

Yukon Act

who want hospital beds. The territorial government has a responsibility because they are responsible for the health of the people in the territory, and they had to make this contribution. The share was worked out among the parties interested so they contributed according to their relative responsibilities; but with respect to the territorial share of \$750,000, they did not have the money in their annual revenue and they had to come to the government for permission to borrow the amount.

Mr. Nielsen: If I might make an observation to augment the observation made by the hon. member for Essex East, I would say that these contributions were worked out by the last administration, to my knowledge. They have not been changed at all since that time.

Mr. Martin (Essex East): Not the \$750,000.

Mr. Nielsen: Yes, I believe that is so.

Mr. Martin (Essex East): It would be unusual if I were wrong.

Mr. Thomas: Does the territorial government of the Yukon receive assistance for their roads and other public works according to a formula, or is each grant dealt with individually?

Mr. Hamilton (Qu'Appelle): The question of the hon. member for Middlesex West is a very wide one, because we have several classifications of assistance that we give to the Yukon. In the general situation at the present time the territorial government is responsible for roads in the territory, but in practice the division of responsibility as between the federal government and the territorial government is roughly along this line. We are responsible for the natural resources of this area. Therefore when a development road goes in we would pay for the development road, and if the road is used by the people of the Yukon when they are responsible for 15 per cent of the maintenance and we are responsible for 85 per cent; that is, allowing for the use of the road by the Yukon people.

The second part of the question dealt with public buildings. These are dealt with by the territorial government. If the building is a territorial building they erect it; but there are occasions, and there will possibly be occasions in the future, where the capital expenditures they wish to undertake will be beyond their means if they have to use the annual income each year. That is the reason for asking for this broadened power, to give them the right to borrow.

Mr. Herridge: While we are on this clause, Mr. Chairman, I should like to ask a question just to satisfy my insatiable curiosity about many matters in life, including the Yukon.

I may say that I became interested in the Yukon in the early days because as a boy I met a famous woman of the Yukon called Yukon Iola. That was my first interest in the Yukon. Anyway, I wanted to ask about the constitutional basis for the municipalities in the Yukon and their financial relationships with the federal government.

Mr. Hamilton (Qu'Appelle): The hon. member is not alone in that. Everything is in a state of transition there but you do have municipalities. I think there are three cities. There are other areas which are not even organized into municipalities and therefore the territorial government has direct dealings with a large proportion of the people of the Yukon. It is only in Whitehorse, Dawson and Mayo that you have any form of municipal or local government at the present time. There are other areas where people live that have no organized government whatsoever. Therefore the situation is in a state of transition. We are hoping that step by step the communities will form themselves into local self-governing bodies with all the rights and responsibilities of municipal governments. We are also hoping that they will move into the field of education, form local school boards and accept their responsibility. At the present time these responsibilities are looked after by the territorial government where there is no organization into municipalities. We are hoping that the formation of local governments will spread in the territories and that they will assume their full share of governmental responsibility.

Mr. Herridge: I thank the minister for his explanation but what I am not clear about concerns the municipalities within the Yukon. Are their financial relationships somewhat parallel to the relationships that exist between a municipality and a province? Do they get grants for their schools, hospitals, certain street improvements and things of that sort?

Mr. Hamilton (Qu'Appelle): The answer is roughly yes. There is a municipal ordinance but they do not exercise in full the responsibilities that are exercised in a normal community in the provinces. At one time, for instance, a debate had been going on in the city of Whitehorse with respect to how far they should go in accepting responsibility for providing sewer and water services. The same situation applies to other improvements. They have worked out ways of handling things which are not orthodox in ordinary municipalities in the provinces. Fire protection is one example where they have worked out their own arrangements. Fire protection is provided partly by the local army unit in Whitehorse and the city of Whitehorse partly