

**Whitehorse, Yukon****Tuesday, October 28, 2008 — 1:00 p.m.**

**Speaker:** I will now call the House to order. We will proceed at this time with prayers.

*Prayers*

**Withdrawal of motions**

**Speaker:** The Chair wishes to inform the House that Motion No. 504, which the Member for Kluane gave notice of yesterday, and Motion No. 509, which the Leader of the Third Party gave notice of yesterday, were not placed on today's Notice Paper as they were not in order.

**DAILY ROUTINE**

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

Tributes.

**TRIBUTES****In recognition of Influenza Immunization Awareness Month**

**Hon. Mr. Hart:** I rise today on behalf of the House to pay tribute to Influenza Immunization Awareness Month. I rise today to ask my colleagues to join me in recognizing October as Influenza Immunization Awareness Month.

Monsieur le Président, j'invite aujourd'hui mes collègues à se joindre à souligner le Mois de sensibilisation à la prévention de la grippe.

Influenza, or what is more commonly referred to as "the flu", is a common respiratory illness affecting millions of Canadians each year. In Canada, flu season usually runs from November to April.

Mr. Speaker, the most effective way to protect yourself from the flu is to be vaccinated each year in the fall. Regular hand washing is another way to help minimize your risk. This week, Health and Social Services launches flu clinics across the territory. Over the next month, health care practitioners will be providing the flu vaccination in health centres and other areas designated as satellite clinics.

The flu needs to be taken seriously. Most people recover completely after a bout with the flu; however, influenza results in an average of 20,000 hospitalizations and 4,000 deaths each year in Canada. Hand washing, good respiratory etiquette, and annual influenza vaccinations help reduce the spread of flu. I ask my colleagues to encourage all Yukoners to take this simple action to protect themselves and others.

Monsieur le Président, j'invite mes collègues à encourager tous les Yukonnais et Yukonaises à poser ce simple geste pour se protéger et pour protéger les autres.

Thank you. Merci beaucoup.

**In recognition of Breast Cancer Awareness Month**

**Mr. Mitchell:** I rise today on behalf of all members of the Legislative Assembly to pay tribute to Breast Cancer Awareness Month. October 2008 marks more than 23 years

that National Breast Cancer Awareness Month has been educating women and men about breast cancer detection, diagnosis and treatment. Yukon women gathered at Mount McIntyre on Saturday night, October 18, to celebrate Yukon's second Mardi Bra event. Mardi Bra is a woman-only costume party, based around the Mardi Gras festival in New Orleans with music, a silent auction and bratinis. Last year's event raised close to \$20,000, benefiting three different projects to support women diagnosed with breast cancer.

This year, all proceeds from the event will go to Karen's Memorial Fund. This fund was established in memory of Karen Whitaker and provides financial support to women with breast cancer and their families to help pay for costs not covered by medical travel or health insurance.

Early detection means finding a cancer or pre-cancerous condition at an early stage. Early detection does not necessarily prevent cancer, but it finds it as early as possible and in most cases, finding cancer early increases the chances of successful treatment.

One in nine Canadian women will be diagnosed with breast cancer during their lifetime. Thousands of Canadians are touched by breast cancer every year. It impacts the people living with the disease, their families, friends and loved ones.

I'm sure each and every one of us has been touched in some way by breast cancer and it's part of a larger issue that is the scourge of cancer of all types. I know each of us has been affected by the terrible impact of this disease on a loved one, a friend or a colleague. We have seen this even within this Assembly.

None of us can rest easy or lessen our fight against cancer until we achieve victory. We recognize the progress being made in the treatment of this disease, building awareness, providing information and hope for future innovations in breast cancer and all cancer treatments.

National Breast Cancer Awareness Month provides a reminder to women to perform a self-breast examination and schedule a mammogram. Please remind all of the women in your lives to do the same. We give a heartfelt thank you to the many volunteers, fundraisers and sponsors who help in the fight against breast cancer — let's make cancer history.

**Speaker:** Are there any further tributes?  
Introduction of visitors.

**INTRODUCTION OF VISITORS**

**Mr. Hardy:** Mr. Speaker and the Assembly, please welcome a former MLA and a former representative of the Klondike region, Art Webster.

*Applause*

**Speaker:** Just an aside for the members: I believe it has been 16 years since Mr. Webster sat in this House, and it is our pleasure today to have his daughter Arbor for her first day as a page.

*Applause*

**Speaker:** Are there documents for tabling?

Any reports of committees?  
 Are there any petitions?  
 Are there any bills to be introduced?  
 Notices of motion.

## NOTICES OF MOTION

**Mr. Nordick:** I give notice of the following motion:

THAT this House urges the Yukon government to work cooperatively with the State of Alaska to maximize tourism marketing opportunities from the historic occasion this coming summer when Alaska celebrates 50 years of statehood.

I give notice of the following motion:

THAT this House urges the Government of Yukon to explore avenues to further assist people with fetal alcohol spectrum disorder who are engaged in the justice system as victims, witnesses or offenders.

**Mr. McRobb:** I give notice of the following motion:

THAT this House urges the Yukon Party government to ensure that the upcoming hearings held by the Yukon Utilities Board include a full review of issues relating to the reliability of electrical supply within the territory and to empower the board to order remedial measures as it deems necessary to avoid future power outages that can be prevented by giving this matter sufficient priority at the earliest opportunity.

**Mr. Edzerza:** I give notice of the following motion:

THAT this House urges the Minister of Health and Social Services to recognize the value of the service to Yukon families and to the territorial government that is provided through kinship caregivers by:

(1) investigating the financial costs for Yukon's extended families carrying for kin children, especially grandparents and single caregivers;

(2) responding positively to kinship caregivers' financial needs with regular, reliable financial support to assist caregiving;

(3) providing respite care and counselling services to all kinship caregivers as needed;

(4) investigating the legal processes involved in obtaining custody of children with a view to easing restrictions, making it less expensive, and educating the public on the processes; and,

(5) expanding addiction and substance abuse services as outlined in the government's substance abuse action plan with a special emphasis on parents estranged from their children.

**Mr. Cardiff:** I give notice of the following motion:

THAT this House urges the Yukon government to recommend to the Government of Canada that prior to the planned First Ministers Conference they support the Building Canada fund sufficiently to meet the intent of the recent statement from the Council of the Federation to accelerate investments in the repair and development of public infrastructure in order to minimize the effect on Canada of the current turbulence in world capital markets.

**Mr. Hardy:** I give notice of the following motion:

THAT, in view of the current financial crisis which affects the Yukon, this House urges the Minister of Finance to immediately table the fall supplementary budget so that the House can debate the financial future of Yukon individuals and businesses.

I give notice of the following motion:

THAT this House urges the Yukon government to investigate the feasibility of establishing a supported living home for adults affected by fetal alcohol spectrum disorder in order to provide:

(1) the protection and security proven to assist them in their day-to-day living;

(2) counselling and practical advice for them and their families; and

(3) a source of public education about FASD.

**Speaker:** Are there any further notices of motion?  
 Statements by ministers.

This then brings us to Question Period.

## QUESTION PERIOD

### Question re: Capital works projects

**Mr. Mitchell:** Next week the Premier will be attending an economic meeting in Ottawa. The federal Finance minister is obviously very concerned with the state of the Canadian economy. Although until October 14 the Prime Minister was quite confident that the Canadian economy was strong, it is at least reassuring to see the Finance minister acknowledge that Canada is being affected by world events and will be proactive, as it should.

The Liberal caucus was pleased to pair with the Premier so that he can attend this very important meeting. The federal minister will obviously be bouncing ideas off his provincial and territorial counterparts. He will certainly be seeking their input so that his plans will reflect the needs of every section of this country.

Will the Finance minister seek increased infrastructure funding from Canada for Yukon to proceed with capital works projects so that our workforce will remain fully employed and continue to contribute to the local economy?

**Hon. Mr. Fentie:** Of course the federal government has been, and continues to be, very concerned about the situation we're experiencing globally. That is why they are emphasizing a coordinated approach internationally and here in Canada, on a national basis.

Actions to date by the federal government include ensuring that our banking system is not put at a competitive disadvantage, given the hundreds of billions of dollars other governments are injecting into the void in the credit markets today. And, of course, part of what the national coordination is about is ensuring that we continue on with prudent fiscal management and strategic investment, which includes infrastructure.

I'm pleased to say that Yukon has recently concluded its agreement on the Building Canada fund and, going forward, that's \$25 million a year over the next seven years for Yukon to

invest in infrastructure. But first we must develop our infrastructure plan that meets the eligibility requirements for strategic infrastructure investment in the Yukon, and that's exactly what we'll be doing.

**Mr. Mitchell:** I do thank the Premier for providing the background, but I will ask the Premier to remain focused on his answers on what we will do in Yukon.

The chair of the Whitehorse Hospital Corporation has commented publicly on the need for an expansion of many areas of this hospital. I know there is a chronic need for mental health facilities. I know that there are other needs for equipment and for space at the hospital. I believe that the number the Hospital Corporation chair mentioned was in the vicinity of \$50 million. The Hospital Corporation chair has indicated this might require fundraising or public/private partnerships to achieve.

Expansion of the hospital at this time would keep many Whitehorse contractors and workers fully employed for at least two years. At the same time, such an expansion to the existing facility would be a much-needed and well-received addition to Yukon's infrastructure. Will the Premier seek special infrastructure funding through the Building Canada fund, or from the Department of Health for this project?

**Hon. Mr. Fentie:** In the first instance, the government is going to focus in on the actual requirement necessary. We do have discussions on an ongoing basis of ideas and thoughts of projects and so on, but our main interest with the hospital is ensuring that the level of health care services provided Yukon citizens is maintained as any other Canadian would have access to.

Beyond the \$175 million of infrastructure funds that we have available from Canada, Yukon also invests the highest per capita by budget dollar value into capital projects here in the Yukon Territory. So we are somewhat ahead of the curve on a national basis. Therefore, when it comes to health care, our number one priority is to negotiate the continuance of the territorial health access fund to ensure that those services I speak of are comparable to the services the rest of Canadians enjoy in the health care system.

**Mr. Mitchell:** I would just note that it's the chair of the Hospital Corporation that says, above and beyond, he envisions \$50 million more being required. This meeting of finance ministers is very important to Yukon as to all provinces and territories. We can't afford for this to be a fruitless trip as we are most likely only going to get one opportunity right now to put forth our case. The Premier has spoken frequently in recent weeks about the need to extend the power grid to Stewart Crossing. This, of course, would tie in the Dawson-Mayo grid to the Whitehorse-Aishihik-Faro grid, and provide flexibility and stability to Yukon's overall power structure.

The Yukon Party government has also stated that the extension project, combined with the development of Mayo B, would not only be beneficial to Yukon, but it will be very expensive. Again, we have an excellent opportunity to fast-track this project. It's not just a make-work project, but it should benefit Yukon for many years to come, according to the gov-

ernment's statements. Will the Premier put forth a case for federal infrastructure funding to enable this project to go forward?

**Hon. Mr. Fentie:** The short answer for that question is the government already has put forward the case, and that is why, during the campaign, a very clear announcement was made, that this type of investment in this type of infrastructure would receive priority from a re-elected Harper government. So our expectation here is to work with Canada as a partner — not the sole investor, but as a partner. Our intention is to proceed with that investment. It is strategic. It will be a positive initiative, given the uncertain times we're in globally, especially in the fact that in the short term it is job creation investment, but in the long term it creates infrastructure, very complementary to future economic growth for the Yukon Territory.

But I think we also have to list for the member opposite the fiscal strength that the Yukon has today, and that is one of the reasons why the Yukon is very well positioned to manage our way through the global cycle. It not only includes this type of investment but it includes our territorial funding arrangement with the Government of Canada, which has dramatically improved from where it was in the past. For example, the perversity factor is no longer a \$1.30 returned; we retain 30 per cent of own-source revenue.

#### **Question re: Thomson Centre reopening**

**Mr. Mitchell:** Over five years ago, this government closed the Thomson Centre for renovations. Today the Thomson Centre is still not operational in spite of the millions of dollars that have been spent on it. Just like the health centre in Watson Lake, millions have been spent, years have gone by and Yukoners are stuck with another health care facility that is dysfunctional — it is useless.

Yukon needs operational facilities for transitional health-care services, for issues such as mental health, addictions treatment and for other forms of health care. The Thomson Centre could actually be useful if it were ever made operational.

When will this government recommission the Thomson Centre, and how much will it cost in total?

**Hon. Mr. Hart:** I thank the member opposite for his question. I will say that our concentration right now is working on the 12-bed units up in Copper Ridge and once we get those open, we will commence working on dealing with the Thomson Centre. In addition, we are utilizing much of the Thomson Centre for health facilities currently, and that's in conjunction with the Whitehorse Hospital Corporation.

**Mr. Mitchell:** Well, Mr. Speaker, we've been hearing from at least two Health ministers about the imminent reopening of the 12 beds in Copper Ridge Place, but that is long overdue as well. Now, there's also the phantom health care centre in Dawson. This government made big promises to Dawsonites, but again, failed to deliver. We have aging health care facilities in other communities.

We see big spending announcements for a health care facility in Watson Lake but no public consultation. Government says it has a long-term health care plan but it hasn't released it for public scrutiny or public consultation. Government can't complete the existing health care infrastructure projects but

continues to announce more projects, more money and apparently needs more time. This government is health-care challenged.

After six years in office and four health care ministers, why is it that this government can't complete a health care infrastructure project?

**Hon. Mr. Hart:** We are working closely with all our health providers in our effort to provide the best possible health service to all Yukoners, and we intend to follow through with that.

In regard to the review, that is currently underway, as I mentioned before. We are doing our due diligence. We will bring that information forward and will go out to consultation on that process.

**Mr. Mitchell:** This is a question of government competence. Four different health care ministers — I see members opposite can't count that far but they had an acting and three permanent ones — four. No question of ownership. The Thomson Centre is government owned. There is no question of cost overruns; they're way overbudget. No question of timelines; there have been too many years listening to government excuses for keeping this facility closed. There is no question of government priorities; the Premier's riding of Watson Lake is getting the health care monument this time around. No question of usefulness either; the Thomson health care centre is not usable until the renovations are complete and the facility is re-commissioned. There's far more that should be going on in that building than what's going on there now.

When will this government make use of this health care facility to its full and intended extent, and what will it be used for?

**Hon. Mr. Hart:** As I stated, we are working with Whitehorse Hospital Corporation on what our needs are healthwise and what our possibilities are for the Thomson Centre. We are currently using the Thomson Centre for health facilities, both patient and incoming physicians, and that's being undertaken right now.

In the meantime, we'll be working with our health providers on the plan that's being reviewed, as I indicated before, and we'll be bringing that forth for the general public to review.

#### **Question re: Health care budget**

**Mr. Hardy:** Now, let's see. We have the Thomson Centre that was promised to be repaired and delivered and in operation, but it's not happening. We really don't know where this government is going in regard to it. We have 12 beds in Copper Ridge that were open for a couple of weeks and then closed — another health crisis this government seems to face.

We have Dawson City promises and studies, but nothing has materialized. We have the Haines Junction request. Nothing has materialized around health care. Then of course we have the Watson Lake project. Let's cut to the chase, Mr. Speaker. The Yukon Party government has made a mess of this — yes, I'll get to my question — have made an absolute mess.

How will the government ensure — given its dismal track record — that this project will at least come in on time and on budget?

**Hon. Mr. Hart:** For the member opposite, we are working with the department on ensuring the current facilities are being reviewed. We are doing a geo-tech study on the current facility as well as the existing facility. We will be putting together what's needed to convert the existing facility into an appropriate office space to be utilized by local physicians, as well as identifying how the addition can be utilized as a working hospital.

We plan to do that; that's under process and we will be working with the Highways and Public Works minister on this issue to bring in a health care facility for all the citizens of Watson Lake.

**Mr. Hardy:** Isn't that reassuring that after four years, they really don't know where they are going with the project. Now this is a government that to me looks like it is driving in the dark without the lights on. In this case, it is materializing into something that is going to cost a fortune for the taxpayers of Yukon, and maybe Watson Lake will not get the facility that they need.

It is not just people in the Yukon who are concerned. The Auditor General rebuked this government for how it spends money on infrastructure projects like the Watson Lake health care facility, Mr. Speaker. She made recommendations to be put in place, like project plans that should be prepared with clearly defined roles, responsibilities, accountability, detailed budgets and controls that were not in place on this project and many others that this government has ventured on.

Will this government follow the Auditor General's recommendations to ensure all building projects, including the one in Watson Lake, meet these basic requirements?

**Hon. Mr. Fentie:** I've been listening with great interest, Mr. Speaker, to the Leader of the Third Party's assertions of government managing projects. Let us going over some of this: the Thomson Centre, a very poorly managed project back in the day under a previous government, that is structurally so faulty it can't be used for the purpose as intended. We're addressing that. Secondly, a structural facility, a hospital in Watson Lake: once code assessments were done and structural tensile strengths were done and snow loads were done, it was evident that what was built in 1978 no longer is eligible to serve as a facility as intended. We're addressing and fixing that, Mr. Speaker.

As far as Dawson City, we know we have a time-expired facility there. That is why we are proceeding with planning, as the Auditor General has stated, on addressing that health care centre. The list goes on and on and on.

Mr. Speaker, we'd be talking about a different crisis in our health care system if this government had not negotiated the territorial health access fund with Canada. Before that, we were receiving a per capita investment for health care. Our health care system was in crisis. That has changed today under this government's watch.

**Mr. Hardy:** Well, Mr. Speaker, I'm not so sure if this Premier can take credit for changing Paul Martin's direction to destroy health care in Canada. Frankly, Mr. Speaker, I really don't have much confidence in this government, this group of 10, based on their past performance. The project that we are

talking about has been a work in progress for four years and they don't know where they are going with it.

They're still talking planning, and what we have down there is a shell. I fully understand why the minister wants to change it up. He messed up, Mr. Speaker, and now he wants to change it up.

I have for tabling a letter calling on the Auditor General to do a forensic audit of the Watson Lake health care centre debacle. Among other things, the letter says the public needs assurances that public funds are being spent prudently and that this project is being managed properly. We need to know what went wrong before we can move ahead.

So my question is this: will this government work with the Auditor General and the members of the Public Accounts Committee to ensure all the questions around the projects are answered?

**Hon. Mr. Fentie:** Of course, Mr. Speaker, and the first thing we'll do is ensure that the members opposite deal with the facts of the matter, not the wild statements they make on an ongoing basis, especially when it comes to the amount of investment and the estimated original investment that was provided for this project. There are distinct differences between those facts and the member's position. I know the NDP and the opposition benches state that they don't have confidence in this government. Their problem is the Yukon public does; that's why they elected us to be the government and the members opposite to be the opposition.

So we'll place that confidence issue in the hands of the Yukon voter, certainly not in the members opposite.

#### **Question re: Watson Lake multi-level care facility**

**Mr. Cardiff:** I'm going to try the Minister of Highways and Public Works. I'd like to continue the line of questioning started by my colleague from Whitehorse Centre.

Back in 2004, the government budgeted \$600,000 for the Watson Lake multi-level care facility but, during that fiscal year, no funds were spent. Since 2004, the budget has been a moving target. Up to \$5.2 million, down to \$2.4 million, up to nearly \$7 million, and at no time has this government even come close to spending what it promised to spend in any given year.

It would appear on the face of it that about \$4.8 million has actually been spent to the end of last fiscal year, though the minister might have more current figures — we're not too sure about that. Would the minister please tell us exactly what the people of Watson Lake have received after four years for the \$4.8-million expenditure?

**Hon. Mr. Lang:** In addressing the member opposite, in the Watson Lake situation the engineering on the old structure was done and some of the questions about its qualification to be a hospital have to be addressed. That work is in progress. There's a footprint on the ground of a new hospital and, of course, a separate mechanical building has been constructed. The work is in progress and we certainly look forward to getting the hospital up and running in the near future for the people of Watson Lake.

**Mr. Cardiff:** I've made a few trips to Watson Lake and I was down there this spring and, quite frankly, I was

shocked. I've worked in the construction industry and after three building seasons this building was still just a shell — an unusable shell that would require many more millions of dollars to close it in and complete it.

Some of that work I understand has been done but then the government went ahead and changed the scope of the project. The minister's department was strongly criticized by the Auditor General in a stern rebuke about how infrastructure dollars are spent in this territory. She said in February 2007, about the Watson Lake project in particular and some other projects, "We did not find any documented project plans that clearly set out a strategy and a course of action for completing a project, including proposed quality control and quality assurance processes, work schedule, cost plan and project team organization."

The department responded to that.

**Speaker:** Ask the question, please.

**Mr. Cardiff:** Does the minister honestly think that the Auditor General would believe that, in the case of the Watson Lake fiasco, her criticisms and concerns have been acted upon?

**Hon. Mr. Lang:** We've worked with the Auditor General on many projects and certainly on a yearly basis with the government as a whole. The situation we had in Watson Lake was that the timing, the ordering and all of the structural things came because of the demand on other projects across Canada. The windows, sashes and all of that material was late in arriving because we couldn't get the product, because of the demand out there for that infrastructure.

So at this moment it is closed in to the weather. The mechanical footprint is in place; the building is there; we're working on the mechanical end of it. We've certainly worked on the engineering of the existing hospital, looking at uses for it and it will become part and parcel of the new hospital in Watson Lake to service that area in the future. So we're doing our job. It's a work in progress. We look forward to the opening as soon as we can, which should be in the next eight to 12 months.

**Mr. Cardiff:** I direct the minister up to Burns Road. Northerm sells windows and there are lots of them, I'm sure.

Let's review the situation in plain language, Mr. Speaker. This project has been in the construction phase for four years and has received 12 mostly sole-sourced contracts. There's no firm plan, there's no fixed budget, there's no schedule, no completion date and quite frankly, there's no tangible product after four building seasons. It boggles the mind, Mr. Speaker.

Given the minister's performance to date, what assurances can he give the people of Watson Lake that they will see a completed health care facility in their community any time soon and that the people of the Yukon will receive value for their money on this particular project?

**Hon. Mr. Lang:** They are seeing the project go ahead of them, as we speak. Siding is going up, and we're looking at a structure that will service the whole Watson Lake area. The footprint is there, the mechanical facility is in place, and we're looking forward to working within the old hospital structure to add value to the new hospital. We're doing exactly that, Mr. Speaker.

**Question re: Crime rate in the Yukon**

**Mr. Inverarity:** Across Canada, the crime rate has dropped for the third year in a row, but Yukon's crime rate has gone up in 2007, making it the highest crime rate in the country.

During its watch, the Yukon Party government has announced lots of money to sort out the crime rate and, in spite of its efforts, the crime rate has still gone up. Just a few days ago, the homicide rate figures were released for Canada, and we now have the second highest homicide rate in Canada.

Can the Minister of Justice tell Yukoners what she's going to do about the staggering crime rate?

**Hon. Ms. Horne:** Our government is committed to preventing crime, and it's a key goal of the Department of Justice. We support crime prevention initiatives that invest in our children, youth and families, identify and address the root social causes of criminal activity and victimization, and focus on reducing factors that put people at risk for criminal activity and victimization. The Department of Justice partners with other departments, First Nations, and non-governmental organizations in a variety of ways. For example, the Department of Justice is an active partner in the Whitehorse business crime prevention strategy. The Department of Justice works with others to provide funding for community-based projects. The Department of Justice works with the National Crime Prevention Centre to support projects funded through the national crime prevention strategy. The department supports the youth leadership summer program by working with both the Executive Council Office and Crime Prevention Yukon. The department provides secretariat services to both the crime prevention and victims services trust fund and the youth investment fund. We have SCAN; we have street crime prevention — the list goes on.

**Mr. Inverarity:** And yet the rate still goes up. We're also seeing violent crime going up among females. Right now, there's construction on an interim facility to hold female inmates. For the last six months, there have been more female inmates incarcerated than this new facility will hold when it's built. The national trend also shows more women are being committed for more violent crimes. How is the minister preparing to handle the overflow of female inmates?

**Hon. Ms. Horne:** I am very pleased to report that we have a transitional women's unit being built. At this moment, the foundation is being built. This building will be ready for the summer of 2009. That should be good news to the opposition.

**Mr. Inverarity:** Yukoners have waited seven years for the new correctional centre. We've been assured the new Whitehorse Correctional Centre is going to cost \$25 million, and will be completed by approximately 2011.

We have discussed this before. You cannot complete a jail unless you start actually working on it. I fear this new interim facility will delay construction of the new Whitehorse Correctional Centre. Would the minister remind Yukoners exactly how much the new Whitehorse Correctional Centre is going to cost, by when will it be built, and is the interim women's facility included in the cost of the Whitehorse Correctional Centre?

**Hon. Mr. Fentie:** Mr. Speaker, I'm compelled to enter this discussion. The jail that the Member for Porter Creek South speaks of was a warehouse as envisioned by the former Liberal government. This government has taken significant time to go through a process we call "correctional reform". But at the same time as we were conducting correctional reform to deal with the root causes of crime and how we can better address the recidivism rate, we weren't building warehouses to house people in this territory. We were building highways; we were building bridges; we were building an economy. We were investing in Yukon and its future. We'll build a new correctional facility, but it is only after true correctional reform comes into force and effect.

The member speaks of the statistics of crime. Where would we be without the work done to date in this territory, considering the challenges we face as a society? I would suggest the members opposite were only focused on building a warehouse, while this government is focused on the root cause of crime and improving the situation.

**Question re: Porcupine caribou harvest management plan**

**Mr. Elias:** We are in uncertain times. The Porcupine caribou herd has not been counted since 2001. The Cape Bathurst caribou herd dropped from a population of 17,500 in 1992 to only 1,821 in 2006. And the Bluenose West caribou herd dropped from 64,700 in 1992 to only 18,000 in 2006. These herds are crashing right next door in the Northwest Territories.

I have no reason to believe that the Porcupine caribou herd is not suffering the same fate. Hundreds of thousands of Porcupine caribou on Yukon lands is a crucial component to a healthy northern ecosystem. Getting an agreement by all eight signatories on a harvest management plan for the Porcupine caribou herd is going to be a triumph in itself.

My question is this: is the minister prepared to act within our legislative authority to conserve and protect the Porcupine caribou herd, if an agreement cannot be reached between the signatories of the Porcupine caribou harvest management plan — a native user agreement?

**Hon. Ms. Taylor:** The member opposite and I will agree on one thing, and that is the Government of Yukon's acknowledgement and recognition that the Porcupine caribou herd is a highly treasured resource, not just to this particular territory, but to the entire country of Canada and to the United States as well.

The Government of Yukon has been a very strong advocate for a healthy population of caribou in this respective area. We have demonstrated that commitment through ongoing scientific research, monitoring, and also as a contributing member of the Porcupine Caribou Management Board — a financial supporter and also a contributor to that particular process.

The member opposite knows that that work is fully underway to come together with the eight respective parties, to come together on a Porcupine caribou herd management plan. That plan — the very success of the herd's survival is very much reliant upon it, because that particular herd crosses a large expanse of land that happens to involve two territories, two coun-

tries, and a number of First Nation agreements, which have final agreements with them. It is for that very good reason that we are continuing to do this good work.

**Mr. Elias:** Uncertain times falling upon us calls for leadership. You either lead or get out of the way. Yukoners need this minister to have a plan B in her back pocket, and it sounds like she doesn't. I'd appreciate it if she'd answer the actual questions I'm asking here.

In the absence of complete information and where there are threats of serious irreparable damage, the lack of complete certainty shall not be a reason for postponing reasonable conservation measures.

It's called a precautionary principle, Mr. Speaker, and make no mistake: there will be a big price to pay if we allow the Porcupine caribou herd to drastically decline. We don't know the grand mortality of the herd, the actual harvest numbers, wounded loss estimates, predation, the actual effects that climate change is having on the herd's longevity. In light of such compelling evidence, what are the minister's plans to conserve the Porcupine caribou herd and stop their population decline?

**Hon. Ms. Taylor:** I can very much appreciate the concurrence of the member opposite, but we too on this side of the House are very concerned about the Porcupine caribou herd and, for this very good reason, we are one of eight respective parties around the table, coming up with a Porcupine caribou management plan that is focused on the conservation of the herd.

As I mentioned before, the member opposite knows full well that coming to a concurrence and understanding of the harvest levels and the future of this herd is very much dependent on it.

Our government has been working with the Porcupine Caribou Management Board; we've been working with the Government of the Northwest Territories, working with the Inuvialuit Game Council, working with the Gwich'in Tribal Council, and we've even been working with the State of Alaska on an ongoing count of this particular resource.

We are dealing with a number of distinctive land claims comprehensive final agreements; we are dealing with two respective territories; we're dealing with two separate countries; and we're dealing with much more than that. So again, I will emphasize the very need to come together and to work together on this plan. I'm confident in the integrity and the utmost commitment of all respective parties around the table to come to an agreement.

**Mr. Elias:** Yesterday the minister said they are working on a number of recovery plans — that's my point exactly. The minister and this Yukon Party government's poor management of our fish and wildlife continuously leads us to no alternative but to implement recovery plans for our fish and wildlife across this territory. The *Umbrella Final Agreement*, the *Porcupine Caribou Management Agreement*, the minister's own *Environment Act*, the *Yukon Wildlife Act*, and all the fish and wildlife final agreement boards and committees point to the Environment minister as having the final legislative authority to act.

So don't tell me this government has no responsibility to all Yukoners.

Mr. Speaker, if the Porcupine Caribou Management Board recommendations are not good enough for this minister to implement and ensure the conservation and protection of the Porcupine caribou herd, then please, get on her feet and tell Yukoners what agreement or piece of legislation is good enough for this minister to protect the Porcupine caribou herd.

**Hon. Ms. Taylor:** I will reiterate for the member opposite. One of the key mandates of the Government of Yukon is to support and develop partnerships, building upon our relations with First Nation governments across the wide spectrum to support collaborative, cooperative resource management with First Nations and certainly recognizing the integrity of the implementation of requirements arising from land claim agreements.

We are dealing with a herd that crosses a large section of land, comprising the Northwest Territories, Yukon, the State of Alaska — we are undertaking that good work under the leadership of the Porcupine Caribou Management Board, recognizing the very good work that has been ongoing.

We have also undertaken a number of other management plans in conjunction and collaboration with First Nations, renewable resource councils and the Yukon Fish and Wildlife Management Board on cooperative, collaborative governance of our resources. It's only when we have all those respective parties around the table come to a concurrence that we're able to actually deliver on the success of our wildlife for the enjoyment of all Yukoners.

**Speaker:** The time for Question Period has now elapsed.

### Notice of government private members' business

**Hon. Mr. Cathers:** Pursuant to Standing Order 14.2(7), I would like to identify the items standing in the name of the government private member to be called for debate on Wednesday, October 29: Motion No. 492, standing in the name of the Member for Klondike, and Motion No. 501, standing in the name of the Member for Klondike.

**Speaker:** We will proceed with Orders of the Day.

## ORDERS OF THE DAY

### GOVERNMENT BILLS

#### Bill No. 61: Second Reading — *adjourned debate*

**Clerk:** Second reading, Bill No. 61, standing in the name of the Hon. Mr. Lang; adjourned debate, the Hon. Mr. Cathers.

**Hon. Mr. Cathers:** It is a pleasure to resume debate on Bill No. 61, *Act to Amend the Municipal Act*. Of course this piece of legislation, as members have discussed, and as we spent a good part of yesterday afternoon discussing in this Legislative Assembly, this act follows public consultation and a significant number of comments on the policy — roughly 1,200

comments on various proposed changes to the *Municipal Act*. Those that had significant public support are moving forward.

As I outlined yesterday, Mr. Speaker, I'm very pleased to see this legislation come forward, particularly because one of the changes in the amendment to the act is a change around the municipal debt limit that allows municipalities to add an additional percentage of debt for secured programs, such as the rural well program and for electrical and telephone.

That increase applies only to such secure programs so, of course, it does not place a risk to the municipalities. This is something that has been a subject of some frustration for constituents of mine. When the Yukon government brought forward the domestic water well program, also known as the rural well program, it was something that had come forward from constituents of mine who were facing increased water delivery costs, who had looked at the structure of the existing rural electrification telephone program and brought forward the proposal to me, as their MLA, which I then brought forward to my colleagues who were very supportive of the idea that we move forward with a similar program because of the success of the rural electrification and telephone program.

For those who aren't familiar, the basic structure of the program is that it provides Yukon residents with the ability to borrow money over an extended period of time and to receive a very low interest rate, that being the Bank of Canada prime rate. But security is provided to the taxpayers for that repayment in that a caveat is registered against the title of the property. So, if there are those who wish to not repay that debt, at a certain point in time, as with unpaid property taxes, the sheriff will have something to say about it and procedures will be taken to re-collect that debt that is owed to the taxpayer.

The rural well program allows Yukon citizens to invest in building or putting in a well and purchasing the infrastructure that is required, and then to repay that, along with their taxes to the Yukon government, over a period of up to 15 years. They pay Bank of Canada prime rate, which is the benefit that is provided to them and to their families. As I said, the Yukon taxpayers are provided with that level of security: that if someone does not wish to repay, they are provided with the security of a caveat placed on the title. Those who do not repay do not have the ability to get away with leaving that debt owed to the taxpayers.

So the program, as I said, has been very beneficial for years and under the rural electrification structure, the domestic water well program, since its inception, has resulted in several dozen Yukon citizens having the ability to invest in putting in a well for their family and putting in related infrastructure, including water filtration, treatment, et cetera, that is necessary. The average cost — the last numbers I received, of wells put in, was roughly \$24,000. Of course, another component under the program is there is a maximum that they are allowed to borrow, which can't exceed \$50,000 and also can't exceed 25 percent of total property value.

When we originally came up with the program, the concept was that it would be available within municipalities, as had been the rural electrification and telephone program. In the case of municipalities or First Nation lands or the Government

of Canada's lands, all that is required — because the Yukon government can't place a caveat on the title properties where it isn't a tax authority — is for that government to accept the responsibility and deal with recalling and receiving the money from the individual. But in this case, because of the impact on the debt limit, the City of Whitehorse and other communities were not willing to see this offered within municipalities, so therefore the intent of this change to the act is to allow a rural well program and similar programs to be offered within municipal boundaries.

I see I am out of time, so with that, I commend the bill to the House.

**Mr. McRobb:** I think our critic for this bill, the Member for Mayo-Tatchun, explained our position quite eloquently yesterday. I would just like to put on the record some of our concerns that we will be addressing in Committee of the Whole which we expect to start within the hour.

The Yukon Party had the document for consultation, and we note there are several concerns that were raised in the process that weren't included in the piece of legislation before the Assembly at this time. One of them is extending the terms of office in municipal governments from three years to four years. I have to wonder why the members of the Yukon Party found that to be a problem. I say that because it wasn't long ago that members of this Assembly extended the terms of MLAs from four years to five years, to be consistent with other jurisdictions in the country.

Well, we have a disparity, a discontinuity between that rationale and how the government is treating the municipal level of government, who certainly have expressed a desire to see four-year terms. I'm aware that some First Nations have four-year terms — I think it was back in 1993 when one of them, the Champagne and Aishihik First Nations, extended their political terms of office from three years to four years.

So we've seen a continuing trend, yet for some unknown reason the Yukon Party has found it necessary to not accept this recommendation, and we'll be exploring that further in Committee of the Whole.

Another recommendation that came forward during the consultations was the municipalities' eligibility, with respect to bylaws, to take them to referendums. As I understand it, the Member for Porter Creek North mentioned on the record that the public rejected it. Well, we're still searching for evidence to back that up. I certainly hope the government, when this is brought into Committee of the Whole, can provide members with some evidence to back up that statement, because already we've heard members of municipalities express regret over this government's exclusion of that provision from this piece of legislation.

I think it's important for us to realize that we should try to make each piece of legislation we deal with the best possible to, at the very minimum, deal with the near future. We shouldn't just amend legislation on a make-do basis with the idea that it can be amended again the next year or the year after that. There needs to be an outlook of probably five to 10 years minimum, not just one or two years. Given that, we must en-



sure that each piece of legislation is looking forward and is adequate to address future circumstances to minimize the need for us to deal repetitively with each piece of legislation that requires changing on the floor of this Assembly.

I think it remains to be seen why the piece of legislation appears to be lacking. Certainly we look forward to the government's explanation in that regard. This is but one piece of legislation we'll have to deal with in this sitting.

Of course there are several resource acts coming out of the devolution to the Yukon of our natural resources that we will be dealing with as well, and a supplementary budget that hasn't even been tabled yet. So I hope that members are prepared to rise to the debate and provide the information necessary to explain their reasons for excluding certain measures from this bill so we may be more productive during the time spent in Committee and deal with each piece of legislation as expeditiously as possible.

Thank you.

**Hon. Mr. Rouble:** Mr. Speaker, it is an honour to rise in the Assembly today to address Bill No. 61, *Act to Amend the Municipal Act*. Mr. Speaker, as we are all aware, the *Municipal Act* is a very important piece of legislation in our territory that outlines and legislates some very important governance tools that we have in our communities and addresses the issue of municipal roles and responsibilities.

Mr. Speaker, there has been a very good consultative process on this issue where the government has worked with the Association of Yukon Communities and worked with various municipalities and worked with municipalities to bring forward issues, to look at options, to actually take issues off the table, as well. This has resulted in some very good amendments that will modernize our current legislation and enhance the capacities and capabilities of our municipal structures.

It is important to note, Mr. Speaker, that the government has a responsibility to ensure that when legislation goes through it best meets the needs of all Yukoners. Mr. Speaker, when I say that, I want to emphasize that that does not mean that it best meets the needs of one individual or one particular group or only addresses one specific area's interest or concerns. In fact, on many different issues, Mr. Speaker, there are different perspectives, different opposing views and different concerns. Legislation often has to find that middle ground between addressing the differing opinions on things. Mr. Speaker, I think this legislation has done a very good job of that. I'd like to commend the responsible departments for their work with the various municipalities and the stakeholders in this legislation for working so cooperatively and collaboratively with them in coming forward with this legislation that is before us today.

Mr. Speaker, one of the key amendments in this legislation allows for an increase in the borrowing limit for municipalities. Now, in the face of this, that would be of concern — almost of alarming concern — to some, who look at expanding the borrowing limit as being able to potentially dig a bigger hole. I've heard it said before that sometimes if more money is made available, people will exceed their credit limit and find them-

selves in a difficult situation repaying the loans. Indeed, we have found a municipality here in the territory in recent memory that found itself in that situation.

However, there is a very fine point that should be recognized in this act, and that is that this money can be borrowed to be involved with very secure, strategic loans to individual property owners for the use in rural well programs or rural electrification programs, similar — in fact, mirroring what the territorial government offers for people who live outside of recognized municipalities.

So this is not an opportunity to just simply open the borrowing cap or to allow municipalities to borrow more than their capacity to repay. Instead, it is a very targeted program, with a very secure type of repayment on it. In fact, the repayment of the loan the municipality would then give to the individual homeowner is based on their property taxes. This is similar — in fact, exact to what the territorial government does with the rural telephone programs and the rural well program.

So it's very good to see that this program, which has been available to my constituents for several years now, will now be available in the municipalities. I know that many of my constituents have benefited from it. They have put in their own well and are now paying back that loan on their taxes annually. Now this same provision will be allowed for people within municipalities.

Also, there are some very good changes to reduce some of the unnecessary, perhaps bureaucratic burdens and also to address other issues that have been brought forward relating to financial matters and land use and development amendments.

I did hear a comment earlier, though, that I do need to respond to, and that was in response to changing the terms for municipal council members. There was a comment about how this government changed this term, or the term of the territorial government. I should remind members that it was a previous Liberal government that negotiated the change from four years to five years with the federal government in the devolution transfer agreement. So before criticizing this party, the member opposite should look at the decisions that his own party or — I don't believe he was a member of the party at that time.

**Some Hon. Member:** (Inaudible)

**Hon. Mr. Rouble:** We'll all have to figure out how to use the appropriate language and verbiage about accepting past decisions of a party that one has joined.

Mr. Speaker, there are some very good recommendations in this piece of legislation, and I would encourage all members of the Assembly to support it as it continues through our Assembly.

**Speaker:** If the member speaks he will close debate. Does any other member wish to be heard?

**Mr. Mitchell:** I'm not going to speak much at all on this right now because I think most of the issues have been covered by our critic, the Member for Mayo-Tatchun, and my colleague from Kluane. I just want to say that, having attended the annual meetings of the Association of Yukon Communities over the past several years, many of the issues, year in and year

out, have been the same issues regarding things that the leaders of Yukon's communities would like to see addressed in amendments to the *Municipal Act*. They are the leaders in their communities; they are the people who can best bring forward issues from the community level; and they have done so.

I'm pleased with some of what I see here. I would like to thank the officials for the work they have done to bring some of these issues forward, in particular the amendments that will address the Canadian Institute of Chartered Accountants Public Sector Accounting Board recommendations forward for how public accounting should be done. Much of it has been changed at the territorial level; we are now addressing these issues at the municipal level.

We have seen from time to time over the years the difficulties that some municipalities have found themselves in, and more rigorous accounting standards can only be a good thing, as I believe was being alluded to by the Member for Southern Lakes.

I would look forward to debate in Committee in the Whole and more of a Q-and-A format and hearing why some of the recommendations that were sought by municipal leaders and by the Association of Yukon Communities have not been addressed in this particular set of amendments.

The issues have already been mentioned by my colleague, but they are the issues of the length of the term where municipal leaders are telling us that three years, when often there is turnover during elections at the municipal level, is not much time for municipal governments to find their feet and develop that working knowledge that makes them effective leaders and effective councillors. They would have preferred longer terms. It would be good to hear the reasons why this has not been addressed and as well, some of the issues that have been brought forward by AYC and its current president, the Mayor of Whitehorse, regarding referendum issues and some additional changes they were asking for to be included.

With that, I want to thank the officials for the work they did to bring this forward before us in this sitting and I look forward to hearing the back-and-forth during Committee of the Whole. Thank you.

**Speaker:** If the honourable member speaks, he will close debate. Does any other member wish to be heard?

**Hon. Mr. Lang:** Thank you, Mr. Speaker. In closing the debate this afternoon on the *Act to Amend the Municipal Act*, I would like to thank the department and, of course, the many people who worked on this. The consultation that went out and the number of people who actually participated in this was quite large and any time individuals take an interest in government, amending acts like this, we have to respect the work they do and also the time they put in to participate in this process.

All of these issues, as the Member for Southern Lakes was talking about — the consultation here is very, very important. We certainly understand the municipalities outside of Whitehorse are smaller, not as robust as the City of Whitehorse. Whitehorse has different issues than the smaller communities.

You only have to look at the number of people that they represent in the City of Whitehorse and it is understandable. Certainly, with the consultation that went on, the reasoning behind some of the issues not being addressed in this amendment of the act is because of the extensive consultation that took place. The consultation was sent and brought out into the public. A large number of people participated and all of these points were addressed at that time, Mr. Speaker.

Of course, some of the points were successful at getting through that consultation and some weren't. It is just a fact of life, Mr. Speaker, that in a consultation process, we've got to respect the consultation and take consultation seriously, and this government does.

As we move forward with these amendments, we can't lose sight of the process that has to be put in place next year for the next review of the *Municipal Act*. This is an ongoing issue. The *Municipal Act* is sort of a living document and, of course, changes on a yearly, five-year basis and we, as the government, take it very seriously. We can't forget the consultation that took place and the members opposite have questions about that and how — not the consultation but how some of these things were not addressed or they were taken off the list. Well, it is because consultation was done on these issues. All these points were looked at and during the consultation, the individuals did not feel that this should move forward. In addressing that, the government took the consultation seriously and we are moving forward with the points that were recommended by that consultation and, of course, working with the municipalities and the government of the day on the other issues.

In closing, the many issues that were addressed by the Members for Mayo-Tatchun and Mount Lorne are issues about just that. The issue was: how did we admit amendments? The consultation was done. The consultation was done seriously. A large number of people participated in this consultation. They obviously have concerns about this act and municipalities, understanding this act touches most people in the territory. Most people in the territory, the biggest number of people, live in municipalities, Whitehorse being one of the bigger ones. Of course we have Dawson, Watson Lake, Faro and other municipalities in the territory that live under municipal acts. So this is very important for individuals in the territory.

I'd like to thank all the individuals who took time out of their busy lives to work on this consultation and come up with these recommendations. We as a government will work with those decisions made by that consultation and we'll move forward. I'm looking forward to the next step on amending the *Municipal Act* and questions that the opposition will have, and we will certainly answer them.

*Motion for second reading of Bill No. 61 agreed to*

**Hon. Mr. Cathers:** Mr. Speaker, I move that the Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

**Speaker:** It has been moved by the Government House Leader that the Speaker do now leave the Chair and the House resolve into Committee of the Whole.

*Motion agreed to*

*Speaker leaves the Chair*

## COMMITTEE OF THE WHOLE

**Chair:** Committee of the Whole will now come to order. Do members wish to take a brief recess?

**All Hon. Members:** Agreed.

**Chair:** Committee of the Whole will recess for 15 minutes.

*Recess*

**Chair:** Order please. Committee of the Whole will now come to order.

### Bill No. 61 — *Act to Amend the Municipal Act*

**Chair:** The matter before the Committee is Bill No. 61, *Act to Amend the Municipal Act*. We will now proceed with general debate.

**Hon. Mr. Lang:** Thank you, Mr. Chair. Proceeding with Bill No. 61, *Act to Amend the Municipal Act*, represents the third set of proposed amendments to this act since it was brought into force less than 10 years ago. The act today reflects members' support for improvements suggested in the first two amendment rounds. I look forward to all members' support for this bill as we continue working together to ensure Yukon municipal legislation remains responsive, relevant and respectful to the interests of all Yukoners, stakeholders and of course, taxpayers.

The bill amends part 1, Definitions: "director" as a defined term. This amendment is associated with the proposed amendment to parts 2, 4 and 5.

Part 2, Boundaries: to substitute the term "director" for the term "inspector" to clarify that the director may conduct the first election of a local advisory council and is responsible for the supervision of such councils.

Part 3, Elections: to allow persons who might benefit from the amendment to S252 discussed separately to also run for municipal council office along with other persons who may owe money to the municipality, as provided for under S50; allow returning officers to cast a personal vote in a municipal election, while providing measures to prevent any potential conflicts of interest for those officers in their official tiebreaking vote when an equal number of electoral votes have been cast for the two or more candidates and enable the council to defer a referendum that is set for a vote within six months of an upcoming election or a by-election so that the two votes occur concurrently.

Part 4, Municipal Organization and Administration: to replace certain references to "inspector" with "director" to more accurately describe to whom municipalities are required to submit financial statements, minutes and bylaws; and rescind previous readings of a proposed bylaw if it is defeated on second or third reading or the proposed bylaw does not receive third reading within two years after the first reading.

Part 5, Financial Matters: to enable municipalities to borrow an additional one percent over and above the current borrowing limit to provide municipal governments with enhanced opportunity to offer loan programs to taxpayers that will facili-

tate the installation of water wells and electrical or telecommunication service on residential properties; increase the period of disqualification from office for illegal expenditure offences; require municipal governments to follow Public Sector Accounting Board rules; add management letters to elicit documents required to be provided by council to the Yukon government; add the director as a party in addition to the council or inspector who may request a municipal audit to conduct a further examination or report on municipal finance matters; and identify the director rather than the inspector as the person to whom an auditor is required to submit copies of reports submitted to a municipality.

Part 7, Planning, Land Use and Development: to require that the advertisement related to official community plans and amendments be placed at least four days apart.

This is to ensure that the public is afforded reasonable opportunity to become aware of municipal proposals and intentions on these matters. As members know, the act specifically recognizes the role of the Association of Yukon Communities in facilitating quality municipal government relations in the territory. As in the past, the AYC played a key role in this act review process.

Once again, I want to thank the AYC, as well as individual municipalities and, of course, Yukoners for their contribution to the discussion leading to this bill.

Thank you very much, Mr. Chair.

**Mr. Fairclough:** I do have some questions with regard to the amendments to this act. Although I've gone through the information that was provided by the minister's officials in the scrum we had going over the proposed amendments. I've taken down notes, in some areas, and I'm hoping we could clarify some of the issues that have been raised.

I also had sent to me — it was delivered by hand — the *Municipal Act*, the consultations and proposed amendments.

It was dated February/March of 2008; it has a yellow-bound cover on it. I've gone through that and it does have some proposed amendments that were put forward by the Association of Yukon Communities, but those were omitted from the amendments that we see before us today. There were a number of amendments that were listed, and maybe I should start with that and just go right into that. About 14 were listed here, and I believe there's another one that is not part of these proposed amendments but rather was, basically, housekeeping amendments.

I would like to ask the minister, first of all, whether or not he has in his possession information on the number of people who have consulted on all of these amendments, those who have provided written responses, and whether or not he can provide that information to us on this side of the House.

**Hon. Mr. Lang:** The consultation was quite thorough, and certainly we do have the numbers, and I could get them to the member opposite in the near future.

**Mr. Fairclough:** The information that we gathered on this was, in fact, that there was not a whole lot of people who showed up for these public consultations. The minister does say they have an extensive list of people who have commented and voiced their concerns about these amendments. Yet we on this

side of the House are getting information that, in fact, some of the public consultation had very few, if not any, people show up at these sessions. Sometimes there was a reporter who sat and attended these public consultations. I am a bit concerned about that.

It was raised to us on this side of the House. We have called municipalities and talked with them. I just want to know what the minister's comment is to that because it is an issue that has been raised with us by the municipalities that, in fact, there was not a whole lot of consultation or there was not a whole lot of public input into the changes. I'll just leave that as a first question.

**Hon. Mr. Lang:** There were quite a few individuals involved with the consultation and there was in excess of 1,200 who participated — an average of less than 100 per issue, but far more than the one or two that the member opposite has mentioned.

**Mr. Fairclough:** The proposed amendments that we see before us right now, that we're debating, are these all brought forward by the Association of Yukon Communities? Which ones are amendments that have been brought forward by government?

**Hon. Mr. Lang:** We worked in conjunction with the communities and municipalities and, certainly, they had some issues with the *Municipal Act* and participated in this process. Of course, in conjunction with that, Community Services worked with these recommendations and put them forward for public consultation so the municipalities, and of course we and Yukoners came back with the recommended proposals to move forward on this amendment here today. It is a combination of municipalities, a combination of Yukoners and, of course, the government through Community Services has responsibility to do exactly what we are doing today: we're bringing it forward in conjunction with all Yukon and recommending these amendments here in the *Municipal Act*.

**Mr. Fairclough:** The minister didn't say which ones were brought forward by government. I know there is a debate between government and municipalities on the different amendments but which ones were presented by government and which ones were presented by the Association of Yukon Communities?

In regard to the consultation on the proposed amendments, as I read through it, some of these amendments were identified by AYC and that is why I'm bringing them forward. Some of them in this yellow-bound book are not reflected in the amendments we see today. I would like the minister to clarify that and, in moving on, also, I wanted to talk about the very first amendment that was proposed by AYC.

Again, as I've gone through the amendments, I understand the purpose of changing some words in the act — for example, using "director" instead of "inspector". It only makes sense that people who call up and want to talk to someone know who they're talking to, because the term "inspector" was used in other parts of government for something different. So I understand those amendments that were being proposed there.

I want to get back to the term of office for municipal councils. As it was said in this House, we have debated and gone

through the Yukon act and we recognize that the term of office for elected members of this House has increased from four years to five years; whether that's good or bad, I think people can see and understand why there's an extension to the term of office.

First Nations have been dealing with this issue for a long time. Many of them have increased the term of office from two years to three years, and then from three years to four years, in trying to keep some consistency and trying to ensure that the elected members do carry out the projects that they said they would do as elected people.

This has been proposed by the Association of Yukon Communities: to increase their mandate from three years to four years, but it was not reflected in the amendments received before us today. I want to have this discussion, because I did say to the minister that we would have amendments to this bill, to the *Act to Amend the Municipal Act*, but in talking it over with the Clerk, because we're adding a new section to the bill, we could not get that changed unless of course it's proposed by government members themselves.

So, I think the municipalities, the elected members, the councillors and mayors across the territory deserve a really thorough answer on this, about why the term was not extended; why we did not have that amendment before us today. So I think people are interested to hear what the government has to say.

**Hon. Mr. Lang:** I guess in answer to the member opposite, the Member for Southern Lakes did touch on the fact that, through devolution, the term for the territorial government was changed from four to five, and that's true. That was part and parcel of the negotiations that were done by the Liberal government of the day.

In addressing that issue, that was an issue that was done before our term in office.

As far as the municipal councils are concerned, the consultation and work with the smaller municipalities didn't pass muster. The majority of the individuals were very strong in their opposition to this. Again, that's why we go out for consultation. All of these points were consulted and all of these points were brought forward in that consultation, not only with our larger community, which is the Whitehorse municipality, but there are other municipalities in the territory that had some reservations about this.

At the end of the day, the consultation produced this document, and we're going ahead with that recommendation.

**Mr. Fairclough:** I have some problems with that. The minister didn't give us any rationale about what was being said in opposition to these amendments, other than people spoke out against it. Perhaps he could list exactly what is being said in opposition to these amendments and extending the term from three years to four years.

**Hon. Mr. Lang:** I would remind the member opposite the consultation is done for a purpose, and the purpose of the consultation on the *Municipal Act* was to get input from all Yukoners on what they felt was important and what issues they wanted to address. All these issues that didn't pass the bar this time will be looked at in the future, but the consultation with

the municipalities as well as with Yukoners decided — and we're going along with those decisions — that this was not something they agreed with.

I as the Minister of Community Services will go along with that consultation, respect the decisions made by that process and move forward with those decisions.

**Mr. Fairclough:** We understand that, and that's not the point I'm trying to make. I'm trying to get some information from the minister. I want to know some rationale, what reasons people were telling government through the consultation process about why they did not want to see the term extended from three to four years.

**Hon. Mr. Lang:** In addressing the member opposite, my position here in the House isn't to point fingers at how they came to this decision with respect to the consultation, who said what and what the reason was behind it. The consultation was done for that specific reason, which was to come back, recommend to the department on how the communities and municipalities would like to move forward with these amendments. That's exactly what happened. Now who said what, who was against it and who was for it — I'm not here to say that. The consultation was done, the decision was made and we're moving forward with those recommendations from that consultation.

**Mr. Fairclough:** Maybe the minister doesn't know, but I urge him to get the information if he doesn't know. Let me bring up one that could be part of why they didn't want their term extended: increasing the term of office from three to four years could lead to greater difficulty in attracting the candidates. We're not asking the minister to point a finger at anyone. We're talking about rationale. I think the minister would like to make informed decisions and he would like all the information to come forward.

So I'll ask the minister again if he could provide some of the rationale the public gave during the public consultation as to why the term should not be extended from three to four years.

**Hon. Mr. Lang:** Maybe that's the issue. We didn't ask for rationale. We asked for consultation on these points. We didn't ask for how they came to a decision on how they approached this. The consultation was done, it was put in front of me as the minister, and I'm prepared to move forward.

**Mr. Fairclough:** Well, I wish the government side had the same attitude with all of the amendments brought forward here in this House and all decisions they make on behalf of Yukoners. We would have a totally different picture right now, if they were to listen to what Yukoners had to say. I don't believe that for a minute. Other ministers who get up and answer questions in this House always seem to have the information with them. I provided one for the minister opposite; I'm sure he can provide more.

We on this side of the House and the elected members in the municipal offices — the mayors and councils — would like to hear that. Was it just nothing? Or, "No, we don't want it." Man, that cannot be right.

It just cannot be right, man. I think the minister does have that information. What is the reluctance in providing the oppo-

sition and the general public that information? I would like more of that information. If the minister doesn't have it, please ask the staff to put it together and provide it to this House.

**Hon. Mr. Lang:** In addressing the member opposite, again, consultation was done. Consultation was a lengthy process. This has been a very long process. I think it has been in the consultation stages for two or three years. So there was a thorough consultation process. As far as the point the member brings up, it was discussed in the consultation with the municipalities throughout the Yukon. Yukoners had the window of opportunity to participate. They did participate. A decision was made not to go forward with this. This was a Yukon-driven consultation process. Whether the member likes it or not, the decision was that this was not an important issue at that moment for Yukoners, so it will not be involved in this new act.

But I say to the member opposite, as you can see, in the last 10 years there has been a review and this is the second review. So it is a living document, in essence, and there will be another review. As municipalities and Yukoners change their minds on issues, this is one thing that could be brought up at the next review. At this time on the calendar, this issue was not agreed upon and so it will not be in this municipal amendment going forward today. It could be in the future but it is not going forward today.

**Mr. Fairclough:** Well, of course not. Part of the problem is that the Yukon Party has a majority and they'll be able to take it through and it will get passed through the House. What we are asking for — and we understand that, we're not asking for it to be included; we're not going to because we can't — we can't do that amendment. What we are asking for is the rationale, information that the minister must have. I'm going to ask the minister this: does he know why the public rejected extending the term from three years to four years? He's getting advice from his House leader.

**Hon. Mr. Cathers:** I am compelled to enter the debate here because the Member for Mayo-Tatchun has gotten lost from the topic of the bill on the changes to the *Municipal Act*, and has gotten into issues around democratic process and public consultation. I hope I'm hearing the member wrong, but what the member has been arguing on the floor seems to be the point that he feels that the Minister for Community Services should inform him in detail of why the public did not support a change that had been proposed by municipalities under the legislation. The Member for Mayo-Tatchun seems to want to decide whether the public's rationale was good enough, or whether this Legislature should side with municipalities rather than siding with Yukon citizens.

Now, the member made reference in his last response to the Yukon Party having a majority and of course is going to push through the amendments, so to me that seems to be an indication on the Member for Mayo-Tatchun's part that if the Liberals were in government today, they would ignore Yukon citizens and would side with municipalities who made a proposal that was not supported by the bulk of Yukon citizens who provided their input into this consultation process. I am appalled to hear that indication of the Liberal Party's true position on these issues. This government listens to Yukon citizens, and

we will continue to do so, and the Member for Mayo-Tatchun should apologize for his party's position.

**Mr. Fairclough:** Well, Mr. Chair, here's the problem: you have the Government House Leader who's walking around this Legislature, not sitting in his chair. He's present here, he's not listening to the debate, and then wants to enter the debate. That's the problem we have with trying to get information out of the government side. They don't listen, and they haven't listened for a long, long time. That's the problem with that minister, and maybe he should let things happen the way they should, and let the minister answer the questions, and we can proceed further in this House. I know he wants to jump back up and try to get into this —

#### Chair's statement

**Chair:** Order please.

**Mr. Fairclough:** — he can't wait for his own departments to come up —

**Chair:** Order please. I'd like to remind members that we are on Bill No. 61, and I know we're new at this Committee of the Whole process at the time of this sitting, but I would hope that we don't get into the personal attacks this early in the sitting. It would be nice to have a good debate on Bill No. 61. Both sides need to work together to debate this, and I as the Chair would appreciate members keeping the personal comments to a very minimum, please.

**Mr. Fairclough:** Good ruling, Mr. Chair.

Now, I could tell you that the debate has been going well between me and the minister so far. I want to talk about the proposed amendments.

#### Chair's statement

**Chair:** Order please. I'll clarify again what the Chair was referring to. He was referring to not personalizing the debate and to definitely not to question and explain the Chair's ruling. The reason the Chair is here to be a neutral party, to ensure that equality of debate takes place on Bill No. 61, not to ensure that personal attacks are equal.

**Mr. Fairclough:** Good ruling, Mr. Chair. Let's have that ruling abided to by all members of this House.

I want to continue with the minister. He has had a little break here and had time to think about what was being said. The Minister of Health was off-track in assuming what I was asking of the Minister of Community Services. We are asking for information and rationale. I've heard it time and time again by the members opposite — even by the Health minister — that they want to deal with facts. They want to make informed decisions. I want to hear that.

I want to hear that. It is not just straight numbers. We're not going to change things here but it would be really good to pass this information on to municipalities, to the elected members.

I've read off one that was a possible rationale for why people may not want to move it from three years to four years. Let me read another one for the minister, and it's in his own information, but I'll give it to him anyway. He is being directed

again by the Government House Leader. At times like this, Mr. Chair, it interrupts the flow of how things are done in this House. I would like to have the ear of the minister, once he's finished with the Government House Leader.

Okay, that's good. Sometimes that works.

Mr. Chair, due to the time commitment, the less frequent election means fewer opportunities for citizens to provide direct input into the voting process. There is another one. Has the minister heard this as a basis also of the rationale for not moving forward from three years to four years?

**Hon. Mr. Cathers:** The Member for Mayo-Tatchun — well, I'll respect your ruling, and I won't make personal comments.

But let me point out that the member seemed to take a little bit of offence to some of the comments I made, but the member did not answer the question. Why is it the Liberal Party's position that the Yukon government should second-guess the public's reason for opposing an amendment that was proposed by municipalities and determine whether that was enough rationale behind the public objection that we should take the public's side or whether we should do, as the Liberals would apparently do, go with the municipal side of things? Why is that the Liberal Party's position?

The Member for Mayo-Tatchun has been after the minister again and again on what was the public reason for objecting to these amendments. When we do public consultations, the role of government should not be to second-guess the public and to demand that every reason for strong public objection be a rationale that the government necessarily agrees with. If you're not conducting a public consultation process with genuine intent to listen to the public and respect their position, why would you conduct that process? Clearly, the Liberal Party, based on the assertions of the Member for Mayo-Tatchun, would be inclined to accept the argument made by municipalities, even though the public opposed it, and make that change today, because the Member for Mayo-Tatchun very clearly stated that the only reason that this is going through as it is without the amendment that they would like to propose, is because the Yukon Party has a majority.

Well, I say, in the interest of the Yukon public, thankfully we do have a majority. They gave us that, because they obviously recognize the fact that we are listening to public opinion.

The Liberal Party, on this *Municipal Act*, as stated by their critic, the Member for Mayo-Tatchun, has made it quite clear that they would be inclined to side with municipalities and support a proposed amendment, which the majority of the public opposed, because the Liberal Party doesn't think that the public had a good enough rationale for opposing it. Instead, the position we will take is if municipalities and others who wish to argue for a change to the term limits wish to do so, let them do that at the next *Municipal Act* review. Let them make their case to Yukon citizens and let them convince Yukon citizens that their position is the right one. If Yukon citizens are convinced and make that opinion known in the public consultation process we, of course, will respect that and would be happy to make the change that the Yukon public supports. It is very disturbing to hear the Liberal Party's position on the *Municipal Act* and that

they would make an amendment — as stated by the Member for Mayo-Tatchun — if they thought they could push it through numbers-wise here today. They would make that amendment and they would support an increase to municipal term limits in the face of public objection to that change. That is very disturbing to hear, and I'd like to hear the Member for Mayo-Tatchun explain that position and the Leader of the Liberal Party — the Official Opposition — explain that position and apologize to Yukon citizens for the Liberal Party's lack of regard for their opinions.

**Mr. Fairclough:** Well, that is political grandstanding there, isn't it Mr. Chair?

Isn't that something from the Government House Leader? He can't let his own minister answer the question. Well, you know what? The Liberal Party would like information. Isn't this part of the democratic process in this House? You know, the Government House Leader wants to put his opinion out there in *Hansard* and then walks away from his chair. You know, it's a not caring type of position. Let me tell you something, Mr. Chair.

**Some Hon. Member:** (Inaudible)

#### Point of order

**Chair:** Mr. Cathers, on a point of order.

**Hon. Mr. Cathers:** For the member to accuse another member of this Assembly, in this case me, of not caring is certainly in contravention, I would argue, of Standing Order 19(i) the use of insulting language in a manner likely to cause discord. It is incumbent in this Assembly, as upheld by many rulings, that members respect the positions brought forward by others, even though they may critique them.

#### Chair's ruling

**Chair:** On the point of order, there is no point of order. It is a dispute among members.

I would like to once again encourage members to keep the personal attacks to a bare minimum, please.

**Mr. Fairclough:** There's something wrong here in this House today. The Government House Leader would like to set the pace. That's the problem, Mr. Chair. I know you can feel it.

#### Chair's statement

**Chair:** Order please. When it comes to debating legislation in the Assembly, I hope all members by now would know that the Chair is not supposed to be part of the debate. The Chair is not to be interjected into debate. The Chair is a neutral party that isn't used as a tool to defend one's opinion in debate. So I would encourage all members — and remind members — not to interject the Chair into debate.

**Mr. Fairclough:** Let's see if we can get back on track. If we had the powers, we would excuse the member — the Government House Leader — so we could really get things done, but we can't do that right now. In trying to ask the question again, I know he's directing the minister again on how to answer the questions, but hopefully we can get back on track.

The Liberal Party is asking questions in this House. We want information. When we bring amendments forward, we know it may or may not pass, but we can get the members in the House to debate it. Is that how it should be working? That, perhaps, then the rationale would come out in what the public has said, in not moving forward on this. And we can pull that amendment back any time. I know the members opposite know that. The Government House Leader must know that. Actually, he does; he just wants to play silly games, I believe. I would like to ask the minister again, if he doesn't have the information before him — we've listed a couple for the minister that might've been said — if they can bring that information forward, and table it in this House or provide it to members opposite. That amendment is not going to proceed; we know that. I think the public would be interested in knowing exactly what was being said out there. Time and time again, this minister's going to come forward and say they listen to the general public; we want to hear exactly what has been said. I don't see any reason why, other than the numbers, the minister cannot bring forward that information. That's why this House is here, to have government share that information. And if the minister doesn't know, would he seek to find it, just for interesting reading?

**Hon. Mr. Cathers:** I'll be very brief, since this discussion is clearly going nowhere. Let the record show that the Member for Mayo-Tatchun did not answer the question on his party's position. The Member for Mayo-Tatchun has failed to explain why the Liberal Party would second-guess the public's reasons for objecting strongly, with a majority, to the amendment proposed by municipal councils that municipal term limits be extended. The Liberal Party very clearly would question the public's rationale. The member has referred to how they would bring forward an amendment to this, and the member is consistently asking the Minister of Community Services to explain the public's rationale for opposing this. Again, I point out that it is very disturbing to me that the Liberal Party quite clearly does not respect the public's right to disagree with the proposal, and would demand that the public explain their majority opposition to this proposed amendment. And the Liberal Party, as stated again and again by the Member for Mayo-Tatchun, would question the public's rationale for disagreeing with the extension of municipal term limits.

The Liberal Party would bring forward an amendment to extend those municipal term limits in the face of public objection. The Member for Mayo-Tatchun has still failed to explain their position, so therefore, Mr. Chair, I would suggest this Assembly would be best served by moving on to a different topic, because clearly the Member for Mayo-Tatchun is not going to answer that question and provide a reasonable explanation to the Yukon public.

**Mr. Fairclough:** How sad, Mr. Chair, that this is taking place. To try to put a position out of the party that he doesn't belong to when clearly it is not a position that we put out. That is shameful, but it is the Yukon Party way in my view. That's what is taking place here.

We listen to the public. The public tells us things. The government doesn't hear at all. The public has a right to infor-

mation so why is the government blocking that information from going out? I want the Minister of Community Services to answer these questions. The Government House Leader is anxious to get into his own department. Well, that will come around and there will be plenty of time to hear that member — if he wants to hear his own voice.

So I'm going to ask the very simple question again. First of all, the Government House Leader and Yukon Party are wrong in their assertions about the Liberal Party's position. We do listen to the public, and I do wish that, if you're going to be asking questions back and forth here — it is the opposition's time to critique what is being proposed in this House.

So I know I might have gotten under the skin of the Government House Leader, and that's okay, because I like it. What I want is the Minister of Community Services to answer some questions. He has had some time now. I was wondering if he could provide a rationale, so we can move on to the next set of questions.

**Hon. Mr. Lang:** Thank you to the Minister of Health and Social Services. You were very clear in answering the question — or, EMR. Excuse me. Yes, thank you for that correction.

The question has been asked. It has been answered. I can say no more on the subject.

**Mr. Cardiff:** I'd just like to try to bring — hopefully — a little something different to this debate. Maybe the minister, or someone on the other side, could explain this. I've been listening to the debate here, and as I said yesterday, I don't really have an opinion about whether or not terms of office for municipal councils should be three or four years.

In the *Act to Amend the Municipal Act*, there was a consultation done on Bill No. 61 — which resulted in Bill No. 61. There is a document under the *Municipal Act* review. It's called "Consultation Items Summary: Post-Consultation Recommendations for Legislative Drafting" and the first item listed is "term of office for municipal council" and the support rating is "D" — weak support.

Go to the second page, and it tells you how these things are rated. Maybe this is where the Government House Leader can give an explanation that will satisfy my curiosity and hopefully it will satisfy the Member for Mayo-Tatchun, because what I heard the Government House Leader say was that the majority of Yukoners opposed this proposal. And according to the document I have, there was also weak support for the objections to local improvement charges.

But if you look at the rating code for category D, the percentage of support that's categorized as "weak support" is 61 to 70 percent. So, what that says to me is that somewhere between 61 and 70 percent of Yukoners who were consulted supported extending the terms of office for municipal councils and 61 to 70 percent also supported the objections to local improvement charges. When you look at the chart, it shows how they rated public support. "Weak support" is 61 to 70 percent of Yukoners supporting something. I don't know if I would call that "weak support." Even "very weak support" says 51 to 60 percent. It isn't until you get to 41 to 50 percent that people are actually opposed to something.

I think the way they've rated the definitions of "support" is unclear.

I'm just wondering whether or not the minister — because it was the minister's department that did this consultation — can explain why they think that when 61 to 70 percent of Yukoners say they support something, that it is weak support?

**Hon. Mr. Lang:** In addressing the member opposite, a figure was brought forward but understanding the consultation process — and then municipalities were partners in this too, so there was a bar set and the bar was that they are looking at 70 percent and they could move forward with these amendments — so in consultation if, in fact, issues were not addressed by 70 percent of the participants. And then, of course, we were looking at the municipalities themselves and the input that they gave. So it is not just the consultation that came out with these decisions; it is actually the whole picture. It is not just one part of it. We have municipalities and we have the consultation process and the department itself. So it is a partnership and we had to set the bar at where we were going to look at turning something down or moving forward with it.

**Mr. Cardiff:** I'd just like the minister to clarify. Was it the department that set the bar at 70 percent or was it the department and the Association of Yukon Communities? Was it the *Municipal Act* review committee that set the bar? Who exactly was the group of people in the room who set the bar at 70 percent for something to go forward?

**Hon. Mr. Lang:** In the reply to the member opposite, in our consultation, that figure was decided on and it certainly wasn't by me. It was part and parcel of the consultation over the last three years on how we would move forward and where that bar would be on recommending things move forward from the public consultation.

**Mr. Cardiff:** Well, the minister still didn't answer the question. I'm asking, who was in the room? He said it was part of the consultation process. What I am asking the minister is: who participated in the decision that said that if you didn't have 70 percent support for a proposal or an amendment to the *Municipal Act* that it wouldn't go forward? He is just telling me that it was part of the consultation process. But I didn't see that in the document that was put out, the consultation on proposed amendments.

It didn't say anywhere in this document what the threshold was. I didn't see where anyone was consulted about the threshold in this document either. I don't see where it was part of the consultation process. The minister needs to clarify that for both me and the Member for Mayo-Tatchun.

**Hon. Mr. Lang:** There had to be a number reached — the bar reached — on accepting individual decisions. The bar was set at 70 percent of the participants. We had strong support in some areas and weak support in others. Between the public consultation, working with the municipalities and working internally with Community Services, that was the number set and decided upon, and we moved forward with that number.

**Mr. Fairclough:** The answers are incredible. I don't believe the government on that side really believes what they just said about the opinions of the general public and the percentages that have been put forward.



If we went along the percentages, and if we see that 50 percent is a failing mark and we should not proceed, then the Yukon Party would not be in government, since they didn't get — they only got slightly more than 40 percent of the total Yukon vote.

There was another amendment that was omitted from the amendments that we have today. It was considered by government, considered by the AYC, but omitted. And maybe the minister could give us some explanation on that, because this is something we've been dealing with in this Legislature when it comes to investments and so on, and it is the sixth proposed amendment to the *Municipal Act* that was put forward in February and March. It's the municipal investment security rating requirements.

I believe I can understand why this might have been turned down, but maybe the minister can shed some light on this. The requirement now is to have two recognized rating institutions and they're trying to move down to one. Sometimes this is complex and hard for even the general public to understand. I'd like to hear what the minister has to say on that.

**Hon. Mr. Lang:** Certainly we understand the ramifications of investments on the government's side here today, but that was turned out very strongly by the consultations. Yukoners decided that for us in a very strong voice.

**Mr. Fairclough:** I'd like to move on. There's another one that was not included, also. That wasn't a very good explanation, by the way. I'd like information to flow instead of just the fact that it was largely declined by the general public. I think this is what this institution is all about. So, the objections to the local improvement charges, which was number 8 in these amendments: I've read through it and I would just like to hear the minister's version on it.

**Hon. Mr. Lang:** It's another one that was addressed by the general public, Yukoners at large, and certainly it was not approved and it had some questions at the municipal level, too.

So it was recommended that we don't move forward with it.

**Mr. Fairclough:** Can the minister tell us why it was not looked on favourably by the public?

**Hon. Mr. Lang:** When we look at that — why it wasn't approved or why it didn't meet the bar of Yukoners — I guess we'd have to ask Yukoners who participated in this consultation process why they didn't agree with this. But they certainly did not agree with moving forward with these local improvement charges. And that's what happened in the three-year process of consultation.

So in addressing the member opposite, I can't tell you why the consultation was negative on it, nor why the municipalities — or some of them — were not positive about this. But I'm saying that at this point of the act review, this wasn't approved. This could be looked at — another thing that could be looked at — in the near future when the act is opened again.

**Mr. Fairclough:** You know it would be helpful if the minister had that information with him. It would be helpful for the minister to simply know that information. What does the

minister say when stopped on the street on this? It's a helpful hint to the members opposite.

Let me go to number 10. This is another amendment that was omitted from the amendments before us today. It was the types of bylaws eligible for vote by referendum. I think there was a lot of discussion, particularly those who are engaged with municipal elections and local issues. I would like to know what type of conversations and debate happened on this issue between the minister and the department. Could he tell us a bit more about the discussions that took place internally versus what the public said?

**Hon. Mr. Lang:** This was soundly defeated by Yukoners through consultation. This was not anywhere near the mark that we expect to move forward with this kind of amendment. So, again, it didn't pass muster. It's not nuclear science. It's a process — we as the Government of Yukon take consultation very seriously.

I was not in those consultations throughout the Yukon over the last three years, but in the end draft, this type of bylaw eligible for referendum was defeated and it was not approved to move forward in this *Municipal Act* review. It's another thing that could be addressed down the road, but it didn't pass this time. So if key individuals — municipalities and Yukoners — want this kind of change in the next review, I recommend they go out and look for support and get Yukoners' support for these kinds of amendments. This was a long process. It took three years to get here; it was a very extensive consultation. This did not pass the consultation process, so it's not going to be in this amended act.

**Mr. Fairclough:** We know that. It's the same tired answer. That wasn't even an answer to the question I asked. I asked whether or not there were internal discussions or debate on this issue. There had to have been something done internally, even with the minister, the Cabinet and the department on this matter. I would like to know what concerns were raised by government on this matter and whether there was some interest to try to address some of the concerns that were raised by the municipality in regard to this amendment.

**Hon. Mr. Lang:** That is why we had the three years of consultation. Three years, Mr. Chair, of consultation with Yukoners — not just municipalities, but with Yukoners. We had lots of consultation, Mr. Chair, and a large number of people participated. In addressing the member's concerns, the consultation was done. Municipalities, the government and Yukoners participated in a three-year consultation process. I'm not saying that down the road when this act is opened again, that these things won't be brought up again. At this point, we are modernizing the act; we've worked with Yukoners; they've given us their verdict on these changes and this was one of the things that didn't pass. So this will not be part and parcel of this modernization of the act today. It could be a couple of years down the road, Mr. Chair, but in this act that we are looking at today, this will not be part of it.

**Mr. Fairclough:** The minister has given information that we already know and we've already heard, and we're going to hear it time and time again. Well, if I went to one that has been passed — let's wait for the minister's attention here.

If I went and asked a question about the borrowing limits that were included in the amendments today, will I get the same answer? Will I get the same answer from the minister, after three years of consultation, that the people have spoken and this is what is before us today and it will pass through the House? Is that what I am going to get? If so, why even have a minister here to defend what is before us and what is not before us today?

I think the minister has got to buckle up and do the job he was elected to do by the voters of the Yukon Territory and give some rationale and some reasoning and information to members on this side of the House. It cannot continue to go down this road. It is wrong. It is no way to govern, Mr. Chair, and the minister knows that.

Members on this side of the House have a full right to ask questions, whether it was “liked” by the public or “disliked.” The minister has the answers before him. They’re right before him and why not provide them to the House?

This is the question I asked the minister and I ask for his attention on this: there must have been some discussions internally over the last three years of consultation between the minister’s office and the department on this very topic. I would like to know whether or not the government looked at how they could help out the municipalities’ concerns about some of these issues that were raised by them. They’re not included in here, but there were some very legitimate ones. I’ll name one after I hear the minister’s answer.

**Hon. Mr. Lang:** Being the minister for the last four months, I can say to the member opposite that, over the past three years, the Department of Community Services has been involved. They’re a partner with the municipality, the Government of Yukon and Yukoners. They have been part and parcel of this process. The process was very open and transparent. There were Yukoners involved. Over 1,200 Yukoners participated in the process. So that’s exactly what we’re doing today. We’re putting the amended act together from exactly what the department, municipalities and Yukoners heard through this process. The process was not started to second-guess what the end was going to be. It was there for a purpose, and the purpose was to get input from Yukoners, municipalities and the government. The department was involved at every level.

This has been going on for the last 36 months. This was not a consultation process that took four months. This has been 36 months of hard work done by the department, the municipalities and, by the way, Yukoners. And they put the recommendations in front of us, and we’re acting on those recommendations.

**Mr. Fairclough:** Well, 36 months is ample time for this minister to at least know why people have said what with regard to these amendments. It’s ample time. The minister has to do his homework.

Here was an issue that was raised with us and it comes from most of the municipalities.

Does the Government House Leader want to say something?

**Some Hon. Member:** (Inaudible)

**Mr. Fairclough:** I’d like to see the government side make some improvements. They made a promise here, Mr. Chair. I know you could recall this. I know the government side could recall this and prove decorum in this House. I really want to see the Government House Leader take his own words seriously on this matter.

Here is an issue that was raised by a municipality. Take an issue that was raised by the public. If they have an issue with the town manager and they took it by vote in a referendum, a referendum could be passed and the town manager disappears through a referendum.

To help the minister along, I think this is the type of discussion that might have taken place between the minister’s office, the department and municipalities, so I asked the minister that. This is a very legitimate question, and one that I know is a concern to the minister, along with the municipalities. What was said to the municipalities to alleviate this type of concern?

**Hon. Mr. Lang:** For the member opposite, we work with communities on a daily basis on issues. Certainly, through the 36-month review of this amendment of the *Municipal Act*, we worked with communities. We didn’t specifically take one community and take all of their recommendations and put them in here. There was a partnership between ourselves and the municipalities, and of course Yukoners, and at the end of the discussions, the end of the process, and the end of 36 months, these amendments have been brought forward.

We’re not shutting the door in the future for another round of consultation. In fact, in the year 2009, we’re committed to put a process together with the municipalities on how we’re going to move forward on the next steps of amending the *Municipal Act*. So this is not the end of the discussion. There are things here that didn’t pass this time. We’re certainly not shutting the door on it, but through consultation and through our partnerships with municipalities, these things didn’t get the green light. But it’s certainly not something that shouldn’t be brought up, or couldn’t be brought up in the next process, which will be in the future. It’s not something that the municipalities have to worry about today; municipalities are running today. This will improve their situation, and we’ll move on. The next process commitment by this government is to work with the municipalities on the process, on the next amendment process to the *Municipal Act* in the near future.

So these are things — the act is something that changes as time changes situations. Certainly over the last 10 years, we’ve had two amendment processes. That means every five years it’s averaged, that the act has been reviewed. So these are things that will be brought up, I imagine, on the next review, the individuals who work in the communities will go out, and they will work with us, and bring their concerns forward, and we’ll look at those concerns.

But at the moment, at this time, in the *Municipal Act*, on this review, we’re looking at these changes very positively. These are changes that were brought forward by the communities and by Yukoners, some recommended and some not recommended. That doesn’t mean that down the road these recommendations won’t be acted on in another review. It is not the

end of the road. We're working with the municipalities. As far as public consultation is concerned, that is exactly what it is. People come to participate in the public consultation and they come with their reasoning and they come with their expertise to answer the questions that are put before them. That was done. It was done over a 36-month period and we're going to move forward with these amendments.

**Mr. Fairclough:** Well, it is a fresh minister for me to debate things with in this House and I thought perhaps that things would go along a lot better than this one. Man, was I mistaken. A simple question and the minister went on about what could happen anyway, whether he said it or not. Of course, the public has a voice.

Here is an issue that was raised. Because it was an issue raised in the public, it was debated in the public and it was voted down not to proceed with amendments to the *Municipal Act*. But there were issues raised in the municipalities and the one that I just cited for the member is one of many but it could happen so easily. What has the minister done or what has he said to Association of Yukon Communities to try to take care of their issue, other than saying that it can go back to public for consultation and maybe one day down the road it would be amended? How is he offering help other than the amendment to the *Municipal Act*?

**Hon. Mr. Lang:** I guess in answering that, Mr. Chair, we're looking at working with our communities on the next process on how we're going to start the review in the coming new year and how the process is going to work to move forward on another amendment to the *Municipal Act*. Certainly, we will be working with all the municipalities to look at the process and how we would move forward with next process. That commitment I can make to the member opposite.

I work with the communities as the Minister of Community Services. I have only been the minister for four months. I look forward to working with them on a very positive relationship to benefit both of us, the municipalities and the public government of the day. So I'm looking forward to working with all of the communities in the Yukon.

**Mr. Fairclough:** Well, I don't think that's a very satisfying answer for those who are looking for help from government on the question I just asked. But what I can take back to those who have raised this issue with me is that the minister is committed to yet another round of consultation early in the new year. I don't think people are really ready for that, but that's the Yukon Party way, so I'm just going to have to leave it at that.

Part of the issue here is that sometimes these referendums could be costly for legal help on their behalf. So, we get nothing from the member opposite.

Let me try a really easy one for the member opposite, then. In section 155, it talks about deferring a referendum that is set for a vote that is within six months of the set date for a municipal election. That is an increase of three months, making it six months. I believe that is to cut down costs. It just didn't seem to make a lot of sense to leave it the way it is — extending the time seemed to have made sense. What more has the minister heard on this matter, other than what I just raised?

**Hon. Mr. Lang:** It was thought, from an economic point of view in the communities, that the referendum could work around either an election, if it were held in six months, or — whether it's a full municipal election or electing a member in the middle of a term, that could be worked within a referendum, as long as it were within the window of six months.

So that would certainly look at the economics of the matter. Referendums are very, very expensive and, of course, the municipalities have obligations to hold them. So if they could hold them within a by-election or a municipal election, that would mitigate some of those costs.

**Mr. Fairclough:** Okay, nothing new from the minister.

I thought perhaps they've heard the public and the issues that have been raised. The Government House Leader has passed a sheet on to the minister so I'm expecting a different answer on the next one.

Let's try this one: automatically rescinds a proposed bylaw if it has not received third reading within two years or is defeated in second or third reading. This has been a request on behalf of the municipalities. I would like to know from the minister during the public consultation processes they had throughout the communities how much discussion took place on this. Was it a lot or very little? What issues were raised in regard to this?

**Hon. Mr. Lang:** Through the public consultation that was certainly supported. It's a housecleaning matter for municipalities. The municipalities were in agreement with this, but our public consultation proved it was something the general public were in tune with the municipality on and felt it would be something the general public could live with within the municipalities.

**Mr. Fairclough:** The minister has identified these as housekeeping amendments. Can he tell us, with the amendments we have before us — which is not a whole lot — which others of these amendments are housekeeping amendments?

**Hon. Mr. Lang:** Looking at the referendum that is in front of us today, some of them are changes to how municipalities will handle their financing. Of course, the number 14 — the Public Sector Accounting Board — that is an issue that is coming in front of all municipalities across Canada, and we are working with our communities to make sure that they are up to the mark in the near future so that they can participate in this. That, I would say, would be housekeeping.

The timing of a referendum defines the timelines — that could be housekeeping — of course, most of what we do today, in terms of housekeeping on different amendments here. There is a balance between housekeeping and changes to the *Municipal Act* that would address the investment issues, the returning officer's vote. It clarifies how a municipality will run and how it would be improved by these amendments. Some are housekeeping and some are management decisions. We have been working with the municipalities over the last period of time.

The Minister of Finance has shared our funding with the municipalities. We have a shared gas tax. There is a large increase to municipal grants, which was important and requested by municipalities. Of course, we have the future of the Build

Canada fund, which we are working on now — MRIF and CSIF partnerships.

So the municipalities in the territory are in fairly good shape financially. There is lots of opportunity in front of them. Of course, the gas tax and the increase in municipal grants have helped their financial base. Of course, there will be other issues brought up by the communities and from the municipalities that we in Community Services will be working with. We will work with the communities to make sure that when we implement these changes in the act that they are comfortable with them. We will work with them in the coming years. If a new review is necessary, we will work with the municipalities to bring that forward.

**Mr. Fairclough:** I thank the minister for that. In regard to the amendments of the period of disqualification for council members, there's a very short, a one-liner in here. Is this considered housekeeping as well?

**Hon. Mr. Lang:** This was a request brought forward by the municipalities in the sense of how long would an individual be disqualified? They felt extending it to five years from three would extend it into two terms — with the terms being six years and two terms. This would mean someone who was found to be in a position of wrongdoing would suffer the consequences of being disqualified from participating in municipal governments for five years.

**Mr. Fairclough:** That's housekeeping. Did this amendment hinge on whether or not the term of office was extended from three to four years? Is that why this amendment came forward?

**Hon. Mr. Lang:** This amendment was recommended by the municipalities and so it was agreed on, and we moved forward with it here in the new act.

**Mr. Fairclough:** I am reading AYC's notes on this and it says that if the municipal council's term of office was increased from three to four years, then the amendment, section 254(3) of the act, is to change the period of disqualification from four years to five years. Again, that is to go into the second term. That is how I understood the member opposite.

With regard to the returning officer's vote in the municipal elections, we know that in the territorial and federal elections the returning officers are allowed to cast a vote, but not in the municipal elections. There can't be a whole lot of discussion on this. I think we're just changing this to make it in tune with the territorial government and federal government and so on. Would the minister also consider this housekeeping?

**Hon. Mr. Lang:** As far as the returning officer's right to vote, it was unanimous by the general public that we should move forward with this. It was recommended not only by the municipalities but also by the consultation process that this was one thing that was overwhelmingly supported, so we are moving forward with this amendment.

**Mr. Fairclough:** In the next one, the clarification of the meaning of "inspector" in some sections of the act.

Now, I did say I understand why we've gone from "inspector" to "director," but there's a section in here where the "inspector" language still remains, and that is in section 258. With the officials giving us a briefing on this, I wasn't quite clear on

this, and maybe I can get some explanation as to why it's still in there, and what the meaning of the "inspector" is in this section versus what it was in others.

**Hon. Mr. Lang:** I guess in clarifying the point, Mr. Chair, adding the director to a list of definitions will help to clarify the regular and day-to-day municipal reporting requirements to the Government of Yukon. So we defined who that individual is. The inspector is a position appointed by the minister under special circumstances related to investigations connected to the jurisdiction and proper exercise of municipal authority. An inspector can be appointed at request of the minister or at request of the municipal council. So that defines the separation of both; it's a modernization of the act.

**Mr. Fairclough:** I understand those amendments; they happen quite often in other bills put forward in this House and are largely categorized as housekeeping. Now, here's another one that has been put forward by government — not by the municipalities but by government — and I'm sure that the minister can give a good rationale now that it is an amendment put forward by the government itself. And that is an inclusion of management letters and documents due to the Government of Yukon. I've read some of the background, but I want to hear what the minister has to say. Perhaps he has information on this one. And does he consider it housekeeping?

**Hon. Mr. Lang:** It is a modernization of the act as it exists today. It is an important thing for government to get this communication from all municipalities; it's checks and balances so the government of the day can monitor how the management of the communities is being done, and it does protect the citizens to have that form of communication.

It's not something that's not done in other jurisdictions. This is just a clarification — some municipalities already do it. We're just putting it in the act so that all municipalities will have an obligation to report to the government of the day on a yearly basis.

**Mr. Fairclough:** What are the consequences of municipalities not providing this letter?

**Hon. Mr. Lang:** The consequences of not doing it are, of course, that the Department of Community Services would address the issue in such a way that we would then have an obligation to go and work with the community to get that communication.

It's very important that we have checks and balances from the municipalities to the public government. It's not a matter of choosing whether you're going to do it or not. There is public money that is being spent in these municipalities, and all the public government wants to know is that it's being done in an appropriate way. If, in fact, a municipality is having problems with the accounting end of managing their municipality, as a community service — that's what we do is service communities — we would go out and work with them to make sure that this was not an onerous thing. This would be part and parcel of their yearly obligations to government.

**Mr. Fairclough:** Well, actually, I didn't hear any consequences on behalf of the municipality other than it would kick the department into gear — the department responsible for

the *Municipal Act* — to ensure that they have some communication with the municipality, which is actually a good thing.

But some who feel they are running things properly and they don't submit this — is this, I guess, grabbing government's attention to this matter? I understand why it's there. I just want to know what happens. We've seen from the Yukon Party what happens when a municipality overspends or mispends their money — the mayor and council get fired. Those are major consequences.

In that case, regardless of whether a management letter was sent or not, that would have happened. So I just wanted some clarification as to what happens if a municipality does not send the management letters. So I've heard some of the reasons from the member opposite.

I'll leave it at that and I'll pass it over to the member of the third party to ask some questions. I have a couple more with regard to those that were passed here. But what I'm hearing quite often as I bring up these amendments is that — a majority so far that I've brought up are housekeeping by government to change wordings or definitions and modernization of the act — nothing big and major like we've seen in the past. It's not a full-blown review of the *Municipal Act*.

Maybe the minister could lay this one out then. We've seen a couple of amendments now to the *Municipal Act* under the Yukon Party government. The minister announced they would be proceeding with another set of amendments early in the new year. Is this another small section of the *Municipal Act* amendments or are we going to see full-blown amendments to the *Municipal Act* — a full review of the act?

**Hon. Mr. Lang:** I'd like to clarify for the member opposite about his point of a full-blown review next year — that was not my communication here in the House.

I committed to working with the municipalities on the process and how we would move forward with the next review. There is no commitment to do a review next year. It is an obligation this government has taken on, to put the process together on how we move ahead with it. So that is clarifying that — understanding the issue about communities and community financial well-being, we learned that when the Yukon Party took government in 2002. The previous Liberal government had somehow let one of the communities far exceed their debt limit. Of course, this letter of this commitment to put this letter in front of the government of the day would certainly have addressed some of those issues before they happened.

I want to remind everybody in the House, this is not an unusual request of government. This is good business for not only ourselves but the municipalities because it does clarify what happened in the 12-month period. The municipalities will benefit from this. As far as what happens, Community Services will have an obligation in itself to make sure all of this communication is done and all of these questions are answered. So it is not just the municipalities that have to work at this; we as Community Services will work with them to make sure that anything that we do in modernizing the act will benefit both of us.

It is not in the best interest of the government to have a municipality get into a situation where they can't maintain their community. We have seen that in the past, with the manage-

ment of the Liberal Party. In over two years, we've seen a community go from being solvent to being insolvent. Why did that happen?

Well, it happened because there weren't checks and balances in place. The better checks and balances you have in place, the better management tools that you have in place, the better it is, not only for the municipality but for the government of the day. By the way, we can monitor, they can monitor, and we can work with them on issues that arise on a yearly basis to make sure that things like insolvent situations happen. That is why we have the *Municipal Act* and that is why we are modernizing it today and putting things in place so that it will benefit the Yukon as a whole on how we manage our municipalities and how we keep them financially sound and doing the job they are assigned to do. Their job is to run the municipalities, do the financing and we work with them on that.

We certainly have a municipal grant that is the partnership we have with municipalities. At the end of the day, these are all just checks and balances to make an even better relationship between the public government and the municipal government. It's a clearer way that we can define our role and their role and what is the answering between the two governments to make sure that everybody benefits from both governments.

We have a responsibility as a public government. Municipal governments have a responsibility. But Yukon money goes into these municipalities. We as the public government work with the municipalities to make sure there are checks and balances in place so these kinds of incidents won't happen in the future.

**Chair:** Committee of the Whole will recess for 15 minutes.

*Recess*

**Chair:** I will now call Committee of the Whole to order.

The matter before the Committee is Bill No. 61 — *Act to Amend the Municipal Act*.

**Mr. Fairclough:** The minister cited one of the amendments as a housekeeping amendment. It's bringing the municipalities in line with the Yukon government and the federal government in the way they do the books. It's the Public Sector Accounting Board rules in the municipalities. What I would like to know is — three out of the five have now used this accounting process. I mean, three out of the eight municipalities are using this accounting process. I'm just wondering, by putting these amendments forward, what the cost would be to municipalities to implement this amendment.

**Hon. Mr. Lang:** Mr. Chair, the Public Sector Accounting Board is just that: a board. It is agreed to across Canada. The Auditor General works to that board. We, as provinces and territories, have an obligation to follow the same process. The municipalities will be helped as they grow into this. Some of the bigger municipalities are already following the Public Sector Accounting Board recommendations, but if municipalities need assistance, we will assist them. It will be done through Community Services and we look forward to

having all the municipalities on the same page in the accounting.

It is not something that is a decision of the territorial government. It is something we have an obligation to do and we will proceed with that obligation. We will try to mitigate any issues the communities have to implement this. We will be working with the communities.

**Mr. Fairclough:** Three out of the eight have already adopted this accounting process. Is the minister saying that the Department of Community Services will assist them in both resources and personnel — those who are familiar with this accounting process — to get them up and going? Can I take that message back to the municipalities that this is what, in fact, Community Services is committed to?

**Hon. Mr. Lang:** I can say to the member opposite, we do give municipal grants to municipalities and they will manage within those municipal grants and the tools they have at hand to do the accounting that is required of them. Accounting is not an unusual thing to expect municipalities or governments to do. We will work with them to mitigate those kinds of things so the impact on them — on moving forward with this new process, we will work with them on that, but as far as financial assistance, this will all be done; this is work as usual in a municipality.

I remind the member opposite there are municipal grants, there are resources at hand to do the accounting. We will work with them to get it done as quickly as possible.

**Mr. Fairclough:** I didn't realize that there were grants to do the accounting. This is a proposed amendment by the Yukon government, and I know it was flagged as an increased cost to some of the municipalities. I just thought that I heard the minister say that he would commit to helping the municipalities through this. In the next answer to me, the minister said, no, just personnel or professional assistance.

The big issue that was raised by some of the municipalities is the increased cost, and I wonder how the government is going to take care of that issue for them.

**Hon. Mr. Lang:** This is not a surprise to the municipalities. All public governments in Canada are to implement the PSAB accounting standards as of January 1, 2003. It's not something that is a surprise to the communities out there. We have committed to put people on the ground to help them get through this.

In answering the member opposite about resources, we do give a municipal grant, and the municipal grant is used to manage the municipality, and part of that could be used for their accounting. So it's not that they don't do accounting today. They do accounting. This is a new process that they have to institute, and it is something that has been on the boards for a period of time, and we look forward to resolving the issue.

We will work with the communities; and we will supply professional help to make sure we mitigate any internal issues. But they do have resources. This is something that is demanded by Canada — that we all be on the same accounting system. AYC is aware of it; municipalities are aware of it, and we have a period of time here. We can work with the municipalities and bring them on board on this issue.

**Mr. Cardiff:** Well, it has been interesting listening today, and I did have the opportunity to participate in the debate a little bit earlier. I thank the Member for Mayo-Tatchun. He covered pretty much all of the content of Bill No. 61, *Act to Amend the Municipal Act*.

I found the debate interesting. The part that I participated in, I guess, was to clarify what the threshold was for whether or not something goes forward or not. I think the interesting thing is that the minister did not have any real information about the reasons why people made those decisions. I would refer the minister to this document here, the document that was sent out for the consultation. This is the document that municipalities received and the public received from the *Municipal Act* review committee. It listed the proposed amendments. This is how we got to understand what was being proposed. Then there is a little spot where it says, "Do you support this act, yes or no?" Then there is a spot underneath where it says "comments," which is the rationale. That is where municipalities and citizens have the opportunity to give their comments and ask questions about some of the proposals, whether they were coming from AYC or the Yukon government.

I don't see anywhere where there was a proposal that came from a member of the public, and I don't know why that is — whether there was no interest in it from members of the public. It is my understanding that members of the public participated in the process. But it would have been nice. I hope that the minister had the opportunity to read through some of those comments. It would appear that he didn't have the opportunity to read through some of those comments, because he couldn't tell us, or tell the Member for Mayo-Tatchun, what any of the rationales were, or any of the comments were, around why decisions were taken the way they were taken by the government.

Ultimately, it was the government that made the decision as to whether or not these amendments went into Bill No. 61. That was because it was the minister, and it was the government, who prepared the document and decided which amendments would go forward and which amendments weren't going to go forward, based on the threshold of 70 percent support or better, basically — or actually it would be 71 percent support or better.

But I think what's important is the discussion that took place around these proposed amendments. The minister doesn't seem to be — I see he has the document. I don't know if it's one that has comments written in it or not. But it would be good for the minister to review those comments to find out what the issues were, what questions municipalities or citizens had about these amendments. What information did they require in order to make a more informed decision? I think that's important.

But the minister didn't have that information. He couldn't provide that information to the Member for Mayo-Tatchun. He couldn't provide it to any of us here in the Legislature, and it was a little embarrassing when the Government House Leader had to get up and defend the minister's lack of knowledge in this area.

Given that, a lot of the questions that were raised by the Member for Southern Lakes — specifically, the last one, the

concerns around the expenses incurred and the cost that could be incurred by some of the smaller municipalities — the burden it might be on them to move to the Public Sector Accounting Board rules around accounting was definitely one of the ones that was on my list to ensure that municipalities are treated fairly.

I would just like to point out to the minister that it's not just the Yukon government that gives municipalities a grant so that they can administer a grant and provide services to their communities. I would like to also point out that the *Municipal Act* allows for them to become taxing authorities. That's why we have the amendment in here basically about the ability to borrow money based on the assessments. They also have the ability to tax and raise their own money through property taxes, for which they have the same responsibilities of accounting.

I would like to point out to the minister the facts in the consultation document in the comment area. I would like the minister to provide us — I know he probably can't do this on the floor of the Legislature, but hopefully he can go back to his office or get one of the officials in his department to give us a brief overview in writing.

He could send it as a legislative return — about some of the issues that came up in the “comment” areas of the consultation documents, some of the questions that were raised, some of the concerns that people had about some of these amendments that were being proposed — so that we can have a better understanding what some of the questions were out there. The minister didn't seem to know what those questions were.

I'd like to ask the minister if he could do that. The other thing I would like to draw his attention to is section 371 of the current *Municipal Act*, which says that, “Within 10 years after this Act comes into force, the Minister shall establish a process for the review of this Act.”

I believe that's what he was referring to beginning early in the new year. So I'm just wondering what the minister's intentions are and whom he intends to include in developing that process. The 10 years, I believe, is up next year. It's due for a 10-year review in 2009, if I'm not mistaken, and hopefully that process will begin.

But I'd like to know a few things: whether or not the minister, in this consultation, is going to do something similar to what was done in this past consultation; whether or not they're going to gather input and propose changes, propose amendments — to the *Municipal Act*, broader amendments looking at the whole of the act, all 371 sections of it; whether or not there'll be a comments section; whether or not those comments and questions will be shared with the public and shared with members of the opposition parties, so that we can get an understanding of what some of the issues are out there; and whether or not the approval threshold is going to remain at 71 percent or better.

So, that's a lot for the minister to answer, but one more thing: I'd just like to know — and I don't know whether the minister can answer this question or maybe the Government House Leader might have to pop up on this one — whether or not the 71-percent threshold of support is just a standard approval level for this government.

Is that how all consultations are done? Is that the approval threshold for all consultations done by this government in order for proposals to move forward?

**Hon. Mr. Lang:** In addressing the first question about public sector accounting boards, we don't have a choice on that, Mr. Chair. The municipalities will be moving toward that form of accounting. It will be done and it will be done with our assistance on a professional level. I certainly understand how municipalities finance municipalities. I understand the tax base, but we as a government, by the way, have increased our municipal grants to the communities. All of those things are partnerships that we have between municipalities and ourselves as a public government to make municipalities more financially feasible. There is no question that we will be moving ahead with the Public Sector Accounting Board.

Now, what would happen if a community didn't do this? That's a question the member should ask. That would mean that their auditors would have some questions and also would limit what they could do in banks and other financial institutions in Canada.

It's not something we have a choice on; it's how we move forward with how the communities will grow into this.

Now, a commitment was made 10 years ago to move forward. Next year, we are going to define the process on how we're going to move forward with the *Municipal Act*. And, certainly, we'll be working with AYC and the municipalities. Certainly, the 70-percent bar would be part of the process that we would work with, with our partners, to see how this would unfold in the future.

So the process would be a period of time that we would commit to go to work with AYC and the municipalities. Then, at that stage, we would move out — if it is deemed that it should move forward. Of course, we're just one of the partners. We would move forward with a process that would be acceptable to the municipalities, the AYC, and also Yukoners.

We are going to consult Yukon on any changes we make to this act and, certainly, we'll be working with our other partners, or other governments, to make their input effective and positive. So I hope that addresses the member's issues.

**Mr. Cardiff:** Well, the minister answered part of the question, I think. He was asking questions, and if he really wants to ask questions he could come over to this side of the House and ask questions. I'm sure the Government House Leader would be more than willing to answer; he likes to stand up all the time and answer for people, as does the Premier.

The minister said a couple of things. He said that they were going to work with Association of Yukon Communities and the municipalities to develop a process to move forward on the required 10-year review of the *Municipal Act*. So he is going to work with the Association of Yukon Communities. He's going to work with the municipalities. They are going to keep the 70-percent threshold. I'm just wondering what would happen if the Association of Yukon Communities and the municipalities decide that, through this past process, the threshold didn't work for them. Is the minister willing to change that threshold in consultation with Association of Yukon Communities and the municipalities, if they so desire?

**Hon. Mr. Lang:** This government is willing to discuss any of the process with our partners. Maybe, if there were a question about that, they would bring it forward. This government is willing to work with all Yukoners, whether it is the public, Association of Yukon Communities or the municipalities.

Probably in the process we would critique what we did in the past, what worked and what didn't work. Those are questions this process will answer.

**Mr. Cardiff:** The minister made another comment. He said the process would take place over a period of time. Does the minister have any idea over what period of time the 10-year review would happen? Would it be one year? Two years? Is there a completion date? Is there a required completion date for a review of the act? We know that the *Education Act* was up for review. I believe 2000 was the proposed time when it was supposed to be reviewed and there have been no changes to the *Education Act* brought forward in that time.

I'm wondering whether or not we can look forward to that kind of review where we don't see anything happen, or does the minister intend to have this done? What kind of time frame is he looking at?

**Hon. Mr. Lang:** In addressing the member opposite's question, we would look at the process defining the timelines and we would work with our partners to define that timeline. Hopefully, over the next period of time, those kinds of things would be brought out through the process of how we would move forward with this action that we are committed to do.

**Mr. Cardiff:** Well, I don't know if that was an answer or not, Mr. Chair.

Can the minister define "period of time"? He is talking about a period of time. Maybe he needs to consult with the Association of Yukon Communities and he needs to consult with municipalities. The minister must have an opinion. In fact, not only do I think he must have an opinion, I know he has one. He's the one who is responsible for this piece of legislation.

Can he tell us what period of time he would hope it could be completed in his mind? I am not asking him to tell us what AYC thinks or what the municipalities think. I am asking him what he would like to see happen. How soon would he like to see this happen? How soon would he like to see it move forward? How soon would he like to see amendments to this act come forward again?

**Hon. Mr. Lang:** Again, I think the member opposite had missed the point. That's what the process is about — the partnership with our communities, AYC and municipalities — with the issues at hand. That's what the process will answer in the next period of time — how we move forward and a timeline on what will happen in the process.

So I'm looking forward in the new year to getting the process started and hopefully be able to answer some of those questions in the near future.

**Mr. Cardiff:** I understand what the minister is saying. The minister doesn't have an opinion. He doesn't hope that it will happen in one year or two years; he's going to wait and see.

I'd like to get a commitment on the record here today from the minister. When the department enters into discussions with the Association of Yukon Communities and municipalities, can he make a commitment now to inform Members of the Legislative Assembly and members of the public here in the Yukon about just what the process is going to be and what the timelines are going to be at the earliest possible date?

Once that's arrived at, the minister will probably put out a press release. The government will probably put out about four or five press releases about three or four months apart, probably, so that we all know. We'd like to know, as soon as possible, what that process is going to look like, what the timeline is going to be and what the threshold is going to be. I would hope that the minister would be prepared, as well, in that consultation process to allow for comments, to allow for questions to be asked and to ensure that clarification is provided to people who are participating in the consultation and to Members of the Legislative Assembly so that we can have a better understanding of just what the issues are, because the minister was not able to provide that for us today.

So, if he can do that in the next process, if he can make a commitment here today that it will happen, it would be most helpful.

**Hon. Mr. Lang:** I guess, in addressing the member opposite, the process is going to define how this process moves forward. That is why it is called a process. We have committed to do that. It was committed 10 years ago, understanding that this is the second amendment to the *Municipal Act* we've had in that period.

So it's not an act that has been ignored for 10 years; it has been modernized over the last period of time, an average of five years, and certainly at that point when it was first introduced the commitment was made to get the process put in place. Again, I remind the member opposite: it involves AYC, the municipalities, and a process that we're all comfortable with, and the issues will certainly be public because there will be a public consultation period involved in this that involves all Yukoners.

And certainly I will answer any questions in the House here. And of course, at the end of the day, the *Municipal Act* will have to come before this House to be passed, so the public's going to be involved, the municipalities are going to be involved, and of course the government of the day will be involved. So I've committed for that process to move forward. It will start in the new year, and it will define — the questions that you've asked here today will be part of the questions that will be asked at that — how that process will work.

So again, this is a partnership between ourselves, the community, and community governments, and the general public of the Yukon, so we'll have to wait and see what that process is, and I will work with the communities and Yukoners to renew the act, improving the act in the future.

I can't give you any dates on when it's going to be concluded. All you can do is look into the past. It has been reviewed twice in the last nine years. So obviously it's an act that is generally upgraded as we move forward. I look forward in the near future to answering those questions.



**Mr. Cardiff:** I thank the minister for that answer. I think I heard that he would go along with some of the suggestions I've made. In order to do that, I'll email him a copy of the Blues so that when he begins the process in the new year, I'll email him then to remind him of what he said today.

There was one thing I asked the minister for and I'm not sure if I heard an answer. I'll go back to this document here — the document he had in his hand a few minutes ago — which is the document that was used for the amendments to Bill No. 61, the bill we have before us today.

There was a comment section in this document that allowed those who were participating in this consultation the ability to make comments, to give their thoughts about the amendments, to raise concerns and to ask questions.

I would ask the minister if he could provide some or all of those comments so that we could have a better understanding — if they need to remove any identifying marks because people don't want to be identified. I think it would give us a greater understanding. I know it would give the minister a greater understanding and would certainly provide us on this side of the House with a greater understanding of the thinking behind why municipalities or individuals either said "yes" or "no" to some of these proposed amendments. I find it hard to believe that there were no comments made.

I don't know if the minister is able to do that, but I would certainly be interested in receiving some or all of that information so that I could have a better understanding of just what transpired over the last three years. This document is only about eight or nine months old so I'm sure they haven't lost the comments.

They must still be somewhere in a computer or in a file folder. So if the minister could provide those, it would be much appreciated.

**Hon. Mr. Lang:** In addressing the member opposite, I would commit to go to work and see what we could do. There is a privacy question. We understand that when people make comments that they make them independent. We don't want to get in the House here or in a situation where we are pointing fingers at individuals for their comments. We want to have participation by Yukoners in a dialogue like we've had with these questions. I would look at getting some information to the member opposite, to consolidate it so that the member opposite could review the comments that were brought forward. As long as they are not a breach of privacy or individually tagged in any way, we certainly would do that in the near future.

**Mr. Cardiff:** I'd like to thank the minister for that. I most certainly would like to say that I respect the privacy of where the comments come from.

It is not my intention to use somebody's individual, personal comments in any way to question something that has transpired here in the Legislature, but more to get a greater understanding of some of the issues that municipalities face and that individuals face when they're dealing with municipalities or government. That's part of why we're here. We are here to help individuals — Yukon citizens — through the process of dealing with government.

Here in this Legislature we try to help them deal with the Yukon government. But, by extension, we also help them deal with municipalities through pieces of legislation, like the *Municipal Act* and through Bill No. 61, *Act to Amend the Municipal Act*.

So I thank the minister for offering to find that information for us and look forward to receiving it. I have no further questions at this time.

**Chair:** Is there any further general debate?

Seeing no further general debate, we'll proceed clause by clause in Bill No. 61.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 4*

*Clause 4 agreed to*

*On Clause 5*

*Clause 5 agreed to*

*On Clause 6*

*Clause 6 agreed to*

*On Clause 7*

*Clause 7 agreed to*

*On Clause 8*

*Clause 8 agreed to*

*On Clause 9*

*Clause 9 agreed to*

*On Clause 10*

*Clause 10 agreed to*

*On Clause 11*

*Clause 11 agreed to*

*On Clause 12*

*Clause 12 agreed to*

*On Clause 13*

*Clause 13 agreed to*

*On Clause 14*

*Clause 14 agreed to*

*On Clause 15*

*Clause 15 agreed to*

*On Clause 16*

*Clause 16 agreed to*

*On Clause 17*

*Clause 17 agreed to*

*On Clause 18*

*Clause 18 agreed to*

*On Title*

*Title agreed to*

**Hon. Mr. Cathers:** Mr. Chair, I move that Bill No. 61, entitled *Act to Amend the Municipal Act*, be reported without amendment.

**Chair:** It has been moved by Mr. Cathers that Bill No. 61, entitled *Act to Amend the Municipal Act*, be reported without amendment.

*Motion agreed to*

**Chair:** Committee of the Whole will now proceed to Bill No. 58, *Act to Amend the Quartz Mining Act*.

Can Committee of the Whole break for five minutes for officials?

**All Hon. Members:** Agreed.

*Recess*

**Chair:** Order please. Committee of the Whole will now come to order. The matter before the Committee is Bill No. 58, *Act to Amend the Quartz Mining Act*.

**Bill No. 58 — Act to Amend the Quartz Mining Act**

**Hon. Mr. Cathers:** Thank you, Mr. Chair. I won't be too long in my introduction in Committee of the Whole this afternoon. I have already covered most of the highlights of this legislation in second reading, both in my introduction and in closing. I trust that members opposite were listening attentively to that. With that, Mr. Chair, I would entertain questions from members opposite about the *Quartz Mining Act* amendment.

**Mr. McRobb:** All right, Mr. Chair. I'd like to thank the Assembly for this opportunity.

It goes without saying that the *Quartz Mining Act* amendments are indeed significant to the territory, to the mining industry and to many other Yukoners. It comes at quite a sensitive time, with market meltdowns in the United States, one of the world's largest commodity consumers, as well as in global markets. And certainly, we believe in the importance of sending a positive signal to the industry in order to attract investment in our territory, with the goal of lessening the dependence on handouts from the federal government, which has to stay in the territory up to and including this very day.

We do have some issues with the bill that we hope to resolve through questioning. I don't imagine we'll get very far this afternoon with less than 20 minutes available, so I'd like to deal with a housekeeping matter first of all. During the second reading of this bill, I asked for correspondence from stakeholders — if that would be made available prior to commencement of Committee discussion.

The minister stood up afterwards, and with some ridicule in his tone at least, directed me to the document that exists on the department's Web site, entitled *Overview of Comments Received*, and put it in such a way as to indicate that I probably was not aware of that document. Well, Mr. Chair, I was aware of that document, and I was aware of that document before making the request. Just to ensure that my request was legitimate, I printed the document and have it before me, and I'd like to explain for the minister what the difference is between this document and the request I made yesterday. This document provides only an overview of public comments received, and does not ascribe any of the comments to any stakeholder. That is a significant departure from my request for the availability of documents from stakeholders during the process.

As I am sure even the minister can acknowledge, there is a considerable difference. It's important to know which group or individual out there has provided comments in order to lend assistance in weighting those comments. Before the minister

gives us an interpretation of the word "weighting", I will explain that term a little further. If comments come from a large stakeholder group, for instance, that may represent several Yukoners, then comments could be weighted accordingly, whereas if the comments come from one stakeholder, the comments can be weighted accordingly, as well.

These are important documents that we do not have in our possession. I believe that they are necessary in order to get a good sense of the political climate for the changes that are contained in this amendment to the *Quartz Mining Act*.

As politicians, Mr. Chair, it goes without saying that we should have at the top of our priority the pursuit of public interest and it is under that principle that I've made this request. I'll ask the minister again for those documents and I will take an undertaking if he wishes to provide them at the next opportunity we debate this bill. Or perhaps before the next opportunity — the next sitting day we debate this bill — that would be fine.

**Hon. Mr. Cathers:** As regards the request from the Member for Kluane, I understand where he's coming from. I think he's partly going down an erroneous path on this, shall we say. I think this is probably with good intention on his part. What should be kept in mind is that, although there are written submissions — and we can certainly review what's posted online and determine that — it has been some time since I've looked at the document that was made available online earlier this year and has been made publicly available so that people can be aware of the different perspectives and the different comments that occurred.

There were also numerous meetings that took place in discussion of this as well. To some extent the summary of documents, particularly where meetings took place rather than formally submitted conversation, the summary of comments received is in fact the best source for such issues, rather than relying only on written correspondence, which as I noted in the case of those who provided their comments through meetings that were held, they did not necessarily put their comments in writing but their comments are no less valid for that purpose.

Consultation for the proposed *Quartz Mining Act* amendments was done in two phases: one for claims administration provisions and one for the royalty provisions. On the claims administration amendments, consultation on the claims administration proposal took place from January 2008 until the end of February 2008. Meetings were held during January and February and staff at the Department of Energy, Mines and Resources met with the Chamber of Mines, Yukon Mineral Advisory Board and a variety of Yukon government departments, as well as with First Nations.

Six First Nations attended meetings and there were letters and comments received from five First Nations and two community groups. Four First Nations did not submit comments or attend meetings, though concerted efforts at engagement were made by Energy, Mines and Resources staff. However, they did not choose to provide comments.

A public open house was held in Whitehorse on February 20, 2008 and, of course, the public at that opportunity provided their comments. Questionnaires were made available at meetings and on the Web site. Energy, Mines and Resources did not

receive a significant number of questionnaires but did receive 25 completed questionnaires that supported the amendments. And I should note that, of the completed questionnaires, those who chose to make their opinions known through that avenue — there were a total of 25 completed questionnaires received and all of those were in support of the amendments. That, of course, was the administration provisions.

The royalty provisions — the proposed royalty amendments — targeted consultation on the proposed changes to that section began at the end of March 2008. Notification of formal consultation was sent to First Nations and input from industry associations, non-governmental organizations and government departments were also sought.

A discussion paper outlining the proposed amendments was posted on the Energy, Mines and Resources Web site in April 2008, with a requested deadline for comments of May 31, 2008. Submissions were received from this venue from industry and from First Nations.

Energy, Mines and Resources held technical workshops for industry representatives, First Nations, finance officers, government departments and the general public. A public open house was held on March 10, 2008. An April 8 royalty workshop for First Nations was held as well to receive input from individual First Nations and CYFN. An industry workshop was held the following day, April 9. A summary document outlining all comments received on all proposals has been posted on the EMR public Web site, and a copy of this document was also forwarded with a cover letter to all First Nations, industry participants and non-governmental organizations.

Mr. Chair, I hope that that addresses some of the questions that the Member for Kluane has, and of course, in this situation, as I've again to reiterate my point, what I would urge the member to recognize is that the written submissions are valuable but so too is the input received through those meetings, because for those who required some clarification on what was proposed — an explanation — and who attended those workshops and then provided their feedback following that, those comments are posted, and in that case it is not necessarily easy to identify the specific source of them because they are in summary from a meeting.

But I will undertake to have staff review what is available on-line and determine if we identify any areas that can be added to ensure that members are provided with fulsome information about the submissions that were made. We will look into that and undertake to provide anything else that may be appropriate.

Another point I would make in referring to the *Quartz Mining Act* amendments, as I mentioned yesterday: key points around this are modernizing it, ensuring administrative efficiency, et cetera. I must emphasize again the importance of keeping in mind that the two specific areas that went out for consultation were identified because of the importance of these matters. In the case of administrative provisions, some of them were outdated. The one provision, for example, that we spent some time discussing yesterday is the requirement for claim posts to be four-by-four. In fact, for the information of the members, that does not apply to a milled four-by-four. A milled

four-by-four timber would not fulfill that requirement because the existing provisions under the act in fact speak to exactly four inches whereas most members in this House no doubt know that milled lumber is slightly smaller than the size referred to.

I see a puzzled look opposite but I think the member knows what I'm speaking of.

In this case, of course, areas such as that would be — the provisions that required a post of that size serve no benefit to the Yukon government or to the public. In the interest of reducing helicopter costs, reducing other transportation costs and the costs of time involved in installing stakes of that heft — for lack of a better term, Mr. Chair — those provisions were quite simply an unnecessary burden upon industry that did nothing and do nothing to achieve any societal or economic goal. Plus it is wasteful on materials.

That is one example, Mr. Chair. Another thing that I can't reiterate enough is the fact that it was important to move forward quickly, particularly around the royalty provisions.

The currently existing royalty provision that we are proposing to amend makes the Yukon not competitive with other jurisdictions and because of the antiquated nature of the calculation of that rate — and that the royalty would keep escalating to an unlimited number — it would eventually rise to the point where a mine of significant size would, in fact, pay 100 percent of the profits in royalties. That, needless to say, is a tremendous disincentive to any potential investor, large or small, who is looking at a project of that size and that — not taking the steps necessary to enable the investment and attract that investment in a significant-sized project — of course results in the Yukon not receiving the economic benefit and Yukon citizens not receiving the opportunities for employment and spinoff jobs as a result of such a development.

So therefore the proposed royalty change is one that makes us competitive nationwide. It places us somewhere in the middle of where Canadian jurisdictions are. It will not make our royalty rate the lowest in the country, but it will make it very competitive and will achieve our objective of maximizing the benefit Yukon citizens receive, including through royalties, while ensuring that the structure remains competitive and that we are not unnecessarily scaring off economic opportunity for Yukoners.

Of course, we have to take into context the fact that, under the devolution transfer agreement, the Yukon for the first time began receiving mineral royalties, but the level of those mineral royalties is capped at \$3 million per year. So once we have received that amount, there is no increased benefit to Yukon citizens received directly from royalties. That benefit is provided primarily to the Government of Canada. Although, of course, we do receive transfer payments from the federal government and investment and we recognize our need to contribute to the national wealth, as the nation provides us with support to manage the territory and provide comparable levels of service to Yukon citizens as part of the general agreements on understandings within our Confederation. It is important to recognize that the more we can maximize the benefits to Yukon citizens and maximize the investment companies put into

Yukon, it is where the greatest benefit will arrive to Yukon citizens. In fact, the income tax alone provided to the Yukon government from Yukoners who are employed because of a mine will significantly exceed the benefit we receive through royalty provisions alone.

Another part of this that I would stress to members opposite should be kept in mind is that the community development expense is now, under the new proposed structural allowances, a deduction. Only a portion of that expense is allowed, but we propose allowing companies to write off a portion of that to encourage them to make investments in projects, whether they are infrastructure, parks, skating rinks, et cetera that benefit a community, particularly those near a mine. Although that does not come anywhere close to addressing the full cost of that investment — we allow only 15 percent of that expense to be written off — it is intended to be a signal encouraging responsible corporate citizenship and sending the very clear message to mines that that level of investment and engagement with the community is something that the government will encourage and will allow them to write off a portion thereof.

Mr. Chair, I hope this has provided some more clarity to members opposite. With that, seeing the time, I move that we report progress.

**Some Hon. Member:** Point of order.

#### Point of order

**Chair:** Mr. McRobb, on a point of order.

**Mr. McRobb:** On a point of order, Mr. Chair, five minutes remain in the day ...

**Chair:** Order please.

**Mr. McRobb:** ... and we just had a break 15 minutes ago.

#### Chair's ruling

**Chair:** Order please. There is no point of order. Mr. Cathers has moved that Committee of the Whole report progress.

*Motion agreed to*

**Hon. Mr. Cathers:** I move that the Speaker do now resume the Chair.

**Chair:** It has been moved by Mr. Cathers that the Speaker do now resume the Chair.

*Motion agreed to*

*Speaker resumes the Chair*

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

May the House have a report from the Chair of Committee of the Whole?

#### Chair's report

**Mr. Nordick:** Thank you, Mr. Speaker. Committee of the Whole has considered Bill No. 61, *Act to Amend the Municipal Act*, and directed me to report it without amendment. Committee of the Whole has also considered Bill No. 58, *Act to Amend the Quartz Mining Act*, and directed me to report progress.

**Speaker:** You have heard the report of the Chair of Committee of the Whole. Are you agreed?

**Some Hon. Members:** Agreed.

**Speaker:** I declare the report carried. This House now stands adjourned until 1:00 p.m. tomorrow.

*The House adjourned at 5:29 p.m.*

#### The following document was filed October 28, 2008:

08-1-67

Watson Lake multi-level care facility, request for a forensic audit: letter dated October 16, 2008 to Sheila Fraser, Auditor General of Canada, from Todd Hardy, Leader of the Yukon NDP (Hardy)