APPENDIX V Letter dated May 23, 2000 from Premier Pat Duncan to Ted Hughes, Q.C.



May 23, 2000

E N (Ted) Hughes, QC Conflicts of Interest Commissioner, Yukon 843 Yates Street, Victoria, B.C. V8W 1M1

Dear Mr. Hughes,

I thank you for taking the time on May 15 to meet with me, my husband. Daryl Berube, and my brother Gordon Duncan. On that occasion, we acquainted you with the following facts.

- 1. Gordon is the sole owner of Total North Communications Ltd. The company was formed approximately twenty-seven years ago. Wireless technology is the area of the company's expertise. Significant expansion in the radio communications area and emerging satellite television technologies occurred early on in the company. Work was also undertaken in sound, security, telephone and control systems as expansion into wired systems increased.
- 2. With the company's growing capabilities came imcreased opportunities for major projects. Total North has been able to successfully bid on and complete projects involving engineering, supply, installation and service of complex systems. Its commitment for developing integrated system solutions has brought it to the leading edge of new technology applications.
- 3. In order to operate safely and effectively in the North, communication encompassing the range of satellite to radio-based RF systems is vital. Due to limited infrastucture in the Northern Region, very often the only option is a wireless system. Gordon identified to me numerous contracts with the Yukon and the federal government that indicates the assistance that the company has been as these governmental bodies meet their responsibilities in the northwestern part of our country.

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- 4. My husband is the manager of the wireless division of Total North Communications Ltd. Neither he nor I have any ownership in this company nor in any of Gordon's other corporate endeavors. Total North Communications Ltd. has also developed into the sale and installation of wired systems. For example, it has played a key role in the Department of Education's computer program. It provided maintenance to services for Department of Education's Apple computer equipment for over ten years and is the current incumbent of the service contract. Completion of the Porter Creek Secondary School is another example of the full capabilities that the company's wired group handles. From phone lines to paging systems, Total North has the experience that enables it to accept and complete complex assignments.
- Over its twenty-seven twenty-eight year years in the northwest, the company's prime market has been the Yukon. The company has fifteen full-time employees and has annual revenues in the order of \$2-3 million dollars.
- 6. Gordon also owns 50% interest in Total Point Inc. This company has developed a product line of low FM transmitters that combines digital voice storage, remote access control and FM transmitter technology. This company was formed in 1994 and has developed a product line ranging from the Safety Radio used for communicating emergency and disaster information, to the Talking Sign, a very low power, inexpensive site messaging system. This company markets its products internationally and in Canada, in locations such as Ontario, Manitoba and Yukon. My husband has no employment relationship with this company.

Finally, Gordon is a 50% owner of GS Energy Systems Inc. This is a new venture with one of its first assignments originating at the beginning of 2000 with a proposal from the Yukon Development Corporation and its subsidiary, Yukon Energy Corporation, to join together in studying the prospects for a hydrogen project for the Yukon.

Gordon advises me that in the regular course of business his companies work with the Yukon Government at all levels to develop and implement projects and services. This is a core business activity, particularly true off True North Communications Ltd. The Yukon Government is a valued client, as are many others. Gordon advises that in this relationship he deals on a regular basis with ministers in the Yukon Government. That was the case in both two previous administrations. Apparently, past contact with ministers has been directly on projects as well as advisement on technology and communications issues.

One of my concerns is that my election as Premier of Yukon and the holdings of the portfolios of Finance, Economic Development and the Minister responsible for the Executive Council Office (responsible for land claims and devolution) and for the Yukon Development Corporation/Yukon Energy Corporation, will not impact negatively on the successful business that my brother has built up in Yukon over the past twenty-seven to twenty-eight years. It is apparent to me that from all that my brother has told me, that continuing to work with and for the Yukon Government is

essential to the viability of his corporate interests. It is also apparent to me that my brother's availability to provide goods and services to the Yukon Government has often been beneficial to the development of the Yukon and its residents. It is also a matter of great importance to me that I meet my responsibilities as Premier, Minister and MLA in a manner that in every respect honors the spirit and intent of the *Conflict of Interest (Members and Ministers) Act*.

It is to accomplish the objectives in the preceding paragraph that I come to you for advice. I have competent ministers who are available to carry out the kind of associations that my brother has apparently had in the past with the ministers in the two previous administrations, one the Yukon Party government and, more recently, the New Democratic Party government. Would you please advise me how the objectives I have identified can be achieved and what steps I should take to ensure that I comply with the *Conflicts of Interest (Members and Ministers) Act* under which you hold responsibilities as sole Commissioner.

Sincerely

Pat Duncan, Premier