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The Yukon Legislative Assembly

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Debates & Proceedings

Tuesday, April 19, 1977

Speaker: The Honourable Donald Taylor

Whitehorse, Yukon Territory.
April 19, 1977.

Mr. Speaker: I call the House to order.
We will proceed with Morning Prayers.

(Prayers)

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

ROUTINE PROCEEDINGS

Mr. Speaker: Under Routine Proceedings, are there any Documents for tabling?
Any Reports of Committees?
Petitions?
Introduction of Bills?
Notices of Motion for the Production of Papers?
Notices of Motion or Resolution?
Statements by Ministers?
This brings us, then, to the Question Period.

QUESTION PERIOD

Mr. Speaker: The Honourable Member from Hootalinqua.

Question re: Campground planned for Teslin

Mr. Fleming: Yes, Mr. Speaker, I have a question for the Minister of Local Government. I have, from government sources, a letter stating that there is a campground in the planning stage by the L.I.D. in Teslin. I'm wondering if the Minister could enlighten me on that subject, Mr. Speaker.

Mr. Speaker: The Honourable Minister of Local Government.

Hon. Mr. McKinnon: Mr. Speaker, I'd be most happy to bring the matter to the attention of the Assistant Commissioner-Executive who is responsible for campgrounds in the Yukon Territory.

Mr. Speaker: The Honourable Member from Hootalinqua.

Mr. Fleming: On a point of privilege, I might help the Minister by giving him maybe a written question because there is more questions to be answered than just a single one, if I'm allowed at this time. It's re the campground in planning stages in the Teslin L.I.D. At what stage is the plan? Where is it to be located and how much will it cost and how will it be managed?

Mr. Speaker: The Honourable Member from Kluane?

Question re: Members of Pipeline Inquiry Board

Mrs. Watson: Mr. Speaker, I have a question for the Commissioner this morning. This morning on the news we heard that my favourite Minister, the Minister of Indian Affairs, announced the Pipeline Inquiry to be held in the Yukon and he announced a three-man Board

of Inquiry and the Dean of Law of the University of British Columbia would be the Chairman. He also stated that there would be a member from the Legislature of the Yukon and from the CYI. My question: who will choose what Member of the Legislative Assembly will sit on that Pipeline Inquiry?

Mr. Speaker: Mr. Commissioner?

Mr. Commissioner: Mr. Speaker, I didn't hear any announcement of that kind. What I did hear was that the panel will consist of the Dean of Law of U.B.C. as the Chairman, a representative to be chosen or recommended by the Legislature of the Yukon and a representative chosen by the CYI. I am assured by the Minister that he will indeed follow the wishes of this Legislature and choose and appoint the Member recommended by this House.

Mr. Speaker: The Honourable Member from Kluane?

Mrs. Watson: Mr. Speaker, a supplementary. The news broadcast may have been incorrect; I wonder if you would check into it to make sure, the membership on that panel.

Mr. Commissioner: Mr. Speaker, I have a copy of the press release which I got late last night and gave to Members of the Executive Committee and certainly I can get a copy of the official press release for you and I will attempt to give copies to all the Members today.

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

Question re: Discussions re Haines Junction Language Controversy

Mrs. Watson: Yes, Mr. Speaker, the Minister also stated that he would be discussing the Haines Junction Indian Language controversy with the Commissioner. Has the Minister discussed this with you, Mr. Commissioner?

Mr. Speaker: Mr. Commissioner?

Mr. Commissioner: Mr. Speaker, no, he has not.

Mr. Speaker: The Honourable Member from Kluane?

Mrs. Watson: Supplementary, have senior officers within his Department discussed it with the Commissioner or the Assistant Commissioner-Executive?

Mr. Speaker: That's a borderline question; however, I'll permit it. Mr. Commissioner?

Mr. Commissioner: Mr. Speaker, I have indeed been keeping the senior officer of the Department aware of the situation as it has progressed.

Mr. Speaker: The Honourable Member from Kluane?

Mrs. Watson: Supplementary, Mr. Speaker. Were there indications from the senior members of the Department of Indian Affairs that they wanted to see that Language Program continue and to see that it is reinstated?

Mr. Speaker: Mr. Commissioner.

Mr. Commissioner: Mr. Speaker, the senior members of the Department recognize that education is the responsibility of this Legislature and have put no pressure on me, have not asked me to put any pressure on Members of this Government in any way, shape or form with regard to the Native Language Program.

Mr. Speaker: The Honourable Member from Kluane.

Question re: Opinion Poll in Haines Junction

Mrs. Watson: Yes, Mr. Speaker, I have another question and it's for the Minister of Education this morning. Was a member of the Department's staff present at Haines Junction the night the Opinion Poll was held? Was that member of the staff present for some of the time in the voting station and was he there when the votes were counted?

Mr. Speaker: The Honourable Minister of Education.

Hon. Mr. Lang: Mr. Speaker, in relation to the first two questions, the answer is yes. In relation to the counting of the ballots, I would have to bring back a response to that particular question because I'm not sure.

Mr. Speaker: The Honourable Member from Kluane.

Mrs. Watson: Mr. Speaker, I can answer the question for you: yes, he was there and helped count the ballots and the ballots are now at rest within the Department of Education.

Mr. Speaker: Order, please, order.

Mrs. Watson: Another question, Mr. Speaker, of the Minister. Since there was a member of the Department present almost all of the time at the polling station, when these allegations were made, would it not be a natural reaction for the Minister to request an opinion or a report from the Department on those specific allegations?

Mr. Speaker: The Honourable Minister of Education.

Hon. Mr. Lang: I did that, Mr. Speaker; a report was put to myself and the member of the Department that was present at that particular election, was satisfied in his mind that all procedures were followed, but at the same time, I believe he did leave the polling station for a certain length of time so he couldn't really comment on that particular area when he was outside the polling station.

Mr. Speaker: The Honourable Member from Kluane.

Mrs. Watson: Mr. Speaker, did the member of your Department give any indication in his report that he thought there was any denial of basic democratic rights or any bias or prejudice that went on at that opinion poll?

Mr. Speaker: Order, order please. I have no department that was present at that. I believe the question was addressed to the Chair whether I had any member of my Department there, and I must say I had not.

Mrs. Watson: My apologies. Mr. Speaker, to the Minister of Education — your Department, Mr. Minister.

Mr. Speaker: The Honourable Minister of Education?

Hon. Mr. Lang: Mr. Speaker, in his opinion the procedures were fairly done and done unbiasedly, but at the same time I must say, Mr. Speaker, that he was out of the polling station for a certain length of time, so he could not comment on that particular time frame that he was not there.

Mr. Speaker: Order, please. I must say that I can no longer continue this line of questioning. This is ranging close to a debate, but the Chair will receive questions on other matters.

The Honourable Member from Kluane?

Mrs. Watson: A supplementary question, then, Mr. Speaker, to the Minister of Education?

Mr. Speaker: A Question Period is normally a question period and it seems to the Chair that this is starting into either a debate or a cross-examination and will not be permitted by the Chair. However, I will listen to the question.

Mrs. Watson: Mr. Speaker, on a point of order, the Minister and I certainly aren't debating. I'm asking him questions and he's answering them. That is not a debate.

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

Mrs. Watson: A supplementary question for the Minister of Education.

Mr. Speaker: Proceed.

Mrs. Watson: The Minister of Education, did you show copies of this Report to other Members on the Executive Committee?

Mr. Speaker: Order please, I did not show a copy of a report to anything. You will please kindly direct your questions to the Chair. This is not a debate and I re-state that otherwise I will not be permitting these questions.

Mrs. Watson: Mr. Speaker, with respect, I did say

"Mr. Speaker"; I was very careful. But Mr. Speaker, a question for the Minister of Education: did the Minister show copies of the report to other Members on the Executive Committee?

Mr. Speaker: The Honourable Minister of Education?

Hon. Mr. Lang: Mr. Speaker, if my memory serves me correctly, I did not show the report but I did discuss the contents of the report with Members of the Executive Committee.

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

Mrs. Watson: Yes, Mr. Speaker, a question for the Minister of Health. In debate yesterday, she said she needed something to clear the murky waters. That report was available. Why would you vote against a report of a Department that clearly indicated there were no murky waters?

Mr. Speaker: Order, please. I will disallow the question. The Honourable Minister will not be required to answer and I will also discontinue any further questioning on this line at this time.

If Honourable Members wish to debate this issue, perhaps they can do it in the normal course of action through Notices of Motion.

Have you any further questions?

The Honourable Member from Whitehorse Riverdale?

Mr. Lengerke: Point of order, Mr. Speaker. The question was valid. It was a question of the Minister of Health and Welfare.

Mr. Speaker: I do not consider that the question was valid and that is the ruling from the Chair.

Have you any further questions?

If you have no further questions, we will proceed to Orders of the Day, under Motions for the Production of Papers.

ORDERS OF THE DAY

MOTIONS FOR THE PRODUCTION OF PAPERS

Mr. Speaker: The Honourable Member from Kluane?

Mrs. Watson: Yes, Mr. Speaker, I have a question.

Mr. Speaker: I am afraid I asked for questions and no questions were forthcoming, and we have now moved to Orders of the Day.

Mrs. Watson: Mr. Speaker, on a point of order — my hand was up and you chose to ignore it.

Mr. Speaker: That is incorrect. We are now under Motions for the Production of Papers on the Order Paper.

Mrs. Watson: Mr. Speaker, on a point of order. Yes-

terday we talked about a denial of democratic rights. We sat in a very lofty manner and debated the denial of democratic rights ...

Mr. Speaker: Order, please.

Mrs. Watson: ... and you are denying my democratic right to ask questions.

Mr. Speaker: Would the Honourable Member kindly take her seat?

Under Motions for the Production of Papers, may we proceed?

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

Mr. Speaker: Is the Honourable Member prepared to discuss Motion for the Production of Papers, Item Number One?

Mr. Lengerke: Yes, Mr. Speaker.

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

THAT the Administration obtain and table a copy of the report entitled, "The Government Indian Relationship Paper".

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: We shall proceed now to Motions.

MOTIONS

Item Number 1

Madam Clerk: Item Number One standing in the name of the Honourable Member, Mr. Hibberd.

Mr. Speaker: Is the Honourable Member prepared to discuss Item One?

Mr. Hibberd: Yes, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse South Centre, seconded by the Honourable Member from Kluane,

THAT the Fourth Report of the Standing Committee on Rules, Elections and Privileges be concurred in.

Is there any debate?

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)

Item Number 2

Madak Clerk: Item Number 2, standing in the name of the Honourable Member, Mrs. Watson.

Mr. Speaker: Is the Honourable Member prepared to discuss Item 2?

Mrs. Watson: Yes, Mr. Speaker, if I am permitted to speak.

Mr. Speaker: Order please.

It has been moved by the Honourable Member from Kluane, seconded by the Honourable Member from Klondike;

THAT in the opinion of this House, the regulations pursuant to the Game Ordinance should be amended to remove the wolverine from the big game animal list and place it on the fur bearer list until such time as all interested groups have had the opportunity to make representation and the Game Branch can conduct a biological and population assessment of the animal.

The Honourable Member from Kluane?

Mrs. Watson: Yes, Mr. Speaker, I think I distributed copies of a letter I had from the Yukon Outfitters' Association which prompted this motion.

Apparently the regulation may even be signed by now. I hope that we can get support in the House to stop the regulation, to make sure that other interest groups, and if you remember reading the letter, the Yukon Trappers' Association asked that the wolverine be taken off the big game animal list and be placed on the fur bearer list alone.

Normally, in situations like this, you would think the other organization that is effected by it would certainly be asked to comment but this wasn't done in this instance. Just by accident, the Yukon Outfitters' Association learned of it at their meeting. They were relatively upset and I think you can all understand why they would be. They are in business, they are business people and it almost seems that the only right that business people have these days is the right to go bankrupt.

They have to operate a year ahead of time. They have to get their advertising done a year ahead of time and they have to get their clientele a year ahead of time so they have been advertising wolverine as a big game animal.

Now, if the regulation is changed, it's too late for them to change the brochures, they've made commitments to clients and they're in a very difficult position. So the question was asked of the Game Branch whether they had had the opportunity to do an assessment of the population of the wolverine or a biological assessment. Was there some disease or some reason why it should be taken off the big game list? The Game Branch stated they had no technical reason. They hadn't had an opportunity to do an assessment of it on a technical basis.

So my motion is requesting that the regulation not be

put through until the outfitters have had an opportunity to make representation and also that the Game Branch has an opportunity to make a biological and population assessment of the animal.

It is very interesting to note that, I believe last year, there were eleven wolverine taken by the big game outfitters, Yukon outfitters. In 1975, nine; 1974, ten; and in 1973, ten. So it isn't that there's been a big slaughter of wolverine. So, I would request that all interested parties be given an opportunity to make representation before the regulation does go through and it is going to, if it goes through, it'll certainly create quite a hardship for the people who are involved in the outfitting business.

Mr. Speaker: The Honourable Member from Mayo.

Mr. McIntyre: Mr. Speaker, as I read the motion, it seems to me that there must be a typographical error and there should be a "not" between "should" and "be".

Mrs. Watson: Mr. Speaker, yes, it should "not" be.

Mr. Speaker: I'm just not sure where to find this. Perhaps I could have some direction from the Clerk.

It's so noted, the typographical error.

Is there any further debate?

Are you prepared for the question?

Some Members: Question.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

Mr. Speaker: I declare the motion as carried.

(Motion carried)

Item Number 3

Madam Clerk: Item Number 3, standing in the name of the Honourable Member Mrs. Watson.

Mr. Speaker: Is the Honourable Member prepared to discuss Item 3?

Mrs. Watson: Yes, Mr. Speaker. Item 3 deals with the same --

Mr. Speaker: Order, please.

It has been moved by the Honourable Member from Kluane, seconded by the Honourable Member from Whitehorse Riverdale;

THAT in the opinion of this House, the government of Yukon should form an Advisory Council to the Game Branch to review and make recommendations regarding proposed changes to regulations pursuant to the Game Ordinance, and that the membership of the Advisory Council include representation from the Game Branch and equal representation from various interest groups such as the Trappers' Association, the Outfitters' Association and a native organization.

The Honourable Member from Kluane?

Mrs. Watson: Yes, Mr. Speaker, this motion is here

in order to provide for the future, so what happened in the previous motion doesn't happen again. I think the Committee on Statutory Instruments are becoming aware more and more that some interest groups seem to have drafts of proposed regulations and others don't.

If my suggestion here, and the suggestion from the Outfitters, that an Advisory Council be struck, all these various interest groups, with representation from the Game Branch and they could review and assess the need for the amendment of the regulations under the Game Ordinance. The Trappers are affected, the Outfitters are affected, and there should be room also, if and when there's a Fish and Game organization or if the Conservation Organization requests membership.

I haven't made it very specific, I have said, "such as the Trappers' Association" to give the flexibility to provide for other organizations or interest groups who may want representation. That way, once or twice a year, they would be able to sit down and to discuss and make representation on changes that they would like to have made, and when everyone has representation at the table, there can be a consensus or compromise made, and everyone knows about it. The way it is now, if the Outfitters ask for an amendment, then the Game Branch is almost obliged to write to the Trappers and everybody else and say what do you think about it.

In order to overcome that, an Advisory Council might just be the solution.

Mr. Speaker: The Honourable Member from Hootalinqua?

Mr. Fleming: Yes, Mr. Speaker, I don't rise entirely against the motion, but I'm afraid that I will, in this case, be voting against it.

I'm just a little afraid that we are again going into giving the government somewhere to make another advisory council, another board, and somebody's going to end up paying for it, and I think in this case probably it will be gain paid for somewhere by the taxpayer.

I'm a little leary of that because an Advisory Council to the Game Branch immediately gives them an opportunity to do something else. I sympathize with the Honourable Member from Kluane, but I feel that the Trappers' Association and the Outfitters' Association, the Native organizations, and all other organizations, if they have a problem, they can get together with that problem, and I'm sure that the Committee on Statutory Instruments, if they hear there is something wrong with the regulations, will be immediately prepared to see if it's wrong or right, if there are any rumours even, and we are allowed to get whatever regulations we wish and look into them.

I don't feel that this Council is actually a necessity and, I think that it might end up just being another expense possibly.

Mr. Speaker: Is there any further debate?
Are you prepared for the question?
The Honourable Member from Kluane?

Mrs. Watson: Mr. Speaker, I was interested in the Member from Hootalinqua's comments on another advisory council and I agree, we have a lot of advisory councils and that they are an expense. This is very true. But how else are they going to get together unless some-

body calls them together and says you've made a request, we've had these requests for changes to regulations, what do you think about them?

I don't think this would in any way inhibit the work of the Statutory Instruments Committee because actually they're not there to determine policy of regulations. They're there to determine whether the regulations are within the powers of the Ordinance, and I think it would make their job a lot easier, knowing that before the Game Regulations have been -- when the Game Regulations are amended that everybody concerned knows about it. So I would hope that this motion gets support from the House.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

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

(Motion carried)

Mr. Speaker: We will now move to Public Bills.

PUBLIC BILLS

Madam Clerk: Second reading of Bill 15, "An Ordinance to Amend the Local Improvement Districts Ordinance."

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

BILL NUMBER 15 - SECOND READING

Hon. Mr. McKinnon: Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse West, that Bill Number 15 be now read a second time.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse North Centre, seconded by the Honourable Member from Whitehorse West, that Bill Number 15 be now read a second time.

Are you prepared for the question?

Some Members: Question.

Hon. Mr. McKinnon: Mr. Speaker?

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

Hon. Mr. McKinnon: Mr. Speaker, I'd just like to make a few short comments on the principle of Bill Number 15. As we all know, the immediate reason for the Bill at this point in time is to take care of a situation in the Haines Junction area, where the board members have been dissolved and not the L.I.D.

It's the government's intention to have an election for a five-member board in the Haines Junction L.I.D. just as quickly as possible and the machinery to start the election proceedings will get started upon the passage of Bill Number 15.

We also took the opportunity -- Local Improvement Districts were organized about 15 years ago and they

were really organized on the Town Hall concept of meeting, where it was pretty simple and not too elaborate, the election mechanism. Really, any L.I.D. set their own bylaws of how they conducted their election and it could come at a town hall type of meeting election where ballots were available and then the trustees got together and elected a chairman of the board of trustees from amongst themselves.

Unfortunately, Mr. Speaker, that concept is no longer valid in the Yukon any longer because of the intricacies and because of the demands that are being placed by the public in different segments and pressure groups of the public upon the L.I.D.'s. We don't get an election in the L.I.D.'s any longer where we don't get complaints from one segment of the community or another that certain things happened that were inconsistent with proper election techniques.

When we're going to a five-member board, when we're going to the election of a chairman at large as a mayor, then I think we have to, out of protection for the people that are running out of community and for the government, to go into the same type of procedure as is followed in the Municipal Ordinance.

I'm really not so sure that I like to see this as progress in the Yukon. I'm telling you, it may not be progress but it's absolutely necessary because of the pressures that are facing the people who are running for L.I.D.'s, which I do not like to see, and the pressures that come daily upon this government, which I do not like to see either.

It used to be 15 years ago, when the L.I.D.'s were organized, that people in a community really knew one another, really trusted one another, that your word was your bond and you didn't have all the silly little escapades that are going on presently in the Yukon Territory. I don't like it, Mr. Speaker, anymore than any other Members, but those are the facts of life in the Yukon and one has to change to take care of those situations as they are coming about in the Yukon as we know it today.

The other important principle of the amendments to the L.I.D. Ordinance concerning elections is that we try to get the mechanism in progress as quickly as possible to get the Haines Junction L.I.D. back under elected membership on the L.I.D. board, as five members, that we provide a timing mechanism that the present L.I.D. boards, as constituted, continue until the December elections, where there would be normally one trustee, I think, elected and take that opportunity to go into the five-member board in those elections, in those L.I.D.'s also, so that by next January, all of the L.I.D.'s will be constituted as a five-member board, which has been a request by all the Local Improvement Districts at this time.

I think Members will also be pleased that the total of the guts of the Ordinance are contained in the L.I.D. Ordinance. We were thinking of doing a *mutatis mutandis* thing where we just said that the provisions of the Municipal Ordinance will apply in this section. We thought that the L.I.D.'s deserved, and we thought that they wanted, we knew the House wanted, that when you look at the L.I.D. Ordinance, you know exactly what is contained in the Ordinance, what exactly the procedures are in the L.I.D. and what you have to follow. It makes a bit more work for the House at this time but we felt that was necessary and I think with that type of an

attitude, that there'll be very few regulations needed under the Ordinance for amendments to the L.I.D. Ordinance, Mr. Speaker.

Mr. Speaker: 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: Shall the Bill be referred to Committee of the Whole?

Some Members: Agreed.

Mr. Speaker: So ordered.

Madam Clerk: Third Reading, Bill 8, "Insurance Ordinance."

Mr. Speaker: The Honourable Member from Whitehorse West?

AMENDMENTS TO BILL NUMBER 8, FIRST AND SECOND READING

Hon. Mrs. Whyard: Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse Porter Creek that the amendments to Bill Number 8 be now read a first and second time.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse West, seconded by the Honourable Member from Whitehorse Porter Creek that the amendments to Bill Number 8 be now read a first and second 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 carried.

(Motion carried)

Mr. Speaker: When shall the Bill be read a third time?

BILL NUMBER 8 - THIRD READING

Hon. Mrs. Whyard: Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse Porter Creek, that Bill Number 8 be now read a third 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: Are you prepared to adopt the title to the Bill?

Hon. Mrs. Whyard: Mr. Speaker, I move, seconded by the Honourable Member from Whitehorse Porter Creek that Bill Number 8 do now pass and that the title be as on the Order Paper.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse West, seconded by the Honourable Member from Whitehorse Porter Creek that Bill Number 8 do now pass and that the title be as on the Order Paper.

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: Bill Number 8 has passed this House. May I have your further pleasure at this time? The Honourable Member from Pelly River?

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

Mr. Fleming: I second that.

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 that 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 call this meeting to order. This morning we will embark on Bill Number 15, an Ordinance to Amend the Local Improvement Districts Ordinance. One.

(Reads Clause 1)

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, there's a significant difference in this section here of "Chairman". In the past, the Chairman has been appointed by the Members who have been elected and now I take it that the Chairman is going to be elected as Chairman?

Hon. Mr. McKinnon: Yes, Mr. Chairman. That is a significant policy change. The five Members will be elected the same as a Municipal Council or Members of the Yukon Legislative Assembly, not on a staggered or continuing basis but all at a one-time period.

I, personally, have always shared the philosophy that that's the way I'd like to see elections conducted, that if they're so mad at a group of people who have been not listening to the people's choices that they can throw the whole group of rascals out at the same time if they so desire. Also, as the Honourable Member stated, it has been the policy in Local Improvement Districts that the three Members just get together and say, well, do you want it, or do I want it, or who wants it, re the Chairman, and they agree amongst them who is going to be the Chairman of the three elected Members.

We thought, with the expansion to five Members, that the Chairman should be elected the same as a Mayor of a Municipality, as the person who runs for the Mayor, the Chairman of the L.I.D. will run with his name after it for Chairman of the L.I.D. so the people will have a clear direction of who they are electing to be the Chairman, if you want, the principal in the running of the Local Improvement District.

Mr. Chairman: Mr. Taylor.

Hon. Mr. Taylor: Mr. Chairman, I was also interested in why the decision was made to change the policy of not permitting the L.I.D. members to choose from amongst themselves a Chairman. I'm wondering if indeed this could not cause problems in filling a five-member board of trustees in smaller communities. Perhaps this would cause no difficulty whatsoever in a municipality, but if you had five people running for office, capable people, in a community, and two of those five members perhaps ran for the position of Chairman, of course only one of them would be elected and that very capable person who was the second party running for Chairman would, as I see it, have no opportunity of participating in his government at the local level. It seems to me that when you're dealing with very, very small populations that this could indeed be a factor.

Mr. Chairman: Mr. Fleming.

Mr. Fleming: Yes, Mr. Chairman, that was my concern, exactly, and I'm wondering if, possibly, there isn't some way that if, for instance, four or five people ran for

Chairman, that the people would, you know, they do not win that election as Chairman. In this sense we're going to lose them, probably we're going to lose the best people in that district for the job, and this was my -- I don't know how you could overcome it, other than having the Chairman's election, that would create two elections, to have it before.

I don't really have the answer, but I do realize that it is going to be a little, maybe not a problem, but I think it's going to affect the type of people that we're going to have on the L.I.D.

Mr. Chairman: Mr. McKinnon.

Hon. Mr. McKinnon: Mr. Chairman, of course, we come right down to that problem in any democratically elected assembly. You know, I've heard the statement over and over that in certain of the electoral districts for territorial ridings, that there's three or four really good people running in that riding, and in the other one there's just a bunch of bums running, the whole three or four of them, so why can't we elect two out of this one so -- or the ones with the most votes will be the ones elected to the Legislative Assembly, because I know I don't want to vote in my riding because there's nobody good riding, then I could vote for three in the other one.

The very same thing happens in a municipal election with the Mayor. If you have four, what you consider relatively good people running and only one can be elected, the others don't automatically end up to be members of the City Council.

We've looked at exactly these problems that the Honourable Members are stating to us in these amendments to the Ordinance, and I started on the basis that the people in the L.I.D.s should know and should have the choice. It should be their choice to decide who, for two years, is going to be the Chairman of the L.I.D., which is comparable to the Mayor of a municipality, or at least they make the selection as to who is going to be the guiding light of the affairs of their community for the next two years. That's starting from the process of having the most democratic method of representation. Whether or not it's workable in the smaller L.I.D.s is something that this House is going to have to give direction to the Members, or to the Government.

We started on that premise that this is the way it should work because of the arguments that you meet in all democratically elected houses and we couldn't find that the arguments, if it were practical, did not hold true in the Local Improvement Districts also.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I certainly share the Honourable Members from Watson Lake and Hootalinqua's concern and I would, because of that concern, I would like to see it continued the way it was before, because I know that to get five people running to accept office in the L.I.D. is going to, itself, be a challenge at times and if you're losing people because they are running for a specific position, we're losing very good people.

I can see why the Honourable Minister said that it's a very democratic way of doing it, to have the people elect their own Chairman, but on the other hand, the Members that are elected amongst themselves can quite

often determine who is the most capable of carrying out the functions of the Chairman. If they have any continuity of office, it sort of goes -- it's a training ground for some of the other people, and I would just like to see it the way it was before. Increase it to five members, but leave the Chairman to be chosen from amongst the five members.

Hon. Mr. McKinnon: Mr. Chairman, if that's the feeling of the House, we have no problem in considering this position.

Mr. Chairman: Perhaps, Mrs. Watson, someone could bring forth the proposed amendment.

Hon. Mr. McKinnon: If it is the feeling of the House, we'll have no problem in presenting a proposed amendment. I don't really know, I've heard two, three Members speak.

Mr. Chairman: I don't have the feeling of the House so if we had a proposal that we could vote on.

Mrs. Watson: Mr. Chairman, I'll make a note of it and, rather than trying to scribble it down now, maybe I could do it all at once for tomorrow. Or do you want it now?

Mr. Chairman: We'll carry on, but perhaps you could propose it in the meantime. You don't have to have the specific wording involved, you just have to give direction for the Minister.

Hon. Mr. McKinnon: Make it a multiple choice.

(Laughter)

Mr. Chairman: At this time, I'll carry on with Clause 2.

I should first ask if there is any further general debate on the Bill?

Mr. Fleming?

Mr. Fleming: I won't belabour the subject very long; however, I will say this, that I'm very glad to see the Bill here. I at all times have advocated the five-man -- at least five people in the L.I.D.s because I think we're going to get better, much better representation from the L.I.D. up to the government, senior government, level if we have more voices down there and also, I think we will have a better quality of L.I.D.s, although I'm not saying that the ones that we have today are not the very best.

So, I really do commend the Minister and I have to agree with him on what he said this morning. I've felt that many times that we are getting too much regulation. It would be nice if we didn't have to have so much, you know, in the Ordinance, but it boils down to where finally there's problems if you don't spell it out, so I'm very glad to see it spelled out here.

Mr. Chairman: Any further general debate?

Mr. Legal Advisor?

Mr. Legal Advisor: There's a typist's error in Section 2 in the definition of "trustee". There's a piece left out.

Mr. Chairman: Local Improvement District Ordinance, Section 2, sub 1.

(Reads Clause 2)

Mr. Legal Advisor: There's a line of type left out, Mr. Chairman. I haven't got the original Ordinance here, but I think it should read: "elect or appoint pursuant to Section" so and so.

Mr. Chairman: I have it in the old one; I think it was: "Trustee means any person elected or appointed as trustee of a district under this Ordinance". Is that what you are referring to? Mr. Legal Advisor?

Mr. Legal Advisor: I'm not sure that that's the up-to-date one.

Mr. Chairman: We'll stand Clause 2 and get to it with further clarification.

Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, yes, on that "trustee means a member of a board", I find that, right through the Ordinance in the first couple of pages, the same thing. Whereas you have, "a trustee means a member of the board elected in..." — as we go down, you'll find that there is nothing about them being appointed and there should be through the whole area -- on the first and second page, I think you'll find it all the way through as we come to it, the same thing.

Mr. Legal Advisor: I don't think those are errors. It's just a line left out -- I'm not sure what it is, but we can get it.

Mr. Chairman: Well, we'll stand that. I'll refer that to Clause 1. Mrs. Watson has presented me with a suggested amendment to the Bill which reads, "that the Chairman of the Board not be appointed or elected, but be chosen by the Members of the Board themselves." Does Committee concur with this suggestion?

Some Members: Agreed.

Mr. Chairman: Clause 3.

(Reads Clause 3)

Mr. Chairman: Ms. Millard?

Ms. Millard: Mr. Chairman, in Section (c), when would we ever have an appointed board?

Mr. Legal Advisor: There are provisions for an appointed board in certain circumstances when there's a vacancy in the Trustees when you don't have an election.

They are in the Ordinance at present, Mr. Chairman.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: The time and manner of electing the board, it used to be that the first board was appointed, but now you have it elected, so I think that's a good question. When do we have an appointed board?

Mr. Legal Advisor: I can think of one, Mr. Chairman. When a vacancy occurs, I think, shortly before an election, a person can be appointed, or if there are no candidates at an election, then appointments can be made.

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: Mr. Chairman, if the Ordinance is in its proper place, those areas where you do appoint members and could come to an appointed board, will flow in the Ordinance.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I'm concerned about "such other provisions and conditions as the Commissioner may deem necessary".

What types of problems do you foresee that, or if you could foresee them, I suppose you put down -- but why are you having that Section? Has it become obvious in the past that you needed something like this?

Mr. Legal Advisor: No, Mr. Chairman.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: They were there in the place we took this from in the Statute already and they were also in the provision for the municipalities from which we took it.

Mrs. Watson: Mr. Chairman, it wasn't in the old Section 4.

Mr. Chairman: No, I can't find it there either.

Mr. Legal Advisor: It wasn't just invented out of old cloth, Mr. Chairman.

Mrs. Watson: Well, Mr. Chairman, if I could ask a question. What conditions would you envision, or what special conditions or provisions would you envision when you establish an L.I.D. Board, an L.I.D. District?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, speaking from experience, when you're about to start something new, something always happens that provision is not made for, like, perhaps adjourning the election, perhaps finding a new Returning Officer. Things always happen at the last minute.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, I'm just wondering, I did read it all of the way through, but that was just last night, and I've forgotten it. Is there somewhere, is there not somewhere ahead of us, the term of office of the first or appointed board, is that not already in the Ordinance somewhere beyond us here? Are we not going to come to where it does specify and, if so, why would it have to be here? And why would an order have to be established, too? More regulations.

Mr. Legal Advisor: Mr. Chairman?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: One reason why it would occur is the board may be constituted as the new Haines Junction Board, I would expect it to be, during the summer-time, it's inconvenient to have an election in, say, September or August, and have a fresh election in December. The intention is that the elections will occur at two intervals and will occur in all places at the same time. So, to bring them into the stream, you may have to give them a term of office of two and a half years, one and a half years or a half a year.

Mr. Chairman: Mr. McKinnon.

Hon. Mr. McKinnon: That's correct, Mr. Chairman, this is specifically for the problem that is now presently before us in the Haines Junction area and if it weren't for that specific problem that we want to get resolved as quickly as possible, we wouldn't need this section in the Ordinance as it now is, because the other Local Improvement Districts will flow into a normal election from the other conditions of the Local Improvement District. But certainly we're going to specify in the term of office for the election for the Haines Junction Local Improvement District that they will be for over a two-year period, that they will come up for re-election again at the same time as the other L.I.D.s to put them all on stream together eventually.

Mr. Chairman: Clear?

Some Members: Clear.

Mrs. Watson: Mr. Chairman, which have you cleared? Three?

Mr. Chairman: Three.
Clause 4.

(Reads Clause 4)

Mr. Chairman: Mr. Fleming.

Mr. Fleming: Yes, Mr. Chairman, a question on 3, "every elected member of the Board shall be elected from the district at large". I'm wondering what is the position of an appointment by the Commissioner, instead of an elected member, and where that person would necessarily come from?

Mr. Chairman: Mr. McKinnon.

Mr. Legal Advisor: Mr. Chairman, the expression "district at large" ...

Mr. Chairman: Mr. McKinnon. Mr. Legal Advisor, I'm asking the Minister to answer. If he wishes, he'll ask you.

Mr. Legal Advisor: I'm sorry.

Hon. Mr. McKinnon: Mr. Chairman, we would, I'm

not sure of what section it comes in, the appointed Members, but the terms and conditions of the appointed Members comes in the Ordinance at a later date, also, but Mr. Legal Advisor can specify what the particular conditions of an appointment by the Commissioner as a member of the Board would be. I believe there's three nominating meetings that are held and if no candidates come for election following the three nomination meetings, then the Commissioner can appoint.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: The expression "district at large" is a technical expression which is intended to be placed there to show that there will be no ward system. It means nothing else.

Mr. Chairman: Mr. Taylor?

Hon. Mr. Taylor: Yes, Mr. Chairman, perhaps 4 should be stood over inasmuch as it relates to the question still to be considered respecting the Chairman, because, of course, sub 1 would have to be -- it says, "each district shall have a board of trustees consisting of a Chairman and four trustees". Perhaps this would have to be rephrased to say five trustees, one of which shall be Chairman. So, perhaps this could be stood over in consideration of the chairman question.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Mr. Chairman, I didn't have my question answered. I don't know who can answer it, I want to know what the position would be of an appointed member. Would he come from the district at large, or would he come from where, and I might ask another question of Mr. Legal Advisor. The "district at large", will it mean the Teslin area district, or will it mean the Yukon or all of Canada?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, in the section that's dealing with the appointed member, they just appoint the person to be a member, I haven't got the Ordinance here.

So there's no difference in elected or appointed members as far as powers are concerned, it's just that we use a technical expression to show that it's not a ward system, that's all.

Mr. Chairman: Ms. Millard?

Ms. Millard: Mr. Chairman, I think the question is, could then an appointed member come from somewhere else, let's say from Whitehorse?

Mr. Legal Advisor: No, Mr. Chairman, because to become eligible he has to hit subsection 5.

Mr. Chairman: The problem in sub 5(b) and "the qualification being a Canadian citizen or other British subject". I have the understanding that in other jurisdictions, the phrase "British Subject" is no longer included. Within the Immigration Act, yes.

Mr. Legal Advisor: I don't know, Mr. Chairman, we took the section holis bolis from the old Ordinance.

Mr. Chairman: We have had a chance to look at that in other areas and we have found that this is no longer used.

Mr. Legal Advisor: Perhaps, Mr. Chairman. It hasn't been considered at all.

Mr. Chairman: So perhaps this could be dropped.

Some Members: Agreed.

Mr. Chairman: Mr. McIntyre?

Mr. McIntyre: Mr. Chairman, perhaps we have another typographical error in subsection (5); it doesn't seem to flow to say "To become eligible to become...", perhaps they mean "to be eligible to become...". It sounds silly to become to become.

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: The section that the Honourable Member from Hootalinqua was concerned about is found in 63(3) which says "Upon receiving a report from the returning officer pursuant to subsection (2), the Board shall forthwith forward to the Commissioner the names of three qualified persons in respect of each vacancy and the Commissioner may appoint one of these persons to fill each vacancy."

So, it's the Board members that have been elected after three nomination meetings have been unsuccessful in getting other candidates to submit suitable names to the Commissioner. But if any one of those persons are appointed to be a trustee to fill positions which are vacant, they still have to be eligible to vote for an elector for the election in which -- in the district, that's one of the qualifications to become a trustee, so the Board has to suggest a person who is qualified to be an elector and who is in the district. That is the provisions that allow for the appointment of a trustee if the election doesn't fill the five vacancies.

Mr. Chairman: Clause 5.

(Reads Clause 5)

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I should know the answer to this one. Does the Chairman vote except in cases of tie?

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: I don't know, Mr. Chairman.

Mr. Chairman: Mr. Legal Advisor?

Legal Advisor: Mr. Chairman, the Chairman

Hon. Mrs. Whyard: Aside from breaking a tie?

Mr. Chairman: Aside from breaking a tie, Mr. Legal Advisor?

Mr. Legal Advisor: I think so, yes, Mr. Chairman. I don't think there's any disqualification in this part, but there may be in the other part of the Ordinance.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, Mr. Chairman, this was a question I wanted, I think I asked the other day to try and get it straight and I didn't. I'm speaking of public meetings which they hold annually, say their annual public meeting and motions from the floor, not the meetings of the L.I.D. themselves, but a public meeting and a motion from the floor, does the trustees and the Chairman vote? Do the people in the town vote? Or do they all vote?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, if it's a public meeting. At the moment the way public meetings are conducted in the L.I.D.'s are that eligible voters are called to the meeting and it's an election meeting and each eligible voter votes at the meeting, and presumably has a voice in the conduct of the meeting.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: No, it isn't.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: At the annual meeting, the annual meeting of the L.I.D.'s, at that time and if I'm wrong you can correct me, but there can be motions made from the floor, from the residents of the district to the L.I.D., asking them to perform certain duties such as, for the moment, holding a plebiscite or something like this in the town, and at that time, that is when I would like to know if the Chairman can vote, if he has to vote, and the other members of the L.I.D., Local Improvement District, the members themselves of the board, do they vote? Or is it just the people in the district, or the residents that vote?

Mr. Legal Advisor: I don't know, Mr. Chairman. I couldn't give you the answer to that.

Mr. Fleming: Could I get the answer, Mr. Chairman?

Mrs. Watson: Mr. Chairman, I believe some of them have separate bylaws for the conduct of their own annual meeting. They have requirements to follow under here, but they have their own bylaws and so it could vary with each district.

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: Mr. Chairman, there is nothing at all in the present L.I.D. Ordinance which states what has to happen at the annual general meeting. It's up to the Local Improvement District and bylaw to consider whether they are going to allow resolutions from

the floor and whether they have to act on those resolutions on the floor or whether the Chairman has to vote on those resolutions on the floor. Whether they have to accept or abide by those resolutions on the floor.

The only thing I know that it says is that you have to have an annual general meeting. It's up to every -- as it is now which is one of the problems, that every Local Improvement District sets its own rules and regulations as to what is going to be the conduct and what they are going to be bound by, by the annual general meeting. There is nothing in the Ordinance other than the statement. As I understand it, you have to do this at an annual general meeting of those types of specifics, whether resolutions are allowed by the floor, whether the Chairman has to vote, whether the resolutions have to be bound by or not. It's impossible for the Legal Advisor to answer because there is nothing in the Ordinance which states that in specific in any way, shape or form at the present time.

Mr. Chairman: Mr. Taylor?

Hon. Mr. Taylor: Yes, Mr. Chairman, in subsection 4, sub (b), it says "...communicate from time to time to the Board all such information and recommend such measures as may tend to be the betterment, prosperity and good government of the district."

Normally, a Local Improvement District is empowered to do only specific things and that is to operate the local improvements within its district and it has a few other responsibilities such as the care and control of animals and, or the licensing and control of animals, I should say, and this type of thing.

Is it then inferred here in sub 4 (b) that these powers are to be broadened insofar as Local Improvement District Boards are concerned?

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: Mr. Chairman, this is specifically in there because I know of areas where I have written to the Chairman of an L.I.D. board on information that should have been passed out to all members of the board and for one reason or another, that communication and that information was not passed on to all members of the board. We certainly found ourselves in all kinds of controversy because members of the board of an L.I.D. accused the Department of Local Government of not providing specific information which they asked for. The next instance, it was proven that that information had gone to the chairman of the L.I.D., had not been passed on for one reason or another to them and we're saying that in communications from the chairman of the -- to the chairman of Local Improvement Districts from the Department of Local Government, certainly it's the prerogative and the right of those elected members who happen to be on the board of trustees to have that information, Mr. Chairman.

Mr. Chairman: Ms. Millard?

Ms. Millard: Mr. Chairman, I just wanted to pull a one-upmanship on Mr. McIntyre about being restructured in that section that was just being discussed, 4(b). "Such information and recommend such measures as may tend to be the betterment..." I think it should read:

"Such measures as may tend to be for the betterment..." or "may to the betterment...", rather than half-way inbetween.

Mr. Legal Advisor: Mr. Chairman, I think it's a typographical error. The "be" is wrongly typed in.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, I'm a little bit concerned with 4(c) and maybe it's just my own interpretation, but it says "direct all administrative officers and employees of the district in the conduct...". Does that mean that the Chairman then is, he shall, for instance, give orders to the grader operator and this kind of thing? Is this really what that means?

I'm concerned with it.

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: Mr. Chairman, once again we run into this problem. Mayo, Teslin and Haines Junction, there are no full time administrators in these areas. They're small, several hundreds of people who are in the Local Improvement District, you can't bring in all of these areas a thirty grand a year man to be able to act as the administrator or the city manager. We know that the proper direction of sound city administration management is that the city manager does these things, but certainly in an L.I.D. where there's not one else except the elected members of the L.I.D., the Chairman has been selected now not by the majority of the people but it looks like he will be from amongst the other board of trustees' members, he's got to have the confidence to be able to direct any administrative officer and employees, because there just isn't anybody else to be able to do it on a day to day basis unless we demand in this that there shall be an administrator or city manager type of system. And of course, the L.I.D.'s just are -- some of them are not prepared to go for that at this time and some of them, there shouldn't be, I don't think.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: I understand, you know, the way the L.I.D.'s operate and of course I know that they don't have full time managers so to speak, but I'm saying is what if you are getting to the point where you have a foreman who is responsible to grader operators or to other employees? Does this then mean that the Chairman can bypass those people? That's what I'm concerned with. It may come at a later time, but, or should we change that, the wording a little bit? I'm just, I may be interpreting it wrong, Mr. Chairman, and the Legal Advisor can maybe help me out a bit. That's all I'm concerned with, that if it does, at a later time, if the Chairman shall bypass the foreman and everything else.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: It's hard to say, Mr. Chairman. The City of Whitehorse has managed with this section for a few years and they don't seem to have run into any problem.

Mr. Lengerke: Okay.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I don't think the Member from Watson Lake got an answer to 4(b). The answer was regarding the information and the question was, is it the intention to expand the powers to include everything that is for the betterment, prosperity and good government of the district. Now, is that the intention of this legislation?

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: Really, that's a motherhood type of thing that we expect the chairman to be able to recommend and be able to state and lead the trustees into areas which will provide better administration and government and if members don't -- you know, we expect a chairman to be responsible, having got the confidence of the people and the other four trustees to be able to do that. If Members don't want it in there, you know, take it out.

Mr. Chairman: Mr. Taylor?

Hon. Mr. Taylor: Yes, Mr. Chairman, just in answer to, I did note finally that section 13 describes the powers and I see no additional problems in section 13.

Mr. Chairman: Mr. McIntyre?

Mr. McIntyre: Mr. Chairman, I'm a little slow here, but did we agree to take out the reference to British Subject in Section 5? Because if we did it there, we should also have an amendment to 6 which defines electors and also refers to a British subject.

Mr. Chairman: Are you referring to the old Ordinance, are you?

Mr. McIntyre: It's the same section in the Ordinance but it deals with the qualifications of electors and it has the same clause which says a Canadian citizen or a British subject.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, it was my understanding that we agreed to have a look at that in the process of amending. I did not vote to remove it, I voted to consider it a suggestion. There may be implications we're unaware of this morning in that phrase for this particular Ordinance.

Mr. Chairman: We're merely trying to comply with the new immigration laws of the country, Mrs. Whyard. Mrs. Watson?

Mrs. Watson: Mr. Chairman, unfortunately the Minister took exception to my question and it was a very well-founded question, because betterment, prosperity and good government of the district could include almost anything and so often the Territorial Government can request, because of sections like this, request an L.I.D. to get involved in various things that they really

shouldn't be involved in. And they don't want to be involved in it. Some of the L.I.D.s haven't got enough experience behind them where they say it's none of our business, handle it yourself, and they try to do it, and that's what concerns me.

What really does concern me is the sweeping powers that we're giving the Chairman under Section 4. It is such an extraordinary step from where we were before. I think it should be a more gradual going into of this type of power because your L.I.D.s -- a Chairman is going to have to spend a great deal of time on L.I.D. work, whereas in the past they've been able to divide the work, where one person takes care of the public works, another person takes care of the sewer and water, and this type of thing, where it's split up, and here your Chairman is "it", absolutely sole authority, and it is such a change from before that I would like to see it moderated.

You're saying, "communicate from time to time to the Board all such information." Well, that could mean all letters almost, couldn't it? From time to time -- shouldn't there be a requirement that all correspondence be tabled? You're giving it absolutely sweeping powers; can suspend where necessary, cause administrative officer to be prosecuted on his own, taking action without getting the support of the Board, prosecuted, or disciplined for any negligence, without any concurrence of the Board. Can you not see it where one member of the Board is in charge of public works and the Chairman takes the grader operator and suspends him. Just absolutely, he has this sole authority. There's no requirement for him to confer with anyone else on that Board, and I think we should have another look at it.

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: Mr. Chairman, this subsection (4) is of course a straight lift from the Municipal Ordinance, Section 40, with just the Chairman replacing the Mayor. That is what we did. We found that these Sections have been working well in the Municipal Ordinance and thought that we could transfer them over to the Local Improvement District Ordinance. The Municipal Ordinance, of course, these amendments which have worked so well were as a result of the work done by the Honourable Member from Kluane when she was a member of the Executive Committee and supported and introduced the amendments to the Municipal Ordinance.

If the Honourable Members feel that we should perhaps not transfer this section from the Municipal Ordinance as to what the Mayor should be doing, that the Chairman of the L.I.D. should not be expected to be in that responsible a position, we'd be willing to listen to amendments or to try and bring in something which would not make him as responsible for leadership in the community as the Mayor of a municipality, Mr. Chairman.

Mr. Chairman: Mr. Taylor?

Hon. Mr. Taylor: Yes, Mr. Chairman, I must concur with the Minister in this regard. I feel that we should give these powers to the Chairman, and I know that representing one Local Improvement District and, as a matter of fact, the very first and the pilot organization,

the very foundation of Local Improvement Districts in Yukon is in Watson Lake. I see no problems such as being suggested here. You have a Chairman, and the Chairman, somebody, has to take the helm, somebody has to steer the ship and provide the guidance and direction.

The Chairman is always guided by, or generally always guided by, the advice of the majority of his trustees, his fellows on the Board, and I really see no problem here. I would like to see sub-four stay in the interests of good government for our outlying communities and I think it's workable and can be worked in any community, any Local Improvement District.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Mr. Chairman, I heartily disagree. I would say, spend where necessary or spend where authorized possibly by the Board and carry on with the whole works of it, but I do not say suspend just himself; I can't agree with that, even though he has a pretty good title now as Chief Executive Officer of the District. I think that that section either should be left out or changed so that the Board has some ruling.

However, I'm not -- I would like, Mr. Chairman, if you will allow me to go back a bit to the voting. I am very concerned with it as it stands and I would like to have a part of that changed, of some sort. I would like some direction in here as to whether you vote or don't vote, because as the Minister, I have to agree with the Minister of Local Government when he says the country is free, we vote. And I'm agreeable that they all vote. They are members that are on that Board and at a public meeting or anywhere else they should be able to vote. Well, should if they wish, yes, but I mean they should be able to, there's no question there in my mind.

However, I'll explain an example to you of what can happen if there's nothing spelled out here. At a meeting of three people on the Board, five people on the Board, or ten people on the Board, if there is two people only in that public that are residents of the District and there is a motion passed somewhere and there is a vote, the Board can nullify that vote asking for something to be done by just putting up their hands and saying no, you know, the question is, do you agree with the motion, the residents say yes, the Board says no, and that's it. There will be no comeback from anybody as to what the Board did or didn't do, because it's been voted down by, more or less, the residents of the Territory. Now, I don't disagree with this either, but I say that we should decide whether they vote or don't vote or whether, you know, there's nothing in here at all. They can go and make up, maybe, the bylaws possibly, but I don't think that's a bylaw that they have to vote. I don't think they should make a bylaw that they can't vote either. I think we should spell it out in here that they are allowed to vote or no, or I wouldn't agree with the no, I think that they should be allowed to vote and I think it should be spelled out here.

There's going to be a problem, Mr. Chairman, we had it the other night. I'm speaking of facts and yet I don't think anybody quite understands, but I have to say this. At the Teslin Local Improvement District we had a vote from the floor for a plebiscite that was, as far as we were concerned, on the first question, unanimous. On the second question, as against the motion, it turned out to be

not unanimous; the Chairman did vote and said that he thought that he had to vote and I don't disagree with him in that sense if that's the way it is. However, I don't really think it is that way. Therefore, we've had the problem already, so somebody gets into an awful argument because they say that that motion should have been unanimous. Well, it's not unanimous and I agree that he had a right, but I'd like to know and I'd like to see it here that he does or doesn't, and whether the whole board does or doesn't.

Mr. Chairman: Mr. McKinnon?

Hon. Mr. McKinnon: Mr. Chairman, every time there is a change to the Municipal Ordinance, -- in fact I've been brought some in for the great debate we have on the subject of whether the Mayor has to vote or not on every issue. I always bring it in, yes. I believe everybody should stand up and put their money where their mouth is and make a decision yea or nay on every question, and should do it.

The people in the municipalities and the AYN have consistently said no, we don't want that section of the Ordinance brought in. We do not want to make it mandatory for the Chief Executive Officer, or the Mayor, to vote on every issue, and we say, well you're the duly elected members of a municipality, we're not going to jam it down your throats if you don't want it. We make the suggestions and we think it's valid and we think that you should be forced to vote.

We followed that type of thinking in Section 13. There's only one amendment to Section 13 of the Local Improvement District Ordinance through these amendments. That is 1(a) which says, "subject to the approval of the Commissioner, the Board of Trustees shall have power to make bylaws: (a) adopting provisions and procedures for the conduct of elections of boards not inconsistent with this Ordinance" and then the rest remain as is, which says, "(b) regulating proceedings and preserving order at the meetings of the Board of Trustees and at the annual general meeting". So what it means is that it's up to the individual Board of Trustees to set the regulations of meetings and their proceedings as to whether or not they have to vote, each Member of the Trustee including the Chairman, on every issue or whether they don't have to.

I have no objections, but I think that you might find objections from the Local Improvement Districts. If we say in Ordinance, by law, in the Local Improvement District Ordinance that each Member of the Board of Trustees shall vote on every issue that is raised at the Local Improvement District meetings, I feel that that would be the proper decision for the Local Improvement District Board to make. I happen to like that type of thinking.

If it's the majority of this House and the thinking of this House that we should make that mandatory in the amendments to the Local Improvement District Ordinance, which we haven't at this time because we're dealing primarily with the conduct of elections in these amendments. We have said that we're going to bring other amendments in at the Fall Session. We're dealing specifically with a specific problem at this time.

If we want to deal with it now, and we want to make it mandatory, and that's the feeling of the House, I don't think that we should be straying too far from just the

election part of a Local Improvement District Ordinance because we could be faced with bringing in amendments which are already being prepared for the Fall Session on the total gamut of the changes which are prescribed in the Green Paper to the L.I.D. Ordinance. I really would like to have the ability of conversing and travelling through the length and breadth of the Yukon and talking to the people involved in the L.I.D.s before the other legislation is presented to the House, Mr. Chairman.

Mr. Chairman: Mr. Fleming.

Mr. Fleming: Mr. Chairman, I'll try to explain it in a couple of minutes, my feelings. We, and I'm going to place myself in a position of a resident in the Territory that has voted possibly and put these people in office — we are suggesting to them that they do something or do nothing or whatever and we sit back and watch and that if they sit there and do absolutely nothing, their opinion is not even voiced and they do not vote and the next election comes up, we don't know where they stand. I'd like to know just how they feel about the issues in the town.

I was very happy, as I say, the other night, although I disputed the fact, but I was happy to see the Chairman vote. That showed me where his position was in the town and what he's doing and this is what we want to see. That's my reason for harping on it because I feel that the government should possibly come forth and say, yes, you know, you can't take the right away from them, but I think we should say yes, they should vote so that the people know where they stand.

Mr. Chairman: Ms. Millard.

Ms. Millard: Mr. Chairman, back to Clause 5, Section 4, which also disturbs me since it does leave the freedom of the Chairman to a great extent up to himself. I'd like to make a suggestion for amendment to the Bill, that that be amended to reflect the following suggestion that the Chairman is to act with the concurrence of the rest of the Board.

Hon. Mr. McKinnon: Mr. Chairman, if he doesn't, the Board just re-appoints -- they've got the ability, they choose the Board of five trustees now, according to the amendment. If he doesn't act with the advice and consent of the Board, boy, it's the simplest thing in the world, he is no longer Chairman at any meeting he goes to.

I wish it was aseasy here.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Mr. Chairman, if we vote on that now or make a decision on that, can we still continue to talk about this section?

Mr. Chairman: Yes, but let's deal with this one first. The suggestion has been made that the Chairman is to act with the concurrence of the rest of the Board.
Mr. McCall.

Mr. McCall: I don't think that's really necessary. What the Minister has pointed out, I think it's quite

appropriate. It doesn't make any sense whatsoever to put this type of amendment in.

Mr. Chairman: Mrs. Watson, do you wish to speak on this?

Mrs. Watson: No. I want to speak on the section.

Mr. Chairman: Oh, okay. Is Committee in agreement that this should be submitted as a suggestion?

Some Members: Agreed.

Mrs. Watson: Mr. Chairman, I don't agree with the suggestion that was put in, but she is sort of on the right track and I can't help disagreeing with the Honourable Member from Watson Lake. Speaking on behalf of the Watson Lake L.I.D., it is the oldest L.I.D. and probably has got more of an administrative structure established and likely will have an administrative officer and it is the closest, or actually should be a municipality. So, the mayor situation suits the Watson Lake L.I.D. much better than it does others.

I would be quite prepared to make a compromise, not to go back to the loose arrangement that used to be in the L.I.D. legislation before, but not to completely go to the Chief Executive Officer/Mayor, with the ultimate, you know, powers there. Your Mayor has an administrative structure who carries on many of these functions who reports to the Mayor; you've got to have it, but when you don't have an administrative structure in place like you do in Watson Lake, or a municipality, then you're having a different thing altogether. You've got -- your department heads are the other members of the Board and you have to -- I would like to see tempered somewhat to try to have a compromise position between what it was and going all the way to having Her Highness or His Highness.

Mr. Chairman: Mr. Taylor?

Mr. Taylor: Just one brief comment before we rise for lunch, Mr. Chairman. I can't agree. We sit in this House, and I know I've been in this House since 1961, and we're striving for more responsibility for this Legislature and I'm certain that the municipalities, whenever we've discussed the Municipal Ordinance, have been around looking for the same thing.

The Local Improvement Districts are no different. Some perhaps are a little more mature than others, but, by God, I think that we owe it to the Local Improvement Districts themselves to not interfere with them. Give them legislation and let them work out their problems themselves. I see no problem with sub-four at all. These Local Improvement Districts need leadership and I would oppose the suggestions as raised by the Honourable Member from Klwane. I hope that the administration wouldn't take that suggestion that she has given as being shared by at least all of us.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, maybe I'll reserve my comments for after lunch, they're rather lengthy, but I would like to have the opportunity to make them.

Mr. Chairman: The break might be more than just after lunch, because the Minister who is responsible for this Bill unfortunately has other commitments across the river and will not be available this afternoon.

Mrs. Watson: Mr. Chairman, I will modify them, then.

I think this brings up a very interesting thing, the remarks that the Member from Watson Lake has made, that we have different types of maturity in L.I.D. Districts in the Yukon. This is what concerns me. What we're doing, we're taking our simplest L.I.D., the local government structure, and instead of leaving it in place so that other small communities -- and I know, Beaver Creek, Ross River, Carcross, when they want to become L.I.D.s, they're stuffed into a very simple type of Local Improvement. They haven't had too much experience in government, and they step into it and they can handle it. I think you gradually step up to various levels of local government structure.

All we're doing is amending the Local Improvement District Ordinance to grow with Watson Lake.

That is exactly what is happening. Rather than Watson Lake grow up into a municipality, we are trying to grow, we're trying to make our L.I.D. Ordinance grow with Watson Lake. That shouldn't be, because the Teslin L.I.D. is a different L.I.D. from Watson Lake, and we just can't -- we're getting to the point where L.I.D.s can't compromise with Watson Lake any more. Because the Honourable Member has left, I would suggest that we do temper Section 4.

Mr. Chairman: Debate is to be continued. This afternoon, we'll continue with the amendments to the Real Estate Ordinance, and perhaps the Credit Union Ordinance.

Recess 'til one-thirty.

(Recessed)

Mr. Chairman: I call this meeting to order.

We have the amendments that have been brought forward. I refer you to page three of the Real Estate Ordinance.

The first amendment we'll deal with is paragraph three, sub(1) (d) and inserts the words:

"and any person employed by him"
after "Legal Profession Ordinance" in line 33.

Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I think this was a concern raised by Mr. Lengerke who I see is not present, but it was the concern of various members that these Sections should also apply to Members of the staff of any barrister or solicitor and that is what we have done by including the words "and any person employed by him".

Mr. Chairman: Shall the amendment carry?

Some Members: Agreed.

Mr. Chairman: Shall the Clause carry?

Some Members: Agreed.

Mr. Chairman: The next amendment will be on page five, Clause 8. This is a new paragraph.

Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, this was to satisfy the request of Honourable Members for delineation or clarification of what the Bill meant by "suitable", and the amendment as proposed here is that the Superintendent can examine character and financial position in the context of being suitable to be licensed.

Mr. Chairman: Shall the amendment carry?

Some Members: Agreed.

Mr. Chairman: Shall the Clause carry?

Some Members: Agreed.

Mr. Chairman: Page six.

I must ask the Committee to withhold carrying Clause 8, there is an amendment here which I have overlooked. This is 8 (4) (g), the amendment.

Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, once again Members pointed out that the lack of any clarification here in this section and the Legislative Programming Committee has come up with this amendment, which would make it for cause, rather than just in the public interest to do so and in other areas we have also made it mandatory, I believe in, is it in this Section. Perhaps Mr. Spray could assist us, that they must be notified as well of the cause.

Mr. Legal Advisor: That is the next page, Mr. Chairman.

Mr. Chairman: Does the amendment carry?

Some Members: Agreed.

Mr. Chairman: Page 7, again. Does it carry?

Some Members: Agreed.

Mr. Chairman: Page 7, again. Clause 9.

Mrs. Whyard.

Hon. Mrs. Whyard: This stood a bit more of tidying up on suggestion of various members. There's always a problem when you have a specific time limit such as within 30 days and the phrase has been added, "as soon as practicable and no later than 30 days", which pinned it down I think in accordance with Members' wishes.

Mr. Chairman: Shall the amendment carry?

Some Members: Agreed.

Mr. Chairman: Page seven again, the same clause different subsection.

Mrs. Whyard?

Hon. Mrs. Whyard: As you can see, a change from

“may” to “shall”, “the Board shall hear the appeal and render a decision within thirty days”.

Mr. Chairman: Shall the amendment carry?

Some Members: Agreed.

Mr. Chairman: Page seven again. Same Clause, different subsection.
Mrs. Whyard?

Hon. Mrs. Whyard: Well, Mr. Chairman, I think it is self explanatory. This is an improved section under the new wording.

Mr. Chairman: Shall the amendment carry?

Some Members: Agreed.

Mr. Chairman: Page fourteen, Clause eighteen.

Hon. Mrs. Whyard: Mr. Chairman, I believe there was some question as to how the superintendent would rule whether it was in the public interest to do so and those words have been deleted but there is still the authority there regarding the bank or trust company or Credit Union.

Mr. chairman: Shall the amendment carry?

Some Members: Agreed.

Mr. Chairman: Shall the clause carry?

Some Members: Agreed.

Mr. Chairman: Page twenty-three. Clause 30.

Hon. Mrs. Whyard: Mr. Chairman.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: This is the tidying up process which I think the Honourable Member from Mayo pointed out regarding the use of the word “license” in this context.

Mr. Chairman: Does the amendment carry?

Some Members: Agreed.

Mr. Chairman: Does the Clause carry?

Some Members: Agreed.

Mr. Chairman: Twenty-three again. Clause 32.

Mrs. Watson: Would you read Clause 32 for us? I’m getting mixed—

Mr. Chairman: The amendment, Mrs. Watson?

Mrs. Watson: Well, the amended clause.
Well, Mr. Chairman, maybe one of the witnesses could—I’m rather confused with this.

Mr. Chairman: Mr. Spray?

Mr. Spray: Yes, Mr. Chairman, Clause 32 as amended would read: “No agent or salesman shall purchase for himself, either directly or indirectly, real estate listed with him for sale, nor shall he acquire any interest therein, either directly or indirectly, unless he has clearly disclosed in writing to the listing owner, complete details of any negotiations for the sale of the property to another person.”

Mr. Chairman: Does that answer your query, Mrs. Watson?

Mrs. Watson: Clear.

Mr. Chairman: Shall the amendment carry?

Some Members: Agreed.

Mr. Chairman: Shall the Clause carry?

Some Members: Agreed.

Mr. Chairman: We go to Page 24. Section 34.

Mr. Legal Advisor: It’s not an amendment of existing section, it’s an insertion of a new section between existing 34 and 35.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Yes, Mr. Chairman, there was a suggestion that we have no licensed agent or salesman. You were going to review it. Is it necessary to have that licensed agent or salesman?

There was a bit of confusion that day.

Mr. Legal Advisor: No, Mr. Chairman, we read it through. We don’t think it’s necessary to put in licensed agent or salesman.

Mr. Chairman: Is the amendment clear?

Some Members: Clear.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, since it is a new Section perhaps it would be as well to read the new Section.

Mr. Chairman: Thirty-four (1) sub 1 “an agreement purporting to be or being an exclusive listing of real estate for sale, exchange lease, or rental is not valid unless it is in writing.”

Is the amendment clear?

Some Members: Clear.

Mr. Chairman: Page thirty-three, Section 56.
Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, Members will recall there was considerable amount of debate on this Section centering on the authority of the Commissioner

in the matter of Regulations. We had presented to us, a proposed amendment which was based largely on the British Columbia Act on the same subject and we compared that with what is the normal section in all our Ordinances at this time and has been for some years.

At present the Section reads, "The Commissioner may make such regulations as he deems necessary to carry out the provisions of this Ordinance". That has been the standard Section and what was proposed to us was, "for the purpose of carrying into effect the provisions of this Ordinance according to the true intent and meaning thereof, or of supplying any deficiency therein, the Commissioner may make such regulations as he deems necessary not inconsistent with the spirit of this Ordinance as may..."

Mr. Chairman, in considering this proposal in the light of our current provision, we felt that in some sections of the proposal, there would have been even more latitude allowed to the Commissioner. For example in the phrase "or of supplying any deficiency therein..." and so the amendment as it appears before you now, 56 (1) would read; "for the purpose of carrying into effect the provisions of this Ordinance according to the true intent and meaning thereof, the Commissioner may make such Regulations as he deems necessary not inconsistent with the spirit of this Ordinance and without restricting the generality of the foregoing..."

In the opinion of your Committee, Mr. Chairman, this is a very happy compromise between the bare bones of the Section which is now normally introduced into all our Ordinances and the proposal based on that of other jurisdictions.

We have gone farther than we ever did before in this Section, but it is still very clear and still provides some restrictions on the power of the Commissioner regarding Regulations. They must be according to the true intent and meaning of the Ordinance and they must be deemed necessary.

I would just draw to the attention of all Members that I think this is a step forward in the context of the way this House is moving, in its present spirit of approaching the drafting of Regulations and Legislation. Is anyone interested? I'm beginning to wonder.

As I was saying, Mr. Chairman, I think that this amendment indicates how far this House is moving in its approach to the drafting of Legislation and Regulations and in the light of what is coming about in this Legislature. I would certainly hope that all Members agree with this proposed 56 (1).

Mr. Chairman: Mr. Fleming?

Mr. Fleming: I have a little difficulty -- mine is on page 26, it's page 23 here and that's what I was having a little -- make connections here, I think I've got an old Ordinance or something.

Mr. Chairman: Mr. McIntyre?

Mr. McIntyre: Mr. Chairman, is this amendment intended to delete the whole section including a, b, c, d, e, and f, e and f? Or just the preamble as far as the semi-colon?

Mr. Chairman: Mrs. Whyard?

Mr. Legal Advisor: Mr. Chairman, the preamble --

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: The preamble, as far as the word "Commissioner" because grammar needs -- we need to start off "may make regulations" in front of a, b, c, and d, because otherwise you have to change the grammar of prescribing, prescribing, prescribing.

Mr. McIntyre: Well, Mr. Chairman?

Mr. Chairman: Mr. McIntyre?

Mr. McIntyre: I think, Mr. Chairman, that the point that we were making, in addition to the preamble, and I believe it was you that made it, that section f is repetitive of section l.

Mr. Chairman: I think the next amendment, Mr. McIntyre, resolves that concern you have.

Mr. McIntyre: Oh, okay.

Mr. Chairman: Does the amendment carry?

Some Members: Agreed.

Mr. Chairman: Staying on Clause 56, the deletion of 56(1)(f), next amendment. Does this one carry?

Some Members: Agreed.

Mr. Chairman: Does the Clause carry?

Some Members: Agreed.

Mr. Chairman: That's Clause 56, Mrs. Watson. Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, did the Honourable Member from Hootalinqua have some other problem?

Mr. Fleming: Mr. Chairman, it's okay, I've been through the Ordinance.

However, somewhere along the line they've given me another copy of the Ordinance which I was using, rather than in the book here and it --

Mr. Chairman: We have slight confusion also, Mr. Fleming.

Mr. Fleming: Yes.

Mr. Chairman: I'd like to refer you to section 2, 1 and 2. The other section has not been carried as of this point. Does this clause carry?

Mrs. Watson:

Mrs. Watson: Clause 2?

Mr. Chairman: Clause 2, yes.

Mrs. Watson: The interpretation?

Mr. Chairman: Yes.

Mrs. Watson: Agreed.

Mr. Chairman: Does Clause 2 carry?

Some Members: Agreed.

Mr. Chairman: I refer you to Clause 15, page 12 and 13. Does Clause 15 carry?

Some Members: Agreed.

Mr. Chairman: Mrs. Whyard, could you?

Hon. Mrs. Whyard: Mr. Chairman, my notes indicate that there was some question regarding who is a person interested, but it was my understanding that that had been explained to the satisfaction of the Members in Committee. There was no amendment drafted for that section.

Mrs. Watson: Maybe I have the wrong copy, Mr. Chairman, but I have Registrar in mind.

Mr. Legal Advisor: Wrong copy.

Mrs. Watson: It's the wrong copy?

Mr. Chairman: Mr. Spray?

Mr. Spray: Mr. Chairman, that was corrected in discussion in Committee. It was a typographical error, it should read "superintendent".

Mr. Chairman: Mr. Taylor?

Hon. Mr. Taylor: It was just the point I was trying to catch your eye on, Mr. Chairman.

Mr. Chairman: Okay.
Does Clause 15 carry?

Some Members: Agreed.

Mr. Chairman: I refer you to Clause 33, Page 23.
Mr. Taylor?

Hon. Mr. Taylor: Yes, I just wondered, I just couldn't recall, was Clause 17 carried with the same change from "registrar" to "superintendent"?

Mr. Chairman: Yes, it was.

Hon. Mr. Taylor: Thank you.

Mr. Chairman: Clause 33 carry?

Some Members: Agreed.

Mrs. Watson: Required a licensed salesman there, Mr. Chairman?

Mr. Chairman: Mr. Legal Advisor?

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

Mr. Chairman: Does Clause 33 carry?

Some Members: Agreed.

Mr. Chairman: I refer you to Clause 35, Page 24.

Mr. Legal Advisor: Mr. Chairman, the subject under this clause was whether or not a listing should be exclusive and the amendment went in one ahead.

Mr. Chairman: Does clause 35 carry?

Some Members: Agreed.

Mr. Chairman: That completes the reading of clause by clause.

The Commissioner of the Yukon Territory by and with the advice and consent of the Council of the said Territory enacts as follows: "Real Estate Agents' Licensing Ordinance."

Shall the title carry?

Some Members: Agreed.

Mr. Chairman: Shall I report it out of Committee with the amendments?

Some Members: Agreed.

Mr. Chairman: The next item of business is the Credit Union Ordinance and I would declare a brief recess so Mr. Miller could be witness.

Thank you, Mr. Spray.

(RECESS)

Mr. Chairman: I call this Committee to order.
Bill Number 10, Credit Union Ordinance.

We have appearing as witness, Mr. Spray and Mr. Merv Miller.

Clause 1(1).

(Reads Clause 1)

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, before we go into the clause by clause of this Ordinance, I must admit I don't know very much about Credit Unions and I'm wondering whether witness, Mr. Miller, could possibly briefly outline the basic elements of a Credit Union before we even begin?

Mr. Chairman: Mr. Miller?

Mr. Miller: Mr. Chairman, I think in its simplest form, a Credit Union operates much like a bank with a couple of minor exceptions. Number one, a Credit Union is incorporated under provincial or territorial law, whereas a bank is incorporated under federal.

The other major difference is that, to be a depositor in a Credit Union, you must also be a shareholder and a shareholder means, under the old Ordinance, purchase of a share at \$5.00. Under the new Ordinance, it's proposed that that change to \$1.00.

That's basically the difference. Now, I suppose if you

want to get technical, there are a couple of other differences. Normally Credit Unions do not act in the capacity of a risk-lender, which a bank does do. In other words, the Credit Union's purpose is to handle its shareholders' funds and to loan back to shareholders, whereas a bank may lend to anybody.

Mr. Chairman: Mr. Lang?

Hon. Mr. Lang: Mr. Chairman, there has been some additional amendments to the Ordinance since it has been tabled in the House and I would propose that these amendments be placed before the Members so they have the opportunity of perusing it.

Excuse me, Mr. Chairman.

Mr. Chairman: Yes, the Page has gone to get them. The Page has gone to get the amendments for Members.

Hon. Mr. Lang: I'll propose the amendment now.

Mr. Chairman, until the Members get them - I have an opportunity of reading the amendments. Some additional information came in since the Bill was introduced to the House, as I said earlier. And it's moved by myself, seconded by Mr. McKinnon, that Bill Number 10, entitled "Credit Union Ordinance", be amended by inserting the following clauses: 150 to 159 at page 76, and renumbering the consecutive clauses accordingly.

Mr. Chairman: The Chair can accept these amendments. We're not at that stage where we are considering the amendments and as you have the motion on the floor, we can vote that these amendments are accepted. But we will also have to go with provision that they may be amended if the occasion arises when they are being dealt with.

The motion we are dealing with now is the acceptance of these amendments.

Hon. Mr. Lang: That's correct, Mr. Chairman.

Mr. Chairman: Are Committee Members in favour?

This is to accept them as being here, not to accept the body of what they say.

Some Members: Agreed.

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

Mrs. Watson: Mr. Chairman, the witness was saying that the deposits are taken by the Credit Union and lent to shareholders at interest rates, of course. How else do they make the money that they have in deposit work for them so that the people who have deposits, or who have shares, get payment for the use of their money?

Mr. Miller: Well, basically the majority of their money is in the lending field or in the loaning of money to members. They do, in certain instances, get into the mortgage field where they will loan money on secure investments, such as mortgages. They can invest their money in a central Credit Union and earn interest by that method. Those are the three basic ones that they

follow.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Is it the practice of the Credit Union to deposit money sometimes in certain banks at prime interest rate, or would they sooner use a central Credit Union?

Mr. Miller: Well, they would normally use the central Credit Union who is their clearing house, not dissimilar to a bank using the Bank of Canada, who ends up being the clearing house which would normally keep it in the family.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I hate to ask these questions, but I'd just like to get it clear in my own mind. If you deposit money with a Credit Union, you get interest on your money, and if you have a share in a Credit Union, what does that entitle you to do? Do you get interest on the money that you have in shares?

Mr. Miller: No, you may get dividends. If the Credit Union has earned enough money to declare dividends at the end of the year, you as a shareholder, would get a dividend in proportion to the number of shares that you hold, not dissimilar from holding a share in a company who declares a dividend.

Mrs. Watson: One more question then. The interest that you get on your money that you have as a deposit, is it the interest rate that the normal bank pays on deposited money, savings accounts and this type of thing?

Mr. Miller: Mr. Chairman, it varies from time to time but generally speaking, the interest rates are comparable to, or slightly better, than the bank interest rates.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Another question, how do they determine the interest that they pay on their deposits on the amount of money that they have earned, how do they differentiate with how much you will get back on your deposit, as interest on your deposit and how much do the shareholders get back out of the money that they earn?

Mr. Miller: The interest rates normally flow from a supply of money. The Bank of Canada determines the basic supply of money in Canada and sets interest rates based on that supply of money. The chartered banks then use a rate which is slightly higher and the Credit Unions use a slightly different rate but it is supply and demand that determines the interest rate that is paid on deposits and the interest rate that is charged on loans.

The dividends would only come in if the Credit Union made money that was available for distribution.

Mrs. Watson: So actually it is tied into the Bank of Canada through the normal flow of money in a country or in an area. Thank you, Mr. Chairman, those are all my questions on that.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: We are dealing in basics, Mr. Chairman. Perhaps I could ask Mr. Miller why there is a need for Credit Unions?

Historically, I believe the necessity was there because of people in isolated areas with no access to banking in the normal way, particularly among farmers in rural areas who banded together and formed their own corporation and between themselves, provided financing for majorly agreed upon projects, roughly. Why would there be a need for a Credit Union in a community such as Whitehorse where there are established banks and other loan companies available?

Mr. Miller: Mr. Chairman, I think the Honourable Member has fairly described the background of Credit Unions. They started as a result of a common bond amongst the members who agreed to put their money into a pot and then be able to borrow from that.

The common bond situation still exists and there are people today who, for whatever reason, prefer to belong to a Credit Union. In theory, they should be entitled to a better return on their money, similar to people who want to belong to Co-ops, which we don't have in the Yukon, but they're very common Outside. Why people do these things, I don't know, but I think if I can address the question of why there has to be a Credit Union in Yukon, there doesn't. There are roughly 1,600 people in the Yukon who have decided that they want to be members of a Credit Union and as such, they have banded together to support the Credit Union here in Whitehorse.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, would it be fair to assume that because they are members of a group which is directing how the money is to be invested and so on, they would assume they had closer association with the purposes for which the money is used or more control over how their money is invested, or that if there was a common goal or a common project, they could, for example, put their funds towards a capital investment such as a large building they might own, which is something they cannot do through a bank as an individual shareholder.

Mr. Miller: I think that's a fair way of putting it, Mr. Chairman. I think the basic concept of it being a local organization, something that they as individuals can relate to and have some say in, is a major part of the reason why people join Credit Unions.

Hon. Mrs. Whyard: Mr. Chairman, if I could just take that--

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: --one step further then. These members then elect an executive and the executive employs a manager or whatever staff is required. How much freedom does that executive have under the laws of our land in implementing various investments or the supervision of funds in their care?

Mr. Miller: Mr. Chairman, under the law, and we'll

get into this in detail in this Bill, there are some fairly stringent restrictions on what they can and can't do. The law can't tell them who they can lend to, but they can tell them under what conditions and what sort of reserves that they must maintain and this type of thing. That's where the restriction is.

They are still permitted to lend to whoever they decide to lend to, providing it's within the terms of the Credit Union Ordinance.

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

Mr. Chairman: Does 1 carry?

Some Members: Agreed.

Mr. Chairman: Is the wish of Committee that the Chairman read the Ordinance?

Some Members: Agreed.

Mr. Chairman: Rather than the clause by clause -- okay.

Clause 2(1).

(*Reads Clause 2*)

Mr. Chairman: Mr. Fleming?

Mr. Fleming: There is a typographical error back on the fourth line, Mr. Chairman. It says 'thirs' in my copy.

Mr. Chairman: Yes, there is, it should be 'two thirds'.

Mr. Legal Advisor: It's just a small typographical error, Mr. Chairman, can I bring it to the Clerk's attention later?

Mr. Chairman: Yes.
Mrs. Watson?

Mrs. Watson: Mr. Chairman, I wonder if we could have an example in Yukon of a Crown Corporation. Am I correct in thinking that the Housing Corporation, Workmen's Compensation, would that be a Crown Corporation in the Yukon?

Mr. Miller: Mr. Chairman, the intent here was to include such organizations as the Housing Corporation, the Liquor Control Corporation.

Mrs. Watson: Workmen's Compensation is different?

Mr. Miller: Workmen's Compensation is different, Mr. Chairman. It is a fund created under an Ordinance and it is not a Corporation.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, I really don't know anything about this and I hope I'm not delaying it too much. Could you briefly tell me what is the difference between an associated corporation and then we go down to a -- yes, associated corporation and then to a central Credit Union, and why would you have in a central Credit

Union where the membership is restricted and you have as members public bodies such as the Government of the Yukon and the Government of Canada? Two questions, Mr. Chairman.

Mr. Miller: Mr. Chairman, I think we would have to look at the context in which those words be used. Associated corporation has special reference in the Legislation, it doesn't tie to the Credit Union per se. It ties more to it's dealings.

In the central Credit Union, the reason we've included the public bodies, the Government of Yukon, the Government of Canada and the Crown and any other right, is purely and simply that this government wants to deposit money in a Credit Union or a central Credit Union. This Ordinance will allow them to do so. The Yukon Act prohibits them from doing so, so it doesn't really matter.

At the present time, the Government of the Yukon can only deposit the money in a chartered bank. But we're making it permissive from the Credit Union side of things, not from the Government.

Mr. Lengerke: Mr. Chairman, just a question with respect to the term "subsidiary corporation". Does that just refer to branch Credit Unions or is the kind of corporation that you're talking about there, could it be something other than a Credit Union type of operation, because it doesn't just spell out that it has to be a Credit Union, it could be another type of corporation all together, couldn't it?

Mr. Miller: Mr. Chairman, it's possible that it could be another type of corporation. Normally speaking, we're referring there to associations between two Credit Unions or a Credit Union and its branch, which may be set up as a separate Credit Union but operate effectively as a branch.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Why would it be that we would allow something like that, or why would it be allowed, another corporation not of a Credit Union type? Why wouldn't this be confined to saying "subsidiary corporation" means, in other words, a branch? Why do we allow that flexibility? What purpose?

Mr. Legal Advisor: Mr. Chairman, it may be to set up a corporation to own a particular piece of property and then all of the shares in that corporation are owned either by one Credit Union or shared jointly by two or more.

Mr. Lengerke: Thank you.

Mr. Chairman: Mr. Fleming.

Mr. Fleming: Yes, Mr. Chairman, I might ask the witness if can they, or after this Ordinance, if this Ordinance does go into effect, could the Government of the Yukon Territory do their banking with a Credit Union, for instance?

Mr. Miller: No, Mr. Chairman, we can't. We're prohibited by the Yukon Act from depositing our money in

anything except a chartered bank.

Mr. Chairman: Mrs. Watson.

Mrs. Watson: Does the Government of Canada, are they prohibited from depositing in a Credit Union?

Mr. Miller: Not to my knowledge, Mr. Chairman, and most of the provinces in fact allow the Province or their Corporation, Crown Corporations or their bodies to use Credit Unions where they so desire.

Some Members: Clear.

Mr. Chairman: Part 1, Establishment and Operation of Credit Unions.

Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, I am grieved to note that under this Section we have a long list of purposes of a Credit Union, whereas in the old Ordinance of '58, it said that the object of a Credit Union shall be the promotion of thrift among its members.

Mr. Chairman: It's inflation in more ways than one. Purposes. Clause 3(1)

(Reads Clause 3)

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Incorporation, Clause 4(1).

(Reads Clause 4)

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Five(1).

(Reads Clause 5)

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Six(1).

(Reads Clause 6)

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Seven(1).

(Reads Clause 7)

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Eight(1).

(Reads Clause 8)

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Name, 9(1).

(Reads Clause 9)

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Ten (1).

(Reads Clause 10)

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Mr. Berger?

Mr. Berger: I was just wondering, Mr. Chairman, if the Committee thinks it's absolutely necessary to read this. I think if any of the Members have any objection to anything or any questions to certain Sections, I think they've had the Bill long enough, they could have made notes on it by now. I think we're just wasting time here.

Some Members: Agreed.

Mr. Chairman: Well, that's what I suggested before, Mr. Berger. Would Committee be happy if I just called out the Clause numbers, rather than reading it all?

Some Members: Agreed.

Mr. Chairman: Well, I certainly agree.
Mrs. Whyard?

Hon. Mrs. Whyard: Sub 3 of Clause 11, is a very good Section. I wish it covered every business in operation in the Yukon.

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Rules, Clause 12.

Hon. Mrs. Whyard: Mr. Chairman, there's a typo in line 28.

Mr. Chairman: "But"?

Hon. Mrs. Whyard: Yes.

Mr. Chairman: "But no pre-existing right or obligation".
Mrs. Watson?

Mrs. Watson: Mr. Chairman, we're talking about rules and we're talking about regulations, and what is the difference?

Mr. Chairman: Mr. Miller.

Mr. Miller: Mr. Chairman, the rules are the rules that the Credit Union itself, a board of directors with the Credit Union itself, operate under. Regulations are the regulations set by this Government.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: I think the Honourable Member is leading up to Section 2, sub 2, which says that "the Commissioner may by regulation make rules".

Mr. Miller: Yes, Mr. Chairman, the intent there is that those regulations would cover all of the general sections that would apply to all or any Credit Union. Then you'd deal with specific regulations to deal with a specific Credit Union. In other words, you can have a set of general regulations or general rules and then you'd deal with specific matters after that by regulation.

Mr. Chairman: Is 12 clear?

Some Members: Clear.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, I wonder if we could have an example of what kind of a rule, as mentioned in 3, would not affect the pre-existing rights or obligations of the Credit Union? A rule that would come in later, but did not affect something that they had before. I'm at a loss to provide an example of what that might be, but there must be a need for it or this section wouldn't be there.

Mr. Miller: Mr. Chairman, I can't think of one at the moment either, a specific matter. Maybe if you could leave that with us to think about for a few moments, we might be able to come up with an answer for you.

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

Mr. Chairman: Mr. Legal Advisor.

Mr. Legal Advisor: As I see it, it's rather like a setting of a basic set of rules like Table A for a company. A company has, by its memorandum or articles of association, the rules which govern the totality of the relations between the members, what they do, when their general meeting is, the number of directors and so forth. There will be basic rules which would apply to the Credit Union. Later on, there may be other rules which only apply to one or the other, but still may be basic and may be prescribed in the Regulations. Now, any change, such as the change of the date of a general meeting from the financial year to the calendar year, things like that, would not affect rights pre-existing and people would still be entitled to be a member of the Credit Union although they got no notice if the thing carried forward.

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

Mr. Chairman: Clause 13.
There's quite a few typos and we'll acknowledge this

as Mr. Legal Advisor said.
Shall Clause 13 carry?

Some Members: Agreed.

Mr. Chairman: Common Bond, Clause 14.
Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, I hope somebody will ask the Legal Advisor to explain this one because I've heard him go through it and it's fascinating.

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: What, the Common Bond?

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

Mr. Legal Advisor: I don't remember explaining it before, Mr. Chairman. I think most Members of the House are familiar with the idea of a Credit Union, which is really a form of Co-operative Society for lending each other their own money. There are numbers of them for people of different type of descent, different occupation throughout Canada, especially in Alberta and British Columbia. They are one of the only forms of a bank, other than the trust companies, which the Territorial Government or Provincial Government can control. The only bond that controls or governs people here is the fact that they happen to live in Whitehorse, or the Yukon. I didn't think I had explained it in a humorous way other than that.

Hon. Mrs. Whyard: It mustn't be you then; it must be someone else. Common Bond.

Mr. Chairman: Shall Clause 14 carry?

Some Members: Clear.

Mr. Chairman: Clause 15? Does Clause 15 carry?

Some Members: Clear.

Mr. Chairman: Membership, Clause 16. Sixteen carry?

Some Members: Clear.

Mr. Chairman: Seventeen. Does seventeen carry?

Some Members: Clear.

Mr. Chairman: Eighteen. Does Eighteen carry?

Some Members: Clear.

Mr. Chairman: Nineteen.
Mrs. Whyard?

Hon. Mrs. Whyard: I'm having a little problem with the junior member who is a minor that has all the rights of Membership and the same capacity and can be sued and assume indebtedness and so on. There's no specification there requiring minimum age. If someone took out a Membership in the name of an infant, for example,

how do you comply without all these other requirements for Membership? How young are we talking about, a junior member here, what age are we aiming at? Is there a minimum?

Mr. Chairman: Mr. Legal Advisor?

Mr. Legal Advisor: There's no minimum age, but he must apply and he must fill in his application form and be approved, so the assumption is that he must be able to read and write and add up and deal with money. Otherwise he wouldn't be able to do these things.

Perhaps it varies with one's family, what age one would think that is.

Mr. Chairman: Shall Clause 19 carry?

Some Members: Agreed.

Mr. Chairman: Clause 20. Shall Clause 20 carry?

Some Members: Clear.

Mr. Chairman: Twenty-one. Does 21 carry?

Some Members: Clear.

Mr. Chairman: Twenty-two. Does 22 carry?

Some Members: Agreed.

Mr. Chairman: Clause 23?

Some Members: Clear.

Mr. Chairman: Clause 24. Does it carry?

Some Members: Clear.

Mr. Chairman: Clause 25. Clear? Does Clause 25 carry?

Some Members: Clear.

Mr. Chairman: Mr. Fleming.

Mr. Fleming: Could I go back one step, to 22?

Mr. Chairman: Sure.

Mr. Fleming: Where the holder, fewer than number of paid-up shares — what case would this be? If he was a member and was paid up at one time, how, all of a sudden, would he become not a member because of paid-up shares?

Mr. Legal Advisor: I don't know, Mr. Chairman, I'm not sure whether provision is made for selling shares, but it could be that two people might inherit a group of shares from a parent and then one of them might have to be terminated. They might not both be able to continue their membership, or the rules might be changed as to how many paid up shares each member has to hold. They're the only examples I can think of.

Mr. Miller: Mr. Chairman, there's one other and

s where a member may have a loan that he goes in default on. The Credit Union could then attach his deposit and his shared capital. So he is no longer a paid up -- he no longer has paid up shared capital, so you would want to terminate it at that point.

Mr. Chairman: Does 25 carry?

Some Members: Agreed.

Mr. Chairman: Clause 26. Does 26 carry?

Some Members: Clear.

Mr. Chairman: Records, 27.

Some Members: Clear.

Mr. Chairman: Clause 28. Carry?

Some Members: Clear.

Mr. Chairman: Clause 29. Clear?

Some Members: Clear.

Mr. Chairman: Shares and Deposits, 30.
Mrs. Whyard?

Hon. Mrs. Whyard: Why are shares personal property, Mr. Legal Advisor?

Mr. Legal Advisor: It's a statement of the law, Mr. Chairman; it means personal as opposed to reality, which is real property, but since there's almost no real property in this Territory, it's probably tautologous.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Mr. Chairman, the rules of the Credit Union may provide the number of shares which members require. Are these the rules that are made by the Commissioner's Orders, in that rules that we are talking about, or is that the Credit Union rules?

Mr. Miller: That's the Credit Union rules, made by the Board of Directors.

Mr. Lengerke: Mr. Chairman, supplementary to that, what are the required number of shares now in the Credit Union?

Mr. Miller: At the present time, I believe the Ordinance calls for them to have one five dollar share.

Mr. Lengerke: Mr. Chairman, you could have a \$2.50 share then if they're both looking at 22(1)?

Hon. Mrs. Whyard: Read on.

Mr. Chairman: Carry?

Some Members: Clear.

Mr. Chairman: Clause 31. Shall Clause 31 carry?

Some Members: Clear.

Mr. Chairman: Clause 32. This being the Government of the Yukon, I understood they couldn't put money into this.

Mr. Miller: Mr. Chairman, this again is permissive from the Credit Union side only, not from the Government side. In other words, we're making it permissive and the Credit Union can accept it, but the Government cannot deposit its money in a Credit Union.

Mr. Chairman: Yukon Government is acceptable to you, but you are not acceptable to the Yukon Government, is that it?

Mr. Miller: The Yukon Government is acceptable to the Credit Union but Canada won't allow the Yukon Government to do what it wants.

Mr. Chairman: 32.

Mr. Legal Advisor: It's a study on preferred creditors in a bankruptcy. It's setting the stage, they would rank after secured creditors and mortgage holders.

Mr. Chairman: Does 32 carry?

Some Members: Clear.

Mr. Chairman: 33.
Mrs. Watson?

Mrs. Watson: Mr. Chairman, may we go back to that number 3. You say, "rank equally with the claims of ordinary unsecured creditors."

Mr. Legal Advisor: Yes, Mr. Chairman, that's what I said.

Mrs. Watson: I don't understand it.

Mr. Legal Advisor: The preferred class, the basic preferred class is a person who has a mortgage on a piece of property. Then there are people who rank as preferred people such as wage earners for the first -- for three months of their wages and other entitlements of that nature, and then there are unsecured creditors. Now, a depositor in the bank, is a person to whom the bank owes money, so he is a creditor, so he ranks the same as other creditors.

Mrs. Watson: Oh, I see. Thank you.

Hon. Mrs. Whyard: Mr. Chairman, are we on 33?

Mr. Chairman: We are on 33.

Hon. Mrs. Whyard: Mr. Chairman, I have a problem with sub (a). Allowing the Credit Union to receive monies from a member whatever his age or status and whether or not he is capable at law of entering into ordinary contracts. What if we are talking about someone who is mentally handicapped here, Mr. Chairman? Or someone who is only two years old? I don't quite see the need for that.

Mr. Legal Advisor: Allowing a person a power so that anybody who deposits money, it can be received. It doesn't say what happens afterwards, but it means that the Bank Manager doesn't have to check, or the Credit Union Manager does not have to check that each of his customers is sane. Or, it ranks from previous times, status of age, a respective age, or as to whether or not they are non-discharged bankrupt or whether they are subject to garnishee notices and such like things. He doesn't have to make that enquiry in order to receive the money.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Supplementary. Whatever his age or status, so if he's wearing a striped suit and carrying bags of money from the vault --

(Laughter)

Hon. Mrs. Whyard: You go to a Credit Union obviously, Mr. Chairman.

Mr. Legal Advisor: That doesn't relate to status. Status is a different thing, like married women used to suffer from prior to the time when they could, in 1894, when they became able to own money of their own.

Mr. Chairman: Clear?

Hon. Mrs. Whyard: No, I don't know why that's in there? Why is it there?

Mr. Chairman: The question, Mr. Legal Advisor?

Mr. Legal Advisor: The reason that all of that kind of section is in there is to protect the bank manager who is carrying on in the normal course of business and does not have to make an enquiry of his various customers, but can take the money and go through the normal form of business and is not liable to some third person such as a trustee who comes in and deposits a widow's mite in the till. If it turns out afterwards that it's not his to invest or deposit, the bank manager could be liable to the widow for taking the money in the second place. This relieves him of that kind of responsibility.

Banks and such like companies always have these kinds of protections written into the statute.

Mr. Chairman: Is 33 clear?

Some Members: Clear.

Mr. Chairman: 34. Am I to understand from this that if there is a joint ownership and a person is -- one of the persons is liable that money is not available to pay off that liability even though it is --

Mr. Miller: What this section is setting out to say is that if the Credit Union does something on proper notice or believes that they're doing it within the confines, that it discharges them from any further liability. That's all it's saying.

Mr. Legal Advisor: What it's really saying, Mr. Chairman, if two people have a joint account, if it's a

man and his wife, and the wife cashes a very large cheque it can be honoured and the bank manager does not have to ring up the husband and say, "Is it all right for your wife to cash this cheque?" It's that kind of situation. If a person who normally has the authority to cash a cheque or take out money, he does so. The bank manager does not have to check into the fact that there's a second person whose name is the joint holder of the account.

Mr. Chairman: Perhaps we'd better regress to before 1894 then.

Does clause 34 carry?

Some Members: Agreed.

Mr. Chairman: Clause 35. Does 35 carry?

Some Members: Agreed.

Mr. Chairman: Clause 36. Does 36 carry? Mrs. Whyard?

Hon. Mrs. Whyard: Does sub (1) here give the Credit Union more power than an ordinary bank would have concerning any security or additional assets you had to a deposit account in a bank? For example, if you are overdrawn, does the bank have authority to seize some other assets or collateral that you have? The Credit Union has here.

Mr. Legal Advisor: Mr. Chairman, this does refer to that kind of collateral. It refers to the shares which we are talking about because every member owns shares in the Credit Union. Those are the shares that could be seized to pay -- but a bank normally has a lien on something which you deposit as against the defaulting debtor.

Hon. Mrs. Whyard: It does?

Mr. Chairman: What was that?

Mr. Legal Advisor: If the money is passing through a bank, a cheque is deposited to somebody's account and that person owes, we'll say, \$10,000.00. The bank, instead of putting it into the person's account, can pay themselves out of it on the way through, and often do.

Mr. Chairman: Mr. Lengerke?

Mr. Lengerke: Mr. Chairman, does this refer to the deposits as well? Does this not refer to deposits as well?

Mr. Legal Advisor: Yes, Mr. Chairman, they can seize deposits.

Mr. Miller: Mr. Chairman, if I may comment on that. This does not give the Credit Union any more power than a bank presently has on those similar types of things, i.e. deposits. The only difference here is that you also, in addition in a Credit Union, have money invested in the shares in the Credit Union. The bank wouldn't know whether you had, the branch of the bank wouldn't know whether you had money deposited in the bank's shares, because it's not a requirement.

Mr. Chairman: Shall clause 36 carry?

Some Members: Clear.

Mr. Chairman: I'll declare a brief recess.

(RECESS)

Mr. Chairman: I call this Committee to order.
Clause 37.

Some Members: Clear.

Mr. Chairman: Is 37 clear?

Some Members: Clear.

Mr. Chairman: Clause 38. 38 clear?

Some Members: Clear.

Mr. Chairman: Clause 39. Can we have an explanation of this, Mr. Miller.

Mr. Legal Advisor?

Mr. Legal Advisor: Mr. Chairman, where there's money left unclaimed in a bank, there's certain rules under the Government of Canada statutes dealing with it. These are similar rules whereby unclaimed money is paid to the Registrar and is held by him after a period of ten years unclaimed. If, at any time in the future, it is claimed, then the Registrar has authority to pay it out, but this is the procedure for dealing with it.

Mr. Chairman: Is 39 clear?

Some Members: Clear.

Mr. Chairman: Clause 40. Is 40 clear?

Some Members: Clear.

Mr. Chairman: Clause 41. Is 41 clear?

Some Members: Clear.

Mr. Chairman: Borrowing. Clause 42.
Mrs. Whyard?

Hon. Mrs. Whyard: In 42(2), nothing limits the amount that may be received. What about your requirements for bonding or whatever, which stipulates your responsibility up to a certain amount by a bonding company or insurer or something. I'm sure there must be a limit imposed at some level.

Mr. Legal Advisor: If the question is directed specifically to Section 42(2), it means that regardless of any limit, a person who deposits, say 10 million dollars in the Credit Union, becomes a creditor in the sense that the Credit Union owes him 10 million dollars because he has deposited 10 million dollars in the Credit Union, just like he would at a bank and therefore if there's suddenly a debt of 10 million dollars from the bank to him. So, this is an exemption from the normal rules, preventing the creation of a debt by the Credit Union of more than a

certain amount.

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

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: I realize that, but my concern is about the employees of the Credit Union who may be bonded to handle amounts up to a certain total and a depositor comes in and dumps five million dollars on him. It's far out, Mr. Chairman, but I'm just wondering. Perhaps it's covered under another section.

Mr. Legal Advisor: Not to my knowledge, Mr. Chairman, I don't think that a special section dealing with the necessity for the employees of a Credit Union in the normal course of events to be bonded.

Hon. Mrs. Whyard: There isn't?

Mr. Legal Advisor: Not so far as I know, Mr. Chairman.

Mr. Chairman: Mrs. Watson?

Mrs. Watson: Mr. Chairman, is there with banks?

Mr. Miller: Mr. Chairman, there's no requirement for an employee of a bank to be bonded. The bank carries a general bond on all employees, no specific employee is bonded.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, well then, the bank would have to have sufficient insurance to cover the amounts the employees are handling, and I am taking it from there and trying to apply it to this section where there is an unlimited amount of money being received.

Mr. Miller: Mr. Chairman, I think in this case what would happen is, let's take the point that the Honourable Member has made that somebody walks in with five million dollars and wants to deposit it. The Credit Union could accept that money. It's beyond that state that the bonding would be required, the paying out of it, the investment of it, et cetera. All this is saying is that they can accept it. It doesn't say how they deal with it beyond that. Now, if their bond said that they could only handle sums of up to one million dollars, they'd be wise to immediately dispose of that money to a chartered bank, or whatever, but they could still accept in the first instance.

Mr. Chairman: 42, clear?

Some Members: Clear.

Mr. Chairman: Forty-three?

Some Members: Clear.

Mr. Chairman: Loans, 44. I take it they couldn't lend money to any provincial jurisdictions, for instance, in B.C.

Mr. Miller: No, Mr. Chairman, the Credit Union, because it's incorporated under Territorial law can only operate within the Territory.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: Yes, on the same thing, Mr. Miller, it says any other class or persons designated by the Regulations. It looks like that is going to give the Commissioner the power in the Regulations to almost say they can loan money anywhere actually, if they so wish, is that not true?

Mr. Miller: Mr. Chairman, the way this normally works, is that the Credit Union, because it's made up of members, will only lend money to it's own members. Now there can be circumstances, for example, it may be by regulation, or it may request that the Government allow it, by regulation, to lend money to corporations. It may do so. That's where the Regulation power would come in. This Government would not put through a Regulation that the Credit Union itself did not want to have in place.

But as it now stands, I can't lend money to anybody but their own members and the other two parties, the public bodies, the Government of Canada, and the Government of the Yukon. They can't lend money to a corporation, or to a business.

Mrs. Watson: Mr. Chairman, in this they can.

Mr. Miller: No, Mr. Chairman, only if the Regulations permit them in 44(1)d). If they came forward requesting Regulations to allow them to lend to certain types of corporations. Okay?

Mrs. Watson: Mr. Chairman, further on in 46(1), they can, a central Credit Union can.

Mr. Miller: That's correct, but not the Whitehorse Credit Union.

Mr. Chairman: Forty-four clear?

Some Members: Clear.

Mr. Chairman: Clause 45. Is it clear?

Some Members: Clear.

Mr. Chairman: Clause 46.
Mrs. Whyard.

Hon. Mrs. Whyard: In 5 sub (b) (1), could we have a description of an equally blended installment?

Mr. Legal Advisor: Mr. Chairman, an equally blended installment occurs when a person is repaying a loan and if they pay the same amount every month, a portion of which in a descending amount is allocated to interest and a portion to principle. That's what you call an equally blended amount. The CMHC loans are all ways calculated in that manner.

Hon. Mrs. Whyard: Well, Mr. Chairman, if it's a descending proportion, it ain't equal.

Mr. Legal Advisor: It's an equal installment, Mr. Chairman, but the draft shows that the interest is getting less and the repayment of capital is getting greater.

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

Mr. Chairman: Mr. Fleming.

Mr. Fleming: This is under 46, Mr. Chairman?

Mr. Chairman: Yes.

Mr. Fleming: It says in 46, "that no Credit Union other than a central Credit Union shall lend money to a person that is a corporation". This just deals with the Credit Union and does not effect the central Credit Union, is that right?

Mr. Chairman: You're referring to 46 (1) (b).

Mr. Fleming: One (b).

Mr. Miller: Mr. Chairman, what we're referring to there is that except on terms and conditions approved by the Registrar, no central Credit Union shall lend money to a person that is a corporation. So it is spelled out terms and conditions, if they are, if they do want to loan money to a corporation. Very specific.

Mr. Chairman: Mr. Lengerke.

Mr. Lengerke: Not to an amount exceeding the value of deposits or shares?

How would, Mr. Chairman, how—a question of the witness, how would the Registrar go about approving those terms and conditions? Just give me an example there where, what do you use as criteria.

Mr. Miller: Well, Mr. Chairman, what would normally happen is that the Credit Union would come forward and say we want to be able to make loans to corporations on the basis of secured loans. In other words, lending against the value of assets that the corporation would own.

In that case, the Registrar could set the terms and conditions. In other words, it must be a certain proportion of the asset value. It doesn't allow them to go off and make unsecured loans.

That's basically what we are saying.

Mr. Chairman: Does 46 carry?

Some Members: Clear.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: I may have missed it earlier on. In 46(6)(f) where this whole Section deals with loans made to employees of the Credit Union or their subsidiaries, et cetera; first you require special conditions and then if it's a member of the credit committee, he must not be present when the loan is being discussed and approved or not. Then when the loan is granted, the details and security for it must be reported on in writing to a meeting of the Directors, following the approval of the loan.

Is this not customary for all loans, the details and the

security would be reported in writing to the Directors?

Mr. Miller: No, Mr. Chairman, normally what happens, the Credit Committee or the Credit Officer determines whether or not to grant a loan. The Executive would not necessarily see each and every loan that the Committee did in fact approve, but we're insisting that they at least see those made to members, either staff members, or members of the Credit Committee who made the loan.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Then, at no time does the Board of Directors actually see a list of people who have loans.

Mr. Miller: Mr. Chairman, they may see a list of people who have loans, but they wouldn't necessarily see all the details, the security obtained, et cetera. When you start thinking, Mr. Chairman, of anywhere up to forty of fifty or sixty loans each month, it seems that you will be tying up your executive. In fact they have the authority to appoint a committee to do that for them.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: If I were a Member of the Board of Directors I would want to see that list. I can think of local municipalities, for example, which have a finance committee, certainly, but they do scrutinize the list of all accounts each month and in normal business practice I would think it was reasonable to see at least monthly or quarterly, the names of the people who have obtained those loans.

Mr. Miller: Mr. Chairman, we're not saying that they can't see the list. We're not saying that they shouldn't see it. What we're saying is if they want to they may do so, but in this one case they must. That's all we're dealing with, is when there is a loan to a member of the Credit Committee, or a Director of the Credit Union that must be reported.

What they do for the balance of loans, they set their own procedure.

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

Mr. Chairman: Forty-six clear?

Some Members: Clear.

Mr. Chairman: Forty-seven.
Is 47 clear?

Some Members: Clear.

Mr. Chairman: Clause 48.
Mr. Lengerke.

Mr. Lengerke: In 47, could--what I'm worried about here is that they in fact could actually lend them money before it became knowledge of the Registrar, couldn't it? The event could happen before the Registrar would know?

Mr. Miller: No, what we're saying here is that they can't lend money or guarantee or endorse, if they have been notified by the Registrar that they may not do so. It's a negative way of saying it. There are certain provisions in 101.(2), on deposits and investments, which they must meet. Now, if they can't meet those and the Registrar orders them not to lend any more money, Section 47 is saying that they shan't do it.

Mrm Lengerke: Mr. Chairman, I still don't quite see the safeguard. It says "No Credit Union shall lend money to or guarantee or endorse for the accommodation a note of a person after the Credit Union, after the Credit Union has been notified". Well, how can the Credit Union be notified prior to this person coming in and making the application?

Mr. Miller: Mr. Chairman, the Credit Union is notified under Sections 101.(2), sub 2, where an order has been made under, the Registrar may do certain things, okay? So they have an order from the Registrar. At that point, they can no longer lend money or endorse or guarantee.

Mr. Lengerke: Okay.

Mr. Chairman: Is 48 clear?

Some Members: Clear.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: In (b) of 1, 48, these people who participate in making or renegotiating loans knowing it's contrary to the Ordinance or the rules of the Credit Union, that person is guilty of an offense. Does that imply an offense only under this Ordinance? Because we go on through the next paragraph and say that there can be attempts to recover by civil action, and I'm assuming from that that it is not a criminal offense.

Mr. Legal Advisor: Mr. Chairman, it is an offense, not a criminal offense, it's an offense against this Ordinance and the penalty is provided for elsewhere, but it is also recoverable by civil action. It is an unusual provision because the Treasurer has not got the money. He has merely done something wrong in lending the money, but he becomes liable to repay the money as well as committing an offense.

Hon. Mrs. Whyard: Mr. Chairman.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: This would not preclude, however, a criminal charge being laid against them if certain other officers of the Credit Union wish to do so.

Mr. Legal Advisor: No, Mr. Chairman, if he had committed a criminal offense.

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

Mr. Chairman: Does 48 carry?

Some Members: Clear.

Mr. Chairman: Patronage Dividends. Sounds like a sacriligious term in this House. Clause 49.

Mrs. Whyard?

Hon. Mrs. Whyard: Would it be fair to say that entire section of some forty lines means everybody gets the same rate?

Mr. Miller: Mr. Chairman, it doesn't say that. It says they all get the same rate if they have similar type of deposits.

Mr. Chairman: Shall Clause 49 carry?

Some Members: Clear.

Mr. Chairman: Insurance, 50, sub 4, clarification?

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

Mr. Chairman: Sub 4, could you clarify that?

Mr. Miller: Well, basically what it's saying is that the Registrar can exempt the Credit Union from carrying insurance if they're in the process of a sale or purchase of the Credit Union or an amalgamation of the Credit Union.

Mr. Chairman: Clear?

Some Members: Clear.

Mr. Chairman: Investments, 51.
Mr. Lengerke?

Mr. Lengerke: I always have a problem with this 'may' and 'shall'. I was wondering, back under Insurance, Clause 50(1) why the Directors of the Credit Union wouldn't -- you know, they shall determine. Why? 'May' to me means that they just might do that if they feel like it. Why wouldn't we prescribe that they 'shall' do it, and then the rest would flow the way it is? Someplace along the line they would have an obligation to do that, Mr. Chairman.

Mr. Miller: Mr. Chairman, in that Section, we're dealing with the insurance that is normally referred to in the business as loan insurance. If you want to go and borrow money from a bank, you can borrow under an insured loan concept, or the bank will take just your demand note and you get no insurance with it. You have an option, or the bank may have an option. There's two sides to it, and all we're saying here is we're giving the Credit Union the same ability. They can have insured type loans, or they can have non-insured loans.

Mr. Chairman: Mr. Fleming?

Mr. Fleming: I hope I have that clear. I think they are allowed to insure by asking for a percentage, say, on the loan; monies to insure that loan. If I was providing my own insurance, in other words.

Mr. Miller: That's quite correct, Mr. Chairman.

Mr. Chairman: Mrs. Whyard.

Hon. Mrs. Whyard: Mr. Chairman, in 2(c), why would we spell out the fact that the aggregate of the amounts invested, or loaned, or put out, shall not exceed ten percent and then go on to say, "or a higher percentage the members may authorize"? There is no top limit. Why would ten percent be chosen there, rather than thirty, forty?

Mr. Miller: Mr. Chairman, all we're saying is that we're legislating that they can't invest their money into certain types of things beyond ten percent unless they have a special resolution of the members, which means they've got to have a general meeting and the Registrar must also approve it. So you're giving the Board of Directors a very narrow range in which they can do things without going to the general membership.

Mr. Chairman: Mrs. Whyard?

Hon. Mrs. Whyard: Mr. Chairman, with all these other restrictions in place, why would it be limited to ten percent?

Mr. Miller: Well, Mr. Chairman, 1(g) to (h) deals with shares, bonds, debentures of subsidiary corporations and (h) deals with housing. So there are only two specific things -- I'm sorry, and (i) deals with land -- so we're saying you can't tie up all your money. You're only permitted to tie up ten percent of the money that you have available in those three types of investments, unless you get special permission from your members to do so. It's part of the liquidity. In other words, you don't want them tying up their stuff in long term mortgages to the detriment of their liquidity, their ability to pay their immediate shares or whatever. Size has a lot to do with it, size of money on deposit.

Mr. Chairman: Shall Clause 51 carry?

Some Members: Agreed.

Mr. Chairman: Mr. McCall?

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

Mr. Fleming: I'll second that.

Mr. Chairman: It has been moved by Mr. McCall, 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 in favour?

Some Members: Agreed.

Mr. Chairman: Motion is carried.

(Motion carried)

Mr. Chairman: We will tune in tomorrow for the next exciting chapter.

(Mr. Speaker resumes the Chair)

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

Mr. Hibberd: Mr. Speaker, the Committee of the Whole have considered Bill Number 14, the Real Estate Agents' Licensing Ordinance, and directed me to report the same, with amendment.

The Committee have also considered Bill Number 10, the Credit Union Ordinance, and directed me to report progress on same.

The Committee have also directed me to ask leave to sit again, and I would like to inform the House, Mr. Speaker, that Mr. Bruck is scheduled to appear as a witness before Committee at eleven tomorrow morning.

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

Some Members: Agreed.

Mr. Speaker: Leave is so granted, and may I have your further pleasure?

The Honourable Member from Whitehorse Riverdale?

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

Ms. Millard: I second that.

Mr. Speaker: It has been moved by the Honourable Member from Whitehorse Riverdale, seconded by the Honourable Member from Ogilvie, that we do now call it five o'clock. Are you prepared for the question?

Some Members: Question.

Mr. Speaker: Are you agreed?

Some Members: Agreed.

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

(Motion carried)

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

(ADJOURNED)

