

Whitehorse, Yukon**Monday, December 3, 2007 -- 1:00 p.m.**

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

Prayers

DAILY ROUTINE

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

Tributes.

TRIBUTES**In recognition of International Day of Disabled Persons**

Hon. Mr. Hart: It is my pleasure today to acknowledge in the House the International Day of Disabled Persons. My responsibilities as minister responsible for the Public Service Commission include the workplace diversity employment office. A unit in the corporate human resource services branch, the office manages two work programs for people with disabilities. The programs are the training and work experience program for people with disabilities and the auxiliary on-call program for people with disabilities. Both of these programs are designed to assist and increase the number of people with disabilities within the Yukon government workforce.

The corporate shredding and recycling program also employs people with disabilities. Fully funded after a successful pilot project run during last year, this program diverts material from the landfill and from being burned. This program demonstrates the Yukon government's ability to work with the community partners on a significant environmental initiative.

Mr. Speaker, in the staff development branch of the Public Service Commission, the disability management program provides support to employees with disabilities through coaching, training, equipment upgrades and accommodations. This support occurs whether or not the disability is work-related.

The Yukon government also provides a variety of funding opportunities for non-profit organizations, such as the Yukon Council on Disability. I am encouraged by these initiatives and appreciate the opportunity to shed light on them as we mark the International Day of Disabled Persons. By building on these successes, we will continue to make gains in the area of support for people with disabilities throughout the Yukon.

Thank you.

Mr. Mitchell: I rise today on behalf of the Official Opposition to pay tribute to International Day of Disabled Persons. The aim of International Day of Disabled Persons is to promote an understanding of disability issues and mobilize support for the dignity, rights and well-being of persons with disabilities.

December 3, 2007 marks the 22nd anniversary of section 15 of the *Canadian Charter of Rights and Freedoms*, which makes everyone equal under the law. The *Charter's* protection has become somewhat of a guarantee. Differently abled persons

have equal opportunities under the law, which means that if they suffer discrimination, they can apply to the Human Rights Commission to have their rights as citizens enforced.

The minister has already spoken to the good work done both in government and by non-government organizations to assist people with disabilities in every aspect of their life, so I won't repeat that here.

In most countries, up to 80 percent of persons with disabilities of working age are unemployed. That comes from the United Nations report, and I think that's quite an amazing figure.

The denial of opportunities and negative attitudes are the main reason why persons with disabilities are disproportionately absent from the workforce. Canadians are more fortunate, as Canada has made considerable progress in all areas of disability. Widespread initiatives and research, prevention, rehabilitation and community action have brought new meaning to the concepts of integration and life with dignity for people with disabilities.

We've come a long way in recognition of differently abled persons, but we must not stop there. We must fight to eliminate discrimination. We must ensure the rights of differently abled persons to earn a living in freely chosen work and be able to work in an environment that is both accessible and accepting. We must be able to tap into and use this valued human resource and, more important, we must ensure that everyone is able to achieve their full potential in life.

Mr. Edzerza: I rise on behalf of the NDP caucus to tribute this International Day of Disabled Persons. This day is to promote full participation and equality of persons with disabilities in every aspect of life. In 1993, the General Assembly of the United Nations set down standard rules on equalization of opportunities for persons with disabilities. The rules outline specific principles for responsibility, action and cooperation of governments. They are not compulsory rules, but they imply a strong moral and political commitment.

Unfortunately Canada still has a long way to go to achieve full participation and equality for citizens with disabilities. Levels of unemployment and poverty for persons with disabilities have increased in the last decade with cutbacks in social programs. We also see more restrictions for income support and more restrictive definitions of "disability" for the purpose of eligibility. This is at a time when many governments are working with surplus budgets.

This day is to celebrate and to acknowledge the experience and capabilities of people with disabilities. It is to help us go forward with an inclusive society, but to do this, there is a need for a progressive disability rights agenda. Policies that need attention federally, provincially and in our territories are increasing access to employment, income support and decent wages, programs for support of caretakers of the disabled and making accessible building designs -- an important element of any infrastructure development.

It must be pointed out that any definition of disabilities should include not only physical disabilities; there is a wide range of psychological and intellectual impairments that are

largely hidden, such as Down syndrome and fetal alcohol spectrum disorder. Persons with these disabilities have long been left on the sidelines of society, and their needs are still largely misunderstood and ignored. Any policy for disabled persons must include them as well.

First Nations believe that disabled persons are very special people. They have much to teach us in their struggles to live a normal life, whether they are a person who is blind, suffering with the effects of polio, is deaf or has intellectual impairment. They teach us to be thankful every day to the Creator that we are not only blessed with good health, but that we are given the opportunity to live with persons with disabilities and to learn from them.

Thank you.

In recognition of National Safe Driving Week

Hon. Mr. Lang: I rise today in the House to recognize National Safe Driving Week. Canada Safety Council has chosen this week to remind Canadians not only to examine how they drive but also to focus on driving safely.

Winter in the north is long and weather conditions can change rapidly. This reality is often forgotten by many drivers, especially in December with all the holiday season celebrations. Yukon, along with the rest of Canada, is part of Road Safety Vision 2010, a national road safety plan that aims to make Canada's roads the safest in the world.

In order to contribute to this national and territorial goal, it is important for Yukon drivers to be mindful of winter driving conditions. This year's theme for National Safe Driving Week is, "Weatherwise... Be Prepared", a theme that is very important for all Yukon drivers to keep in mind. It is important to be prepared before heading out on the road by equipping our vehicles with all the necessities of winter driving conditions, including winter tires and emergency kit, and a spare tire in good condition.

Prepare your vehicle to be on the road. Ensure windshields are clear of ice and snow, allowing you to see better. Remove anything covering the tail lights and stoplights, allowing you to be seen. Clean the snow that can fall on other drivers' windshields from the top of the vehicle, allowing others to see.

Yukoners need to stay focused on safe driving habits. Drive according to weather and road conditions. Speed limits have been set, taking into account ideal driving conditions. Give yourself extra time to reach your destination -- speeding is a leading cause of serious car accidents -- and always wear your seat belt. Don't drink and drive. Plan ahead, especially during December's festivities. Be prepared with alternative transportation if you plan to consume alcohol.

Conditions of the roadway during winter are a concern for the majority of drivers. For this reason, the Department of Highways and Public Works has a proactive approach and strives to ensure Yukon highways are safe for our daily commuting.

Road weather information systems throughout Yukon assist staff in maintenance decisions regarding snow removal and sand application. Electronic message boards are often placed in areas where drivers have a higher risk of encountering slippery driving conditions due to winter weather.

From October through to February, the Department of Highways and Public Works runs an annual winter driving campaign. The main goals are to create awareness and to remind Yukoners to take additional driving precautions during the winter season.

I wish to thank the transport maintenance staff for their efforts and dedication to keep our roads safe for Yukoners and visitors alike. It is important to remember that road maintenance alone will not ensure driver safety. Drivers need to be responsible, cautious and apply all the necessary safety measures for the benefit of all travellers. I urge Yukoners to unite to make a difference and save lives for a better community and a better future. Avoid unnecessary fatalities to save the lives of your colleagues, neighbours, friends and family.

Thank you, Mr. Speaker.

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

INTRODUCTION OF VISITORS

Hon. Mr. Kenyon: It gives me great pleasure to introduce to the House today Ms. Hannah Stark, a Rotary exchange student from New Zealand, and Ms. Lois Craig, who is the past president of the Rendezvous Rotary Club. I ask all members to welcome them to the Assembly.

Applause

Speaker: Are there any further introductions of visitors?

Returns or documents for tabling.

Reports of committees.

Are there any petitions?

Are there any bills to be introduced?

INTRODUCTION OF BILLS

Unanimous consent re introduction and first reading of Bill No. 45

Hon. Mr. Hart: I request unanimous consent to move that Bill No. 45, entitled *Act to Amend the Legislative Assembly Act, No. 2*, be now introduced and read a first time.

Speaker: The Minister of Community Services has requested unanimous consent to move that Bill No. 45, entitled *Act to Amend the Legislative Assembly Act, No. 2*, be now introduced and read a first time.

Is there unanimous consent?

All Hon. Members: Agreed.

Speaker: Unanimous consent has been granted. The minister may now move the motion.

Bill No. 45: Introduction and First Reading

Hon. Mr. Hart: I move that Bill No. 45, entitled *Act to Amend the Legislative Assembly Act, No. 2*, be now introduced and read a first time.

Speaker: It has been moved by the Minister of Community Services that Bill No. 45, entitled *Act to Amend the Legislative Assembly Act, No. 2*, be now introduced and read a first time.

Motion for introduction and first reading of Bill No. 45 agreed to

Speaker: Are there any further bills for introduction? Are there any notices of motion?

NOTICES OF MOTION

Mr. Nordick: Mr. Speaker, I rise today to give notice of the following motion:

THAT this House urges the Government of Yukon to provide services for children with severe disabilities such as cerebral palsy, muscular dystrophy and Down syndrome, in addition to the services already provided to children with autism, and create a family support for families with a disabilities unit.

Mr. Hardy: Mr. Speaker, I give notice of the following motion:

THAT this House urges the Government of Yukon to end the needless delay in introducing effective whistle-blower protection legislation so that government employees who act in good conscience to report unethical or possibly illegal activity within the workplace will be protected from discipline or retribution for doing so.

Speaker: Are there further notices of motion? Is there a statement by a minister? This then brings us to Question Period.

QUESTION PERIOD

Question re: Kyoto Protocol

Mr. Mitchell: Mr. Speaker, world leaders are gathering in Indonesia this week to plan the successor to the Kyoto Protocol. The Yukon has no political representation whatsoever at this meeting. It is a clear demonstration of this government's indifferent attitude to what is probably the biggest challenge facing the world today. We encouraged the government to send a political representative to this meeting, but they refused. It is a clear demonstration, unfortunately, of how low this issue is on the Yukon Party's priority list. This meeting has political representatives from 190 countries attending. The future of the world we live in is at stake. Why is no political representative from the Yukon at this meeting?

Hon. Mr. Kenyon: Two Environment Yukon representatives are attending that conference concerning the Kyoto Protocol, or COP 13 in Bali, Indonesia. We are very definitely part of the Canadian delegation. The Council of Yukon First Nations also has representatives attending that. This is our opportunity to demonstrate leadership on the issue and make important international contacts to share experiences and strategies with leading experts in the field. Yukon has an important voice to bring to the international table to ensure that the circumpolar north is considered in the discussions. This proved to be the case in Montreal, of course. There was a request to pair with me so that political representation could go. Mr. Speaker, as has been clearly demonstrated, we were refused. So otherwise I would be happy to be in Bali right now, especially today at 20 below.

Mr. Mitchell: This is the biggest environmental conference ever held. Australia kicked off the conference today with word that it will sign the Kyoto Protocol. Sending officials does not show leadership, Mr. Speaker; sending political leaders does. We did not turn down pairing. It came up in this House.

Unfortunately, our federal government is doing everything it can to back away from the Kyoto Protocol. The federal Conservatives have attracted criticism from around the world for their refusal to meet the targets under Kyoto. For a number of years this Yukon Party government took a similar position. They did not support Kyoto and didn't even agree that global warming was happening.

I will ask the minister this: does the Government of Yukon support the Kyoto Protocol? Yes or no?

Hon. Mr. Kenyon: Climate change certainly is a global issue that requires a global response. All countries must be engaged in responding to this issue; therefore, it is a very good chance for all of these nations to get together to discuss this.

As a government, we are fully aware of how vulnerable we can be to climate change. I think we all are. That's why we have delegates in Bali. That's why we are proceeding with a climate change action plan and why we are doing what we can to establish a centre of excellence here. Yukon's climate change commitments have resulted in greenhouse gas emission reductions, preparing adaptive responses and promoting research and monitoring activity.

I appreciate the member's comment that the issue of attending came up in the House, but he probably will now claim that we were being secretive by bringing it up in that forum.

Mr. Mitchell: I think I just asked the shortest question we've ever asked of this minister. Does the government support the Kyoto Protocol? Yes or no? In a minute and a half, we didn't get an answer.

As I mentioned, this government, like their federal Conservative colleagues, has been a late convert to the Kyoto Accord and the whole issue of climate change. The fact that we have no political representative at the most important environmental meeting of the year is another demonstration of how this government is failing to provide leadership on this issue. We remain the last jurisdiction in Canada without a climate change action plan. We have a strategy with no timelines, no budget and no action. The minister's department is spending more on new furniture this year than on fighting climate change.

When is the long-awaited action plan going to be ready and when will it be released to the public?

Hon. Mr. Kenyon: We are continuing to work on a made-in-Yukon solution and a climate action plan. We are working to release the details of that plan early in the new year. The action plan will be the main instrument to implement the Government of Yukon climate change strategy. We're also working with a number of government departments and agencies and Yukon organizations to bring forward a proposal for a Yukon climate change centre of excellence. We want to make demands of climate change adaptation work for us and we will

do it in collaboration with other organizations that have an interest in this matter and we will do it with full consultation, not like the Liberal Party's suggestion the other day of running it by the Grand Chief. That's their idea of consultation. We did ask to pair; we did ask in this House, not being secretive about it, and the Liberal Party refused to pair. I think very clearly that certainly shows the level of their commitment as well.

Question re: Fleet vehicle supply contract

Mr. McRobb: I have some questions for the Acting Premier. A local car dealership has recently received a break on a bill it owed the Government of Yukon. According to documents we received, the break was given after a complaint from the dealership was made to the Premier's office.

Will the minister confirm that the dealership received a break on its bill and can she tell the House whether instructions were given to make it happen?

Hon. Mr. Lang: It was brought to the Premier's attention. At that point it was given to me as Minister of Highways and Public Works to deal with. We dealt internally with the issue and it was resolved.

Mr. McRobb: This reminds me of an incident a few years ago when a local business approached the Justice minister about a tow truck that was impounded. After a meeting with the minister -- boom -- the truck was released from impoundment. A similar situation has developed here. A complaint was made to the Premier's office and the bill was suddenly reduced by 50 percent.

Sidestepping due process is quite a way for the government to do business. In this case, there was a contract in place between a local business and the government. The dealership did not fulfill some of the terms of the contract and ended up owing the government a certain amount of money until the Premier's office stepped in.

How much of a break did the dealership receive and on whose instruction?

Hon. Mr. Lang: Mr. Speaker, the process was followed. The Department of Highways and Public Works, the procurement department, was responsible for the contract. The Premier did the proper thing. When the complaint came to him, it was given to Highways and Public Works, through me, as the minister, and I addressed the issue at that level.

We are concerned that the government does the appropriate thing and follows the letter of the law. Mr. Speaker, this government is going to look at the procurement process and see if there is justification for what we do.

The member opposite certainly wants the processes put into place -- and the department and the appropriate people in the Department of Highways and Public Works. The argument that the dealership brought forward was justified and there was an agreed value put on compensation to the government. That's how this government works. The Highways and Public Works department handled it at that level and it was done internally. Not only did the department agree on the value but the proponent out there agreed on the value of compensation that should come to the government. I say to the members in the House that that's why this government is going to take a look at our procurement process and see how we can modernize it.

Mr. McRobb: Well, if it was done internally, it will be very interesting, Mr. Speaker, to see the next internal audit about this government.

The Minister of Highways and Public Works did not answer the question about how much money the dealership was let off for on this matter until the Premier's office stepped in. Yukoners deserve to know exactly what happened in this case. This is taxpayers' money we're talking about.

Why did someone with the Premier's office and the Highways and Public Works minister's office step into this contract dispute? There is a stand-alone process in place that must be followed. Is side-stepping this process how it works with this Yukon Party government in office? Simply call the Premier instead of going through the due process in place. Is that how it works, Mr. Speaker? Again, how much of a break did the company receive and on whose instructions?

Hon. Mr. Lang: Again, Mr. Speaker, in addressing the member opposite, we live in a small community. I know that when I go shopping, people approach me with questions about the internal government, and I direct them to what department they could get services from. That is exactly what happened in this case. The Premier was approached with a question and the question was brought over to the Department of Highways and Public Works, exactly the way it should be done. It was handled internally and resolved.

Question re: Fleet vehicle supply contract

Mr. Hardy: I also have a question for the Minister of Highways and Public Works. Last fall the government signed a contract for the purchase of 11 SUVs for just under a quarter-of-a-million dollars. I'll put some facts on the table as well.

The supplier missed the delivery deadline -- that's a fact -- and was assessed \$11,103 in what are called liquidated damages. This charge was spelled out in the contract on a per-day basis to offset what it cost the government to rent alternative vehicles until the new SUVs arrived. So it was costing the government money. Why did the government reduce that charge after the fact by almost 50 percent, and how much did that leave Yukoners on the hook for the cost of renting alternative vehicles?

Hon. Mr. Lang: That's exactly the issue: was the government out of pocket? It was handled internally. The internal audit of the issue was that there was an amount of money that the taxpayers of the Yukon were out. The corporation paid that amount of money. That's exactly how it works. If a member of the community in the territory has a question about billing, processing, and if they feel they were unjustifiably penalized, then they can bring their complaint and resolve it internally in the government, and that's exactly what happened. In the discussions, the amount of money that the corporation was penalized was agreed on and the government agreed to it too. That was done at a management level.

Mr. Hardy: That's one interpretation. But the fact is that the contract was signed by each party, the sums that I've given agreed upon. The tender for this purchase clearly spelled out that delivery was of the essence. The supplier did not deliver on time. The tender on the contract stated that liquidated damages would be assessed for every operational day the vehi-

cles were late arriving, yet sometime after the time they arrived in October of this year, the government decided to negotiate a lower charge with the supplier -- \$5,590 instead of \$11,103.

All on its own, the government changed the contract after the fact. What kind of message does that send out to all other suppliers and contracts signed? There must be some explanation.

Here is the question: does the minister have any correspondence from the supplier complaining about the amount that was assessed for liquidated damages, or is there some other reason the department took this unusual action?

Hon. Mr. Lang: This isn't unusual. What's unusual about coming to your government to complain about a process that you feel was unfair? That's what government is all about. Pertaining to acquiring vehicles, the proponent made a decision to come to the government and question the billing process. That was exactly what happened.

Internally, the Department of Highways and Public Works decided that the amount of money billed to the corporation was not defensible and they agreed on an amount of money.

Mr. Hardy: Mr. Speaker, this was a standard contract that was signed with other suppliers and honoured in the past. Now it's not. Mr. Speaker, this government talks about level playing fields. It talks about creating certainty for the business community. What kind of certainty is there when some contracts are enforced the way they are written but others aren't? What message is the minister sending that some businesses have to follow the rules but others don't? Who gave the directions that liquidated damages should be reduced? What role did the Executive Council Office play? And what role, if any, did the Premier play in this decision?

Hon. Mr. Lang: Well, Mr. Speaker, I repeat myself: the Premier delivered the message to me, as Minister of Highways and Public Works. That was all the involvement the Premier had, at his level. Internally, in government, the department went to work, and they resolved the issue.

By the way, Mr. Speaker, government has to prove, as anybody else does out there, that their bills are justifiable. Now, the proponent out there decided that it wasn't justifiable and brought an argument to the table, I imagine, that said, "This process is not fair, and this is why it's not fair. In fact, the bills should be this," and the government made a negotiated settlement. Now, I say to you and to the House, this procurement process should be modernized so that we don't enter into these issues again. We on this side are committed to go to work with the contracting procurement system and modernize it so that we do play on a level playing field and that these kinds of things will not happen in the future.

Question re: Homeless youth

Mr. Cardiff: On October 29, the Minister of Health and Social Services stated he was working with First Nations and NGOs to address the needs of homeless youth. He said there was a pilot program in the works. He said there would be a temporary shelter this winter. He also said there would be an announcement made shortly.

A photo of the possible location of the youth shelter was even published in the paper. The tenants in that building were

apparently moving out at the end of last month so the house could be used. Will the youth shelter be opening this month, or is this another case where the minister is promising and not delivering?

Hon. Mr. Cathers: It's interesting to hear the member make that assertion. I would have to correct the record and note that, in fact, we deliver exactly what we commit to. There have been some challenges in actually getting a temporary youth shelter up and running.

I have to remind the member, and all members of this Assembly, that what we will be doing is on a pilot project basis as a sort of second safety net to the existing systemic supports that are in place. Part of the pilot project will be to determine the extent of youth homelessness to ensure that, in the future, we learn from the experience this winter and adapt the supports in this area.

I have to remind the member opposite -- and I'm sure he's going to reference the weather and try to create the perception of a crisis -- there has never been a homeless shelter for youth in the territory. We're taking action no government has in the past. We're applying a second safety net to the existing system supports to go the extra mile in ensuring that any youth can access the services that are in place to ensure that at no time is anyone on the streets.

Mr. Cardiff: The minister talks about challenges. How about the challenges that youth are facing today with the temperatures outside? How about the fact that the minister said that there has never been a youth shelter in the Yukon or in Whitehorse? Well, I would direct the member down the street a few years back when there was a shelter. So, he had better get his facts straight. Now, there are youth on the street right now without proper clothing or a meal to warm them up. Many of them need a place to stay tonight. The minister has said he would have a youth shelter in place for youth this winter, and it may not be winter on the calendar, but it's certainly winter on the thermometer.

How much longer will young Yukoners who need a place to live have to scramble for a place out of the cold? When is the minister going to make that investment?

Hon. Mr. Cathers: Let me point something out to the Member for Mount Lorne. If the member knows of any homeless youth who do not have a safe place with their parents or do not have parents to take care of them, I would urge him to do the responsible thing -- that is his obligation as a member of this Assembly -- and direct them to the branch of family and children's services -- help them gain the access to the services that are in place and have been for many years to ensure that any child who does not have a safe place at home is provided the services and support through the department. Those services are there and if there are any homeless youth listening to this, I would urge them to walk into that office right now this afternoon and have a warm place to stay tonight, because that service is in place.

What we are doing with regard to the issue of shelter for homeless youth and temporary arrangements is going the extra mile beyond that service that is in place, which should be accessed and which is where they should be going.

Mr. Cardiff: Well, the minister should have been on the street on October 27 when those youth were there and been delivering the message to them himself. There have been studies, studies and more studies about the need for a shelter for youth. The need could not be made plainer to this government - a government that is sitting on millions of surplus dollars, Mr. Speaker. The minister seems to think that these are simply young people who may be slipping through the cracks of the system. They aren't aware of the system. By all means, I will inform them that they can come and see the minister any time they want.

Now, in fact, one time this minister talked about hypothetical people, but there is nothing hypothetical about this. Now that the cold winter is here, what temporary accommodation does the minister's system have for youth needing a warm place to stay tonight? When is he going to make the announcement? He said "shortly" on October 29. I don't know what his definition of "shortly" is, but it doesn't meet with my standard.

Hon. Mr. Cathers: Mr. Speaker, I again have to point out to the member that, first of all, as I indicated we have had some challenges in identifying a location. We've actually had a list of, I believe, six potential locations that have been identified but all, due to reasons such as zoning, have not panned out. Work is underway, including meetings this very day with regard to a pilot project to provide what I again refer to as a second safety net.

Again, I have to point out to the member opposite that if the member opposite was at a gathering of homeless youth, why did he not do the responsible thing and direct them into the family and children's services branch? The supports are there; the member ought to be aware of this. Those services are there. If they walk into the office this very afternoon, they will be addressed by our hard-working staff in the department.

Question re: Internal government audit

Mr. Mitchell: Mr. Speaker, I have a question for the Acting Minister of Finance. I'm again going to refer to the *Report on the Audit of Contributions*. Mr. Speaker, I want to draw your attention to one statement in the report, and I quote: "At the request of the Deputy Minister of Finance, the audit of contributions was included as an item in the internal audit plan of 2004-2005."

The acting minister has mentioned this in previous answers given to the House. She has said that since an audit has not been done for 15 years -- although I think that it is actually 12 -- this was long overdue. Mr. Speaker, the reason that it was not done in past years was possibly because the senior officials did not see the need. They obviously had concerns with the way this government was overseeing our finances. Since the government has had the report for 11 months, can the minister tell the House what corrective steps have been taken to date to address this lack of accountability?

Hon. Ms. Taylor: I will just point out that the internal audit on contribution agreements shows anything but a lack of accountability. In fact, it speaks to accountability, and it speaks to the openness of this government and the good work that it does on behalf of Yukon taxpayers day in and day out.

Mr. Speaker, as the member opposite alluded to, the internal audit points to, I believe, 59 separate recommendations. Certainly, if the member opposite would refer to the report, which actually has been tabled and is posted on the Government of Yukon Web site, they would actually see the initial management response, of which recommendations are fully underway. Some have been met, and some are underway. This is certainly not the first internal audit to be completed by a government, and it certainly will not be the last. In fact, our government has increased resources to the government audit services housed in the Executive Council Office, so that we can actually increase this audit role performed in government.

So again, Mr. Speaker, we are very pleased with the audit. We are pleased with the services provided by government audit services, and we commend the officials for doing reviews such as these. It certainly helps us improve doing governance.

Mr. Mitchell: Well, Mr. Speaker, I see the Minister of Economic Development sitting there. If he were on this side of the House, he would no doubt be quoting from his favourite author, Lewis Carroll, and giving us quotations from *Through the Looking Glass* or *Alice in Wonderland*. For the minister to stand there on her feet and say that this was about accountability and not the lack thereof -- Cs and Ds.

Now, Mr. Speaker, again, the audit reporting the decentralized nature of how contributions are administered and controlled by departments raised some questions among senior officials as to whether departments were adhering to the requirements of the financial administration manual and other policies affecting grants and contributions.

Mr. Speaker, it apparently did not raise any concerns with government members but only with senior officials. Yukoners need to be thankful that somebody is doing their due diligence and watching the store. Mr. Speaker, what specific mandate has been given to officials to implement the necessary changes so that financial integrity can once again be restored, and what are the timelines attached to those instructions?

Hon. Ms. Taylor: When you speak about integrity, I speak about the Department of Finance; I speak about the Executive Council Office; I speak about the Department of Tourism and Culture. I speak about the Department of Community Services and all the hundreds and thousands of Government of Yukon employees working for the government on behalf of Yukon citizens, providing good programs and good services.

The member opposite should know full well that part of good governance is reviewing internal procedures and how we deliver programs and services. Maybe that was not the way when the previous Liberal government was in office, but this is the way on this side of the Legislature. We are very committed to providing good governance, and part of good governance is providing good, sound fiscal management.

This is an internal audit that speaks to contribution agreements. We have done other internal audits and there will be more to come. We are very pleased to be able to review and do an analysis of how we can provide better services and how we can better deliver.

I will speak to the members opposite. This is the first comprehensive review in over a decade.

Question re: Whitehorse Correctional Centre, female inmates

Mr. Inverarity: I have a question for the Minister of Justice. A number of complaints have come from the inmates at the Whitehorse Correctional Centre about the crowded living conditions and the lack of rehabilitation programs, especially for women.

Now we hear that the Whitehorse Correctional Centre is so full that some of the inmates are sleeping on the floor on mats, and some are being released early before their sentence is complete. Will the minister confirm that the Whitehorse Correctional Centre has also hired extra staff to deal with the overcrowding at the jail?

Hon. Ms. Horne: Currently, female offenders are housed in female-only dormitory settings within the Whitehorse Correctional Centre. This has included rearranging living arrangements to move women to separate areas, depending on numbers. Efforts are being made to offer gender-specific and First Nation programming to meet the needs of the female population. We are accommodating the female prisoners as best we can in the situation we have at the Whitehorse Correctional Centre.

Mr. Inverarity: The minister doesn't even know about this and I have a filing document here that is a copy of a memo regarding the extra staffing at the jail.

We have a condemned jail house, no rehabilitation programs, and years before we see a new corrections facility built. It's hard to believe our justice system can get any worse.

There is one thing the inmates are not complaining about, though. The inmates are not complaining about the temporary absence program. It's the get-to-go-home-free program. Can the minister explain what this program is all about?

Hon. Ms. Horne: The interim space plan includes renovations to the women's dorm, which will increase its physical size, add additional washroom facilities and allow for more organized living space. In addition, a separate outdoor fresh-air yard is planned.

At this point, the Department of Justice and Property Management Agency are finalizing the engineering aspects of a design. Construction is tentatively scheduled to start in the very early new year.

Mr. Inverarity: The government is releasing inmates early as a way of dealing with the overcrowded conditions at the jail.

Let's get this straight: inmates are being incarcerated in a condemned building. Some are serving only half of their sentence as compensation for the deplorable living conditions. The government is also releasing inmates early as a way of dealing with the overcrowded conditions at the jail.

There is no new jail in sight and there is no plan to deal with the lack of space and the lack of rehabilitation programs. While we wait for the new jail to be built, the public's money is being poured into renovating the condemned building. We've been told that these problems would be taken care of and that the government would provide answers to these issues in the interim space plan, which is supposed to be finished. When can

we expect the interim space plan to be finished and ready for us to see it?

Hon. Ms. Horne: By the end of this fiscal year.

Speaker: The time for Question Period has now elapsed. We will now proceed with Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 38: Second Reading

Clerk: Second reading, Bill No. 38, standing in the name of the Hon. Mr. Hart.

Hon. Mr. Hart: I move that Bill No. 38, entitled *Act to Amend the Employment Standards Act*, be now read a second time.

Speaker: It has been moved by the Minister of Community Services that Bill No. 38, entitled *Act to Amend the Employment Standards Act*, be now read a second time.

Hon. Mr. Hart: The Government of Yukon is committed to providing a better quality of life for Yukoners. Community Services bring forward an amendment to the *Employment Standards Act* to expand the definition of "family" and to include additional family members and those considered to be like family as it relates to compassionate care and bereavement leaves.

The amendment will keep Yukon legislation consistent with the recent changes to the federal employment insurance legislation. The change at the federal level has created a conflict between the entitlements in the federal and territorial legislation. Mr. Speaker, this government is supportive of this initiative. It demonstrates that this government is committed to providing job protection to more employees while accessing compassionate care and bereavement leaves. This modernizing legislation recognizes cultural differences and definitions of "family" and recognizes the importance of family providing comfort and assistance to a dying relative in their own home and community who may otherwise require institutional care or care from strangers, often at a public cost.

This government has promised to provide a better quality of life for Yukoners by caring for Yukoners. This includes the recognition of the importance of family and assisting elders and seniors to live in their home communities for as long as possible.

Thank you, Mr. Speaker.

Mr. Inverarity: Regarding this bill, I know a lot of people consider it to be a bit of a housekeeping bill to meet with the same federal legislation. We were given a briefing on it, and I would like to thank the members opposite for the briefing. They are always nice to get.

At the briefing, we did discuss a couple of issues, and I guess I'd just like to reiterate that one of the questions we had was what was the cost of introducing this particular bill. The individuals giving the briefing said that, well, we're just mirroring the federal legislation and that there shouldn't be any cost to

this. But in fact there is some cost. There is the cost to the employer on this particular bill, because if you guarantee -- and I'm not saying that this is a bad thing -- job placement for people on bereavement leave, then the employer has to find someone to actually fill that position and they are going to have to train that individual. The question then is how long you have to keep this individual on the individual's job so that when they come back from their bereavement leave or special leave, they would then have a guaranteed job.

It's also a bit of a disadvantage, I'd have to say, to the new employee coming in, who, although hired on a temporary basis, would obviously like to see some long-term employment. So there are some additional costs that are not dealt with in this particular piece of legislation.

We asked the Management Board if they had actually prepared an analysis of the potential liabilities that an employer might have by securing and keeping this particular job for a person on long-term bereavement leave. In fact, we were told that no analysis of the potential liability or any mitigation costs might be extended to employers who are trying to do the right thing and protect their employees' jobs.

So I think it's important to recognize as we move forward with this legislation that it is not complete. It needs to address these issues of cost. It doesn't, but it is a step in the right direction.

Thank you, Mr. Chair.

Mr. Cardiff: Mr. Speaker, I am pleased to rise today to give my support to the amendments in Bill No. 38, *Act to Amend the Employment Standards Act*. I recognize that this piece of legislation is going to amend the *Employment Standards Act* to expand the definition of "family" and to mirror the federal legislation and to provide more protection to employees when they are using the compassionate care and bereavement leaves.

I believe it is always good to see progressive changes that reflect a more modern workplace, which is the way I would put it, recognizing the needs of employees and their families in this time. I would be encouraged if the government would look into other areas where we could also modernize protections for workers and expand benefits such as this.

The other thing I would just like to put on record -- we read a motion into the record not that long ago -- is that it would be nice to see the government move to make changes in the area of minimum wage. We feel that employees are falling behind in wages in order to meet the current cost of living here in the Yukon.

That said, Mr. Speaker, we will be supporting Bill No. 38 and we look forward to asking questions later.

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

Hon. Mr. Hart: I thank the members opposite for their comments on the amendments. I would also like to briefly bring up the discussion that the Member for Porter Creek South brought up with regard to the costs.

In relation to costs, the cost analysis was looked at in relation to the cost to the small mom-and-pop operation. That's where we felt the biggest difficulty would be in relation to this legislation. In general, we were looking at the cost and benefit for all the businesses across the country to ensure that families would be able to be with their loved ones at a time when they were most needed. It was felt that we are basically making our amendments in relation to the federal government, which has also looked at this legislation throughout Canada. We are looking at following that process so that our legislation meets their legislation and there will be no conflict between the two jurisdictions.

I think, shall we say, the strengthening of the family will affect many Yukoners, and we think this will be beneficial to many Yukon families, and we look forward to the changes.

Motion for second reading of Bill No. 38 agreed to

Bill No. 40: Second Reading

Clerk: Second reading, Bill No. 40, standing in the name of the Hon. Mr. Lang.

Hon. Mr. Lang: I move that Bill No. 40, entitled *Act to Repeal the Motor Transport Act*, be now read a second time.

Speaker: It has been moved by the Minister of Highways and Public Works that Bill No. 40, entitled *Act to Repeal the Motor Transport Act*, be now read a second time.

Hon. Mr. Lang: The *Act to Repeal the Motor Transport Act* proposes repeal of this act, its regulations and references to this act from other statutes. The *Motor Transport Act* deals with businesses that move goods and people for profit within the Yukon. It reflects government's concerns that this important sector be healthy and ready to serve Yukon society and the economy.

The *Motor Transport Act* requires transport businesses to go through an administrative process and, if successful in that process, to obtain a certificate or permit to operate their business. Our government proposes repeal because the *Motor Transport Act* has now fulfilled its purpose and keeping the act in place any longer is unnecessary.

This would not be a good use of government resources, and this government is committed to good governance.

The *Motor Transport Act* came into force in 1988, but is even older, because the act replaced a previous motor transport act. The former act even went so far as to require a prospective transportation business to prove why it was in the public interest for them to be granted permission to do business.

The current *Motor Transport Act* reforms that administrative process to allow transportation businesses permission to start operations more easily. The reform process requires a member of the public to object and prove why it was contrary to public interest for the prospective business to start. That reform was a positive change that eased requirements on businesses, but eventually even that system became more restrictive on these businesses than was necessary for the public benefit.

This proposed repeal is a further step for positive change. Repeal will allow the transportation businesses to operate without an administrative review of the economics of the marketplace. The marketplace will determine whether businesses meet

public needs for service. The marketplace is now resilient and ready to let businesses compete with each other without government-sponsored scrutiny and delay.

This deregulated approach is hardly new in today's Canada. In proposing repeal, Yukon follows the path of governments that have repealed similar laws and ended economic regulation of the transport marketplace. These governments have repealed their version of the *Motor Transport Act* and, in doing so, moved to emphasize commercial, vehicle and driver safety. Yukon is now doing the same.

It is interesting to note that in 1988 when this version of the *Motor Transport Act* was being introduced as a new law in this Assembly, the government of that day was also discussing the recent birth of the National Safety Code. Since then, Canadian governments have steadily taken up the National Safety Code as the single minimum national standard to apply to commercial vehicles and their drivers, shifting government's focus for commercial transportation away from economic regulation and toward safety regulation. Mr. Speaker, it is with great pleasure that I advise the members of this Assembly that the National Safety Code has been approved as new law for the Yukon as regulations created under the authority of the *Motor Transport Act*.

The National Safety Code regulations were signed by the Commissioner on October 9, 2007 and will come into full effect on May 1, 2008. Highways and Public Works will be providing assistance and education to the commercial transportation industry until then. I would be pleased to provide a copy of these regulations upon request. Our government also made a commitment to review and revise government regulations, policies and procedures to ensure they are fair and consistent to the local business community and reduce red tape. The repeal of the *Motor Transport Act*, combined with adopting National Safety Code regulations, are positive steps toward achieving that commitment.

To conclude, I thank all past members of the Motor Transport Board, which provided administration of the *Motor Transport Act*, for their excellent service to Yukon over many years. In fact, the Motor Transport Board has consistently recommended a repeal of this act in its annual reports of recent years.

Thank you, indeed. It pleases me to say that these law changes benefit Yukon society and the economy. It is the right action at the right time.

Thank you, Mr. Speaker.

Mr. McRobb: We don't have too much difficulty with this act. Essentially, it's what is called housekeeping legislation. It merely streamlines some of the regulations consistent with other jurisdictions. We don't have a problem with that.

I think the main problem is in terms of the priority of the government in bringing forward this rather housekeeping legislation instead of some of the other priorities that we have waiting several years for.

Just to identify what some of those other pieces of legislation are, we can look at a long list. Just the top few would be the *Animal Protection Act* -- where is it? Another one is the long-awaited *Liquor Act*. Where is that? I know the minister

responsible for the Yukon Liquor Corporation said he had some problem in caucus getting unanimity on it, but still, where is it?

There is the long-awaited *Children's Act*. There are all kinds of legislation that are really so imperative to this territory, yet we are spending time dealing with this piece of housekeeping legislation.

I say let's get on with it, and let's get to the more serious legislation that Yukoners have been waiting far too long for.

Mr. Cardiff: I just have a few words with regard to Bill No. 40, *Act to Repeal the Motor Transport Act*. This has been a long time in coming. I know, reading the Motor Transport Board annual reports that it has been recommended for the past number of years that this act be repealed.

I'm not sure why it took the government so long to take their advice. I think the minister has allayed any concerns. The explanatory notes attached to the act state that the repeal of this act will be followed by laws and regulations that implement the nationally endorsed and approved transportation safety standards for large commercial vehicles and their drivers in mid-2008. If I heard the minister correctly, he's saying that the National Safety Code regulations have been passed, and they are in the *Motor Vehicles Act*. I would just hate for there to be a period of time in which there were no regulations governing the safety of commercial vehicles or any vehicles, for that matter, on our highway, especially those that were in the business of conveying passengers, because I would assume that that would also be things like taxis, motor coaches and school buses, and we want to ensure the safety of the travelling public and those who are being carried by commercial vehicles, as well.

So as long as the minister, in his closing remarks, can convey that that is the case, we have no problem with this piece of legislation.

Thank you, Mr. Speaker.

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

Hon. Mr. Lang: Mr. Speaker, we certainly are concerned about exactly what the third party has mentioned, that we have buy-in from not only the community but also the industry itself and also that we don't have any grey area or overlapping situations, and we're working on just that.

Motion for second reading of Bill No. 40 agreed to

Bill No. 41: Second Reading

Clerk: Second reading, Bill No. 41, standing in the name of the Hon. Mr. Hart.

Hon. Mr. Hart: I move that Bill No. 41, entitled *Securities Act*, be now read a second time.

Speaker: It has been moved by the Minister of Community Services that Bill No. 41, entitled *Securities Act*, be now read a second time.

Hon. Mr. Hart: I would ask my friends opposite to bear with me. I have a little bit here on this piece of legislation. It's my pleasure to introduce Bill No. 41, *Securities Act*, for the

Legislature's consideration. Members may be aware that all provinces and territories regulate the sale of securities to protect investors and ensure confidence in the capital markets.

Securities are investment instruments, such as stocks and bonds, used by companies to raise capital and by purchasers to earn money on their investments. Over the last year there has been increasing criticism of securities legislation in Canada for its lack of uniformity. Security legislation not uniform or harmonized leads to inefficiencies in raising of capital and inconsistent and unequal protection for investors. As a result, security regulators of all provinces and territories initiated the development of a uniform security legislation, USL, completed in December 2003. USL was developed from the best of legislation then in effect among Canadian jurisdictions. Improvements were also made in several agreed-to areas, particularly the enforcement and the investor protection provisions and the provisions to support a greater degree of cooperation among the jurisdictions.

The following year, the ministers responsible for securities regulations in all provinces and territories, except Ontario, entered into an agreement with the goal of improving security regulations in Canada. The agreement established the Council of Ministers and identified several key objectives, most importantly the implementation of a passport system under which an issuer or a registrant need only deal with the primary regulator in order to operate in all provinces and territories and harmonization of security legislation, in particular, to improve enforcement and investor protection.

The council identified a wide range of recommended amendments to security legislation to support the passport system and otherwise strengthen a coordinated national system of regulation in Canada. Many of these amendments originated in the USL process and most have already been enacted in the provinces. Ontario does not currently support the passport system but it has been actively involved in the effort to harmonize security legislation.

In keeping with our commitments in 2005 and 2006, regulatory and legislative amendments were made to Yukon's existing *Securities Act* to further our common efficiencies and harmonization efforts; however, despite these amendments, Yukon's current *Securities Act* remains outdated and inadequate to address the changes that have occurred in the global and Canadian capital markets and the regulation of those markets since it was enacted.

As the scope of the council's recommendation expanded, it became clear that many changes would be necessary to the current, outdated *Securities Act* in order to incorporate all recommended amendments. The effort involved in further amending the act would likely exceed the effort involved in developing an entirely new act, and the end result would be legislation that would still be disorganized with significant gaps.

Officials in the Northwest Territories, Nunavut and Prince Edward Island, in a similar situation, drew the same conclusion. Accordingly, the four jurisdictions, with support from Alberta officials and the Council of Ministers, joined forces to develop a uniform act based on the USL, the amendments pro-

posed by the Council of Ministers and the legislation currently in force in other provinces.

The bill now before you is a result of their collaborative efforts. The purpose of this legislation is threefold: one, to enhance investor protection; two, to broaden the passport system of security regulation; and three, to further harmonize Yukon's security regulation with those of other provinces and territories.

The new act introduces a new civil liability regime that allows investors, including Yukoners with RRSPs, pension plans and other personal investments to sue public companies for issuing false or misleading information.

Yukon is working continuously with its provincial and territorial partners to improve investor protection across Canada. Regulators have consulted widely on this issue over the last several years, and we believe this legislation strikes a balance between security issuers, concern about frivolous lawsuits and the need to enhance investor protection.

The proposed legislation would repeal the current *Securities Act* and ensure that Yukon securities legislation remains modern, streamlined and harmonized with other jurisdictions. While Yukon is not a large player in the capital market, the passport system cannot work without our cooperation. It is important to show leadership and keep our legislation up to date. Harmonization and streamlining of the securities law is essential not only for the Yukon but for Canada to compete in the global marketplace.

The collaboration among the provinces and territories on this initiative is remarkable. I am aware of the arguments for the national security regulator. At this time, the provinces and territories, with the exception of Ontario, are not prepared to go in that direction.

Regardless of whether a single regulator system is pursued or not, the changes we are making in concert with other jurisdictions are required to improve security regulations across the country. Canada and the Yukon need a modern and practical security regulator system that serves the needs of the investors and provides for local oversight and administration. The new *Securities Act* will also help ensure Yukon's continued regulator authority over security regulations within the Yukon Territory.

The next steps, following the passage of the final bill in the Legislature, will be to work on the regulations, policies and procedures required to give life to the new act. We anticipate bringing most of the new act into force early next spring following the pending revisions to the Canadian Securities Administrators, or CSA, national policies on takeover and issue of bids and the prospectus requirements.

The proposed act has been designed with these pending policy amendments in mind. Proclamation of the rest of the new act is envisioned for next summer or fall, following the pending revisions to the CSA national policy governing registration requirements. Again, the proposed act has been designed with these pending policy amendments in mind.

Members need to know that there will be a continuing requirement over time to amend the act to keep it current, relevant and harmonized. For example, the Council of Ministers of Securities Regulation has agreed to provide the Canadian Pub-

lic Accounting Board, CPAB, with the tools to effectively fulfill its mandate. CPAB is a federally incorporated, not-for-profit corporation without shared capital. It was created in 2002 in response to high profile accounting scandals in the U.S. with Enron and WorldCom. Its authority derives from a national securities policy that requires certain security issuers to be audited by accounting firms registered in good standing with CPAB.

CPAB has expressed concerns that the lack of certain statutory powers and protections impedes its ability to fulfill its mandate to oversee auditors reporting on the financial affairs of security issuers. Under the direction of the Council of Ministers, work is underway at the national level to consider how to best address those concerns. It is possible this work may lead to legislation recommendations to provinces and territories. Today's fast-changing world of capital markets, global finance and electronic commerce simply demands that we be legislatively responsive to the anticipated or actual shifts in those environments.

The proposed new *Securities Act* provides a modernized, harmonized framework on which we can build to further enhance protection to investors and the efficiency and confidence of capital markets. At a local level, the new *Securities Act* largely means business as usual. The most significant changes are the addition of the insider trading and similar provisions, civil liability provisions governing both the primary and secondary securities markets and a significant increase in the penalties for offences under the act.

With this legislation we are making a strong, clear statement that fraud and manipulation of existing or potential investors by unscrupulous persons will not be tolerated in Yukon. Those convicted of serious offences under this act will face very serious consequences.

By lending your support to this bill, you will make a significant contribution to provincial and territorial efforts to improve the regulatory regime governing securities in Yukon and Canada. Investors and honest, responsible securities industrial players are looking to us to do so.

With that, Mr. Speaker, I thank you.

Mr. Fairclough: I'll be short in my response to Bill No. 41. First of all, I'd like to thank the departmental officials who gave us the briefing. They are very professional people and they did a good job in the briefing. Also I'd like to thank them for providing the index and the section summary that we got on Wednesday and that we asked for during the briefing. I'd like to thank them for that.

I'd like to say that this is housekeeping, but it isn't, Mr. Speaker. There are 177 pages to this bill. It is quite extensive. I don't know if the minister -- well, look, the minister has about 500 pages to his. I'm not sure if he read the whole thing, but I hope he did. We understand it and we do have some questions that we'd like to ask in Committee of the Whole on this.

There are three areas that the minister brought up. In particular we have some questions that we'd like to raise about the passport system. I know that we're going to take a break here and departmental officials will come in. Also we'll be asking

the question about why Ontario did not sign on to this legislation or did not take part. Those are two big areas that we're flagging for the minister in order to speed things up. We do have a number of questions about this and I'd like to save them for Committee of the Whole. At this point, we would pass it through to Committee of the Whole and ask questions of the minister then.

Mr. Cardiff: With regard to Bill No. 41, the new *Securities Act*, it seems like it wasn't that long ago that we debated the *Act to Amend the Securities Act*, and we understand the need to do this and to harmonize the framework.

I'd like to thank the minister and his officials for providing a very thorough briefing and answering the many questions, and providing the additional information, as was mentioned by the Member for Mayo-Tatchun -- the index -- so it's a lot easier to go through this and find what is under each heading. We find that very helpful.

I just wanted to ensure we understand the purpose of this, and we want to note the need to protect people who are investing in securities, to protect their investment and safeguard that and ensure there is consistency across the country in this legislation. We'd like to thank the officials for all the work that went into this piece of legislation.

We understand that all the jurisdictions got together and worked to ensure it would be consistent across the many jurisdictions, with the exception of Ontario. It's about the only one that isn't quite sure if they're ready to sign on to this -- the work that has been done, and the work to make it fit the Yukon context.

We will be supporting this at second reading and look forward to the minister answering a few questions when we get it into Committee.

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

Hon. Mr. Hart: I thank the members opposite for their comments. I would just like to make a couple of quick comments. I look forward to the questions with regard to Ontario. I will stipulate that although Ontario has not signed on to the MOU, they have all the legislation in place so they can utilize the current system the other 12 jurisdictions have.

When we get into Committee of the Whole, we can get into the long dissertation as to why Ontario isn't there.

I'd like to assure the Member for Mount Lorne that this legislation is as much for protecting investors, as I said. There is a big issue with regard to that. So it's a balance between the investor and those issuing the shares.

The key element is that our legislation is the work, as I've said previously in the comments, of the four jurisdictions -- the three territories and Prince Edward Island -- with a substantial amount of assistance from the Province of Alberta, I might add. I would also like to add my expression of appreciation to the staff. This is brand new. A tremendous amount of work went into this. I would have to say, unfortunately, that, because of the delay in getting the English piece done and so the French

got delayed a little bit before coming to the House -- but again, because this is a brand new act, right from page one, we couldn't take, say, a template from another place and just put it in and Yukonize it, shall we say. But it's a brand new act, from scratch.

The Member for Mount Lorne also indicated that we had securities before the House before, and we did, and we will have securities, as I mentioned too, in the future in order to keep up with the pace of the securities world. But I look forward to Committee of the Whole and further questions.

Motion for second reading of Bill No. 41 agreed to

Second Reading: Bill No. 36

Clerk: Second reading, Bill No. 36, standing in the name of the Hon. Mr. Fentie.

Hon. Ms. Taylor: Mr. Speaker, I move that Bill No. 36, entitled *Act to Amend the Legislative Assembly Act*, be now read a second time.

Speaker: It has been moved by the Minister of Tourism and Culture that Bill No. 36, entitled *Act to Amend the Legislative Assembly Act*, be now read a second time.

Hon. Ms. Taylor: Mr. Speaker, this particular amendment to the *Legislative Assembly Act* is being recommended by the Members' Services Board for acceptance by all members. The current legislation, as members opposite are fully aware, does not permit rental expenses for a member who lives in Whitehorse and represents an electoral district outside of Whitehorse. The result of this particular amendment would be that a member representing an electoral district outside of Whitehorse, who owns accommodations in Whitehorse, would indeed qualify for payment of rental expenses in his or her electoral district. So the result of adding this particular section would deem the amendment come into force on June 1, 2007. I certainly welcome any feedback expressed by members opposite.

Mr. Mitchell: I rise in support of Bill No. 36, *Act to Amend the Legislative Assembly Act*. I would like to thank the Members' Services Board for their work on this bill and in addressing a long-standing issue in this Assembly. Over many years, I know that it has affected many members and, no doubt, would have continued to affect members into the future.

This is a good change for rural members, to be able to apply the rental reimbursement to either their home riding or here in Whitehorse, depending upon where they choose or are able to buy accommodations. In fact, the rental benefit, if they choose to rent in the rural riding, can then be passed on to the legislative member's home riding, in the sense that it is stimulating revenue within that riding and not just where the Legislature sits. I'm sure all members are prepared to support this bill and we certainly are on this side.

Mr. Cardiff: Yes, I'd like to thank the Members' Services Board for the work that they have done on this. We understand the history behind the need for this amendment and we will be supporting it.

Motion for second reading of Bill No. 36 agreed to

Bill No. 37: Second Reading

Clerk: Second reading, Bill No. 37, standing in the name of the Hon. Mr. Fentie.

Hon. Ms. Taylor: I move that Bill No. 37, entitled *Legislative Assembly Retirement Allowances Act, 2007*, be now read a second time.

Speaker: It has been moved by the Minister of Tourism and Culture that Bill No. 37, entitled *Legislative Assembly Retirement Allowances Act, 2007*, be now read a second time.

Hon. Ms. Taylor: The *Legislative Assembly Retirement Allowances Act, 2007* that applies to current members of the Legislative Assembly was passed by the Legislative Assembly back a few years ago on December 18, 1991. Since that time, it has been subject to only a few minor amendments.

A number of events have occurred since the act's passage a few years back that necessitate a review of this particular act. In particular, amendments to the Canadian *Income Tax Act* have led to changes being required to the act to bring it into conformity and adherence with the direction found in that overarching federal legislation. Further, an entirely new approach that needs to be covered in the act has been taken with respect to the manner in which the assets of the plan are held and managed. This includes the establishment of a trust fund to hold the assets of the registered portion of the plan.

At its meeting of December 8, 2004, Members' Services Board approved the drafting and passage of a new *Legislative Assembly Retirement Allowances Act*. This review was conducted by a task force comprised of a number of individuals from the Government of Yukon Department of Justice, Legislative Assembly and so forth.

The new *Legislative Assembly Retirement Allowances Act, 2007* has been prepared by the above task force and is being recommended by the Members' Services Board for acceptance. In broad terms, this new legislation does the following with respect to the law governing the pension plan of the members of the Legislative Assembly.

In particular, it brings its provisions in line with recent changes to the *Income Tax Act*. It adds provisions to reflect the establishment of the MLA trust fund to hold the assets of part 2 of the plan, and it adds new provisions to bring the act in line with standard pension practice, including provisions with respect to creditor protection, marriage breakdown, shortened life expectancy and disability. It also updates provisions to clarify current administrative practices.

None of the amendments to the act result in a change, either positive or negative, in the amount of benefits payable under the act, nor are any amendments being made that would result in a material change in the funding required to cover the liabilities and administration of the MLA pension plan.

When the act was first passed in 1991, its provisions complied with the *Income Tax Act* of Canada; however, as the *Income Tax Act* has been amended from time to time, certain provisions of the act are now out of date.

Most of the changes required in this respect are technical in nature and primarily involve updating definitions. Two changes of note have been made in sections 12 and 20. Section

12 is a new section that makes clear the intent of the original act, that a retired member who is subsequently re-elected shall not be allowed to receive both MLA pay and a retirement allowance. Such members' retirement allowance will be suspended while that individual remains a Member of the Legislative Assembly.

Section 20 is a new section that requires, in accordance with the *Income Tax Act* and despite section 12, that a member of the Legislative Assembly who has reached the age of 69 and who qualifies for retirement allowance must begin receiving that retirement allowance by the end of the calendar year in which the individual reaches 69 years of age.

I don't think I'll go into the particulars. We'll probably do that in Committee of the Whole.

Again, this is another piece of legislation that has been put forward by the Members' Services Board and one we're pleased to follow through with.

Mr. Mitchell: Mr. Speaker, I rise today to express the support of the Official Opposition for Bill No. 37, *Legislative Assembly Retirement Allowances Act, 2007*. We see this as largely a housekeeping bill, although it certainly is a number of pages long, largely to address amendments to the *Income Tax Act* that led to changes being required to the *Legislative Assembly Retirement Allowances Act* and, in fact, to prevent us from being not in compliance with Canada's *Income Tax Act*.

The minister has already gone into sufficient detail on the changes outlined in section 12 about not being able to double-dip, so to speak, if one is re-elected to the Assembly after having retired and having begun to receive the benefit. She has made the references to section 20 and also to some of the other things that this addresses, such as clarifying the disposition of the asset, so to speak, of the pension for a member in the event of marital breakdown. I think any questions we have we can leave for Committee of the Whole.

We do support this, and I want to thank the Members' Services Board, particularly all the officials for the drafting and bringing forward of this new act.

Mr. Cardiff: We, too, in the third party would like to thank the Members' Services Board, the officials and the task force for their work on the new *Legislative Assembly Retirement Allowances Act, 2007*, Bill No. 37. I thank the minister for her detailed explanation of what is in the act. We support that and recognize the need to ensure that pension legislation is consistent with federal laws. Having been involved with other pensions outside of this Assembly and the administration of those, I know that it is a lot of work to ensure compliance with the federal regulators of pensions. Anybody who does that work takes on a really large task, and my hat is off to them.

I would like to thank the Members' Services Board and the people who did the hard work in drafting this piece of legislation. We will be supporting it.

Thank you.

Motion for second reading of Bill No. 37 agreed to

Hon. Mr. Cathers: 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 that 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.

Motion re appearance of witnesses

Hon. Mr. Cathers: I move

THAT Craig Tuton, chair of the Yukon Workers' Compensation Health and Safety Board, and Kurt Dieckmann, acting President of the Yukon Workers' Compensation Health and Safety Board, appear as witnesses before Committee of the Whole from 3:30 p.m. to 5:30 p.m. on Tuesday, December 4, 2007, to discuss matters relating to the Yukon Workers' Compensation Health and Safety Board.

Chair: It has been moved by Mr. Cathers

THAT Craig Tuton, chair of the Yukon Workers' Compensation Health and Safety Board, and Kurt Dieckmann, acting president of the Yukon Workers' Compensation Health and Safety Board, appear as witnesses before Committee of the Whole from 3:30 p.m. to 5:30 p.m. on Tuesday, December 4, 2007, to discuss matters relating to the Yukon Workers' Compensation Health and Safety Board.

Motion agreed to

Chair: The matter before the Committee is Bill No. 8, *Second Appropriation Act, 2007-08*, Department of Finance. Do members wish to take a brief recess before we continue?

All Hon. Members: Agreed.

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

Recess

Bill No. 8 -- *Second Appropriation Act, 2007-08* -- continued

Department of Finance

Chair: The matter before the Committee is Bill No. 8, *Second Appropriation Act, 2007-08*, Department of Finance.

Hon. Ms. Taylor: Mr. Chair, I'm pleased to take this opportunity to provide the Committee with a few introductory remarks on the Department of Finance supplementary budget. On the operation and maintenance side of the department, the increased request is \$198,000, which brings the revised operation and maintenance vote for the department to \$5,730,000.

This increase is made up of two components. The first component is an increase of \$248,000 in personnel due to the effect of the collective agreement as well as managerial increases. The second component is a reduction in the personnel allotment of \$50,000 due to vacancies in the department. In the

capital vote, the department is requesting an increase of \$50,000 to perform the office renovations necessary to fill current vacancies.

Effectively, the department is asking that \$50,000 of its operation and maintenance budget be transferred to capital to resolve an office space problem. This will allow the department to fill vacancies in the future. A further \$7,000 is simply a revote of 2006-07 funds required to complete the public reception counter in Finance.

These two items fully account for the \$57,000 in the capital supplementary request.

On the revenue side, the department is increasing the estimated transfers from Canada by \$212,000. This is essentially as a result of an increase in the Canada social transfer line. While the expenditure from this transfer from Canada will eventually be expended by other departments, revenues are reflected in Finance. Mr. Chair, this concludes my introductory remarks and I'll be pleased to answer any questions put forward by members opposite.

Mr. Mitchell: As the acting Finance minister well knows, there has been much discussion in the Legislative Assembly over the past month and a half or so about the status of some of the Yukon government's investments, specifically the investments in three different trusts that are described as asset-backed commercial paper: Opus Trust Series A discount note; Symphony Trust Series A discount note and a second investment in a Symphony Trust Series A discount note.

So I guess specifically, since I haven't been able to get these answers during Question Period, we'll start with a simple one. What is the name of the bank that guaranteed this investment?

Hon. Ms. Taylor: I just want to point out that certainly we have been providing answers. However, it may not be answers that the member opposite likes to hear, but certainly we have been forthcoming with information as relayed during Question Period and so forth.

As I have reiterated on a number of occasions, the particular asset-backed commercial paper is backed by the banks. It is also backed by the assets, which is unlike other commercial paper. Assets, as I have mentioned on numerous times, which have received the highest rating possible -- and again, the arrangement for the backing by the banks is between the banks and the trusts, not with the Government of Yukon. The banks have agreements with the trusts. The member opposite is fully cognizant of this. The information between the trusts and the banks, as I mentioned -- the trusts deal specifically with the banks directly, not with the Government of Yukon, and, in fact, the Montreal Accord, to which the Government of Yukon is a signatory, does place restrictions on the disclosure of that particular information, as to the name of the banks. So that is what I have to put forward.

Mr. Mitchell: I'm fairly astonished, because I believe I just heard the acting minister say that now that these particular investments have, in effect, been put into a status of technical default -- they were short-term investments that were not able to be paid when they came due, based on arrangements being made to try to come to some resolution of this by a great

number of organizations and private companies that have unfortunately been caught up in this -- she is no longer able to tell us the names of the bank or banks? In her response, she kept referring to "the banks", so I'm presuming the Government of Yukon may have been dealing with more than one bank on these several trusts.

We are prohibited from being told the name of the banks with which we were dealing? The *Financial Administration Act* defines, as the minister well knows, the nature of investments we are allowed to invest in from the consolidated revenue fund. Section 39(1)(a), (b) and (c) state: (a) is Government of Canada or provincial government-backed investments -- and clearly it's not that; (c) speaks to having received the highest rating from at least two nationally recognized rating agencies -- I'm paraphrasing here; I'm not reading from the act.

During Question Period in this Legislative Assembly, the minister has repeatedly told us it was backed by the bank. Is she now saying that, based on an agreement entered into after the fact, to try to see if there was some way of recovering some or all of this money and under what conditions it will be repaid and under what possible term of investment -- clearly it's not 30 or 60 days; it will be a longer period of time than that -- and based on an arrangement made outside of this House, after the fact of the investments, she will not tell us the name of the bank whose guarantee she was relying on, whether it was there or not? That's what I think I just heard.

I'm going to ask again: when the Department of Finance made the investments, which ultimately the minister or acting minister bears responsibility for -- not the officials; we have ministerial responsibility -- they must have known which bank they were investing in.

If you look at the list of investments that the minister tabled, some of the other investments which are direct investments we have no quarrel with -- Royal Bank bankers' acceptance, TD Bank bankers' acceptance, GE Capital Canada discount note, CIBC bankers' acceptance, TD Bank bearer deposit notes. Suddenly we have these three: Opus Trust Series A discount note, Symphony Trust Series A discount note -- which appears twice -- for a total of some \$36.5 million, some 37 percent of the surplus or net financial resources, according to the documents that the minister tabled in this House.

Is she now saying that she doesn't believe she is allowed to tell this Legislative Assembly what bank that was or that she is refusing to tell this Legislative Assembly? I want to be clear on that, so I am going to give the minister an opportunity to respond again.

Hon. Ms. Taylor: As I mentioned in the past, the arrangement for the backing by the banks is between the banks and the trusts. This has been very common knowledge when it comes to the asset-backed commercial papers throughout the investment industry and so forth.

As I mentioned earlier, the information is between the trusts and the banks, and the trusts deal directly with the different banks. This is under restructuring -- a process that we call the Montreal Accord, which was struck awhile back. The Government of Yukon does have investments privy to this Mont-

real Accord, so it does, in fact, place restrictions on disclosure of that particular information.

I will just add for the member opposite, as I have mentioned on a number of occasions, the Yukon government is certainly not alone. There is a whole list of companies that have also made similar investments in the past -- as the Premier has mentioned: Canada Mortgage and Housing Corporation, Canada Post, Greater Toronto Airports Authority, Nav Canada, Ontario Financing Authority, Ontario Power Generation, Ontario Teachers' Pension Plan, a financial holding corporation of the Quebec government, and so forth.

So certainly that is, in fact, the case, and the Government of Yukon is in the same situation as well.

Mr. Mitchell: Mr. Chair, let me be very, very clear here. While I may have some sympathy or some empathy for other jurisdictions, other pension funds -- la Caisse in Quebec, Red Corp corporation and other people who have been caught up in this -- I was elected by the people of Yukon to be Leader of the Official Opposition to hold this government accountable. I don't care one whit about how many other companies, government agencies, Nav Canada, Canada Post Corporation, you name it, are caught up in this. As far as the Montreal Accord is concerned, we have no way of judging whether that's going to be successful or not, and the best that we've seen coming out of it is that it will restructure these trusts into long-term investments of five, seven, perhaps 10 years -- we don't know, and we won't know while this Legislative Assembly is sitting. The last Montreal Accord I recall was a failed football team, so I'm not really all that excited to hear about the Montreal Accord.

What I do feel is that there should be no reason why this minister would not have known or -- she's acting minister. But no doubt the Minister of Finance would have known at the time. I'm certain that he would have asked that simple question when he saw several items here that would only be in compliance with the *Financial Administration Act* if there were bank guarantees. He would have asked that very simple question. It's only two words long: which bank?

Now, I'm presuming it's not a bank in the Cayman Islands or it's not a bank in some Third World country. It would be fairly limited to perhaps five banks in Canada. We could make this multiple choice. Was it the Bank of Montreal? Was it the Royal Bank? Was it the Canadian Imperial Bank of Commerce? Was it the Toronto Dominion Bank? Was it the National Bank of Canada? That's the majority of the list. Perhaps it was the First Nations Bank of Canada.

I don't think this is a question that Yukon taxpayers are not entitled to know. I certainly don't think it is a question that we in the Assembly are not entitled to know. This is the very reason why some members of the Public Accounts Committee have written letters asking for the Public Accounts Committee to consider this matter, because we're not getting answers here, Mr. Chair. This is a very basic question.

Is the minister going to stand up and tell us that it is illegal for her to provide us with this information? If the minister stands up and says that it is illegal, that she will contravene law to provide this information, then we may question the wisdom of the minister's decision-making processes in getting us into

this mess, but I guess we can't ask the minister to break the law. Is the minister suggesting that it is against the law to tell this House what bank has guaranteed, or was thought to have guaranteed at the time, these investments?

Hon. Ms. Taylor: Well, Mr. Chair, just to take it down a few tones -- I know that the member opposite is getting quite excited over on the other side. I would appreciate it if he would tone his remarks down.

With respect to the member opposite's question, as I have articulated in this Legislature on many, many occasions, it was very common knowledge that the banks provided the backing. The backing of the banks is between the banks and the trust companies.

Now, as I have mentioned all along, the Department of Finance officials made the decisions to invest our dollars as such, as they have done for many, many years. They have been making great investment decisions over the years, I'd say, because over the last number of years we have earned X number of dollars in interest accrued.

I'm not going to go into what previous governments did or did not do, but we on this side of the House will continue to honour the good work done by the Department of Finance officials.

The member opposite raised a question as to whether or not the Government of Yukon is complying with the *Financial Administration Act*. Now, he knows full well that the Auditor General of Canada is reviewing that very matter. I'm not going to presume what the Auditor General of Canada is going to render. What I have stated categorically on the floor of the Legislature is that we will honour all findings and recommendations made by the Auditor General of Canada, as we have in the past. I know the member opposite hates to hear it, but I'll reiterate it again for him. In the public accounts document that was tabled by the Premier, not long ago, on the floor of the Legislature, 2006-07, the note from Sheila Fraser, Auditor General of Canada, makes reference to: "...in my opinion, transactions of the government and of those organizations listed that have come to my notice during my audit of the consolidated financial statements have, in all significant respects, been in accordance with the government's powers under the act and the *Financial Administration Act* and regulations."

I've certainly said that many times. I know that the member opposite had some difficulty understanding when this was disclosed. I think I articulated quite clearly for the member opposite that this was disclosed. Even though it occurred after 2006-07, it was in fact disclosed for the Auditor General's review.

Now, that is reflected in the notes to the public accounts financial statements. That is her role; it is routine for her to conduct her business, and we very much appreciate and acknowledge the work done.

We very much appreciate the advice put forward by the Auditor General of Canada and look forward to the further review. It's not an investigation. I know the member opposite likes to say it was an investigation, that it is an investigation; it's not, and I challenge him to table the correspondence where she does make reference to an investigation. It's actually a further review of these particular investments.

We shall see. I believe the Auditor General's Office has made it quite clear that in the new year, in early 2008, her findings of the review will be made public. It is within the purview of the Public Accounts Committee at that particular time. If it is the wish of the Public Accounts Committee -- I'm not a member of the Public Accounts Committee -- members to convene a meeting, one would think, however, that they would wish to have the report in hand by the Auditor General of Canada to look at what the findings were -- then that would certainly be their purview. I believe the member opposite is a member of the Public Accounts Committee. That is at the discretion of the Public Accounts Committee. At that time, they can do a further review.

That is a pretty key piece when we start talking about whether or not the Government of Yukon has complied with the *Financial Administration Act*. We reiterated on a number of occasions that the commercial paper we refer to so often is backed by the banks. It's also backed by assets, assets that have received the fullest and highest rating. Again, the backing by the banks -- it is common knowledge throughout the investment industry, and the arrangement for the backing by the banks is between the trust and the banks.

Again, we're honouring the agreement that was struck going into the Montreal Accord. We look forward to the outcome of the restructuring process, which is due by December 14. It's common knowledge that that is in fact the case. We look forward to hearing the outcome, as do Department of Finance officials.

And similarly, we look forward to hearing the outcome of the Auditor General's review as well. We don't take any issue with respect to the reviews or the outcome. Again, I think the fact that we have been debating this very issue, that we have been fully transparent -- transparent with respect to these investments, even though these investments occurred well after the 2006-07 wrap-up of the fiscal year -- we have brought it to the Auditor General's attention, and in fact I tabled that correspondence in the Legislature not long ago, with the formal notification. So that has in fact been made.

Certainly, the Government of Yukon has been very forthcoming and I very much appreciate the advice provided by the Department of Finance officials. You know, that is their role -- It is not our role. On this side of the Legislature, our role is to decide where things are invested. We take it upon ourselves to place our trust in the hands of Department of Finance officials as to where we invest our dollars. The list has been provided. It has been tabled on the floor of the Legislature: a number of financial institutions and that which include asset-backed commercial papers.

Mr. Chair, this government is very much looking forward to the outcome of these two particular reviews.

Mr. Mitchell: Well, Mr. Chair, I'm actually so astonished by what I've just heard that I almost don't know where to begin. I will try, astonished and upset -- upset on behalf of Yukoners as I am. Since the minister is concerned about my tone, I'd like to assure the minister that my tone is a combination of astonishment and outrage.

I think Yukoners are outraged. Probably when they read the Blues today, they will also be astonished, and we'll have to see what their tone is.

First of all, I want to say that I think it's reprehensible for the acting minister or the Finance minister to simultaneously express their confidence in officials and within the same sentences indicate that they, as Finance minister or acting minister, don't really pay that close attention to what's going on, implying at the least and in some cases stating that the decisions are made by officials. Ministers are responsible. Ministers are elected. Officials don't have an opportunity to reply in this Assembly, though they may well wish that they did, and I don't think it's in any way proper to put this on officials. We are asking questions of a minister. That's whom we expect to answer us in a responsible manner.

Now, the minister has made a number of interesting statements. On the one hand, she has assured us that she has every confidence that the Auditor General, in her conveyance letter in the public accounts, was fully cognizant of these issues and, on the other hand, she indicates that we shouldn't talk about it until the Auditor General reports, as if this is a court proceeding where we might influence or affect the proceedings or affect a jury of some sort, because it is being looked into, because the Auditor General is investigating the facts of the matter, as part of her review.

Well, this is not a court proceeding. This is an undertaking by the Auditor General of Canada. If the Auditor General of Canada had chosen to, she could have responded to my letter of November 9 by saying, "We have already looked into this matter as part of our assessment of the public accounts 2006-07 of the Government of Yukon, and we have no further need to review it," investigate it, inspect it, examine it or any other synonym that the minister may choose to use. That is not, in fact, what she said. She said that, considering the large sum of money, she will look into it. So neither one of us should be prejudging the Auditor General's decisions, and that's not what we're doing here today.

As far as the acting Finance minister's suggestion that she would think that the Public Accounts Committee would want to wait until we have heard back and seen the report of the Auditor General before reviewing this matter further, I tend to agree with the minister. That may surprise her. I would like to point out that the requests from various members of this Assembly in the form of notices of motion and letters preceded our receiving a response from the Auditor General to my letter of November 9, which was received November 20.

All that has ever been undertaken by me -- and I am going to be very careful about what I do here because I don't want to go too far into this. I am wearing a particular hat right now, and that's as the Finance critic. Because I received letters as chair of the Public Accounts Committee from two different members of the Public Accounts Committee asking the Public Accounts Committee to convene to consider their concerns and the possibility, among other issues, of scheduling hearings at a later date, that's all we undertook to do.

I don't prejudge what the Public Accounts Committee, were it to meet, might undertake. I certainly don't presume to

do that and I have no desire to do that. But I do tend to agree with the member opposite that there would not be tremendous benefit in holding hearings prior to receiving the report from the Auditor General. However, as the member knows full well, the Auditor General's Office is a very busy office. The Auditor General is a very busy woman and members of this Assembly are also busy. If we are going to schedule hearings when the Auditor General or her officials are next planning on being in Yukon around February 12 to hold hearings into another matter, then we would need to make those plans in a timely way.

My understanding from talking to the two members of this Assembly -- the Member for McIntyre-Takhini and the Member for Porter Creek South -- was that they wanted that planning process to at least be contemplated. So we will leave that alone because there is no point in our debating that here this afternoon.

As far as the correspondence the acting Finance minister says she tabled in this Assembly, I'm going to give her the benefit of the doubt and ask her a question. What we on this side of the Assembly received on our desks was a document. On the top of the document was a date. I don't have it in front of me, but I believe it said "October 5, 2007", or something similar to that. There was no salutation; there was no address; there was no return address; there was no signature at the bottom of the letter; there was no signature block at the bottom of this document.

It appeared to be a statement of facts as this acting minister sees them. It didn't appear to be correspondence with the Auditor General of Canada or any other individual. I've never seen correspondence that appears in this format. It is possible that, by error, the minister only tabled a portion of what she meant to table. If that's the case, and there was a problem with photocopying the documents in the Clerk's office, I would like to give the acting minister the opportunity to clarify that and provide that document this afternoon.

What we saw in this Assembly, what we received on this side -- and I've checked with the third party also -- was a one-page document that simply made a series of statements about asset-based commercial paper; it made some reference to the possible resolution of the matter. It didn't in any way look like it was correspondence.

If the minister, in error, didn't table the entire series of documents she meant to table, I hope she would correct that sooner rather than later.

The other thing I'd like to say is the minister said this afternoon that the Montreal Accord prevents her from identifying the banks the Government of Yukon invested via. They clearly didn't invest in the banks because, if they were bank investments, there wouldn't be a problem, because the banks have not gone into default on this or any other matter, and we don't expect them to, so clearly she would be able to tell us.

So apparently, from what the minister is saying, these were not actually bank-guaranteed. She was saying that they were third party guarantees and we're not certain how that fits this.

I'm going to read for the minister's and the public's benefit, "Powers to invest", *Financial Administration Act*, 39(1). It's not very long, so I will read it into the record here. I didn't have

that opportunity in Question Period because we only get 60 seconds. It says: "If money in the consolidated revenue fund other than money in a trust fund is not immediately required for payments, it may be invested in any of the following: (a) securities that are obligations of or guaranteed by Canada or a province; (b) fixed deposits, notes, certificates and other short-term paper of or guaranteed by a bank, including swapped deposit transactions in currency of the United States of America; (c) commercial paper issued by a company incorporated under the laws of Canada or a province, the securities of which are rated in the highest rating category by at least two recognized security rating institutions."

Now, I emphasize "two" in (c). Let's be clear here. These particular investments are clearly not under 39(1)(a), which states "securities that are obligations of or guaranteed by Canada or a province."

They're clearly not falling under (c), which states "commercial paper issued by a company incorporated under the laws of Canada or a province, the securities of which are rated in the highest rating category by at least two recognized security rating institutions" because they were only rated by DBRS -- Dominion Bond Rating Service. Standard and Poor's and Moody's have declined to rate these. I think those declinations go back as long ago as 2002 -- that they have not wanted to rate third party instruments of this sort. I think we can all agree, since the minister has previously said so in this House, that it would have been invested under (b), which states "fixed deposits, notes, certificates and other short-term paper of or guaranteed by a bank including swapped deposit transactions in currency of the United States of America".

So let me try a slightly different question, because I'm sure I can ask all afternoon for the name of the bank, and it's clear that the minister is not going to tell me -- not going to tell Yukoners. It's a secret, as the Member for Mayo-Tatchun has pointed out.

Now, when these investments were made, the Minister of Finance, supervising the Department of Finance and with the final responsibility for the public's money, would have believed that they were of -- meaning directly issued by the bank. They would have been, to use an example, discount notes or bankers acceptance of the Royal Bank, Toronto Dominion, Bank of Montreal, National Bank of Canada or CIBC, or they would have been guaranteed by the bank.

Because I'm sure she has had discussions with her officials and discussions with the Finance minister, who is not able to be with us to answer this question today, can the acting minister tell us whether the Finance minister -- or she herself, for that matter, as the alternate minister -- saw something or was told something at the time indicating that these were, in fact, of a bank or guaranteed by a bank, without naming the mysterious, secret, top-secret bank that we cannot name here today? Can she tell us whether some minister responsible was made aware at the time that the investments were made of which bank it was and whether or not they were guaranteed by the bank?

Hon. Ms. Taylor: Well, Mr. Chair, I will go back to the beginning of the member opposite's comments. I don't think that this side of the House is taking issue with the Auditor Gen-

eral of Canada and her good work. In fact, we fully support her work as we have in the past and, in fact, we have received very good reviews from the Auditor General of Canada in the past five years.

I wouldn't want to presume what the outcome of her review will be -- just like we don't presume what the outcome of her reviews of the financial statements by way of public accounts and so forth. Likewise I would not presume the outcome of a review of the Public Accounts Committee. First, I'm not a member of Public Accounts Committee, but it has been under this government's watch that the Public Accounts Committee has actually been reinstated and a number of reviews have been done by the committee and those reviews are very much appreciated as well.

As the member opposite is fully aware, the Auditor General is conducting a further review of these particular investments, as I've mentioned. We look forward to the review. I think that she has articulated from her office that perhaps the review will be done in early 2008, and I think the sooner the better. We certainly welcome that feedback. As I have mentioned on many occasions, we the Government of Yukon will welcome the feedback, the findings and the recommendations made by the Auditor General of Canada.

It has to be pointed out that these particular investments were made and, likewise, investments were made in numerous financial institutions. Investments have been made over the years. As to whether or not we wake up in the morning and determine that one dollar is placed here in this financial institution and another dollar is invested here, I wouldn't say that the Government of Yukon, I wouldn't say the Premier in his capacity of Minister of Finance, invests every single dollar day by day.

We have a *Financial Administration Act* to comply with, and the Department of Finance, through their good work, working with their officials, does comply with the *Financial Administration Act*.

There is some debate as to whether or not these particular investments have actually complied with the *Financial Administration Act*. Again I refer to the public accounts, 2006-07, where these particular investments were disclosed. The correspondence that was tabled by me not long ago was in fact correspondence that came forward from the Department of Finance, from the Deputy Minister of Finance, and was relayed to the Auditor General's Office. I suppose there was an e-mail -- I believe it went through e-mail -- and the e-mail attached that particular correspondence. The government is not hiding anything. In fact, we are disclosing the information that we are able to provide.

There seems to be a discrepancy or perhaps a difference of opinion as to whether or not the Government of Yukon has complied with the *Financial Administration Act*. The Auditor General of Canada has chosen to further review these particular investments in light of that. We welcome that. We make no bones about it; we welcome that further review. We look forward to the outcome of that review, which will be, I think, in the new year.

That's about all I can add at this particular time without presuming what the Auditor General of Canada is going to state in her findings.

Mr. Mitchell: Why don't we try to save this House a little bit of time this afternoon? Let's stipulate that both the Acting Finance Minister and I agree that we're not going to pre-empt or prejudge what the Auditor General of Canada will find and we all welcome the fact that she's investigating this matter further and perhaps it may feel more like welcoming a trip to the dentist to have one's teeth drilled for some members -- we won't concern ourselves with that. Let's try to avoid the acting minister standing up repeatedly to tell me she welcomes the fact that the Auditor General is looking into this matter.

The question I asked was not answered. I asked: in the absence of the minister showing any willingness to actually tell Yukoners by telling us in this House today what bank they were relying on for the guarantee, which apparently doesn't exist, was the acting minister or the Minister of Finance, at least at the time, of the belief that there was a bank guarantee? Did they see anything that indicated there was a bank guarantee and did they, in fact, ask the question: which bank? Without revealing which bank it is -- we can keep that a secret, run it through the enigma machine and label it "top secret" -- can the minister tell us today whether she or the Finance minister in fact know which bank that is and knew it at the time? Did they operate under the belief at the time that there was a bank guarantee? Has the minister ever seen documentation that indicated there was a guarantee? Can she table something and black out the secret information of the name of the bank that indicates there was a guarantee?

Just to clarify the other question I asked, was the document we on this side of the House received -- which did not say on it "Dear Madam Fraser" and did not have a heading or a return address of the Government of Yukon, did not show the signature of any member, any official or the minister -- was that correspondence or is that simply some form of briefing note the minister chose to table on a particular day some week or so ago?

Hon. Ms. Taylor: Well, Mr. Speaker, again, the Government of Yukon has been fully transparent on this particular file, and I'll be happy to repeat it for the next eight days in this Legislature, believe me.

We again, as the Government of Yukon, have said all along that these investments were backed by the banks. The backing was between the trusts and the banks.

Now, I hear members opposite taking issue with whether or not it was fully compliant with the *Financial Administration Act*. I find it very interesting -- if they really did appreciate the good work provided by the Auditor General of Canada -- that they would request a further review of these particular investments. The Auditor General of Canada is doing that, and we certainly look forward to the outcome of her review, which should be complete sometime in the new year. I think in early 2008 is what had been quoted.

I can appreciate that on the floor of this Legislature we sometimes disagree on matters all too often. Sometimes I think it's one of the disadvantages of parliamentary democracy, that

we tend to disagree all the time, and it's unfortunate, Mr. Chair. Certainly it's my job to represent my constituents to the best of my ability. That is exactly what I am providing for the member opposite.

Now, the member opposite takes issue with what I'm saying, so I'll repeat it again and again.

You know, again, the Auditor General of Canada is conducting a further review of these investments, and we look forward to the outcome. At that time the Public Accounts Committee may wish to further review these particular investments, and we welcome that too, as we have conducted many different hearings thanks to the government, which has certainly seen fit to reinstate the Public Accounts Committee.

Now I hear the member opposite again questioning Department of Finance officials when it comes to correspondence. I don't second-guess the Department of Finance officials. That's their job, and I think they've done a great job on behalf of the Government of Yukon. I would just take a look at the past five years. For five consecutive years we have earned a clean financial bill of health. That has to speak for something. I know the member opposite doesn't think that means anything. If, in fact, that is his response, well, I say, obviously it didn't mean a whole lot of anything when they were in government.

We are here to discuss today -- I see the members opposite think this is comical. I think this is a very serious issue, and I think that debating the Department of Finance and all that goes with it is an important thing. I take this job seriously.

As I have articulated, the particular correspondence that I tabled in the Legislature was correspondence that came from the Department of Finance. It was e-mailed, as I understand, to the Auditor General of Canada. We are in the 21st century, and e-mail is a form of communication. It's a very acceptable form of communication. If the member opposite is questioning whether or not the Auditor General received that information, I would just refer them to the public accounts report for 2006-07, where it is reflected.

We can talk all we want, but the fact of the matter is that the member opposite has requested a further review to determine just what we are talking about today. I am not going to presume what the outcome of that review will be. In fact, I have the utmost respect for the Auditor General of Canada. I would think the member opposite does too, because, in fact, that review was requested.

The Auditor General of Canada has agreed to conduct a review, and we certainly look forward to the outcome of that review, and we will accept all findings and recommendations made.

Mr. Mitchell: I see that there isn't much that we can get this minister to tell us, or even to accept. We did ask the minister if we could all agree that we have confidence in the Auditor General of Canada and avoid going back and forth saying that the Auditor General of Canada is someone in whom we have a lot of confidence. I guess when she doesn't want to answer the questions, that is what she is going to fall back on.

Now, the minister made a number of comments in this last statement. She said she doesn't know why our Public Accounts Committee would have even asked to have this looked into. I

will again remind her that the request that came was prior to the letter -- or why they would want to look into this prior to receiving the report from the Auditor General. I have said that I agree with her. We should have the report before Public Accounts Committee, and that is just my opinion. It may not be the opinion of the majority of the members of the Public Accounts Committee.

I see that the Member for Porter Creek South, who is one of the gentlemen who sent a letter to me in my capacity as chair, is looking up and he may have a different opinion of it because he wrote the letter requesting that the Public Accounts Committee convene a short meeting to simply consider their options moving forward.

I'd also like to point out to the minister that Quebec's Public Accounts Committee -- since she has been wanting to bring all kinds of other jurisdictions into this debate and talk about how many other people are on the horns of this particular dilemma -- is already undertaking hearings into the investment there of large sums of money in similar investments. This is not necessarily shocking that our Public Accounts Committee might want to do that as well.

I'm just going to respond to some of the other things that this minister just said. She said that she doesn't believe that it is her job or the job of a Finance minister to look after where every last dollar is invested. Well, I'd like to point out that this was \$36.5 million out of a stated net financial resources -- or surplus as we've come to call it under this particular accounting method -- of \$99,564,000. That would be some 36.5 to 37 percent of our net financial resources, not every last dollar.

I think it's a significant enough chunk that the minister might have looked into it. When I look at this table of investments -- the Government of Yukon investment portfolio report as of November 15, 2007, which I believe the minister herself tabled in this Legislative Assembly -- the investments are listed in order of the number one, number two and number three largest investments the Government of Yukon has.

It's not every last dollar; it's only the first, second and third largest investments made. I think that might be something the minister might think would rise to the level of her scrutiny.

We heard earlier today during Question Period that, on a matter of a series of amounts to the tune of some \$11,000 -- we're talking of course about the amounts in a contractual relationship between the Government of Yukon and a particular local dealership -- there were some penalties due. That amount -- in the thousands of dollars -- not hundreds of thousands or in the order of magnitude of one million, or a \$10 million order of magnitude, but just several thousand dollars -- that's an amount that goes directly to the Premier's office. The Premier doesn't interfere or intervene; he simply on one occasion tells the Highways and Public Works minister to look into it, and then it's looked after. Then the Highways and Public Works minister turns it over to officials.

So we have a bottom-down arrangement when it comes to several thousands of dollars; when it comes to \$36.5 million, it's micromanagement for this minister.

I don't know how the minister can have such a variable standard as to have her government stand on its feet earlier this

afternoon and say that, for several thousand dollars, people have an open-door policy in the Premier's office and Cabinet offices; for \$36.5 million, the minister has a "don't see, don't hear, don't tell" approach to it, since she's claiming she didn't see it or hear of it, and now she won't tell of it.

So I don't know. We have a guarantee by a mysterious bank that cannot be named. The minister says we shouldn't even think about this because the Auditor General is going to look into it, and she has every confidence in the Auditor General. She also said that the Auditor General has previously given a clean bill of health, which raises the question of why the Auditor General is looking into it. Let's try some other questions.

Can the minister -- I know she'll probably have to check with officials on this, but she has very able officials and she certainly is relying on briefing notes to answer these questions. Can she give us some information about the specific assets that underlie the trust that we purchased?

Now, the minister has said that the bank guarantee wasn't a direct guarantee, which we find somewhat astonishing. And I'd also like to point out that only this afternoon for the first time -- and that's why I've been somewhat astonished -- has the minister told us -- never in Question Period, and I can remember at least one day when I asked three times in a row to name the bank. Only this afternoon has the minister told us that she won't name the bank, based on the Montreal Accord. She hadn't told us that before.

But can the minister tell us -- because I'm sure she has looked into this. If she didn't look into it in advance, which she should have, which the Finance minister should have, surely she's looking into it in hindsight. Can she tell us what the specific assets are that underlie the trust that we purchased? Can she table a list? Does the minister even know? Has she asked? I'll just ask that question and I'll wait for the answer to that. I don't want to confuse the minister.

Hon. Ms. Taylor: Well, Mr. Chair, I'll answer this in the most respectful manner that I can, as I have done in the past.

I take issue with the member opposite referring to briefing notes when, in fact, it's the member opposite who keeps referring to scripts that have been prepared by his officials. But you know, I'm not going to go there, because I can rise above that particular matter.

Mr. Chair, we very much appreciate and applaud the respectable work of the Finance officials. It has earned the Government of Yukon millions of dollars in interest over the years. It's something to the tune of \$15 million or \$18 million over the last three years, unlike previous investments made by previous governments.

I just want to correct the record: I did not question whether or not the Public Accounts Committee should review these particular investments. In fact, I have said all along that, should the Public Accounts Committee wish to review this, it certainly would be entirely within their mandate. All that I have said is that perhaps the Public Accounts Committee would want to have in their hands a copy of the outcome of the Auditor General of Canada.

I know the member opposite wants to be the Premier and he wants to rise to become the Minister of Finance. Perhaps one day he will become that. I'll certainly let Yukoners be the judge of that at the end of the day, as they have the last two elections.

The member opposite referred to Quebec and how it has convened its own Public Accounts Committee. That is in fact the case. However, one has to take a look. It's like comparing apples to oranges. Unlike Quebec, the Yukon government fully disclosed these particular transactions to the Auditor General of Canada. We didn't have to wait for the Public Accounts Committee to convene. In fact, the Auditor General of Canada knew about these particular investments. They were fully disclosed, even though these investments took place after 2006-07. Unlike the Quebec government, we have been fully transparent. We refer to the public accounts 2006-07 disclosed by way of a note, which is an integral part of the financial statements that can or cannot be reviewed by the Public Accounts Committee. The Auditor General has agreed to a further review of these particular investment transactions.

As I have stated all along, it is the role of the Auditor General to review matters that arise in an effort to provide clarity, precision and especially finality to such matters.

We fully support the Auditor General, as we have in the past. We look forward to the findings and to the outcome of the review, which, as I mentioned, should be in early 2008.

Whether or not the Public Accounts Committee wishes to review these particular investments, that's at the purview of the Public Accounts Committee, of which I'm not a member.

When it comes to the *Financial Administration Act*, the member keeps referring to certain provisions of the act. Of course it is the mandate and obligation of the Government of Yukon to comply with the law.

As I mentioned, there is obviously a bit of a discrepancy here as to whether or not these transactions met the letter of the law. The Auditor General of Canada has agreed to further review these transactions. We welcome that clarity and finality so all members of the Legislature can see what the final outcome is.

I'm not going to prejudge or presume what the final review will be. I know the member opposite wants me to make statements for the Auditor General of Canada; I'm not going to do that. It's not my role.

These particular investments were made; they comprise about 15 percent of the entire investment portfolio -- that has been stated categorically. It should be noted that we don't invest the surplus; we invest in cash only and the member opposite should know that full well.

The member opposite may not like to hear what I or any other member has to say, and I suppose that is the route the member opposite has taken. The member opposite has asked for a further review of these particular investments and that is in the works right now.

We appreciate the outcome. As I mentioned, we very much appreciate and respect, 100 percent, the good work done by the Department of Finance. They've made very sound decisions in the past that have earned us millions of dollars in interest reve-

nue -- dollars that we have been able to put to good use, like increasing social assistance rates that have not increased since 1994, I believe. We have been able to increase childcare, which had not increased one single dollar under the previous Liberal government. We have been able to increase investments in substance abuse enforcement, education and prevention. We have been able to invest in so many very pertinent and important areas of critical importance to Yukoners.

I believe I have the floor, Mr. Chair, do I not?

We continue to let the Department of Finance do their good work on behalf of the Yukon government. I would say they have been doing a pretty good job, given the past record. We can certainly go over the same questions with the same answers for the next eight days, if that is the member's wish. I would be pleased to do that.

Mr. Mitchell: It is interesting the words the minister would like to attribute to me or put in my mouth -- or the thoughts. Let's be clear about something: I have no quarrel with what the minister is telling us when she suggests we may not like what we are hearing. My quarrel is what the minister is not telling us. Our quarrel is with what we are not hearing, which is answers to our questions.

So far we have not had an answer to the specific question of what bank. My last question, which I ended with, was: can she give us some indication of what the specific assets are that underlie the trust that we purchased? Table the list. Does she even know? She didn't answer any of those questions either.

The minister just stood up on her feet and told us that she believes the end justifies the means. We made a lot of money, so who cares if we risk the principal. That's what the minister said. We made lots of money, which, I would point out, has been made for many years by previous governments of Yukon. She's now saying that she's not going to be concerned about where the money is invested.

I would also like to remind the minister, before she is next on her feet, that things have materially changed in terms of the nature of the specific asset-backed commercial paper that we see today versus what we may have seen five or six or more years ago. The generally prevailing market conditions triggered a year ago or so by the liquidity failures and collapses in the sub-prime mortgage market down in the United States, which caused people to re-evaluate these types of third party arrangements and leveraged arrangements in Canada -- I might also point out that asset-backed commercial paper in the United States operates differently than it does in Canada. There have to be direct guarantees, not guarantees that are only in place if there is a general market meltdown, which allows the banks to say that it's not happening yet.

I'm going to ask a very specific question that I know the minister can answer, and I want the minister to listen very carefully to the specific question.

During the stipulated period of the term of these particular investments that were reinvested or rolled over -- call it what you will -- on July 30, July 31 and August 1, 2007 and were due to mature in a matter of 30 or 45 days -- the minister has the officials with her and she can correct me as to the exact number of days of these particular investments, when they were

invested, not the term that shows on the minister's list now, all of which goes to December 14 because they are frozen until then. It is the initial term of the investments. How much extra interest was going to be gained by investing in these particular instruments versus the rate at the time of Government of Canada treasury bills? I'll use those as an example. What was the interest rate differential? She can give it to me in terms of a percentage or basis points; we'll be happy to interpret whichever it is.

If she wants to save me standing on my feet again, why doesn't the minister ask the officials if they'll tell her how many additional dollars the Government of Yukon was going to gain by risking \$36.5 million for that amount of time?

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

Recess

Chair: Order please. Committee of the Whole will now come to order. The matter before the Committee is Bill No. 8, *Second Appropriation Act, 2007-08*, Department of Finance.

Hon. Ms. Taylor: Well, Mr. Chair, returning to the issue of these particular investments, I think, as I have mentioned before, the matter that the member opposite refers to, of course, is asset-backed commercial paper. This particular third party asset-backed commercial paper, as I have alluded to on a number of occasions, has certainly received the highest rating possible by Canada's primary rating agency. Of course, rated R-1 (high) is of the highest credit quality, as I have articulated on a number of occasions. Again, nothing has been lost. The investment is, in fact, being restructured. We should be hearing those details by December 14.

I think we have made it very clear that we are directing our efforts to the restructuring, as are numerous other governments, government agencies, pension plans and so forth across this good country. As well, we are welcoming the final outcome of the Auditor General with respect to her further review of these particular investments in order to provide that further clarity.

I know the member opposite doesn't like to hear what we on this side of the House have to say, but that is in fact what we have stated. Just to be very clear, we have been articulating to the Auditor General of Canada, we have fully disclosed these particular investments as part of the public accounts for 2006-07, which the Premier tabled earlier. We have been in full contact with the Auditor General's Office, and that was reflected in the notes that were an integral part of the financial statements that were reviewed.

These particular investments are not considered high risk, but rather low risk with a low rate of return. Without getting into specifics -- because that certainly is not my job as an elected member on this side of the Legislature -- the Yukon government runs a well-diversified, cautious approach to investing the cash of this territory. It comprises about 15 percent of the investment portfolio, the current cash plus investments. We -- unlike other governments such as Quebec as the member opposite made reference to earlier -- are in a different position

with respect to the fact that we were fully cognizant and that we fully disclosed the details of these investments to the Auditor General's Office. We have an e-mail, which I tabled in the Legislature not too long ago.

Mr. Mitchell: Well, Mr. Chair, there goes the danger of taking a break between question and answer, since they bear no relationship to each other.

Now, let me try to make this clear again for the member opposite. I know that, like me, she has an amateur thespian career in front of her. What I've just heard is once again an example of soliloquy and what we are looking for is dialogue. We're looking for an answer that in some way responds to the question.

I'll be very brief on my feet. I will remind the member opposite that the question I asked before the apparently too long recess was: can the member give us the actual amount of the difference in basis points or fractions of a percentage point between the rate of return that was stated for the particular trust that we were talking about, Symphony and Opus, versus Government of Canada treasury bills at that period of time? Can she translate that over the duration that the investment was meant to be on that particular rollover into actual dollars -- net difference that the Government of Yukon would have made versus investing in government-backed paper? Not how many millions of dollars have been made in sum total all along.

Hon. Ms. Taylor: The third party asset-backed commercial paper held by the Government of Yukon has received the highest rating possible by Canada's primary service agency. It continues to receive the highest rating possible, R-1(high) in particular. Again, this rating is very comparable to the Government of Canada's treasury bills and is often higher than others -- bankers' acceptances, provincial paper, commercial paper, corporations and so forth.

We have the utmost respect and confidence in the Government of Yukon's Department of Finance officials to make these investments. These investments comprise about 15 percent of the entire investment portfolio and we're very pleased to see the net results coming from these particular investments and the investments in the entire portfolio, which have earned us millions of dollars in interest income over the years, and the net financial resources made available to the Government of Yukon over the last number of years have resulted in many great investments made by the Government of Yukon.

I refer to a number of different items through the northern strategy, the northern housing trust, and so forth. We have been able to garner a substantial number of additional resources that we have been able to return and invest into critical areas of importance to Yukon.

Whether that be in our schools, again, whether that be in outreach workers to address substance abuse on our particular streets, whether that be made available for different community justice initiatives and so forth, whether that be on the literacy front, our government has been very proud to be able to increase the level of resources that we have been able to invest into a number of different fronts. We're very proud of it -- arts and culture being one of them. In fact, that is a very large reflection in this year's supplementary budget, which we are talk-

ing about. Arts and culture -- recently, we were very pleased to be able to announce almost \$500,000 in additional monies allocated to arts and cultural organizations. This has been able to result in additional resources made available to the arts fund, which will result in many net benefits to our respective communities.

So, there are investments in our health care system, whether that be through funding secured through the Canada health transfer, which has resulted in, I believe, \$120 million in additional dollars allocated for the retention of health care professionals.

There are investments in sports and so forth.

Again, getting back to the supplementary budget, there are houses, again -- the northern strategy. I've certainly articulated that some of the recent approvals that we have seen as a result of projects coming from the northern strategy have been able to go toward a lot of wonderful projects, initiatives that have been agreed to jointly by First Nations and the Government of Yukon to address critical matters such as capacity building in our respective areas.

So with these extra dollars, for example, we have now been able to secure a new function in the Executive Council Office to help build capacity for First Nation governments with First Nation governments. We all know the importance that self-governing First Nations play in the economic and social well-being of this territory.

As I mentioned earlier, there have been investments in childcare. Childcare is absolutely critical to many families in the Yukon. We have been able to not only invest dollars in the direct operating grant available to many childcare operators throughout the territory, dollars have, under the leadership of the Minister of Health and Social Services, been made able to make dollars available to the childcare subsidy. We just learned last week of new investments -- \$1 million in additional dollars -- to childcare subsidies, subsidies that will make a huge difference in the lives of a lot of single parents, most of which are women, in order for them to be able to provide better care for their children and their families. With this subsidy increase of \$1 million we will be able to expand the threshold available to families.

There have been investments in social assistance. The Minister of Health and Social Services recently made an announcement with respect to more investments in social assistance, removing the income exemption, the three-month waiting period. Again, referring to investments in the social safety net -- whether it be on the shelter side or with the food basket allowance to meet national standards, a clothing allowance, and so forth, coming up with new incentives for individuals to be able to retain more income.

As a result of the good work of the Department of Finance, and the good work of the Premier in his capacity as Minister of Finance, we've been able to raise the dollars available, the net financial resources available, to the Government of Yukon as a result of investments and as a result of being able to work collaboratively with our other two sister territories, coming up with a pan-northern approach to secure identified additional dollars available for health care funding.

We're very pleased and proud of the good work that has been accomplished over the years. I refer to five years of a clean bill of financial health that has been awarded by the Auditor General of Canada. I refer to five years of unqualified audits, and being able to meet the needs of the territory. In the last election, we heard a lot of those particular needs that were not being addressed by the previous government and the one before that. It has been our government, the Government of Yukon, under our Premier's watch that has been able to meet a lot of specific needs. We have been the first to raise the bar in terms of making more dollars available to those in need.

Now, I refer to women's equality. There is another area, the Women's Directorate, which was completely decimated by the previous Liberal government. We were the ones to reinstate the Women's Directorate. We were able, through the good work of the Finance officials, to raise more dollars, collectively, as a result of good work and collaboration among our respective three governments, something that did not take place by the previous Liberal government, but we have been able to succeed on many fronts.

As a result, we have been able to literally double the amount of resources available to the Women's Directorate in order for us to advance the equality of women on all fronts: social, legal, economic or political. Money has been made available to women's organizations. Again, I have to point out that it was our government, for the first time, that actually made multi-year funding agreements available to more women's organizations than has ever been done before. We pride ourselves in that particular fact.

Now is there more to do? Absolutely. There always is. Money has been made available to aboriginal women and violence prevention initiatives. Those are initiatives that have been made available as a result of our very healthy financial resources. Many, many worthy initiatives have been funded. There have been networks of support available in our communities for different initiatives addressed by grassroots women. This funding has been made available to numerous initiatives over the past four years under this government's watch.

We have been able to increase resources available to museums. Actually, we've more than doubled our funding to museums -- heritage institutions. Under the previous government, I think some of the highest regarded institutions were receiving around \$25,000 or \$28,000. Today those same institutions are receiving \$100,000 as well as more money being made available at their fingertips for capital projects -- special project assistance through the community development fund, which is yet another initiative that was taken away by the previous government.

You know, I speak to the very importance of pointing out these very important facts because it is very important to talk about the financial net resources available to the Government of Yukon and what we have been able to invest in over the years.

We have been able to increase the delivery of seniors care -- the recent opening of the seniors facility at the Yukon College endowment lands, something that the opposition was very, very critical of. Well, Mr. Chair, one has only to go and ask the

seniors residing at that particular facility if that was a good investment, and most, if not all, would say yes.

We have been able to invest in new facilities -- the seniors facility in Haines Junction, for example, and certainly that is very much appreciated and was not delivered by the previous Liberal government. I can appreciate that they weren't there very long to be able to do anything. But certainly, you know, it is our Government of Yukon that has been able to meet many different needs, many different priorities.

So, again, I think it's very critical to point out that our government does pride ourselves -- we continue to pride ourselves -- on strong fiscal management. We have been able to earn that over the last five years. I know members opposite question that, but I find that kind of ironic.

We certainly look to the Auditor General of Canada for her advice and sound reviews. We have received great recognition of the principles used in administering our finances over the years.

Again, Mr. Chair, we have been able to invest in many different initiatives that we have been able to see come to fruition over the years. They were not delivered by previous governments and we have much more to deliver over the next four years.

I'll just remind members opposite that, yes, we do have a mandate. We were elected on a mandate. One of those principles was sound fiscal management. It was also to provide a number of different initiatives to meet the emerging needs of Yukoners, and we have been able to do that.

When I hear comments made earlier today about corrections in the territory, our government has taken a whole different approach to corrections. It's a holistic view to corrections, not simply putting up a facility to warehouse inmates. It's a place of healing; it's a place where we can deliver programming, enhance our engagement with First Nations partnerships. That is a corrections review. It's all about partnerships.

It's not just providing a facility; it's also providing programming in the communities, it's looking at after-care, it's looking at prevention education.

Likewise, we have been able to facilitate through the *Children's Act* review and the education reform initiative -- other concrete examples of very strong partnerships with First Nations -- to deliver on certain items of critical importance.

I commend the Government of Yukon on so many different fronts. Yes, it takes political will but, more important, it takes the hard work and effort of officials within the Government of Yukon to follow up on those many initiatives that this government was elected to do. We have been able to do this; we've been able to meet many commitments over the years and have many more to go. We're only within our first year -- or, just shortly, in our second year -- of a five-year mandate.

I feel very proud to be able to speak at great length about the accomplishments of this Government of Yukon, and I will continue to do so.

Mr. Mitchell: The record will show, since the minister says she is proud to speak at great length, that in her last response, she used up the bulk of 20 minutes -- I don't know if it was 18 minutes or so -- without responding to the 60-second

question that was asked of her. It's the second time I've asked it and she has not answered it. I don't know if she refuses to answer it or if she is not capable of answering it, but I do know the officials can easily answer it for her. In fact, maybe what I will have to do is ask if the officials will send the numbers over here and then we can read them into the record. I am sure the official knows the number and has computed it quite handily in his head or on his computer.

Since I now know that we are going to hear a great amount of things on a great amount of subjects without getting answers to our questions, I will use a little bit of my time now to put some things on the record.

In today's *Yukon News* -- we know what high regard the members opposite hold the paper, although they are reading it, some of them as we speak, perhaps looking for good cartoons of themselves to chuckle over, we don't know. But this is an article from Reuters, so it doesn't have any particular Yukon slant. For the members opposite who have a copy of the paper handy, it's on page 9, in an article called "Sorting out the commercial paper mess" by Robert Melnbardis -- again, not a Yukoner. I will just read a little section out of it: "Hoping to avoid a wholesale liquidation of ABCP assets, banks and corporate holders have already taken some C\$1.2 billion in writedowns on the opaquely structured paper that is backed by bundles of mortgage, credit-card and other payments. Stephen Jarislowsky, the octogenarian billionaire and pre-eminent Canadian investment counsellor, steered clear of ABCP. He left it, rather, to the market 'alligators' to gobble up what was supposed to be triple-A short-term investment.

"It's all part of the greed and performance measurement syndrome in this country," Jarislowsky told Reuters. "They thought that it was perfect, solid, sound paper, but how they came to that conclusion, I will never understand." Jarislowsky said investors relied too heavily on debt rating agencies rather than doing their own investigation into exactly what had been bundled into the complex ABCP products being shopped around."

The reason I happen to find that article of some interest is that's the same Stephen Jarislowsky who was a principal of Jarislowsky Fraser Ltd., who I believe, used to handle -- and may still handle -- some portion of the Yukon Workers' Compensation Health and Safety Board's investment portfolio. So, how convenient that should be in the paper today. Here the Workers' Compensation Health and Safety Board is coming in tomorrow.

It's my understanding, perhaps because of the relation to the sage advice of Stephen Jarislowsky in advising them, that the Workers' Compensation Health and Safety Board with their \$140 million, I think -- I'm sure that the Member for Porter Creek South can correct me. But their significant portfolio was not invested in ABCPs. It makes one wonder if perhaps the wrong person is serving as Finance minister. The members opposite feel that we often criticize individuals in their view. Well, let me pay a compliment to the chair of the Yukon Workers' Compensation Health and Safety Board. I won't name him here; we all know who that individual is. He has displayed some fine investment financial acumen in steering the Workers'

Compensation Health and Safety Board clear of this debacle. Perhaps he should be the Finance minister, or the acting Finance minister.

Now, I'm going to ask this again very simply. The record will show whether or not it's answered or whether we hear more from "imagine the future" being discussed here this afternoon. We are in Department of Finance. It would be nice to get an actual answer to a Finance question. We've asked what bank guaranteed the investments and we've been told that they can't tell us that, that it's a secret.

I don't believe the minister has actually ever formally said whether or not the Government of Yukon is actually a signatory to the Montreal Accord, but I suspect we must be, or we wouldn't be bound by this strange, secret oath that she refers to.

So I will ask again, for the record. I know the officials can compute it. Perhaps the officials would just like to send it over and we'll read it and we can keep that a secret too. What was the interest rate differential between the rate of return being offered by Opus and Symphony, the two trust vehicles that we are talking about, versus Government of Canada paper, be it treasury bonds or other government paper at the time? What was the net differential that we were hoping to earn in the period in which the money was invested on July 30, July 31 and August 1?

I have a calculator on my desk, if the member opposite would like to borrow it, but I suspect that the officials know the answer to the question. I don't expect the minister to know that off the top of her head, but I expect her to get the answers.

Hon. Ms. Taylor: You know I find it very ironic, Mr. Chair, that the member opposite always talks at great length about due respect for process in this Assembly, yet there doesn't appear to be much respect for the restructuring process at hand, that which has involved numerous different companies. It includes Air Canada; Baffinland Iron Mines Corporation; Barrick Gold Corporation; Canaccord Capital; Canada Mortgage and Housing Corporation; Canada Post; Dundee Corporation; First Quantum Minerals; Greater Toronto Airports Authority; Ivanhoe Mines; Miramar Mining Corporation; National Bank of Canada; Nav Canada; New Gold Inc.; Ontario Financing Authority; Ontario Power Generation; Ontario Teachers' Pension Plan; Sherritt International; Russel Metals; Transit A.T. Inc.; Western Canadian Coal Corporation; and so forth. The list goes on and on.

I just wanted to state that, in fact, the Government of Yukon in a matter of a couple of weeks will be hearing the outcome of the restructuring. That is really what we should be focusing on because we will find out where these investments do stand, as I've said all along.

And we're focusing on that. I know members opposite can speculate all they wish; however, I know that if they wish to speculate, I just don't understand why they asked for the Auditor General of Canada to perform a further review of these investments. You know, it's interesting that on one hand they've asked for this review, yet on the other hand they want to politicize this issue.

I'm not going to speculate on behalf of the Auditor General of Canada. I'm not going to speculate on behalf of the restruc-

turing team or the process, which is comprised of many astute individuals -- banks in particular, of which we have the backing.

So, Mr. Chair, I have to say that we -- the Government of Yukon and the Department of Finance -- are very much looking forward to the outcome of the restructuring process. And that will, in fact, inform us as to where these particular investments stand -- these transactions that were made.

Likewise, we will look forward to the outcome of the Auditor General's review -- the review that was requested by the member opposite and which is taking place as we speak. The Department of Finance in the Government of Yukon is working very closely with that office to ensure that every bit of detail is provided.

We certainly are being very cooperative, very collaborative. We're being very transparent, and we're fully disclosing all the details to the Auditor General of Canada for her further review of these investments.

You know, with respect to newspapers and media reports, I'm not going to speculate. I know there are many different opinions, many sage pieces of advice being provided by members opposite, and I appreciate that. It is their prerogative to do that, but we on this side of the Legislature will continue to work toward a restructuring process and we will have the eventual outcome within a couple of weeks.

Likewise, we will work with the Auditor General of Canada to see what the outcome is pertaining to the perceived discrepancy as to whether or not these investments met the criteria as stated in the *Financial Administration Act*. We fully support that; I've made that unequivocally very clear from the outset. The findings and recommendations made from that particular review will be welcomed by the Government of Yukon and we will accept those findings and the recommendations made.

I think it's important to recognize the importance of this particular institution, to let them do their good work. After all, it was at the request of the third party and we very much appreciate that -- so let the Auditor General Office do its good work.

We will look forward to the outcome, which should be very soon, I would suspect. Early 2008 is what I heard from the Auditor General of Canada's Office.

I'm not going to second-guess what other companies have chosen to do or not to do. I can't speak for private companies; I can't speak for other governments. We can only speak for this government.

As I have articulated on the floor of the Legislature, to this day the majority of those companies have chosen not to write down their particular investments, which leads us to believe that, like the Government of Yukon, they are very much committed to seeing this restructuring process through, which is expected to wrap up on December 14.

That's what we're looking forward to. We're waiting for the results, we haven't lost any money, and we're not the only ones dealing with this particular issue. I just listed some of the companies, governments, government agencies and pension plans that have been also involved in this file.

I know that members opposite sometimes like to strike fear into the public domain, and they take all their advice from reading newspapers and they make their decisions --

Some Hon. Member: Point of order.

Point of order

Chair: Order please. Mr. McRobb, on a point of order.

Mr. McRobb: On a point of order, Mr. Chair, I think this has gone too far. The acting Finance minister said something to the effect that the Official Opposition likes to strike fear in the minds of the public. That's imputing a motive, which is contrary to the House rules, Standing Order 19(g) on page 13.

Chair: Mr. Rouble, on the point of order.

Hon. Mr. Rouble: On the point of order, Mr. Chair, I believe that in the comments of the Acting Minister of Finance, she didn't attribute the comment to a specific individual or even a specific party. This comment was not attributed to an individual. I recognize that maybe the member opposite takes it personally; however, I don't believe it was intended as such.

Chair's ruling

Chair: On the point of order, the Chair feels that there is a point of order. I would like members to not get too terribly personal in this debate. There has been a lot of leeway allowed by the Chair for personalizing the debate. I would like all members not to do that. I would ask the member to retract her comments, please.

Withdrawal of remark

Hon. Ms. Taylor: Certainly, Mr. Chair, I will retract that statement.

As I mentioned earlier, we are not speculating on the outcome of both reviews. We are awaiting the outcome of the Auditor General's review of these investments. We are focusing on and directing all our efforts to the restructuring process.

It was at the request of the members opposite that a review be undertaken, and a review is being undertaken. What I find to be the case at this particular time is that there is perhaps a lot of speculation taking place surrounding what was done and what was not done.

I have full and utter confidence in officials in the Auditor General of Canada's Office, and we look forward to the outcome, which will be occurring pretty quickly. Likewise, there is the restructuring process. We will be hearing more about the outcome in due time, by the middle of December. We look forward to receiving the outcomes and reviews, and we will fully accept all the findings and recommendations in the review, and we look forward to the outcome of the restructuring process.

In the meantime, the Government of Yukon will continue to use the net financial resources available in the hands of our government to invest in critical areas of importance, which comprise many different areas. Copper Ridge Place is but one investment that is reflected in this particular supplementary. We have over \$1 million available for opening the additional 12-bed section at Copper Ridge Place.

Again, dollars are being made available to youth outreach workers and the Outreach van initiative, which is one of many initiatives identified as part of our substance abuse action plan and one we're very pleased to continue contributing to.

Within the supplementary there are investments in the long-term public education campaign on violence prevention against women and children. The Department of Justice, in cooperation with the Women's Directorate, has been very pleased with the results thus far. It's a very innovative and creative approach in collaboration with 19 other partners -- the Circle of Respect and Equality -- to address violence in our communities.

There are dollars available to the community of Burwash Landing to support their efforts in the development of a youth-elder activity centre. There are dollars available for Habitat for Humanity, and there are dollars available to help facilitate collective agreement increases. So there are many different sound investments reflected throughout this whole area housed within the supplementary budget.

Again, had we not had sound net financial resources available, the Government of Yukon would not be able to contribute to areas such as childcare, education and the arts -- for example, the artist in the school program, the arts fund, the Yukon arts funding program, a new touring fund available for maturing artists to be able to tour and export their market-ready product to the rest of the country. We would not be able to invest in a number of different environment-related initiatives, which we have been able to articulate over the term of the sitting.

There is infrastructure, such as Tombstone Interpretive Centre, the Whitehorse Airport parking lot expansion, the Whitehorse Airport terminal expansion.

Again, there is the Robert Campbell Highway upgrade -- over \$1 million this year alone, with certainly \$31 million being invested over the next number of years.

There is the Hamilton Boulevard extension, which the member opposite loves to talk about, but it was actually this government that actually delivered on the extension of the boulevard.

There is \$800,000 for newly approved projects under the municipal rural infrastructure fund -- again, federal funds that were able to be secured through the good work of the Premier of Yukon.

When we look at different infrastructure funds, there are a number of projects. I just named Hamilton Boulevard as one. The construction of a new Dawson City playground is another one. There is the Na Cho Nyak Dun First Nation upgrading of the cemetery access road. There is the Selkirk First Nation -- resources being able to facilitate their need to dispose of waste water.

Dollars have been made available for very critical areas over the last number of years and there is much more to be done over the next number of years. We will continue to work with the Department of Finance to meet all our obligations as outlined in the *Financial Administration Act*. We'll continue to work with the Auditor General of Canada to be able to ensure that we have a clean financial bill of health. We will continue

to work with our respective partners, our many non-government organizations, our community partners, municipalities and First Nations in moving forward and advancing the economic and social future of the Yukon.

There is an incredible amount of work to be done over the next few years. We are very committed to doing just that. As I mentioned, we are very much working toward the restructuring of these particular investments and I will not presume what the outcome will be of the review provided by the Auditor General of Canada, as I will not presume what the outcome of the restructuring process will be either. Those are processes that have had a lot of work go into them. What is very important, though, is to keep in mind that the Government of Yukon has been fully transparent. We have disclosed the details of these respective investments to the Auditor General of Canada and there is no doubt that there will be more information made available to the Auditor General of Canada as she does her further review of these investments.

We look forward to the outcome and to hearing from the restructuring team comprised of many individuals, financial institutions, banks. We should be hearing in due time the outcome of that particular process. I'll state for the record that we will be very pleased to accept any findings and any recommendations made by those particular institutions.

I will not speak for what private companies are doing or what they choose to do or not to do with their particular investments. The very fact that the majority of those particular private companies have chosen to not write down their investments or their transactions is good news indeed that they in fact, like the Government of Yukon, are willing to work with the partners and see this restructuring process through.

In the meantime, we will continue to work with those officials, as we have with the Department of Finance, to ensure that we do continue to have net financial resources in the bank, that we continue to adhere to the *Financial Administration Act* and that we do continue to receive for yet another year a clean bill of financial health.

Mr. Mitchell: I will start out by pointing out again that I didn't get an answer to the specific question. I can only presume that the minister is not interested in answering specific questions.

The minister says, "Let's sit back and wait until December 14, when the Montreal Accord will come out with their recommendation on how to restructure this debt." The minister knows full well that this House will rise at 5:00 p.m. on December 13, so we will not be sitting on December 14, and we don't know that we will be sitting on January 14, or February 14, or March 14. We on this side are not willing to sit back, do nothing, and wait to see what is decided by a bunch of bankers in Montreal. We got into this mess by listening to a bunch of bankers in Montreal and elsewhere.

Earlier this afternoon, the minister made note of two elections in a row where this Yukon Party government was elected and then re-elected. By her logic, I will point out to her that we in the Liberal Party were elected in October 2006 to serve as the Official Opposition. It is our role as the Official Opposition to hold government accountable. I can think of few things to

hold government more accountable for than what they've done in terms of investing or mis-investing the public's money.

Now, that may be very onerous to the minister, it may be very embarrassing for the minister, it may be very uncomfortable for the minister, but that's simply our job and we will do it, whether the minister enjoys it or not.

The minister made reference to being fully transparent, so I would like to have a look at how fully transparent we've been here this afternoon. I've asked the following questions more or less in this order. The members can refer to the Blues if I haven't quite got the order down exactly right.

I'm quite certain the first question I asked -- and I asked it several times -- was: what bank guaranteed the investment? In the interest of being fully transparent, the minister told us that she wouldn't answer that question because of the restructuring agreements that were undertaken, or couldn't answer the question. In any case, she wouldn't say and didn't say. That wasn't very transparent.

I asked the minister if she could answer whether she or her colleague, the Finance minister, had ever seen a guarantee from a bank that she could not name. That question was not answered. That wasn't very transparent. These aren't very esoteric questions, but they weren't answered.

I asked the acting minister: what are the specific assets that underlie the trust that we purchased and could she table a list? Does the minister even know? I didn't get an answer to any of that question set -- not transparent, not accountable.

I asked the minister twice, perhaps three times: how much was the interest rate differential between the investments in Symphony and Opus trusts, to be expressed either in a fraction of a percentage or in basis points, whichever she preferred, between those investments and readily available investments backed by the Government of Canada at that time, and could she also express it for the duration of the term of these intended investments in dollars? I did not get an answer in percentage; I did not get an answer in basis points; I did not get an answer in dollars. I know the minister heard that question because I asked it three times over.

I don't know how, in the case of being fully transparent, the minister can feel that she has been transparent in simply refusing to answer that question, while reading off long lists of supposed accomplishments. She hasn't answered the specific questions. The way this is supposed to work in Committee of the Whole, unlike Question Period -- where we know we're not necessarily going to get an answer -- in Committee of the Whole, if we ask a direct question, we should get a direct answer. Now the minister has told us that she's not allowed to tell us the name of the bank, but I don't think anybody has told her she's not allowed to tell us what the interest rate differential was, or the dollar differential. So I have to accept that that is simply a refusal to answer. The public can judge what that means.

So those are questions I've asked. I've also asked if we are signatories to the Montreal Accord. I didn't get an answer to that either. In effect, I have not gotten an answer to one single question that I have asked this afternoon from this acting minister -- not one. I've gotten a lot of answers regarding accom-

plishments in her view of the government, and some of them are certainly good things that are happening for the Yukon public, but not a single answer to a Finance question.

Now, I'll ask the minister another question. What representation has the Government of Yukon made to the accord process, the restructuring process? Are there any letters that the minister can table indicating that? What position has the minister taken or government officials taken, at the direction of the minister, in these discussions? We have to presume that, at this point, even though the minister likes to say that neither she nor her colleague knew anything about the investments and that it was all being done by officials, which we find very difficult to accept for 36 to 37 percent of the net financial resources of the Government of Yukon and the three largest investments that the Government of Yukon has, according to the list that was tabled.

Now that this thing has all gone south, the minister will be taking a keen interest in it. I would have to presume that the minister is now providing direction to the officials. She is not just leaving the officials out there to try to figure this out by themselves, but actually providing her government's direction to how she wants the Yukon to participate in these discussions.

What position has the minister taken in these discussions on behalf of the Yukon? Can she table any representations that the Government of Yukon has made to this process?

Hon. Ms. Taylor: It's a matter of the member opposite not liking what the answers are. Despite what the member opposite may refute, I have been doing my very best to provide answers to him. It's just that those aren't the answers that the member opposite wants to hear.

He is the chair of the Public Accounts Committee, and if the Public Accounts Committee would like to review this whole area after the restructuring and after the review has been made by the Auditor General of Canada, that is in fact their purview. Surely he should know his job as the chair of the Public Accounts Committee. I'm sure he does; maybe he doesn't.

Even though the House may adjourn in a couple of weeks, there is still the opportunity to take a look at this through the Public Accounts Committee. No one is denying or refuting that particular fact. I just wanted to put that down for the member opposite's recollection.

I refer to being fully transparent. I refer to the Auditor General of Canada, the fact that we have received a clean bill of financial health over the last five years, the fact that we continue to work and adhere to the sound, sage advice provided by the Department of Finance when it comes to investing and when it comes to adhering to the *Financial Administration Act*. That may not be the advice the members opposite would like to take, but we on this side of the Legislature adhere to that which is provided by the Department of Finance and we do take great pride in that, in terms of being fully transparent.

We are adhering to the process at hand. We're adhering to the restructuring process and all that is entailed with that. The restructuring process will be unfolding in due time, and it certainly will be, I believe, by December 14 that we will hear as to what the restructuring will hold. We look forward to hearing what those particular details are.

Likewise we look forward to the further review of the investments by the Auditor General of Canada, a process that was triggered by the member opposite. We certainly look forward to the findings and the recommendations made by the Auditor General herself.

Now, again, when we look at transparency -- I mean, I could go on at great length about the Dawson City financial fiasco and I could talk at great length about the Mayo-Dawson transmission line and the cost overruns that just keep going out of control and the fact that that project wasn't triggered by the Yukon Utilities Board under the part 3 review -- I could talk about the lack of transparency and lack of accountability until the cows come home.

I could talk about the lack of accountability when it comes to the Auditor General of Canada and certainly deeming qualified audits time and time again by the previous Liberal government. I could certainly refer to having to take cash advances, literally, to be able to finance good work performed by the Government of Yukon.

But, you know, I'm not going to go back in history, as the member opposite would like to do. In fact, I'm just going to talk about what we have done. I did state that the backing was between the banks and the trusts. It is an agreement that was between the banks and the trusts -- not the Government of Yukon. Again, the assets have received the highest rating possible by Canada's primary rating agency.

It's a similar risk as with the Government of Canada treasury bills. Both are rated with the highest rating, R-1. We are signatories to the Montreal Accord -- I thought I made that clear previously. If we weren't, we wouldn't be part of the restructuring process. I have been stating that time and time again over the last month or two in this Legislature.

We are looking forward to the restructuring process outcome. We are looking forward to the review of the Auditor General of Canada, and we honour and respect the process at hand and we look forward to the outcome. We will accept full recommendations and all findings made by the Auditor General of Canada. We will accept them and move forward, as we have in the past. We appreciate and respect the Auditor General's good work. As I mentioned before, unlike other governments, under other government agencies, pension plans, or private companies, we have fully disclosed these particular investments. It was disclosed even though it was after the 2006-07 year-end. We took it upon ourselves to bring that information, which I tabled in the Legislature not long ago. In fact, we have been fully disclosing the information and the details associated with these particular investments. We look forward to the further review of them by the Auditor General of Canada.

We have disclosed these investments and, in fact, they are reflected in the notes that are an integral part of the financial statements for the last fiscal year. We continue to honour the good work of the Auditor General of Canada. We continue to honour the process associated with the restructuring that we have been talking about since the very first day.

In the meantime, I'm very proud of the work performed by the Department of Finance. As a result of their good work, we've been able to maintain net financial resources in the bank;

we've been able to have a sound and clean financial bill of health over the last five years. That has received the stamp of approval from the Auditor General of Canada.

Again, we continue to work with our Department of Finance officials and we're very pleased with the work they have been able to accrue. That is investment interest accrued as a result of those transactions that has earned this Government of Yukon millions of dollars, compared to hundreds of thousands of dollars in the previous mandates. We have been able to put it to good use.

I just referred to that, whether it's the opening of additional continuing care beds in Copper Ridge Place, or new investments for retaining and recruiting health care professionals to our respective areas, or new community justice initiatives in this territory, or working toward a new corrections facility, new childcare investments, new investments for social assistance recipients, or new investments in training and education under the good work of the Minister of Education. We have been able to meet a lot of different needs -- a lot of needs, I have to point out, that have been unmet in the last number of years. There is the Hamilton Boulevard extension, a new school in Carmacks, a new recreation facility in Mayo, and the list goes on.

We've been able to deliver a lot of very critical infrastructure. Furthermore, we have been able to address a lot of our social needs because of the economic success that has been garnered through the good work of industry, working in collaboration with First Nations and the Government of Yukon over the last while.

There is a lot more to be done, but a huge amount of infrastructure has been provided over the years. We will continue to address that as was outlined in our election platform of just a year ago and some. I articulated what the supplementary includes: new investments in arts and culture, investments in sports -- celebrating who we are as Yukoners; celebrating what makes us very proud -- coaching development, athlete development, promoting rural aboriginal participation in sport, enhancing funding made available to arts organizations, enhancing the whole suite of arts programming in this territory, helping build capacity in our communities, whether it's for furthering or advancing women's equality in the territory or investments in the environment.

Contrary to what the members opposite say, there have been a lot of new investments made in the Department of Environment, which has been articulated in this Legislature. There are investments in wildlife inventory, investments in celebrating Yukon parks and investments in the Tombstone interpretive centre in this particular supplementary.

There are so many different investments and they are very sound ones and have helped make us a very attractive place to not only live, but to travel as well as to reside -- an attractive place to do business and we have seen that with the extreme resurgence in mineral development, exploration occurring around the Yukon.

There are new investments in tourism, whether it be in the wilderness tourism front or within our communities. Again, we have been able to deliver, through the good work of our re-

spected Premier, new investments in marketing -- again, marketing Canada's north, which has received resounding results.

Unfortunately, had we a little bit more time in the Department of Tourism and Culture, we would have been able to articulate all those wonderful results that we've had. But I guess the members opposite are far more concerned about or far more interested in seeing how they can better be able to provide advice than the Auditor General of Canada -- perhaps better advice as provided out of the restructuring process, which we are looking forward to in the middle of December.

So, again, you know, we are looking forward to working with the Auditor General of Canada to ensure that she will have all the information at her fingertips that she requires to make sound judgement, to make sound decisions, recommendations and findings surrounding these particular transactions. And that is, in fact, at the direct request of the members opposite.

We have been fully forthcoming with information, and we will continue to be fully forthcoming with information. We have chosen to do this so that the Auditor General of Canada can do her good work. I'm certainly not going to pre-empt the outcome of the Auditor General and her independent work. In fact, that is what her office is all about. I'm not going to usurp that process. I'm not going to pre-empt, and I'm not going to make judgements on behalf of the Auditor General of Canada. In fact, we have the utmost respect, and we certainly look forward to hearing the outcome of that.

So, again, Mr. Chair, we have been forthcoming with information; it is just not the information that the members opposite wish to hear. But I will be happy to continue to articulate over days to come exactly that.

Mr. Mitchell: I have to say that, first of all, I want to thank the member opposite. At 5:16 p.m. this afternoon, we got the first actual answer to a question asked. We are signatories to the Montreal Accord. I can no longer say that the member did not answer a single question.

I have to say that, if this afternoon has been an example of being fully transparent, I shudder to imagine tomorrow -- imagine tomorrow; that has a familiar ring to it, doesn't it? I shudder to imagine tomorrow when the minister might decide to be translucent or even fully opaque.

I would also point out to the member opposite that she has repeated on a number of occasions the qualified audits or audit. She said today time and time again -- I don't think there were that many. I do know there were some under the previous Yukon Party government, and I know the reason for it. She likes History 101; I like current affairs, at this point.

I would point out, though, in response to one statement she has made again and again that her government has made millions of dollars, as opposed to only hundreds of thousands of dollars in previous governments, if she looks at the comparative schedule of revenues for the year ended March 31, 2002, from public accounts at that time, under Interest, on the first line, Bank and Investment, it says, 2002, \$940,370, 2001, \$2,080,658.

I believe that millions of dollars have been made in the past as well. Not once, to my knowledge, were the Government of Yukon's investments frozen under the former Liberal gov-

ernment -- which I didn't have the privilege to serve, but I certainly paid attention to it. Not once, to my knowledge, did the Government of Yukon have to sign on to some accord in order to try to get their money back or find out when they would. In any case, seeing the time, I would move that we report progress.

Chair: It has been moved by Mr. Mitchell that we 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: Committee of the Whole has considered Bill No. 8, *Second Appropriation Act, 2007-08*, and directed me to report progress on it.

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. The time being 5:30, this House stands adjourned until 1:00 p.m. tomorrow.

The House adjourned at 5:30 p.m.