for evacuations of patients to Whitehorse, which can be used for someone coming from Burwash Landing for a routine appointment. They're also used for routine referrals to outside centres and that would be charged to the Medicare, but when the ambulance is used, I think that is charged separately directly to the ambulance service.

If someone breaks their leg at Burwash and is brought in via ambulance, it's not covered by this?

Hon. Mrs. Whyard: Mr. Chairman, I should investigate that, I should know that, and I'm sorry, I don't know that, but I will find out.

It's, as the Honourable Member for Local Government said recently, it's a confused situation because more than one jurisdiction is involved in the ambulance service, and we hope some day soon that it will be clarified, but at the moment, I can't tell you how it's charged back through the books. I will find out for you.

Mr. Chairman: Establishment 122. I think that was probably covered in this morning's debate, when we were debating 120.

Some Members: Agreed.

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Establishment 160. I understand that some information was supplied, I don't have any here.

Hon. Mrs. Whyard: Mr. Chairman, there was material provided by the Public Service Commission regarding the costs of recruitment yesterday, I believe.

Mr. Chairman: Yes, it's just not labelled as such. Mrs. Watson?

Mrs. Watson: Mr. Chairman, I have a wonderful opportunity, Mr. Gillespie is present.

I notice in the answers to the questions of March the 2nd, that the recruitment costs to date for the Director of Wildlife is already \$5,544.41. What does Mr. Gillespie anticipate the cost of recruitment to be by the time we finally get a Director of Wildlife?

Mr. Chairman: Mr. Gillespie?

Mr. Gillespie: Mr. Chairman, my best guess at the moment would be double the \$5,500.00 rate, because we've had one competition and were not successful in finding a new Director of Game.

We are in the process now of running a second competition, and if costs run true to the first time around, then the second competition should be the same for an additional cost of five and a half thousand dollars.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, the procedure that was used to recruit or to interview or, you had a recruiting team. How many people were on that team?

Mr. Gillespie: Mr. Chairman, we did not have a recruiting team. What we did was advertise across the country. We are now, we have now re-advertised across the country, slightly more broadly than we did the first time around to hit a few more areas of the country. And also raising the salary level offered for that position to a higher level in order to attract candidates. There is no recruiting team travelling across the country to interview people. The interviews will be done here in Whitehorse.

Mr. Chairman: Judging by that, already your remarks about doubling are nudged up a little further.

Mr. Gillespie: Well, it's just a small incremental cost for the advertising in a few more papers.

Mr. Chairman: bmr. Lengerke?

Mr. Lengerke: Yes, Mr. Chairman, I'm sure the Honourable Member of Kluane was really wanting to know who the people are that were doing the assessments of that — of those applications or who was doing the — as I say — the assessment. I think that that's a pretty good question. And interviewing, if there was any interviewing to be done.

Mr. Chairman: Mr. Gillespie.

Mr. Gillespie: Mr. Chairman, it will be the same people the second time around, the same people will be invited to be on the Board a second time round as on the first time, if that's what you mean.

Mr. Lengerke: No, I'm asking, who are those people? How many?

Mr. Gillespie: There were one, two, three, four.

Mr. Chairman: Who are they, is the question, Mr. Gillespie?

Mr. Gillespie: Mr. McKinnon, myself, Mr. Colin White from the Department of Environment, and Mr. Besier, from the Public Service Commission.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, someone from a federal department on an assessment team for someone who's to be the director of our Wildlife Service? I'm just absolutely amazed. And yet, there's a request from the Outfitters' Association to have representation on that team, or committee, or board, or whatever you call it, and they've been denied that right. And yet precedent is being set. Representation from the Indian community was allowed on the board, committee, whatever you have, and also representation from the federal Department of Environment. Mr. Chairman, I'm absolutely aghast.

I would suggest Mr. Chairman, that the membership on that board be reviewed, because they didn't come up with someone the last time round. If we're going to spend another \$5,000.00, how do we know they're going to come up with someone this time around? I would suggest that the membership on that board, or team, be changed to accommodate some of the people from the community, like representation from the Outfitters' Association. You might get a better, broad concept of what we're looking for in a Wildlife Director.

Mr. Chairman: Mr. Gillespie?

Mr. Gillespie: Mr. Chairman, the reason we had a representative of the Federal Government, from the Department of the Environment, is that we needed someone on that Board that could give us an assessment of the professional biological qualifications that any candidate might claim to have and none of the other members of the Board --

Mr. Chairman: Biological qualifications, Mr. Gillespie?

Mr. Gillespie: Qualifications as biologists. None of the other Members of the Board has that expertise, and therefore we required somebody who could advise us in that area.

Furthermore, Mr. Chairman, if I may, composition of the Board is something that has to be cleared through the Public Service Commission, and this is not something that any of us in the government can play around with, and either add people or take them off at will.

We rely, under the Public Service Commission Ordinance, on the Public Service Commissioner to ratify or to put together a Board that will serve the purpose.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman. I'm just wondering how many applications were received, and where they were from, is one of the questions I would like to have answered, and as a comment, I just can't quite understand where it costs \$5,000.00 to recruit anybody to go to work in the Yukon Territory, because out of twenty-some four thousand people, I think we should be able to find somebody that's capable of running a game operation in this country.

I just can't understand it, of course, I guess I'm a little bit dumb in some of these things, but surely there must be somebody in the Yukon Territory that would be willing to handle that job, that would want that job, and \$5,000.00 I think you can buy most all the newspapers in the country for three months to advertise. I don't know where \$5,000.00 can be spent, I just can't see it.

So I would like to know how many applications you had, where they were from, and I guess that will be enough for now.

Mr. Gillespie: Mr. Chairman, I don't know the precise number of applications we had. As I recall, we interviewed either four or five applicants, two of which were from the Yukon. The others were from outside.

There were other applications, both from within the Yukon and outside. There are always — there are very often applications that are almost frivolous, and in some cases these were of that nature, and to count those is not really relevant — we receive applications, we go through them, we weed it down to a few that we consider are potentially successful applicants for the job and those are the ones we interview, rather than interviewing all of those who might apply.

The number that we interviewed was either four or five, I can't recall off the top of my head, Mr. Chairman.

Mr. Chairman: Mr. McCall?

Mr. McCall: I don't know whether it's worth asking this question, Mr. Chairman, but we mentioned about the creation of this Board and it goes through the Public Service Commission.

I'm just wondering if Mr. Gillespie could explain to us how far a recommendation from his own office would go in front of this particular Board.

That is an applicant, Mr. Chairman.

Mr. Gillespie: I'm sorry, I don't understand the question, Mr. Chairman. How far a recommendation from my own office would go in this Board's deliberations?

Hon. Mrs. Whyard: Mr. Chairman, I suggest that's an improper question.

Mr. McCall: Never mind, Mr. Chairman, it seems to be an embarrassment.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, a question of the witness. Was it the Public Service Commissioner, would it be at his direction that this Board was named, the people that were named to it?

How did you arrive at these particular people to be on that Board, that's my question.

Mr. Gillespie: Mr. Chairman, it was not at his initiative, it was at my suggestion that these would be appropriate people to have on the Board. He concurred with that, and with his permission, we then proceeded.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, I would just like to know is what the qualifications are of Mr. Hollingshead? It is my understanding that he's a professional engineer and I have never heard of him being a biologist, and I was wondering if the witness could tell us properly what he is.

Mr. Gillespie: Mr. Chairman, it was Mr. Wykes, not Mr. Hollingshead, that we have on the Board. Mr. Wykes.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, as I recollect the Public Service Commission, I do not think that a head of a department, a new head of a department that wasn't grandfathered in, is now within the Public Service Commission. Am I correct? They almost have the same status as Deputy Ministers. The department heads that were in existence when the legislation was brought in did become part of it, but any new ones would not. Now, am I correct?

Mr. Chairman: Mr. Gillespie.

Mr. Gillespie: You are, I believe you are correct if I understand your question, yes, they do have the status of Deputy Ministers, Deputy Heads, I should say.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: So, then, it follows that you would not have to go through the Public Service Commission in order to set up a structure whereby you wanted to interview and try to recruit someone to take the Director of Wildlife position and I firmly, and I think that, Mr. Chairman, I will be bringing in a motion requesting that some thought be given to restructuring the Committee and it might — I think if you sort of take a fresh start, it might help resolve this situation, because I know that it must be a terrible embarrassment to the administration. I know it must be a terrible embarrassment to members of the Game Branch and I feel quite an embarrassment.

I certainly would hate to see you go through this procedure and come up zero again. So I would certainly recommend you review your method of going about it and of your committee.

Mr. Chairman: Mrs. Watson, are you coming up with a specific recommendation, or are you bringing forth a motion?

Mrs. Watson: Mr. Chairman, I will bring forth a motion, with a notice of motion and everything.

Mr. Chairman: Very well.
Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I wish to comment on a question asked earlier regarding the formation of a candidates board, selection board. I've forgotten which Honourable Member posed it, I believe it was Mr. Berger, regarding having a federal government employee on the board. I would like to say at this time, for the record, that I fought that the entire federal Public Service Commission to a standstill and got myself named to a federal selection board recently because it involved the selection of the Chief Public Health Officer, Chief Medical Health Officer, for the Yukon. I thought that the interests of the Yukon people should be represented in that board and the federal Public Service Commission had never seen such a thing happen before, I'm told, but I sat on that board and I consider that there can be times when it's valuable to do the other thing if there are interests involved on both sides.

I'm not making any excuses for the makeup of the board; I'm just explaining that these things can happen and there's usually a very good reason for it.

I would also like to add to the Honourable Member from Klwane's question that there has been a director in my department hired since the Public Service Ordinance went through last year. There was a board, a selection board, established by the Public Service Commission, and he went through that process although, as we all in this House know, a public servant at that level now in the Territorial Government serves at pleasure. So there is precedent for both.

Mr. Chairman: Ms. Millard.

Ms. Millard: Mr. Chairman, this is a very interesting area of discussion and it's interesting to me because this was one part of Daniel Johnson's speech to us, was discussing the Director of Wildlife. I'm wondering, was there any effort made to include native people in the composition of the board, and if not, why not?

Mr. Gillespie: There was, Mr. Chairman, and the native people chose not to be represented on that board.

Mr. Chairman: Ms. Millard.

Ms. Millard: Mr. Chairman, do they have any other method of input into the selection of the position in question?

Mr. Gillespie: Mr. Chairman, that is the most direct avenue that is available to them. Any comments they may wish to make regarding the selection of an individual for that position will be welcome as they are from anybody else.

Mr. Chairman: Ms. Millard.

Ms. Millard: Mr. Chairman, could our witness give us any indication why they chose not to be on the Board?

Mr. Gillespie: Mr. Chairman, they indicated that

they felt that the board was comprised of a number of non-Native people and that there was only going to be one Native person. That person's views could be overridden. That of course was not the intention of those who were putting the Board together and I think they understand that now, as a result of further discussions we've had with them. But, at that time, they felt that one member out of five would be an unfair representation on that Board.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, was it not correct that they requested three members on a five-man board?

Mr. Gillespie: I can't remember what the precise number was, but they did request that they have more than the one.

Mrs. Watson: Mr. Chairman, maybe Mr. Gillespie should try just a little harder to recall.

Mr. Gillespie: Mr. Chairman, the honest answer is, I don't recall.

Mr. Chairman: Is there any further debate on Establishment 160?

Vote Number 1, \$212,524.00. Clear?

Some Members: Clear.

Mr. Chairman: Establishment 201. I think we have that information, yes, that is clear.

Establishment 201 was clear. There was some information forthcoming from Treasury regarding bad debts. I'm just announcing it to Committee.

Establishment 321. Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, it's my understanding that some of the Members wanted a clarification in the decrease, for the decrease in 321. First, there was \$70,000.00 allocated in that particular establishment for the Home Management Program that was transferred to Housing, and the question was raised whether or not that was a cost-shared program with Manpower, and it's my understanding at one time it was, and for approximately a year and a half or two years ago, they cut off the funding for that particular program so it stood to follow that it was transferred to the Yukon Housing Corporation, as they are in the area of housing.

There was also \$25,000.00 for leave without pay for various instructors in the Vocational School and what that amounted to, that was for instructors who possibly had been there for a few years and had only three weeks for holiday, and applied for, for example, an extra couple of weeks for holidays and this kind of thing in the summer months, in relation to actually when they are not teaching the programs that they've been asked to, and that they have been hired to instruct, and are prepared to start the oncoming year, because they've had the experience in that particular field.

Also, at the same time, there was apparently one instructor who got quite ill, used all their sick leave, and subsequently was given leave without pay as well, for the duration that that individual was off work.

There is also an area of \$79,000.00 in relation to emp-

loyees and this is in relation to employees who possibly may have quit at the end of June so there was a period of time that that position wasn't filled. Also, at the same time, some employees in the Vocational School, depending on the program, are on contract and if they are away from work for a day or two days or three days, at a meeting of a special interest group or this kind of thing, they are deducted leave without pay, so in effect this is why that money has accrued for that decrease.

Also, there were various courses which were started late, especially in the Blade Line and Life Skill areas, due to the fact that there, apparently in some areas there was not facilities available to start the program and this kind of thing, so there was a decrease in that area of \$8,100.00.

One course was projected that would go on this year was in the area of typing and that was an evening course, but there wasn't enough people applied for it so, subsequently, it was not put forth so therefore there was a saving of \$20,000.00 in that area.

Also at the same time, this particular Establishment had estimated in the area of \$15,000.00 for courses, unforeseen courses, that might have been held during the last year, so there was a saving in the area of \$15,000.00 in that area, as there was no new courses implemented.

Also, there was a saving in the estimates of approximately \$26,000.00 in relation to salaries in the estimates because, in some of the courses that were put on, some of the instructors do not have the qualifications and this kind of thing in relation to their step range, I believe that's the — or the range of salary that was estimated, and they were paid in a lower category, so subsequently there was a saving of \$26,000.00 in that area, to add up to a total of \$243,000.00 decrease.

Mr. Chairman: Is there any further debate on 321? Clear?

Some Members: Clear.

Mr. Chairman: Establishment 302, Mr. Lang, regarding supplying the schedule of teachers' wages.

Hon. Mr. Lang: Mr. Chairman, I raised that point yesterday, and I thought I had concurrence of the House. It takes time to compile the information that was asked, and I said I would supply it when we were discussing it, this particular area of concern, during the Mains.

Mr. Chairman: Vote Number 3, \$162,939.00. Clear?

Some Members: Clear.

Mr. Chairman: Some information on Vote Number 5, 525, I think, Mrs. Whyard, you supplied us with the number that were registered this year....

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

Mr. Chairman: ... but the question was asked for comparative figures to last year, raised by Mr. Lengerke.

Hon. Mrs. Whyard: Mr. Chairman, the question there was how many were registered for Medicare,

which I provided the House, and the other question was rates in hospitals, which I also provided.

Those are my notes.

Mr. Chairman: Someone also asked a question, figures compared to last year, Mrs. Whyard. I don't know who it was, but it was ...

Mr. Lengerke: I think we waived that, Mr. Chairman.

Mr. Chairman: I'll defer Vote Number 6 for the present time.

802, Legal Aid; the breakdown was requested on the ...
Mr. Fleming?

Mr. Fleming: Yes, on the civil and criminal — on the civil 13, the figure is 13. Is that cases that have gone through with Legal Aid to date?

Mr. Gillespie: That's correct, Mr. Chairman, Civil Legal Aid.

Mr. Chairman: Thank you, Mr. Gillespie.
Ms. Millard?

Ms. Millard: Well, were these gone through on the rates that were agreed, or were never agreed to by the lawyers? I understood that the agreement is still in the process of being signed as to how much they are going to be paid, so these are really just pending cases at this time, are they not?

Mr. Gillespie: I believe, Mr. Chairman, without knowing the details of these individual cases, that we have used as our guide, the tariff that we are proposing for the sake of dealing with these particular cases.

Mr. Chairman: Ms. Millard?

Ms. Millard: So, I take it if you're using your proposed tariff they're not being dealt with because the lawyers have not agreed with that tariff at this time?

Mr. Gillespie: We are able to proceed with a very limited number of civil legal aid cases at this time because Ms. Millard's comment is correct; the lawyers generally have not agreed to our tariff, and we are still in the process of negotiating that with them.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Who then represents them in that case?

Mr. Gillespie: There have been a few lawyers who have agreed, in these few instances, few important cases, to proceed, and represent the clients under civil legal aid, but we are hopeful that a good many more lawyers will agree to participate on an ongoing basis.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: How do you determine what's an important case or not? I thought, you know, if we are giving assistance, then all cases would be equally im-

portant.

Mr. Gillespie: Mr. Chairman, I don't know the answer to just how these were determined.

Mr. Lengerke: This sounds like, Mr. Chairman, that we really don't need the lawyers to concur then, as an association in this. Is that the case, or what's going on here?

Mr. Gillespie: Mr. Chairman, we need them.

Mr. Lengerke: Yes, I would hope we do, but ...

Mr. Gillespie: We need them, because it's only with real difficulty that we can get some lawyers to proceed on this very limited basis, and we need the concurrence of the majority of the lawyers to register, to participate in the civil legal aid program, if that scheme is going to work.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Mr. Chairman, I am very concerned about the figure of 13, more or less, that some of them have been dealt with and some haven't, and I have a reason because I'm not going to say who or why, but there's a case pending now that I had a little something to do with and it is my understanding that the lawyers have not gone along with it, and also may I assume this?

In most of these cases, if they have been dealt with, have been a matter of the government, or whoever is handling it, if it goes to the Board and they say yes, we should take the case, and maybe put a little scare into the person that is possibly the offender, and maybe he might come forth without the lawyer, and the case would be solved that way.

I would like to know if any of them have actually gone through, and if the lawyer has actually handled the case and been paid for doing so.

Mr. Gillespie: I'm not aware of any undue pressure on the lawyers to participate in these, Mr. Chairman.

Mr. Fleming: Forget it.

Mr. Chairman: Is there further debate on Vote No. 8?
Vote No. 8. \$3,423.00.

Hon. Mrs. Whyard: Mr. Chairman, is that the Vote which includes the Territorial Administration Building, for which we have additional information from Treasury?

Mr. Chairman: No, that's not in this Vote.

Hon. Mrs. Whyard: I don't want to miss it.

Mr. Chairman: No. 8. Clear?
Vote No. 9. 907. You have information before you regarding Establishment 907. Is there any further debate on Establishment 907?

Clear?

908. Clear?

Some Members: Clear.

Mr. Chairman: Vote 9.
Mr. Williams.

Mr. Williams: Yes, Mr. Chairman, I believe that the question was raised concerning the positions which were delted from this Establishment. The positions involved were all heavy equipment operator positions. They were all vacant, as at April 1, 1976 and most of them had become vacant over a period of years. No people were let go because of lay-offs.

Mr. Chairman: 910. Information regarding the Lynn Building, which is available to you.
Mrs. Watson?

Mrs. Watson: Mr. Chairman, we've got quite a great deal of information on the Lynn Building. It was certainly well documented. It doesn't make the paint any lighter, but are we finished now with the Lynn Building, completely?

Mr. Chairman: Mr. Williams.

Mr. Williams: Mr. Chairman, it's my understanding that we are through, that the final pay-out was made some time in March and therefore we've bought out the lease. I believe it's still open to the extent that if the purchase of the building can sell the leasehold improvements then we will make a recovery from the leasehold improvements.

Mrs. Watson: It's very minimal.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, just when was the lease to expire? The normal expiry date of that lease?

Mr. Chairman: Mr. Williams.

Mr. Williams: Mr. Chairman, the date that I have is January 20, 1978.

Mr. Chairman: Clear?
No. 9. Decrease \$299,900.00. Clear?

Some Members: Clear.

Mr. Chairman: Project Capital, 345.
Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, I'm interested in this, in all the architects fees here. The contractor to install two, what do they call those, Cryo anchors, am I right? I would like to know what they are at the cost of \$1,320.05. The architects fees go on in 3 for \$2,747.98 and \$1,590.00 and then consultants' fees, engineering, so on and so forth, \$4,848.74. And then consultant fees again of \$4,879.22.

I think that is all the consultants' fees and architects, I'm wondering just actually what this type of equipment or what it is that is being put in that takes that many architects' fees and that many consultants when the thing only cost about 1,000 to put it in. Payroll costs, and

that's for inspections again, also included, \$3,230.00. And then there's only \$521.00 for room and board and inspection staff again. It doesn't look like there was much money spent on the operation, it's all been spent on fees and engineering and so forth. Would somebody tell me what that is?

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, in relation to this particular school in Ross River, I would like to preface these remarks by saying this is where it's valuable for Members to get out to the other outlying areas and see what is going in the other smaller communities.

In the Ross River School, the way I understand it --

Mrs. Watson: Point of privilege, look who is telling whom to get out into the communities.

Hon. Mr. Lang: I just got back.

Mr. Chairman, I would like to point out that the Ross River School apparently is built on permafrost, and it is a new concept that has been used in that particular school, in relation to combatting the results of permafrost, for building on permafrost, and it's a type of chemical that's put into tubes. It goes underneath and it keeps the ground frozen, and apparently it's a very scientific area that they're getting into in relation to this particular installation at the Ross River School, and they have to bring these individuals up, I think from as far away as California, where this particular way of combatting permafrost was thought of.

My understanding is it is working to an extent, the Chairman and myself were just out there not too recently, not too long ago, and it appears to me that in some areas, the building is cracking in some areas.

Now, whether or not it's due to permafrost, I don't know, but I would imagine we are going to have another look at it, because whether or not it's working remains to be seen.

Mr. Chairman: It is literally cracking up.
Mr. McCall?

Mr. McCall: Yes, Mr. Chairman, in answer to the Minister's remarks, I'm a little appalled that he's been given a snow job.

I think the Honourable Member, when he asked the question, he was making reference to why there was two sets of consulting fees in the same months for the same job, and when you consider the Van Gorder School in Faro is built on permafrost, I would like a better explanation than what the Minister has just given us.

Hon. Mrs. Whyard: There are two former Ministers of Education here.

Mr. Chairman: Order, please.

Hon. Mr. Lang: Mr. Chairman, I don't have all the technical background in relation to this particular installation. All I know is that it's very complicated, very scientific, and whether or not it's working remains to be seen, but that decision was made approximately two or three years ago, is the way I understand it, and understandably, you have to have consultants to have a look

at it to know what they are doing.

Mr. Chairman: Those are very uncomplicated cracks running through the floors and the ceilings and the walls of the school.

Mr. McCall: Mr. Chairman?

Mr. Chairman: Mr. McCall?

Mr. McCall: With all due respect to the Minister, I would like that explained a little better, 8,000 or \$9,000.00 for consulting fees I think is a little ridiculous.

Mr. Chairman: Could we have that as an undertaking that he will bring in when his --

Mr. McCall: Yes, I would appreciate that, Mr. Chairman.

Mr. Chairman: Can we pass this item at the present time, if he does bring it? Okay, fine.

Mr. Fleming?

Mr. Fleming: Before we do pass the item, Mr. Chairman, I would like to comment a little bit on a little bit of permafrost, because we have had permafrost for many, many years and it has been my understanding and I think many others, that there is a way to combat permafrost, and I think it's well known in this Territory, and I would suggest possibly that the government look into the old method of driving a few piles in the ground and so forth, which don't take a consultant, before they get into too many expensive projects like this one here.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, I just want to point out to the Honourable Member that there's two different consultants involved, and it is one thing to be -- I am not an expert on this particular field, but one is on foundation and the other one is on instrumentation.

Mr. Chairman: And who conducted the pre-engineering?

Mr. Berger: Mr. Chairman, that was another consultant.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, isn't there a recovery on this from the architect, or the people who designed it?

Mr. Chairman: Mr. Williams?

Mr. Williams: Mr. Chairman, when the bulk of the construction costs were incurred last year, and we did receive a special recovery from the federal government of approximately one and a half million dollars for this school. I'm sorry, I don't have the exact figure, but it was approximately a million, five.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: But Mr. Chairman, isn't there something in the contracts that if the deficiencies are found within a year after the completion of the work, that you can go back to the architect and the contractors to get some of the deficiencies corrected?

Mr. Chairman: Mr. Williams?

Mr. Williams: I'm sorry, Mr. Chairman. I misunderstood the question. I'm not familiar with the terms of the contract, but in most contracts there is a warranty period, if the deficiency occurs during the warranty period, then the contractor is contacted and is required to make the repairs, and so I am not familiar with the particular project, so I don't know if the contractor has been contacted.

Mr. Chairman: The same was as our sound system. Mrs. Watson?

Mrs. Watson: Mr. Chairman, I just shiver when I vote money for capital expenditure, because this seems to have been the pattern for years with the territorial government. I don't know whether it's the territorial government or the consultants that we hire or what happens. But it's very, very seldom that we have a capital project that doesn't have some glaring deficiencies.

The Honourable Member from Pelly, the Faro school certainly has deficiencies for quite some time. We all know about the water tank. It sort of goes on and on and I can't put my finger on it. A lot of people, you get a lot of advice on it, but we're still, you know, we're still throwing money down the permafrost or we're still getting an awful lot of heaving and cracks in our buildings and a lot of mechanical work that has some very, very refined plans and refined technicians installing and nobody can operate them. Or they're put in backwards or... It seems to be the pattern and I have a real, real hang-up about voting money for that simple reason and I'm sure everyone does.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I wasn't being entirely facetious in my earlier remarks, although I was out of order. There are two former Ministers of Education here. At least one of whom must have been responsible for approving that building and I would like some information from them as to why that design was chosen and why that peculiar experimental form was adopted.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, that was specifically why I was speaking, if the Honourable Member... This happens time after time. You can get blue prints, you can get plans, you have architects, you pay. You should get the best advice possible and what happens? And this is exactly what I'm saying.

Now, if you try to build a capital structure at the Wolf Creek Residence, you can find these types of deficiencies everywhere. The Faro School took us years to clean up. And this is the problem, why? And this is why I say I don't even like to vote money.

Mr. Chairman: I would also be interested in knowing what an estimate of the saving is when the gymnasium at that school was cut down in size some 10 or 15 feet, because certainly it rendered the facility much less useful for a proportionate small saving. Mrs. Watson?

Mrs. Watson: Mr. Chairman, that's very, very simple to explain. It was just a matter of funds not being available. The bids came over the amount of money that was budgeted and the federal government would only go with a certain amount of money over the budget and, of course, we had to cut back.

We did have meetings at Ross River and that was the area that they thought should be cut back in their school, the size of the gymnasium.

Mr. Chairman: That is indeed tragic because the gymnasium certainly can't be used for so many functions that it should be, especially in a community like Ross River. It seems to be a false economy that is happening time and again with gymnasium structures. They're being cut down in size and it seems to me, a false saving in money.

Mr. Berger?

Mr. Berger: Mr. Chairman. I just would like to make a further comment on this and just highlight one happening that's happening in Dawson City in the same similar situation. In 1958, when they cut down on the gymnasium because the cost at the time was too high, but they maybe saved, I don't know the exact figure they really saved at that time, but say they had saved \$100,000.00 but the costs afterwards to the territorial government because of not looking ahead far enough, was a million dollars to build a new gymnasium.

Mr. Chairman: Point made.

2345. Clear?

I'd like to revert to Establishment 2005. The Territorial Administration Building.

Mrs. Whyard.

Hon. Mrs. Whyard: Yes, Mr. Chairman, we have some information here breaking down the over run which, as someone earlier pointed out, is not a bad total considering that the overall capital cost of this building. My only purpose in rising on this particular item is to point out that in 2(g), Council Chamber Changes as Requested, accounted for \$37,115.00 expense and I would like to disassociate myself from those changes because I have never requested any changes in this Chamber which I consider to be perfectly beautiful and something that every Yukoner can be proud of. I know there were changes requested, but I wish to disassociate myself from them.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Mr. Chairman, also on the Council, I'm not too clear what the changes exactly were. For \$37,000.00 is a lot of money, I'd like to know just what the changes were anyway.

Mr. Chairman: Mr. Gillespie?

Mr. Gillespie: Could we make an undertaking to come

back with that information, Mr. Chairman, if that would help, because I don't believe --

Mr. Chairman: Would that be all right, Mr. Fleming?

Mr. Fleming: Yes, that's fine, Mr. Chairman, thank you.

Mr. Chairman: Establishment 2925. I think we've run into problems here because the Minister involved in not present.

Mr. Williams?

Mr. Williams: Excuse me, Mr. Chairman. I believe the question was asked how this would tie in with the Whitehorse -- proposed Whitehorse sewage treatment plant, and I do have an answer.

At the moment, there is no sewage lift station, however, if the City of Whitehorse sewage treatment project proceeds, then sewage from the Takhini outfall will be directed into a pumping station which will be located in the Marwell area, and on the river bank.

This pumping station will pump sewage through the treatment site on the east bank.

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Two nine two six.

Mr. McCall: Yes, in reference to this information we received, Mr. Chairman, I was wondering, I see there's no figure on here for the actual building that was put on the property in Faro. What was the cost of that, do you know, approximately?

Mr. Chairman: Mr. Williams?

Mr. Williams: Mr. Chairman, I'm sorry, I don't have a cost and the reason for that, is that I believe M.O.T. purchased and had that building installed themselves, so the cost didn't flow through y.t.g.'s books.

I'm sorry, I don't know what the cost was.

Mr. Chairman: Mr. McCall?

Mr. McCall: Yes, Mr. Chairman, well in consideration of this particular project, is 100 per cent recoverable, I was hoping that we could have that particular cost factor on that building, if it could be acquired.

Mr. Gillespie: Mr. Chairman, we could undertake, once again, to obtain that information and bring it to the Honourable Members.

Mr. Chairman: Two nine two six, clear?

Some Members: Clear.

Mr. Chairman: Establishment, 2931, I think we required a good deal of information and the Minister has indicated that it will take some time for that to be forthcoming, so I would like Committee to have the undertaking that the Minister will bring it forward.

Mr. Williams?

Mr. Williams: Mr. Chairman, Mr. McKinnon has left some documents with me for distribution. There is one document which describes the policy for Arctic A, B and C airports. There is another schedule which outlines the proposed construction schedule or implementation of the policy, and there's a third set of documents which relate, or which give a general description of the interaction between m.o.t., the provinces, municipalities and Territories.

These documents can be circulated, if the Members wish.

Mr. Chairman: It's unfortunate that information wasn't forthcoming earlier. We can't possibly consider this prior to voting on it.

Mr. Williams?

Mr. Williams: Mr. Chairman, I was just going to say that -- I believe I'm told that this was tabled at an earlier session, and --

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Could I ask for the help of the Committee to clear this item. It's the policy on construction of future airports, I think the main thrust of the questioning was, and if that information is contained in this material --

Mr. Chairman: I don't know whether it covers -- there were several questions concerning this that I would agree, if we can --

Ms. Millard?

Ms. Millard: Mr. Chairman, I had a couple of questions, but I'm quite willing to take them up in the question period or in the Mains rather than here. I would hate to hold this up any further.

Mr. Chairman: Good.

Mr. Williams?

Mr. Williams: Mr. Chairman, perhaps I can supply some other information too that was left with me.

A question was asked concerning the refueling system at Dawson, and I'm told that the system is now in operation, although there may be some minor modifications that still have to be made to it.

A question was asked about emergency runway lights, and the information I have is that at this time, M.O.T. say that no emergency lighting will be installed.

And there was a question asked concerning the ownership of land around airports, but I'm advised that land reserved for B and C airports, is held in the name of the Government of the Yukon Territory, and that MOT holds the land for A airports.

A question was asked concerning standards and licensing, and I'm told that if an airport meets certain MOT standards, then a licence will be issued, and MOT makes that decision.

And a question was asked concerning the visual approach slope indicator system, and I'm sorry, I still don't have very much information, other than that it's a special sort of lighting system which aids pilots in landing under marginal weather conditions.

Ms. Millard: Mr. Chairman?

Mr. Chairman: Ms. Millard?

Ms. Millard: Just to add to that last item, I was given two pages of pictures and descriptions of the visual aid, whatever the S it's called, so if anyone's interested, I have that material.

Mr. Chairman: Thank you, Ms. Millard.
Two nine three one, clear?

Some Members: Clear.

Mr. Chairman: Two nine four zero, Pre-Engineering, Federal Projects, \$100,000.00 We have information on this supplied.

Mr. Berger?

Mr. Berger: Just for information's sake, according to information we received, it's a plan to reconstruct the highway to Mile 53, I was wondering if plans are under-way to reconstruct the highway to Mile 78.

Mr. Chairman: What are you referring to, Mr. Berger, which one?

Mr. Berger: Under the Federal Pre-Engineered Projects, the paper we received.

Mr. Chairman: Yes, yes.

Mr. Berger: And this item 4 states in there, reconstruction Mile 25 to Mile 53, and that's it. Reconstruction needs to be undertaken on the highway right up to Mile 78, and I was wondering if there's plans underway to reconstruct the highway from Mile 53 to Mile 78?

Mr. Chairman: Mr. Williams?

Mr. Williams: Mr. Chairman, I understand there is an intention to do further work later on between Milepost 53 and 78, it involves replacing some culverts and bridges, but I'm sorry, my knowledge doesn't go beyond that general bit of information.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, a question on number 5 on Carcross Road, field survey, Mile 10, and field survey at Lewis Creek, Mile 18, notation, note some design for future road construction. Project will resume in the fiscal year 1977, '78.

Could I have a little more clarification as to what that is? Is that straightening out the road in that area, or just upgrading it a little bit?

If there's anybody --

Mr. Chairman: Mr. Williams?

Mr. Williams: Mr. Chairman, I'm sorry I don't have an answer to that question. I'll undertake to have it provided.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: That's okay, Mr. Chairman.

Mr. Chairman: Twenty-nine forty, clear?

Some Members: Clear.

Mr. Chairman: Revert to Vote Number 6, Mrs. Watson?

Mrs. Watson: Establishment 600 and 605, now, I would hope that Committee gives me the opportunity to ask questions of the Minister on those two establishments when he is back in the House.

Mr. Chairman: Are we agreed?

Mr. Chairman: Are we agreed?

Some Members: Agreed.

Mr. Chairman: Then, could we clear these?

Mrs. Watson: Clear them, no.

Mr. Chairman: You want to revert, okay.

Mrs. Watson: Right.

Mr. Chairman: That is all we have left to clear on our supps, so I'll declare a brief recess, following which we will continue with the Insurance Ordinance.

(recess)

Mr. Chairman: I now call this Committee to order.

In consideration of Bill 8, the Insurance Ordinance, for the record, we have appearing as witnesses Peter Gillespie, Mr. Doug Spray and Mr. Brian Stanhope, representing the insurance business.

One.

(Reads Clause 1)

Mr. Berger.

Mr. Berger: Yes, Mr. Chairman. I'm not prepared to go in this Bill right now for the simple reason at the LAST Session we went through this Bill and found all sorts of mishaps and lack of information.

We were promised at the last Session we were going to get all that information and all that we've received is another Bill. That information should have been forthcoming in between Sessions as far as I'm concerned because a lot of research has to be done on this thing. Without the proper information we weren't able to do it.

The government promises a time that we're going to get this information and here we go in a great big Bill, which is a concern again to many Yukoners because they aren't able to receive insurance for all sorts of unknown reasons and we're going to try and discuss something like this again and I think it's not up to us at this time unless we have the whole information available to us.

Mr. Chairman: Mr. Gillespie.

Mr. Gillespie: Mr. Chairman, because this Bill is

being dealt with now, between supplementary estimates and before Main Estimates, we have not had an opportunity to bring a White Paper, an information paper through the Executive Committee, giving that information. This was our intention to do so. With your permission though, I would like to read what I have proposed to put in the White Paper, which provides some background as to what's happened in the meantime and the nature of the problem that we face in the Yukon regarding insurance.

Mr. Chairman: Does Committee concur?

Some Members: Agreed.

Mr. Gillespie: On November 15, 1976, during the 1976 Third Session, the Assembly requested the government to advise the Insurance Bureau of Canada that the lack of availability of general insurance coverage in the Yukon was creating difficulties for many residents.

At our request, a representative of the Insurance Bureau visited Whitehorse to review the problems associated with the availability of general insurance coverage to discuss them with Yukon insurance agents and government officials. We have subsequently been advised that the difficulties encountered by Yukon residents in obtaining general insurance coverage on their property must be considered individually.

In order to assist persons for whom insurance agents are unable to obtain coverage, the Insurance Bureau has offered to investigate cases reported to them and make every possible effort to obtain the coverage required.

Those residents who consider that their case should be investigated by the Bureau may request referral either through their insurance agent or the office of the Territorial Secretary.

We have further been advised that the Insurance Corporation of British Columbia, I.C.B.C., is considering reducing their involvement in the provision of general insurance. If I.C.B.C. does move out of general insurance in British Columbia, private insurers have indicated their intention to expand their British Columbia operations to make general insurance coverage more readily available to Yukon residents.

The Royal Group of insurers is also at present increasing their general insurance coverage available in Yukon.

The Yukon Visitors' Association, in discussions with the B.C. Hotel Association, investigated the possibility of owners of Yukon Hotels and so on insuring their business property under a group insurance policy, which had been negotiated by the Association. It was agreed that they may do so only if they held membership in the B.C. Hotel Association.

The majority found that the added cost of joining the B.C. Association would make it uneconomical to take advantage of this group insurance coverage.

Generally, difficulties being encountered by Yukon residents in obtaining insurance coverage may only be solved if a greater number of companies increase their business activities in the Territory. Due to the nature of the coverage required here, the companies must be in a position to offset some high risk coverage with lower risk coverage elsewhere.

We have the assurance of the Insurance Bureau of

Canada that they will continue to encourage insurers to provide service to the Yukon.

Mr. Chairman: Mr. Berger?

Mr. Berger: Again, we write a piece of paper, which I think has quite a bit of value in it, and I find it appalling for insurance companies to demand that people in B.C. reject a good thing under I.C.B.C. so the companies would come up in the Yukon again.

I think what we should do is the reverse, and take a look at government insurance, and it would be possible to implement this in the Yukon, because I think it's high time to look into this possibility, and there is more and more demand being put on by people to look and study the feasibility of government insurance in the Yukon instead of letting ourselves go to blackmail by insurance companies like this.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Thank you, Mr. Chairman. The remarks made by the Honourable Member across from me are really quite valid. Certainly I think the exercise of looking at government insurance is something that could be done, but in the meantime, because of the fact that it would be a very comprehensive exercise, we've got to make sure that our people in Yukon have coverage now and we have to do something to improve the situation. I'm not ruling out the fact that government insurance might not be an answer.

But, Mr. Chairman, I recall last session when we were discussing this particular Ordinance that I think the administration, the government, told us that the Bill, this Ordinance, would not come into effect for at least a year if, in fact, we did give it approval, and so I know that there has been a delay and I'm thinking that the delay that has been in effect has been used to some advantage and I'm going to ask Mr. Gillespie if in fact he has the regulations drawn up that go along with this Ordinance, because I think it's very pertinent, it's very essential that they are, because he himself just read out some information.

He said the number of companies operating in Yukon, if we could improve that situation and get more operating in Yukon, this would be great and I wholeheartedly agree. But I think, before that can happen, the companies would also like to know under what regulations they would have to operate and what they would have to abide by. Perhaps, if I'm wrong in that conclusion, Mr. Chairman, maybe Mr. Stanhope can even give me an answer on that. I'm sure he would like, as a representative of the insurance industry, to know what the regulations are to go along with this Ordinance.

Mr. Chairman: Mr. Gillespie.

Mr. Gillespie: Mr. Chairman, there has not been an opportunity since the Fall Session, the 1976 Fall Session, to prepare those regulations. We have limited staff available to work on this and, as I indicated yesterday, we are hopeful of establishing a position in the new year to work very closely with the Insurance Ordinance, the Credit Union Ordinance and the Real Estate Ordinance, and perhaps others as well.

But we have not had the capacity to get down to this

task up until this time. When we do so though, I can assure all Members and Mr. Stanhope that it will be done in consultation, close consultation, with the insurance industry here in the Yukon.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Mr. Chairman, I'm very disappointed in that those regulations aren't ready or at least certainly the bulk of them, because as I said earlier we did make that statement at last Session. We said if this Bill was not passed that certainly it would give the government the opportunity to work on those regulations and they said they'd bring them forward this time and I would like to see them here.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, I would certainly like to concur with the statements of the Honourable Member from Riverdale, just made. Everyone was appalled when the Bill was rejected. What a terrible thing that we have done. And, actually, all we did was give them the opportunity to prepare the Regulations because so often the nitty-gritty and the annoyances to the consumer and to the person who is in the insurance business is really in the Regulations.

I think we're going to have to really have a hard look at it, whether we want to proceed completely at this time, before the Regulations are in. Are we going to take the chance? But I think, Mr. Chairman, we have an opportunity to question the witness from the insurance company. He's here on certain segments of the Bill.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Just a little, Mr. Chairman, a little further direction there. I don't want to hold this Bill up either any further and I think I'd like to take the opportunity to question the witnesses and I'd like to see this to move on. But perhaps I could say it one more time, that the Regulations that I'm interested in are not the full bundle that are required to go with an Ordinance of this kind. But I'm interested in the regulations that pertain to the licensing of agents in Yukon, the nitty-gritty kinds of regulations, just to see if it's going to involve any further expense of the industry or if it's going to be a little easier to operate, because I think, Mr. Chairman, this is pertinent in how rates are structured and the excuses that insurance companies can give or whatever, with respect to how they operate.

That's all I'm saying. Could we have those kind of regulations worked on, which I'm sure are not too many in number and would satisfy this House?

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, I also have the same misgivings; however, there is only one question I would like to ask. Is this Ordinance exactly the same as the one we had before, the one we read last Session, or is there a considerable amount of amendments or changes in it?

Mr. Chairman: Mr. Gillespie?

Mr. Gillespie: There is no change, Mr. Chairman.

Mr. Chairman: Pardon?

Mr. Gillespie: There have been no changes made to this Ordinance.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Just a question of Mr. Gillespie, Mr. Chairman.

What information did Mr. Kennedy send on? He said he was going to send on quite a bit of information, further to our discussions and our questioning, and has the government received any information there?

Mr. Chairman: Mr. Gillespie?

Mr. Gillespie: Mr. Chairman, I don't recall the details of the information that he has sent. He has sent us a variety of material, clarifying and explaining some aspects of this, but he has in fact followed up on some of the things he said he would do.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Has that information been incorporated in the Bill, which I don't think it has; it hasn't changed. I answered my own question.

Mr. Gillespie: The information he provided didn't suggest or require changes to the Bill.

Mr. Lengerke: Okay, thank you.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, as I recall, what Mr. Kennedy said to this House was that he would look into the matters which had been brought to his attention during our discussion in Committee of the Bill. He would take them to the national body and he would try to clear a number of these problems for us, and I think it would be of interest to all Members of this House if a resume of what he did find out for us could be presented to the Members.

Mr. Chairman: Mr. Gillespie?

Mr. Gillespie: Mr. Chairman, we would be happy to prepare that.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, I concur with the Honourable Member. As I said, I would like to move on with this. We have a witness that I think will be most interesting to hear from, and possibly I could ask the first question of Mr. Stanhope.

I'm sure you've gone through this Ordinance, and I wonder if you could maybe give me your comments; and I'm going to move along here, with respect to the licensing, necessity for a licence under Section 20(1) on page 18 of the Ordinance, and I think this probably, Mr. Chairman, at least in my estimation would require some amendment because this is the — refers to the fact

that you have to be licensed, and I know that the agents in Yukon right now are making use of unlicensed insurance companies in order to place coverage, and maybe Mr. Stanhope can explain that a little further?

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: Yes, certainly. I should point out to you that, as an insurance broker, I can represent any insurance company anywhere in North America at all, whether I have an agency agreement with them or not.

An insurance agent has to have an agency agreement with an insurance company. It follows, therefore, that I can place insurance with whomever I choose as a company.

The most glaring omission in this Bill, which hasn't been noticed at all, is the fact that insurance companies who are not licensed in Canada, either with a Dominion licence or with the provincial licence, are totally excluded from writing insurance in the Yukon.

By putting forth this sort of legislation, the Territorial Government will effectively reduce the number of insurance companies who are presently writing insurance in the Yukon. In other words, this Bill, if it was to be passed and put into legislation, would prevent certain insurance companies from actually writing business in the Yukon.

It's a fact of life, and we all know, that insurance has been extremely difficult to obtain. Our company has gone as far as California, into New York, into Philadelphia, to try and find insurance companies who are prepared to do insurance in the Yukon, where the domestics have opted out, and as a particular interest to Mr. Fleming, the Teslin Tlingit Woodcrafts Business in Teslin, were unable to buy insurance through the domestic markets.

Now, the Federal Government approached us to get this business. The Federal Government, no less, and we couldn't get a domestic insurance company to write the risk. We eventually had to go to California, and my point about this whole Ordinance is that it's useless in its present state, and the sections concerning unlicensed insurers will have to be rewritten.

If it's passed, this will be the only ordinance in Canada that does not allow unlicensed insurers in Canada. In fact, this, I understand, is a copy of the Insurance Ordinance that was presented to the Northwest Territories, and in a letter I have before me, a copy of the letter from the Northwest Territories addressed to our office in Vancouver, the second paragraph reads:

"The conditions for placements of risks with unlicensed insurers was inadvertently omitted from the body of the Insurance Ordinance. The Superintendent, using the powers vested in him by the Ordinance, has written regulations in order to rectify this situation."

This is the whole point of this entire Ordinance. The way it's written at the moment is entirely useless as far as our insurance requirements in the Yukon are concerned. We want more insurance companies, not less. And we have to go abroad to get those insurance companies. That's the basis of my presentation.

Mr. Chairman: Mr. Gillespie.

Mr. Gillespie: Mr. Chairman, I get the implication from what Mr. Stanhope has said that the whole Ordinance

is useless. I also get the impression though that there is one change that can be made; it may require change to several sections to rectify one aspect and, if that is the case, I think we would be very happy to take a close look at it because I can sympathize with the comments he's made. There does seem to have been a serious oversight here.

We would like to take a look at it, but I would like to know if that's all he is saying or if he is saying, as he seems to be, on the other hand, that the whole insurance ordinance is no good.

Mr. Stanhope: May I reply, Mr. Chairman? No, the glaring omission in the Insurance Ordinance are the sections relating to unlicensed insurers. As far as the rest of the Ordinance is concerned, I can find no particular fault other than a small number of regulations which need to be printed so that the insurance companies and the insurance agents and brokers can see, and a number of sections concerning liability limits for automobile insurance. Other than that, no, I'm not an expert on the entire Ordinance and I should apologize for saying that. No, as far as I can see, the rest of the Ordinance appears to be in order, from my point of view.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, if I may ask Mr. Stanhope, he has referred to the Northwest Territories Ordinance, which had the same omission as the one before us. Could I ask Mr. Stanhope, Mr. Chairman, if he approves of the requirements which the NWT proposed to append to their Ordinance, which would be that the broker shall make written applications for a special broker's licence — the fee is \$35.00 — that a form for monthly returns from licensed insurers be completed within ten days of the end of the month and so on and so on, and forwarded together with the premium taxes to the Superintendent, and Form Two, the brokers' report of unlicensed insurers, etc., be used.

Would those amendments apply to this Bill equally and would they be acceptable to the insurance broker?

Mr. Stanhope: They would certainly be acceptable to me. At the present time, we make returns to the federal government for unlicensed insurance business that we undertake in the Yukon and we collect the taxes on their behalf. And this would be no greater a penalty than is already imposed upon us by the federal government.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, I would like to point out, for the benefit of Members who may be as unfamiliar as I am in this area, that when we are saying unlicensed insurers the unlicensed refers to unlicensed in the Yukon only. You could, perhaps, be referring to a company in California, as the witness said, but they are certainly licensed there in their own jurisdictions. They are abiding by the controls established on the business, on the industry.

What is happening is that a licensed local agent in the Yukon, or a licensed broker in the Yukon, would be obtaining coverage from that insurance firm, outside of the Yukon, and it is under the terms of this Ordinance

that we are calling it unlicensed insurer, but they are in fact licensed elsewhere, in their own jurisdictions. And the person who is doing the business from this end is also licensed to do that business by this government.

So, when you say "unlicensed insurer" to a lay person such as I, it appears to be something we're sneaking in the back door, and it is not that at all, Mr. Chairman. We are dealing here with licensed operators of a licensed legal business who, in turn, are obtaining coverage from a company elsewhere which is licensed where it is. And what has been omitted from this Bill, I am told, is a section which permits a licensed agent in the Yukon to avail themselves of coverage from those other areas.

In some cases, if you get a very large risk, requiring funding up to a million dollars, for example, you may well have to go outside of the usual sources for coverage and, if we do not plug the gap in this Ordinance, we will be preventing the local agents from so doing. Is that correct, Mr. Chairman?

Mr. Stanhope: That's absolutely correct.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: I'd like some clarification there, when you talk of unlicensed insurance companies in Canada, does that also mean that they're also unlicensed in the Dominion? I see a reference here and it says to me, "unlicensed means insurer not licensed by Dominion or province or through broker agent outside of Canada."

Mr. Stanhope: That's right. The "unlicensed" refers to either not holding a provincial licence or not holding a Dominion licence, such as the California Union that is used quite frequently. They do not have either a domestic or provincial licence, nor do they have a federal licence. What they do instead, rather than take out a licence, they pay tax on the premium to the federal government, a tax of 10 per cent is imposed on any company which does not have Dominion licence.

If it's of any use to you, I have the various regulations, in fact I've already given them to some of the Members, showing exactly what taxes are imposed in every province and of course in the Northwest Territories, where unlicensed insurers are concerned.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, then it must follow that the tax then is really in lieu of the licence fee, is that correct?

Mr. Stanhope: Exactly.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: The companies that are unlicensed in Canada, in the Dominion or their provinces, say for example, the company in California, how would their rates, their premium rates compare to Canadian licensed companies?

Mr. Stanhope: Would you like specific examples, or do you want me to generalize?

Mrs. Watson: Mr. Chairman, both.

Mr. Stanhope: Both? Fair enough.

If we are in a capacity problem, in other words, if we have placed, say, \$800,000.00 out of a million dollar risk, and we still have to place \$200,000.00, the foreign insurance company will invariably write the insurance premium at exactly the same rates as are being charged by a domestic company, with the addition of the federal tax.

Now, if you want a specific example, and I was recently asked, albeit it was outside the Territory, but I was recently asked to write a highway risk, for a lodge in Muncho Lake. The domestic insurance companies wanted a rate of \$10.00 a hundred. We went to the California Union, who gave me a rate of \$2.00 a hundred, so what happens here is quite often the foreign insurance company can be severe competition to the domestics.

If I may make one other point, you have to remember too, that this Ordinance or this draft or this Bill, was drawn up by the Insurance Bureau of Canada, who only represent licensed insurers in Canada, and I imagine it's to their advantage to keep out unlicensed insurers.

I'm afraid that when the Bill was read last time, and when the investigations were made, they were only made of one side, they were not made of both sides.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I wonder if we might be informed whether, instead of using examples of companies in California and in the States, this does not also preclude companies in Great Britain and so forth, from doing business here.

Mr. Stanhope: That's exactly true. Some of the companies which we use are Lloyd's Syndicates from London, who are not licensed in Canada. Not all Lloyd's Syndicates are licensed in Canada, most Lloyd's Syndicates are, and a tax of two and a half per cent is paid to the federal government for those people, but not all Lloyd's Syndicates are, and Syndicate may be an unfortunate choice of words, but it is the actual word that's used, but not all the Lloyd's Syndicates are licensed in Canada, therefore some of them have to pay the federal tax.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Have you underwritten quite a bit of insurance in the Yukon with foreign companies?

Mr. Stanhope: Quite a large amount, yes, in the region of about half a million dollars in values, insurable valuables, particularly in your area too, Haines Junction, I might add.

It's extremely difficult to get a domestic insurance company to write insurance outside the city boundaries of Whitehorse, because of firefighting difficulties, and we therefore have to go abroad for some of our insurance, for some of our insurances.

It seems ridiculous to keep out what is actually a benefit to ourselves, by passing an ordinance such as this, but I'm not here to debate the Bill, excuse me.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I know that when we say coverage up to a million dollars, it sounds most unlikely and probably a very occasional request, but I do not believe this to be so, and I came across an example of it in Watson Lake recently, and I do hope Mr. Speaker has the monitor on -- I hope he has the monitor on -- affecting a community group which was about to open a teenage drop-in centre, and they were required by the owners of the building, to obtain public liability insurance in the amount of one million dollars, before they would allow them to open the door, which shocked me. But I am told by people who are in the business and deal with this kind of thing all the time, that this is not an unusual thing to happen, and we must accept the fact that this size of coverage is an ongoing business fact of life, and we must be prepared for the difficulties of obtaining that kind of coverage through local resources.

I'm sure that most Members in this House have far more experience in insurance than I have, but I don't know if they all deal in the million dollar brackets.

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: May I just speak, Mr. Chairman?

We mustn't here become confused with liability limits of a million dollars which might or might not happen, in other words, third party liabilities from negligence standpoints. There's that to consider.

The basic thing to consider where foreign insurance companies are concerned, is actual physical risks where fire might cause a million dollars, with or without liability.

Mr. Chairman: Mr. Berger?

Mr. Berger: Yes, Mr. Chairman, I have a specific question in the Dawson City area. There's a couple and they're in their 80's and they've been insured for years and years, on their dwelling, and all of a sudden they were refused fire insurance.

The reason given to them was -- and I read it from the quotation here:

"We regret that we cannot find any of our companies who will accept older type dwellings in Dawson City, such as your mother's, without full concrete foundations."

I have a question, what does a concrete foundation have to do with fire insurance? When the thing is, there are many people in Dawson unable to receive insurance, for different reasons given. I think all it amounts to is the insurance companies are just not interested in writing insurance in Dawson City and other areas in the Yukon.

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: Do you wish me to reply to that?

It certainly wasn't one of my clients. If it had been my client, there would have been no problem at all, that's the only thing I can say to you.

Mr. Berger: Mr. Chairman?

Mr. Chairman: Mr. Berger?

Mr. Berger: May I assure the witness it wasn't his client, no.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, these may seem like very small questions to Mr. Stanhope, but to the people that we talk to it's very important. Wood furnaces, people are not being given insurance because they have a wood furnace in their home, and we all know that a good, wood furnace or a wood and oil furnace is as safe, if not safer, than an oil furnace.

How does your company handle this -- companies?

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: Thank you. That's an extremely difficult question to answer, because I'm not an engineer, however, I am given to understand that combination wood and oil furnaces can cause, if they use the same smoke stack, can cause a combustible mixture in the smoke stack, and that combustible mixture is likely to explode.

Now, I have this on fairly good authority, I don't know, I'm not an engineer, but I understand that's the case.

Now, I would like to say that I have never, or we have never refused a client insurance, or never had to refuse a client insurance because has a wood stove. There may be a charge for a wood stove.

Now, this again brings up a technical point, and I'll try and explain it to you. All appliances for either the extinguishment of fire, or for the containment of fire, such as sprinklers, boilers, furnaces, should be tested by Underwriters' Laboratories of Canada, or the Underwriters' Laboratories in the U.S.A.

Until those furnaces are tested in proper laboratory conditions, it is impossible to know whether they are intrinsically safe. They may have a C.S.A. label, but a C.S.A. label simply means that they are good for the use to which they are put. It does not mean that they are intrinsically safe.

So once those furnaces have been tested by Underwriters' Laboratories, there's a good possibility that the insurance companies will then grant insurance without any hesitation at all, but until they're properly tested, the insurance companies themselves have no way of knowing whether one furnace is good and one furnace is bad, and that's the only explanation I can give you at this time.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, of course the natural follow-up question, are you aware, are they undertaking this type of testing because in this day of energy, we're looking at alternative methods of heating.

Mr. Stanhope: Mrs. Watson, I am aware, and I am aware that insurance companies have brought a great deal of pressure to bear on the manufacturers of wood burning furnaces, to have those appliances tested by Underwriters' Laboratories.

This is not a common, this is not a problem that's common to the Yukon. We tend to think of it as purely a domestic problem. This is a problem that occurs right across Canada and throughout the United States. We

are all living, not just the Yukon are living in a crisis period for fuel, but everybody in North America is living in a fuel crisis period, and these — the insurance companies are really pressing the manufacturers to have them tested.

But if the manufacturers refuse, and they're quite happy to sell their wood furnaces, if the manufacturers refuse, then there's nothing that anybody can do about it. I certainly would like to see them, perhaps forced by legislation by the federal government, to have them all tested. Certainly, I would like to see it, I would like to have a wood burning stove in my house.

Mr. Chairman: I take it that it is the wish of Committee that Mr. Gillespie made the offer of this undertaking, and it is the wish of Committee to proceed along that line?

Some Members: Agreed.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: May I ask another question of Mr. Stanhope?

Mr. Chairman: By all means.

Mrs. Watson: Why, Mr. Stanhope, you must be able to give us some explanation, why have insurance rates increased so very much, particularly for fire insurance? The last two years almost.

Mr. Chairman: Mr. Stanhope.

Mr. Stanhope: Again, I'm not an engineer and I'm not an economist either. However, my understanding is that some years ago, about three or four years ago, there was a great deal of competition in the insurance business for just the business, for dollars which could be invested by insurance companies. As a consequence, throughout North America, and it's not confined to the Yukon again, throughout North America, insurance companies cut rates to points which were simply not economical.

What happened at that same time was the bond market fell apart and interest rates were rising on a yearly basis, sorry, inflation was rising on a yearly basis, higher than interest rates could accommodate return on the bonds. And the consequence was, plus there was a number of severe fires in 1973, '74 and '75 periods, which meant that insurance companies overall lost a small fortune, both on the bond markets because of their investments and also in the pure profit and loss business of collecting premiums and paying out claims.

As a result of that, in 1974, in late '74, insurance companies began to increase rates right across North America to try to regain some sort of equilibrium. And they have had to do that basically because of the poor investment facilities that have been available to them.

That's the reason basically for the huge increase in rates. It's partly an investment problem and partly the fact that there were a huge number of very large fires.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, this brings another

question. When you underwrite with a foreign country, an American one, you're underwriting in Canadian dollars and our Canadian dollar is devaluated to approximately 95 to 97 cents. That of course would effect the premium also.

Mr. Stanhope: Not necessarily. We collect in Canadian dollars, but we pay in US dollars.

Mrs. Watson: You collect in Canadian?

Mr. Stanhope: We pay in u.s. dollars.

Mrs. Watson: But if a person has a loss, you get it in Canadian dollars.

Mr. Stanhope: You get it in Canadian dollars.

Mrs. Watson: Thank you.

Mr. Chairman: Is there any further general debate? Mr. Lang.

Hon. Mr. Lang: Mr. Chairman, for the record, I think it should be pointed out in relation to this particular Ordinance, this Ordinance was sent out, I don't know, a couple of months prior to it being tabled last Session for comments from the various insurance agencies within Whitehorse here. And, unfortunately, I understand Mr. Stanhope was ill at that time, but I would like to point out that the government did attempt to solicit their views in relation to the particular Ordinance that was presented and nobody bothered, to my knowledge, of putting any views forward.

Now whether or not Mr. Stanhope was the only one that operates working with unlicensed insurers, I don't know, but I'm appalled that there was no other comments made by the other insurance companies to correct this deficiency because, as you all know, that none of us in this room here are experts in the area of insurance and we're looking in the areas where there is expertise for advice and that advice is not forthcoming. So I don't think it can be totally blamed on the government. The government did attempt to solicit those views. And unfortunately, they're just come into fruition at the present time, which I'd like to commend Mr. Stanhope for his work that he has done on this particular Bill.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, that's very well put, but it's most unfortunate that the government chose to bring as their witness, all the way from Toronto, I believe, Mr. Kennedy who has represented the Insurance Association of Canada, who certainly wouldn't give the other point of view. And I think we have to be very careful when we get with witnesses so that we're able to get both points of view.

Mr. Gillespie: That's why we distributed the Bill among the agents in the Territory, Mr. Chairman.

Mr. Chairman: When did you distribute them, Mr. Gillespie?

Mr. Gillespie: It was August, last year, that we distributed it, Mr. Chairman.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: It was my understanding, when I inquired as to make sure that it had been made available to the local insurance people, and I did, that they in turn had passed it on to their national head offices to interpret for them. And I believe that was the case.

I, myself got information on this Bill, personally, as an individual, from people involved in the insurance business here before we came back in again with it. I definitely got the impression that they required interpretation of the Ordinance themselves at the national level. So I really agree that they were given an opportunity to review the Ordinance. Many months before it was brought in.

Mr. Stanhope: Mr. Chairman, if I may so....

Mr. Chairman: Mr. Stanhope.

Mr. Stanhope: Thank you, Mr. Chairman, this is quite true. We were given the opportunity to review the Ordinance in July of 1976, with the proviso that it had to be returned by August 15, I believe and I was unavailable during that period of time to read anything. But I don't know, I can't speak for the rest of the agents, unfortunately.

Mr. Chairman: One other concern, Mr. Gillespie, there were some suggestions, I think, that came out of discussion of the Bill at the last session, and I have some confusion here because I understand that these were incorporated in this Bill, these suggestions were --

Mr. Gillespie: No, Mr. Chairman, there were a number of concerns raised about the insurance business in the Yukon, and Mr. Kennedy undertook, as Mrs. Whyard has said, to look into those, and we've had some follow-up from that, from the IBC particularly in British Columbia, where they've attempted to help us obtain coverage in individual cases, and also to try to sort out what is happening with the ICBC but I don't recall any particular sections of the Bill, that he was to advise us on with regard to possible changes.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: I'm just going to take advantage of the witness again, Mr. Chairman, here. I hope not in that way, Mr. Gillespie.

Maybe Mr. Stanhope could comment, there is another area here that kind of concerns me, and maybe I have no need for concern at all, but how about companies that write insurance in Yukon who don't have agents or an office here? Is there some concern there, can you give me some kind of an idea if, in fact, we do have that situation, which I believe we do, and is it of an advantage, or isn't it, or maybe I'm asking the wrong person, Mr. Chairman, but let's hear his comment anyway.

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: A good deal of insurance in the Yukon

is written by outside agents or brokers, outside, in other words, not residents in the Territory.

As a point of interest, I would like to see that any resident agent in the Territory is given the opportunity to see those insurance policies by the adoption of a countersigning fee, again which is not provided for in here.

However, a good deal of insurance is written by agents and brokers outside, and basically the reason for that is it's by and large erroneously understood that an insurance agent who lives in Vancouver is an expert, whereas an insurance agent or broker who lives in the Yukon is a hayseed.

This I object violently. I've had 20 years' experience in the business, and I'm the only qualified insurance broker in the Yukon, and I've worked for an international organization. No one has had any problems placing insurance through me, and I imagine that no one would have any great deal of difficulty if they approached any other agent, providing the other agent uses his common sense and his intelligence, and approaches as many insurance companies, or perhaps another broker that he can.

Perhaps if he approached another broker and asked him to help him market risks, it might be simpler for him. I don't personally run into that problem, since we have offices across Canada and the USA and in England, so it doesn't bother me too much.

But it is a problem for the smaller agents in the Yukon, who have difficulty placing insurance here because he does not represent enough insurance companies. He therefore must approach a broker, or somebody similar, who does represent a lot more insurance companies, to find avenues in which to place his insurances.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, just one more question.

With regards to the p.l. and p.d. and car insurance, and not fire insurance and not other insurance, you know that is voluntarily taken or not taken by the individual, but the insurance, in other words, that is forced upon the person by the government.

So many time I find here, and you many answer this if you wish, that Joe gets his insurance cheaper than Bill does, and some other insurance company -- I often wonder about this, because I would think that something was forced by the Government would be set as an overall price across the Territory, somehow or other, and I'm wondering, is it true that you can get p.l. and p.d., alone, you know, insurance cheaper maybe at one insurance company than at another. I'm not saying who or what, you know.

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: Yes, it is true, it is true.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: One more question. If an agent in the Yukon is selling insurance for a company, and he gets a fairly large account, is it possible for the company the next year to directly deal with the large accounts, and sort of by-pass the agent completely? Is it possible, can

they do it and do they do it?

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: You're not talking about what we refer to as 'sub-broker business'. In other words, if you come to me for insurance, and it's too large for me to handle, I could then approach another insurance broker, and suggest that we take a split on the commission, or something similar.

The insurance broker would in turn market the business on my behalf, using his name on that policy.

In subsequent years, it is possible for that second insurance broker, supposing it was somebody from Vancouver or Edmonton, it is possible, in subsequent years, for that insurance broker to bypass the previous agents and there are a number of devious — to bypass the original agents through whom the approach was originally made.

Now there are devious ways in which he can go about this, which I don't think you're really interested in at this point in time, but it can be done, and they can go round the original agent and pick up the business direct, thereby cutting out the original agent. It can be done. I've seen it done.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, would some of our smaller agents in the Yukon suffer from this then?

Mr. Stanhope: Mrs. Watson, they most certainly do and most certainly have. Would you like an example?

Mrs. Watson: Yes.

Mr. Stanhope: The City of Whitehorse is a prime example of exactly that.

Mr. Chairman: For the recorders, I would like to remind witnesses and Members that would you please address the Chair. They have difficulty picking it up if you don't.

Mrs. Watson.

Mrs. Watson: Mr. Chairman, is Mr. Stanhope saying that the City of Whitehorse is not carrying their insurance through an agency in the Yukon?

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: That's quite correct. The City of Whitehorse are not carrying their insurances through a local agency. But don't run away with the idea that the City of Whitehorse is to blame over that. They were backed into a corner and they couldn't move. And in fact, when they telephoned me and asked me what I would do in the same circumstances, I said go right ahead the way you're going, you can't do anything else. They were backed in a corner and they had no alternative.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: I'm sure, with reference to that Mr.

Chairman, that the City of Whitehorse has not been in, I know they haven't been in that situation for too long. I think I'm correct in that, Mr. Stanhope.

I'd just like to make one other point, Mr. Chairman, and I don't mean any disrespect to Mr. Stanhope, but you did say earlier that through your company or through the companies you represent, and I'm sure through your knowledge, you could place insurance for just about anybody and I must probably agree because I haven't heard too many complaints that way, but I would just like to point out that it's not always a matter of being to place that insurance and get it. It's the price you have to pay. I think, you know, many of us could do a lot of things if somebody was willing to pay the price.

I don't want to lose sight of that, because I would like to remind all Honourable Members, and I'm sure I don't have to you know, the name of the game here is to try and bring insurance at a reasonable rate to Yukon as well.

Mr. Chairman: Mr. Stanhope.

Mr. Stanhope: Mr. Lengerke is quite correct. As in most things, everything has its price — even insurance.

Mr. Chairman: Mr. Berger.

Mr. Berger: Yes, Mr. Chairman, I think that Mr. Stanhope was very enlightening to us and I would like to know, since I don't think we can expect him to sit through the whole Bill we have here, if he has any further comment on the Bill on any other places where we should pay attention to?

Mr. Chairman: I think Mr. Stanhope has to catch an airplane, so...

Mr. Berger: This is more important.

Mr. Stanhope: I've made arrangements, thank you. May I continue?

There are some areas which I would like to see tidied up in the Bill, but I don't know whether the Members would have time this afternoon to listen to me prattle on.

Mr. Chairman: Mr. Stanhope, what I would suggest doing, and I'm suggesting this to Committee, is that we're still in general debate but then, instead of reading clause by clause, all I intend to do is call out the clauses and perhaps at that time both Members could comment and if you have anything to contribute it would be appreciated if you could be here.

Mr. Stanhope: By all means, Mr. Chairman.

Mr. Chairman: We won't be proceeding with this today, and I don't really know when it will be. It won't be tomorrow. We'll try and let you know in advance.

Mr. Stanhope: I'm glad it's not tomorrow, thank you.

Mr. Chairman: Just before we adjourn...
Mr. Lengerke?

Mr. Lengerke: Go ahead, Mr. Chairman, go ahead

with your comments. I have another question that I would like to ...

Mr. Chairman: Go ahead.

Mr. Lengerke: It's moving on to liability insurance for motor vehicles. It's this point: I was wondering, Mr. Stanhope, I know in our Ordinance, like we use something, I think we've got a limit of \$50,000.00 and I know that in the provinces that limit is way up and around the \$200,000.00, in that area. I was just wondering, really, the question is to increase it to the 100,000 or the 200,000 as I understand it, isn't too costly an affair but I may be wrong in this and maybe you can help me out in that one?

Mr. Chairman: Mr. Stanhope.

Mr. Stanhope: First of all, if I may correct Mr. Lengerke: the liability limits in automobile policies are constant throughout Canada, at a fixed figure of \$50,000.00, with two exceptions — that is, the province of Nova Scotia where a \$75,000.00 limit exists and now the province of B.C. which either have just amended their Ordinance or are about to amend their Ordinance to read \$75,000.00.

In answer to the second part of Mr. Lengerke's question concerning the cost to increase a policy, a PL and PD policy, from 50,000 to 100,000, the cost varies between \$2.00 a year and \$17.00 a year, depending on your experience, your age, and so on and so forth. So it's anywhere between \$2.00 and \$17.00 a year. It averages out at about \$5.00.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: The reason I asked that question, Mr. Chairman, is when we get to that particular area, you know, just because other provinces have certain limits, I was wondering maybe we could be a little better in the Yukon and up our limits considerably without too much cost and give better coverage.

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: Naturally, the insurance fraternity would like to see that. From the point of view that a great deal of insurance claims, liability insurance claims, these days are in excess of \$50,000.00. I know of one claim pending in the Yukon at the present time which is in the region of a hundred thousand dollars. That's the largest one I know of at the present moment, but there's no doubt that it could be higher.

For the cost involved, in fact, I'd go as far as to say that I do not, would counsel against any client of mine taking minimum limits of \$50,000.00 on an automobile. It is too risky; he could find himself out-of-pocket to the tune of an awful lot of dollars.

There are many, many claims settled, if anybody ever reads the Insurance Law Reports, there are many, many claims settled these days of over a million dollars across Canada. It's not uncommon at all.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, but Mr.

Stanhope, how can you possibly carry another, say, \$25,000.00 or \$50,000.00 worth of insurance on an automobile accident or such between \$2.00 and \$17.00, when the initial 50 costs so much?

I would like to know the reason how you can handle that that cheaply.

Mr. Chairman: Mr. Stanhope?

Mr. Stanhope: I wish I had a piece of paper and a large pencil or something. You have to bear in mind that, for every liability claim, the first dollar is always paid out, the first ten, the first five hundred, and then the incidence of loss becomes less and less, right, so as you get to \$50,000.00 many claims are paid out for \$50,000.00 but fewer and fewer claims are paid out over \$50,000.00 and therefore it's on a sliding scale in direct proportion to the amounts the liability limits increase.

Mr. Chairman: Before we adjourn, Mr. Gillespie, I don't like to harp on this, but there were suggestions forthcoming during the last session and I am led to believe that these have been incorporated in this Ordinance?

Mr. Gillespie: There were some made at the last session, but we have not incorporated any in the amendments since that time, Mr. Chairman. I believe I am right in saying that we have not undertaken to make any changes between then and now.

Hon. Mrs. Whyard: Mr. Chairman, that's incorrect, Mr. Chairman. I have my original copy of the Bill here with my notes, and there are copies here of the amendments that were made as we went through the Bill, but there was no undertaking that further amendments were to be made after the end of the session.

Mr. Chairman: The Chair will entertain a motion to adjourn.

Mrs. Watson: Mr. Chairman, the Bill has been retyped, hasn't it?

Mr. Chairman: Well, it must have, if there were amendments at the last session.

Mrs. Watson: Mr. Chairman, I have 18 years crossed out all over, and I see that it's 19 now in the new copy.

Mr. Chairman: Yes, I have it on information that it was totally retyped.

Mrs. Watson: And those were considered typographical errors.

Mr. Gillespie: Maybe you are quite true that it has been retyped, and apparently it has; no argument with that.

Mr. Chairman: Mr. Lengerke?

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

Mr. Chairman: Seconder?

Mr. Fleming: I second that, Mr. Chairman.

Mr. Chairman: It has been moved by Mr. Lengerke, seconded by Mr. Fleming, 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. The witnesses are excused. Thank you very much.

(Motion carried)

(Mr. Speaker resumes Chair)

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

May we have a report from the Chairman of Committees?

Mr. Chairman: Mr. Speaker, the Committee of the Whole have considered Bill Number 1, "Appropriation Ordinance 1976-1977", and Bill Number 8, "Insurance Ordinance", and have directed me to report progress 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 is granted.

May I have your further pleasure?

The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Mr. Speaker, I move that we do now call it 5:00 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 5:00 o'clock.

Are you prepared for the question?

Some Members: Question.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

Mr. Speaker: I shall declare that the motion is carried.

(Motion carried)

Mr. Speaker: This House now stands adjourned until 10:00 a.m. tomorrow morning.

(ADJOURNED)

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