

**Yukon Legislative Assembly  
Whitehorse, Yukon  
Monday, October 29, 2012 — 1:00 p.m.**

**Speaker:** I will now call the House to order. At this time, we will proceed with prayers.

*Prayers*

**DAILY ROUTINE**

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

Tributes.

**TRIBUTES**

**In recognition of Royal Canadian Legion poppy campaign**

**Hon. Mr. Pasloski:** I rise today to pay tribute to members of the Royal Canadian Legion as they launch their annual poppy campaign.

Each year, poppies blossom on lapels and collars of Canadians.

The first remembrance poppies were manufactured by disabled veterans in 1921, and since that time, poppies have stood as a visual pledge to never forget all those Canadians who have fallen in war and military operations.

The poppy is a powerful symbol. Most of us can probably recite the poem that made the poppy a tradition and an instantly recognizable tribute to those who have served. It visually unites us as a nation. Yukoners, Canadians and people around the globe wear the poppy as a symbol of valour and respect for veterans.

The intention of the poppy campaign is to remind Canadians of the sacrifice of 117,000 Canadians who died in two World Wars, the Korean War, and other global missions.

Mr. Speaker, on my recent trip to China, I had the opportunity to pay my respects and lay a wreath at the Sai Wan War Cemetery in Hong Kong, which includes hundreds of Canadians who gave their lives in — really, the first Canadian lives lost in the battle for the Pacific.

The campaign also serves another important purpose. The poppy campaign is the primary annual fundraiser for the Royal Canadian Legion.

The Legion is one of the country's largest service organizations and its programs touch the lives of hundreds of thousands of citizens every year. The Legion assists and provides services to needy veterans, ex-service members and their families. You, Mr. Speaker, and I are active members of the Legion and know the value of this organization in our community. Yukon's Legion branches No. 1 and No. 254 support Yukon communities through donations to the Yukon Hospital Foundation and sponsorship of youth organizations. Yukon's Legion also works closely with all Yukon veterans to ensure that they are aware of the services that are available to them through Veterans Affairs.

Together in this Legislature, it is important to acknowledge the support of the Royal Canadian Legion's poppy campaign

and show respect for the hard work of our Legion members and our veterans by proudly displaying our own poppies and donating generously toward the poppy campaign.

I would like to proudly recognize at this time that we do have some members of the Royal Canadian Legion here with us in the gallery and I would like to please see that the members acknowledge and welcome them here.

*Applause*

**In recognition of Breast Health Awareness Month**

**Hon. Mr. Graham:** I rise today in this House to ask my colleagues to join with me in recognizing October as Breast Health Awareness Month in Yukon. Breast cancer is the most common form of cancer found in women, and everyone here today has likely been affected in some way or another by breast cancer.

Advances in early detection, diagnosis and treatment are saving the lives of women with breast cancer, helping them to live longer with a better quality of life. In Canada, the breast cancer mortality rate has fallen by more than 35 percent in the last 25 years, and research has played an important role in saving lives. But the likelihood of a woman being diagnosed with breast cancer in her lifetime has not changed. Too many Canadian women — one in nine — will be diagnosed with breast cancer, and one in 27 will die from it.

Health and Social Services is a staunch supporter of breast health awareness initiatives and works with community groups to encourage all Yukon women to heed the important messages around breast health and breast cancer. We remain strongly committed to supporting initiatives that fight breast cancer and help breast cancer survivors in many, many ways.

We need to make women aware of the many risk factors for developing breast cancer and how they can make healthier choices that may help reduce the risk of cancer in the future. Sadly, this is no longer an older woman's disease, as it affects more and more young women who are hearing those dreaded words: "breast cancer". Breast cancer affects our mothers, our friends, our sisters, our wives and our daughters. It affects us all.

Today, I ask that we honour those who fight this battle daily, those who survive and those who haven't, and that we recognize those who bring the educational messages to us all. I also ask that we recognize those very dedicated individuals, health care professionals, who walk beside these women undergoing this very perilous journey — the nurses, the doctors, the lab technicians, mammography technicians, the mental health workers. They all form a team to support these women in need. It's a battle that we need to win.

**In recognition of Women's History Month and International Day of the Girl Child**

**Hon. Ms. Taylor:** I rise today to pay tribute to Women's History Month, which is recognized every October in Yukon and across the country, and also to recognize the United Nations International Day of the Girl Child. This year, the United Nations declared October 11, 2012 as the world's first International Day of the Girl Child.

We are proud to recognize this day by celebrating the creative spirit and the many achievements of Yukon girls and the advancements that have been made toward gender equality in the territory.

Canada has led the international community in adopting this day with the hope that it will make a difference in the lives of girls and young women as citizens and as powerful voices of change in their families, their communities and their nations.

This day will also serve to foster a greater understanding of girl-specific issues. Around the world, girls are three times more likely to be malnourished than boys. Of the world's 130 million out-of-school youth, 70 percent of them are girls. In Canada, young women from 15 to 19 years of age experience nearly 10 times the rate of dating violence as young men. Nearly 70 percent of victims of Internet intimidation are women or young girls. Girls and young women are nearly twice as likely as young men and boys to suffer certain mental health illnesses, such as depression. Issues of body image and self-esteem remain prevalent among girls.

To mark Women's History Month and recognize the significance of the International Day of the Girl Child, the Women's Directorate conceived a contest to promote gender equality and the creative spirits and achievements of Yukon girls.

We asked girls to show us what equality and fairness look like to them. We asked girls to do this by submitting original photographs and original artwork to be used for a celebratory poster. The poster "Yukon Girls Picturing Equality" was released on October 11.

Faro Girls' Night Out is featured prominently in this year's poster. Six members of the group are pictured on the Faro bridge individually, depicted as a firefighter, an RCMP member, a hunter, an emergency medical worker, a construction worker, and a lab technician. I'd just like to read the accompanying caption because it truly is fabulous and works with the submitted image so wonderfully. I would have tabled that document; however, I believe that probably stands contrary to our Standing Orders. However, the accompanying line reads: "We are powerful like fire, we fight crime against women, we provide for our families, we recognize our own intelligence, we are our own first responders, we construct equality."

Very well done. What strong and effective messages for them to be giving to even younger girls in their community and what incredible role models they are. It inspires hope that our communities are moving toward positive change and that girls are being taken seriously for their many contributions. It's also a reminder of how very much things have changed since I was their age.

We are proud of all of their contest entrants and I'd like to acknowledge our other contest winners, primarily from Whitehorse: Alyssa Bunce and Ayla Dawn Smith.

In closing, Mr. Speaker, I encourage all of us to recognize Women's History Month.

Thank you.

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

## INTRODUCTION OF VISITORS

**Hon. Mr. Pasloski:** I rise to acknowledge specifically two members of the Royal Canadian Legion, Branch 254, and they are Mr. Red Grossinger and Darcy Grossinger. I invite all Members of the Legislative Assembly to join me in welcoming them here to the gallery.

*Applause*

**Speaker:** Are there any returns or documents for tabling?

Are there any reports of committees?

## REPORTS OF COMMITTEES

**Mr. Hassard:** I have for presentation the third report of the Standing Committee on Appointments to Major Government Boards and Committees.

**Speaker:** Are there any further reports of committees?  
Petitions.

## PETITIONS

### Petition No. 4

**Mr. Tredger:** I rise to give notice of the following petition to the Yukon Legislative Assembly:

THAT this petition of the undersigned shows:

THAT in the mid-1990s, the territorial government wished to pursue a transfer from Ottawa of control over the Yukon's oil and gas resources but, at the same time, such a transfer required the formal support of the affected First Nations;

AND THAT in or around 1996, representatives of the First Nations of the territorial government commenced good-faith negotiations toward an agreement that would confirm the terms upon which First Nations would lend their support to the proposed transfer of the territory's oil and gas resources;

AND THAT the aforementioned negotiations were successful and the terms upon which the affected First Nations agreed to support the devolution of oil and gas from Ottawa to the Yukon were confirmed in a memorandum of agreement dated January 1997 ("MOA");

AND THAT in the 1997 MOA, the Government of Yukon formally acknowledged that the affected First Nations "have aboriginal rights, titles and interests in and to the Yukon which are recognized and affirmed by section 35 of the *Constitution Act, 1982*";

AND THAT, with respect to those First Nations that had not yet concluded a land claim agreement, the Government of Yukon also agreed in the MOA, as follows, that it will not issue any new oil and gas dispositions in those First Nations' traditional territories without their consent:

"5.1 In addition to recommending the amendment to Bill C-50, referred to in 4.2, Yukon hereby agrees that it will not, in respect of a traditional territory, for which the effective dates of a Yukon First Nation's settlement agreement has not occurred, issue any new disposition in respect of oil and gas lands in the Yukon Territory without the consent of that Yukon First Nation.

“5.2 The Yukon agrees to amend the proposed Yukon *Oil and Gas Act* to incorporate the undertaking set out in 5.1 and to amend the proposed Yukon *Oil and Gas Act*, or other legislation as may be required to implement the recommendations of the working group that are accepted by the parties.”

AND THAT, now — after having achieved, with the required support of the Kaska, the transfer from Canada of control over the oil and gas resources in the Kaska traditional territory — the Government of Yukon is proposing to repeal one of the principal benefits that the Kaska obtained in return for supporting that transfer;

AND THAT the proposed repeal of the Kaska First Nations’ rights under section 13 of YOGA represents an act of obvious bad faith — an act that will neither result in new oil and gas development in the Kaska territory without the consent legally required under the terms of paragraph 5.1 of the 1997 MOA, nor otherwise advance the Yukon’s interests.

THEREFORE, the undersigned ask the Yukon Legislative Assembly to request that the member of the Executive Council responsible for Energy, Mines and Resources confirm that: the Government of Yukon will not repeal section 13 of the *Oil and Gas Act*; and that the legally enforceable consent requirement for the issuance of new oil and gas dispositions in the Kaska traditional territory, which the parties agreed to in good faith and confirmed in paragraph 5.1 of the January 1997 MOA, will continue to be honoured by the Government of Yukon.

**Speaker:** Are there any further petitions for presentation?

Are there any bills to be introduced?

## INTRODUCTION OF BILLS

### Bill No. 46: Introduction and First Reading

**Hon. Mr. Pasloski:** I move that Bill No. 46, entitled *Act to Amend the Income Tax Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the Hon. Premier that Bill No. 46, entitled *Act to Amend the Income Tax Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 46 agreed to*

### Bill No. 47: Introduction and First Reading

**Hon. Mr. Nixon:** I move that Bill No. 47, entitled *Act to Amend the Retirement Plan Beneficiaries Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the Minister of Justice that Bill No. 47, entitled *Act to Amend the Retirement Plan Beneficiaries Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 47 agreed to*

**Speaker:** Are there any further bills to be introduced?  
Are there any notices of motion?

## NOTICES OF MOTION

**Ms. Moorcroft:** I give notice of the following motion:

THAT this House urges the Yukon government to review and modernize the *Coroners Act* by:

(1) examining legislative models used elsewhere in Canada, such as the *Fatality Inquiries Act* in some jurisdictions, and the medical model in the provinces of Alberta, Manitoba, Ontario, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, that requires coroners to be physicians; and

(2) considering a model for the Yukon where:

(a) the medical examiner or chief coroner investigating a fatality is, or has access to the professional expertise of, a pathologist with training or experience in forensic pathology;

(b) the independence of the coroner or medical examiner to investigate and determine circumstance and causes of death, and the ability to make recommendations helpful in preventing similar deaths in future, is assured; and

(c) officials presiding over a coroner’s inquest or fatality inquiry are trained in law.

**Ms. McLeod:** Mr. Speaker, I give notice of the following motion:

THAT this House urges the Government of Yukon to form a multi-departmental committee consisting of Education, Health and Social Services, Justice, Women’s Directorate and the Youth Directorate to:

(1) inventory its programs related to child welfare, cyber safety, bullying, cyber bullying, sexualized violence against children and victims of crime;

(2) review the existing and proposed programs to ensure a continuum of services;

(3) examine partnerships with local organizations like parent groups and with agencies dedicated to child protection like the Royal Canadian Mounted Police and the Canadian Centre for Child Protection; and

(4) conduct awareness campaigns periodically to assist Yukon students and parents in understanding the resources available to them.

**Mr. Silver:** I rise to give notice of the following motion:

THAT this House urges the Government of Yukon to find a permanent solution to the issue of midday transportation of students instead of continuing to rent expensive buses each time that transportation is required for sporting events or field trips.

**Mr. Elias:** I rise to give notice of the following motion:

THAT Standing Order 14.2(2) of the Standing Orders of the Yukon Legislative Assembly be amended by adding the following:

“c) notwithstanding Standing Order 14.2(2)(b), an independent member in opposition shall have the fourth position on the roster.

“d) where there are two or more independent members in opposition the Speaker shall determine the allocation of the fourth position on the roster to those members.”

**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: *Canada-China Foreign Investment Promotion and Protection Agreement*

**Ms. Hanson:** Last week the Yukon Party government told Yukoners it had no problems with the *Canada-China Foreign Investment Promotion and Protection Agreement* set to be ratified without debate by the federal government on November 1.

The Yukon Party government said it reviewed the agreement, consulted with provincial and territorial counterparts and concluded the deal, which locks Canada in for 31 years and sends disputes to a secretive arbitration panel, does not pose a threat to our democratic ability to make laws in the public interest.

A new poll shows that four out of five Canadians believe foreign governments should not be able to control resources on Canadian soil. Yukoners are echoing that view. They do not want our democratic rights to pass laws in the public interest traded away.

Will the Premier let Yukoners in on his analysis that the Canada-China deal is in the Yukon's best interest? Will he table all reports and analyses that led him to this conclusion?

**Hon. Mr. Pasloski:** As I mentioned last week, Yukon needs investment to create jobs, training and business opportunities for Yukoners, and that would include Canadian and foreign direct investment.

Of note, I'd like to mention that state-owned enterprises are operating in Canada at this time without controversies — for example, Statoil, which is owned by the Government of Norway. Any company that wants to come to the Yukon to do business must follow our labour laws, follow our environmental laws and our health and safety laws.

They must also pay our taxes and they will also pay royalties as any other company does here in the Yukon.

**Ms. Hanson:** There's no doubt that Yukoners want to see effective and responsible investment in this territory, but it's unclear from the Premier's response here whether or not he has actually done the analysis. The Yukon Party government says they've done their homework, that the deal will have no impact on Yukon's environmental and regulatory laws and processes — we just heard this again — but yet there are international investment experts across the world who would dispute this rosy assessment. They say that a government that, for example, brings forward new rules on royalties or higher environmental standards — that any democratically elected government that brings in rules after the treaty is ratified will be subject to decisions made by a secret arbitration panel, not to the courts in Yukon or Canada. Across the country, Canadians are saying that we need to slow this process down, we need to look at the treaty before our rights are signed away for 31 years.

Will the Premier at least urge his federal counterparts to slow down, to conduct a public consultation from coast to coast

to coast and allow full parliamentary debate to make sure that the best interests of all Canadians, including Yukoners, are protected?

**Speaker:** Order please. The member's time has elapsed.

**Hon. Mr. Dixon:** As I said last week, and as the Premier reiterated earlier today, we've made our position clear to this House and clear to the federal government that we believe that any investors who are entering our territory need to abide by our labour, health and safety, and environmental laws. Based on our analysis of the FIPA, we believe that agreement does not prevent us from regulating in the public interest with respect to health, safety, the environment and security.

As I mentioned last week, when analyzing these things we consult with our provincial and territorial counterparts. I would note that no other province or territory in the country has raised an issue with this particular agreement. I would also point out that the NDP governments in Nova Scotia and Manitoba are staying silent on this issue at this time. I would encourage the member opposite to extend her research beyond a single academic in Ontario and ask her to conduct a bit of better research on her own.

**Ms. Hanson:** In fact, it's not a single academic expert. There are thousands — hundreds of thousands — of Canadians who are expressing concern about this and expressly constitutional experts. The minister opposite has said that the government has done analyses. I've asked for him to table those analyses in this Legislative Assembly. I've heard no commitment to that. Our democratic sovereignty is based on an unfettered ability of the people's representatives — the Legislature — to pass laws in the public interest.

Critics and citizens across this country argue that the treaty with China will enable Chinese state investors to challenge any legislation, any regulations or policies that will then be referred to a secret arbitration panel. This could have an impact on the territorial government, on municipal governments and on First Nation governments.

In coming to the conclusion that this agreement was a good thing, did the Premier consult with Yukon First Nations? Did they talk to them about the impact on constitutional rights and interests of Yukon First Nations?

**Hon. Mr. Dixon:** Once again, I have to reiterate this position of the Yukon government, that any investor coming into our territory must abide by our environmental, health and safety, and security legislation. With regard to the FIPA, I would note that Yukon has been assured that First Nations have been exempted from this agreement, so there are no implications for First Nation issues.

As I said, the Yukon government has a relatively small policy department when it comes to analyzing these, so we rely on other provinces and territories to provide us with input. I would note that the NDP governments in Nova Scotia and Manitoba have not raised an issue. Even the Parti Québécois government in Quebec, which seems to seek issues with a number of things with the federal government, hasn't even raised an issue with this.

So, we are not concerned that this agreement will fetter Yukon's ability to legislate in the interest of its citizens.

**Question re: Peel watershed land use plan**

**Mr. Tredger:** Last week, the Yukon Party government put forward its narrow and one-sided rewrite of the Peel land use plan that puts industrial resource extraction ahead of all other values. Over the past few days, we have heard from the chiefs of the Vuntut Gwitchin, the Tr'ondëk Hwëch'in and the Na Cho Nyäk Dun that they are not impressed. All three northern chiefs say that this government is showing disrespect. They also say they will defend the integrity of their treaties. When I hear these comments, I fear a government that is going down a path of confrontation.

Will the Premier tell this House why he has chosen the path of division and confrontation with the Yukon First Nations on the Peel?

**Hon. Mr. Pasloski:** The Peel watershed land area is the size of the Province of New Brunswick. In fact, you can put Nova Scotia and Prince Edward Island into that area and you would have some area left over. That speaks to the vastness of the area that we're talking about. We have begun the final round of consultation in accordance with the *Umbrella Final Agreement*. What we've heard from Yukoners is that they want to protect the environment but also respect all sectors of the economy.

During the election, we stated that we believe that the plan should be modified to be more fair and balanced and not be picking winners and losers in our economy.

I want to thank the staff from all of the departments who have worked diligently with us to come forward with the concepts and the tool kit that Yukoners now have in front of them. It's very innovative, and we're looking for feedback from Yukoners — to hear what they think of the concepts and the tool boxes in a manner in which we can manage the land.

Yukoners want wilderness beauty, they want a healthy environment and they want a strong, diversified economy for their friends, for their families and for their communities.

**Mr. Tredger:** The Peel Watershed Planning Commission came up with a balanced and fair land use plan. It was the Peel final land use plan. It was done in consultation with members of the public, with Yukon government, with Yukon First Nations, as well as Yukon businesses. That is the only fair and final land use plan agreement.

This government is attempting to rewrite, not only the plan, but the rules, too. The Vuntut Gwitchin, the Tr'ondëk Hwëch'in and the Na Cho Nyäk Dun governments are also clear: the government must play by the rules. The land claims in the Yukon were meant to develop a new relationship between First Nations and the territorial government. Why is this Premier so determined to turn the clock back on First Nation relationships and behave like it is 1898 all over again?

**Hon. Mr. Cathers:** Mr. Speaker, that line of rhetoric coming from the NDP is not only grossly inaccurate, it is really very offensive to this government and to everyone who works for government to suggest that the government does not honour its obligations.

Mr. Speaker, again, as we have consistently pointed out, we have followed, and will continue to follow, all of our obligations under the *Umbrella Final Agreement*. I point out to the member opposite, who likes to forget the fact that government, in response to the recommended plan from the commission, told the commission to come up with a more balanced plan. The commission then submitted one that was less balanced. I know the NDP is anti-mining. Unlike this government, which wants to manage the intensity of use, the NDP has one agenda. They are anti-mining.

**Mr. Tredger:** Mr. Speaker, the NDP promotes responsible stewardship of our lands — that's environmental, business and people.

First Nation governments say this government is not following the rules. The planning commission says this government is not following the rules. Yukoners are saying this government is not following the rules. We are saying this government is not following the rules. The only people saying that the government is following the rules is the government.

To put it simply, Yukon Party's so-called principles, their tools, their concepts and their entire four new plans are too late, wrong and irrelevant. I ask the Speaker: Why is the Premier so determined to ignore the rules, ignore the agreements, and create economic uncertainty?

**Hon. Mr. Cathers:** The latter part of the member's question sounds to us like the NDP's agenda. The NDP have deliberately fostered polarization of Yukon society on this issue.

This government, my colleagues and I said very clearly during the 2011 election campaign that we did not think the commission's proposed plan was the right one. We committed to seeking a final plan for the Peel that protects the environment and respects all sectors of the economy, and we have consistently made it clear since then that we would present the public with potential modifications to the commission's plan and seek public input on it. That's what we are doing in one of the longest public consultation phases Yukon government has had on any issue — 120 days — and encourage all Yukoners to visit the website: [www.consultation.ca](http://www.consultation.ca).

Again, I remind the member, our approach has been — and what we have suggested in the range of potential modifications — managing intensity of use while providing significant protection for existing users and the environment. The NDP just wants to shut down mining. That's their only agenda.

**Question re: Health care facility costs**

**Mr. Silver:** With much fanfare, the former Premier borrowed a great deal of money to start construction on brand new hospitals in Watson Lake and Dawson. What began many years ago as new community health centres at \$5 million has ballooned into much larger projects. When construction of the hospitals was announced, Yukoners were told the new facility in Dawson would be completed in the fall of 2012 and would cost \$26.5 million. Last week the chair of the hospital board admitted the project was both delayed and overbudget.

Can the minister tell Yukoners what the new price tag is for the Dawson hospital and when he expects it to be open?

**Hon. Mr. Graham:** Yes, I can. My latest information from the Yukon Hospital Corporation is that the construction contract has a value of just over \$22.5 million. Therefore, the cost of the total project, including the equipment required to run the hospital, will be in the neighbourhood of \$29.7 million.

The hospital construction is on schedule to be completed in late December or early January.

**Mr. Silver:** I thank the minister for his answer. In Watson Lake, the town's cottage hospital was going to be upgraded at a cost of \$5 million. Then, the former Premier got involved and decided the hospital needed to be bigger — over four times bigger. The new budget was set to be \$22.1 million. It was proposed to open in the spring of 2012; however, it is not open yet. Again, the chair of the board said the project is both overbudget and behind schedule. This is a mismanagement of a capital project by the government, and I suggest that more care should be taken with the taxpayer's money.

Can the minister tell Yukoners what the new price tag is for the Watson Lake hospital and when he expects it to be open?

**Hon. Mr. Graham:** I could answer directly, as I did the last one, but I don't quite understand where the member opposite is getting his numbers from. The construction contract for the hospital in Watson Lake has a value of \$18 million. The total cost-estimate is roughly \$24.5 million, which includes equipment in the hospital itself. Construction is well underway. The hospital is scheduled to be completed in the spring of 2013 — probably in April 2013 — and it will continue to be a single point of delivery for not only health care services in the community, but in the surrounding area of Watson Lake.

So I think it's a big step forward from the facility that was in that community previously, and I think it's a step in the right direction.

**Mr. Silver:** It seems that more and more of these projects have been plagued from the beginning with political interference and poor management. They are currently also being looked at by the Auditor General's office. I am sure that all Yukoners will be interested in his report when it becomes available.

Another unknown for these hospitals is what it will cost to operate them. It would be great to ask these questions of the Hospital Corporation itself, but it has not been called into this Legislature by the government in almost two years now. We know that these new facilities are behind schedule and overbudget. We also know that they will cost substantially more to operate than the current ones. Does the minister have an estimate of the annual costs to operate these facilities?

**Hon. Mr. Graham:** This whole line of questioning reminds me a lot of when I was in city council and we spoke about the construction of the then new multiplex facility at the top of Two Mile Hill.

To my everlasting dismay, there was the possibility I made an incorrect assumption on that one as well. At the time, I didn't believe it was in the best interest of the City of Whitehorse and time has proven me — not wrong, because I've never been wrong before — but possibly misdirected slightly. This argument is the same to me. The argument about cost is very

valid and it's unfortunate that, in some cases, the construction projects are slightly overbudget. That's not something that I like to see happen, but it's a fact of life and it's something that I've had to deal with.

We also are very aware that if we're going to turn these facilities into acute care facilities, they will cost more money. That budget is currently being prepared by my department and it will be presented to my colleagues, but a simple fact of life is that these hospitals will improve the lives of people in these communities and in the regions for the foreseeable future. Possibly 10 years down the road, the member opposite will be much the same as me and realize that he maybe had a slight — thank you, Mr. Speaker.

#### **Question re: Food security**

**Ms. Stick:** This month, the Yukon Anti-Poverty Coalition published their regular snapshot report called "Mind the Gap." This report card addresses the state of poverty and homelessness in our territory.

Food security is the most basic human need and gives us the energy to work, to learn, to care for others and to be full participants in our communities. Forty percent of boys in rural Yukon in grades 6 to 8 reported going to bed or school hungry because there is not enough food in the home. The Whitehorse Food Bank is now serving over four times the number they initially planned for when they opened in 2009. The Salvation Army now serves an average of 5,000 meals per month — up from 3,500 a year ago.

Can the Minister of Health and Social Services account for the growing gap between those in the Yukon who have food security and those who do not?

**Hon. Mr. Cathers:** In answer to the member's question, what I would also like to mention is the importance of local food production as a part of Yukon's own food security. As the member may know, this government has continued to work with associations, including the Fireweed Community Market, Growers of Organic Food Yukon and the Yukon Agricultural Association to increase how much food is produced here in the Yukon. As the member probably knows, the Minister of Health and Social Services and his department have continued to take a number of steps in assisting groups like the Salvation Army, like the Yukon Food for Learning.

Of course, this government significantly increased the funding for that organization a few years ago, more than doubling the amount that's provided to it, and we all recognize the importance of continuing to work with those non-governmental organizations.

**Ms. Stick:** I doubt if we would see people on social assistance or with less money at the food market purchasing food. Anyway, shelter is another necessity for a healthy, successful Yukon population and the numbers are not any better in this category. Homeless people using the Salvation Army fill the 14 beds and 16 mats on the floor every night. Supportive housing for people with drug and alcohol addictions, people living with mental health issues, and street-involved youth is limited. A long-overdue youth shelter was announced last week. However, this announcement comes years after the need was identified.

The Yukon Party has had 10 years and failed to make a dent in the issue of homelessness. When will this government implement a comprehensive strategy to address hunger, homelessness and the growing gap?

**Hon. Mr. Graham:** I'll address at least part of the question. I'm not here to answer for what happened in the previous nine years. Since I was elected, we've worked very hard to implement a number of things. We are working with the Salvation Army at the present time to consider the expansion and relocation of their current facility, as well as some additional responsibilities in the area of transitional housing.

As the member mentioned, we're working with Skookum Jim on a youth shelter that is to be established in the very near future. We will be working with Angel's Nest to talk about some transitional housing in that area too, but we are also planning a number of initiatives with NGOs that are simply not done overnight. These things will take time and we're continuing to work toward accomplishing many of the initiatives that we set out in our election platform.

**Ms. Stick:** A minimum-wage worker in the Yukon earns about \$400 a week; average monthly rents eat up more than half of what our lowest paid workers make. Social assistance recipients are often forced to use money from their food allowance to cover the rent. This leaves some Yukoners in the horrible position of having to choose between paying the rent and eating a meal. The result is more and more people depending on the Food Bank and the Salvation Army for their basics. More Yukoners are falling behind, yet the government continues to dawdle on the social inclusion and poverty reduction strategy it promised in 2011. Will the Minister of Health and Social Services commit to implementing a social inclusion and poverty reduction strategy this fall and making closing the poverty gap a top priority?

**Hon. Mr. Graham:** One of the things we also stated we would do is consult. Speaking about the social inclusion and poverty reduction strategy, we have held a number of consultations with interested groups around the city and territory and, in fact, recently took a draft strategy to the community advisory committee and presented it to them — or the principles — at that time. We were able to agree to the vast bulk of the social inclusion and poverty reduction strategy. That strategy will now come back to Management Board and this Cabinet, in order to ensure that it's something that this government can live with, and we will then make it public.

**Question re: Affordable housing strategy**

**Ms. White:** A year ago, one of my very first questions in this House was about an affordable housing strategy. Here we are a year later with almost nothing concrete to show for it. The government's much-trumpeted Lot 262 plan failed. The Grizzly Valley and Whistle Bend subdivisions have undersold and \$13 million of federal housing money from 2006 still sits unspent.

The government's most noteworthy accomplishment to date is additional sleeping mats for a soup kitchen floor. Housing continues to be the single biggest failure of this government.

One year later, I again ask: Where is this government's affordable housing strategy?

**Hon. Mr. Kent:** I can say that over the past calendar year — I guess maybe what I'll start with first is achievements of the previous Yukon Party government spending \$32.5 million of the northern housing money, investing that with First Nations, allowing them to come up with plans. Of course, there was over \$50 million of Canada's economic action plan money invested in social and senior housing projects throughout the Yukon, including the communities of Dawson City, Watson Lake and Teslin.

Then achievements of the Yukon Housing Corporation over the past calendar year — there was a new, affordable seniors housing project announced in August — a 34-unit facility at 207 Alexander Street, which we anticipate being completed in 2014; Options for Independence — 14 new housing units started for clients with FASD — again, that will be available next year; 14 new, affordable housing units in Carmacks and Ross River completed in June of this year. So there has been a tremendous amount accomplished prior to this new government being elected by the two previous Yukon Party governments, and there has been a tremendous amount accomplished not only by the Housing Corporation, but also by my colleague in Health and Social Services with the youth shelter announcements, the \$38 million invested by Community Services in lot development, as well as the transitional housing units at Kaushee's Place.

**Ms. White:** I'd like to point out that you can't manage what you don't measure. The government's repeated failure to address the root causes of our housing crisis shows that a strategy with clear and measurable goals is required. Empty promises are not enough. It has been 10 long years, Mr. Speaker — 10 long years under this government where Yukon families continue to struggle and worry about housing. The streets are cold, and they're getting colder. Will families continue to worry and wait another winter, another year or even longer before this government delivers on a meaningful housing program that helps them?

**Hon. Mr. Kent:** As I outlined in my previous response, there have been a number of accomplishments throughout the past year. Many of the issues identified in *A Home for Everyone* — the housing action plan by the Yukon Anti-Poverty Coalition — many of those initiatives have been undertaken and were presented in our plan that we put before Yukoners last year and have been acted upon in our mandate letters. We continue to address the housing needs of Yukoners, no matter where they lie along the housing spectrum — from the affordable rental side of things to the social housing and seniors housing.

One of the exciting things that the Yukon Housing Corporation has undertaken is looking at some programs to help Yukoners who are trying to get into the home ownership market. I look forward to getting that response some time in the next month or so from the Housing Corporation. There are an awful lot of initiatives that have been undertaken; there are an awful lot of initiatives that we still have to undertake to implement the plan that we put before Yukoners last October.

**Ms. White:** Yukon communities, non-profit organizations, Yukon businesses and First Nation governments continue to champion creative solutions for addressing affordable housing needs. These calls are falling on deaf ears. We talk about consultation, but we still haven't seen it. This government is not listening. Instead, we are offered a hodgepodge of one-offs and vague promises from the Yukon Party's election platform from 2011, 2006 and from 2002.

How long will Yukoners have to wait before this government engages them — local communities, First Nation governments, non-profit organizations and the business community? When will they see development and delivery of a housing strategy that will work for everyone?

**Hon. Mr. Pasloski:** This government continues to focus on economic growth. Economic growth means more jobs for Yukoners and better employment opportunities for people who live here. It also means more people want to move to the Yukon because of those opportunities and because of that economic growth. We've had an increase in population. We're dealing with those things. The minister responsible for Yukon Housing Corporation has described some of the great work we've done. We are looking at other initiatives to move people from rental housing into their own mortgage so they can create some equity for themselves. We continue to work on the full spectrum across the housing market, including now the ability to go to the counter and buy a lot.

We continue to respond. We continue to drive an economy that will create opportunities for better lifestyles for all Yukoners.

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

## ORDERS OF THE DAY

### GOVERNMENT BILLS

#### **Bill No 45: Act to Amend the Municipal Finance and Community Grants Act — Second Reading**

**Clerk:** Second reading, Bill No. 45, standing in the name of the Hon. Ms. Taylor.

**Hon. Ms. Taylor:** I move that Bill No. 45, entitled *Act to Amend the Municipal Finance and Community Grants Act*, be now read a second time.

**Speaker:** It has been moved by the Minister of Community Services that Bill No. 45, entitled *Act to Amend the Municipal Finance and Community Grants Act*, be now read a second time.

**Hon. Ms. Taylor:** I am very pleased to rise today to speak to Bill No. 45, *Act to Amend the Municipal Finance and Community Grants Act*. The proposed amendments enable a new five-year comprehensive municipal grant program to be brought into place beginning in 2013-14. The legislative changes to implement this program include a number of items, including a single lump-sum transfer at the beginning of the fiscal year, accounting for individualized payment for a new municipality, a supplementary grant, in addition to the basic

grant, transfer of the formula from the act regulation to enable a new open formula, and a \$2-million structural fire supplement for fire protection in the Yukon municipalities.

The program also includes a commitment in a memorandum of understanding with the Association of Yukon Communities to review the municipal grant program in five years, recognizing that a number of key factors change over time. We believe that this is a very important step toward long-term municipal viability in the territory, and it clearly demonstrates this government's commitment and ongoing support for municipalities over five years.

The Association of Yukon Communities and the Yukon government have worked closely over the years on a number of initiatives, including the "Our Towns, Our Future" review, which included a foundation and a focus for areas of mutual priority. The new five-year municipal grant program is an important accomplishment that has come out of this very process.

We heard from municipal governments that they would benefit from a more simplified formula based on principles of adequacy, certainty, equity, minimal bias, transparency and accountability. The amendments before the Legislature today reflect these very values.

Municipalities have asked to receive their annual grants in a single lump sum at the beginning of every year, and we are pleased to have included this provision in the proposed amendments. The proposed amendments enable a new formula to be established under regulation in order to facilitate regular reviews in a timely and expedient manner.

The Yukon government values collaboration and respect, and these values are what has enabled us to move forward together to address some of the key challenges facing Yukon municipalities.

The comprehensive municipal grant is a significant commitment by the Yukon government in support of our municipalities, and we recognize that it is very critical to their operations.

Over the past five years alone, municipal grant funding has increased by 32 percent, from \$12.5 million in 2007 to \$16.6 million in 2012. The amendments before the Legislature will result in an additional \$1.5 million being added to the grant in the first year alone, increasing the overall size of the program to \$18.1 million in 2013-14.

In future years, each municipal payment will grow independently, based on the consumer price index, and will respond to changing factors in the community, such as population, number of properties or dwellings, assets and tax base. For a large community like the City of Whitehorse — with a substantial municipal tax base — the municipal grant accounts for less than 10 percent of its annual budget. For one of our smaller rural communities like Carmacks, which has a smaller municipal tax base, the grant represents approximately 60 percent of its annual budget.

Previously, under the old grant program, an increase in funding to one municipality automatically resulted in a decrease for other municipalities. The new formula moves away from this closed-fund structure in favour of an open-fund format, where the grant allocation for each municipality will be



calculated independently of each other. The new municipal grant is based on commonsense factors, like size of population, number of properties in the community, as well as regular indexing, to respond to municipal concerns around inflation and rising operation and maintenance costs.

The program is responsive to changes in the growth and circumstances of each municipality and will help our towns keep pace with a growing territorial economy and new development at a local level. The municipal grant program will ensure that no municipality is left behind by establishing a funding floor so that, over the next five years, no municipality will fall below their current 2012-13 funding levels.

We remain committed to strengthening our working relationships with municipal governments and supporting good governance at all levels. By providing this long-term, predictable funding, we will help to ensure municipal viability and improve the quality of life for all Yukoners. The proposed amendments will more fairly distribute funding to municipalities, provide for greater predictability to help in the municipal budgeting process and support long-term planning.

As part of this funding, an additional \$400,000 annual supplement will be included for structural fire protection. This represents \$50,000 for each municipality in each of the next five years — overall, a \$2-million commitment. The supplementary funding will flow directly to municipal governments to help them address rising costs related to municipal fire departments. It'll help municipalities meet their occupational health and safety obligations and aid in building the best possible municipal fire services. Again, for smaller municipalities, this represents a significant increase in their investment in fire services — a 60- to 70-percent annual increase, in some cases. Even in the largest municipality, these funds will definitely help ensure the safety of Yukon families and their property, as every additional dollar helps. Structural fire supplement also complements the \$1.9 million we announced back in May for the enhanced delivery of fire training, oversight, inspections and equipment across Yukon through the Yukon Fire Marshal's Office.

Yukon has experienced significant economic prosperity over the past several years, and we believe that the proposed amendments before the Legislature today, combined with joint investment in municipal infrastructure, are essential in continuing to build momentum at the local and territorial level.

This year alone, we have initiated more than \$50 million of Building Canada fund projects in municipalities to support capital priorities. These projects include a district heat recovery system in Dawson City, drinking water supply and treatment facility upgrades in Faro, Haines Junction, Mayo, Teslin, Watson Lake and the Marwell Industrial Area of Whitehorse. Also included is waste-water improvements in Carmacks, Teslin, Dawson City, Faro, Mayo and Watson Lake, and it also includes community road improvements in Whitehorse and Teslin.

The comprehensive municipal grant can be used by a municipal government for operation and maintenance priorities or capital priorities. We believe that with Canada and Yukon's significant investments in infrastructure that we are very much

enabling municipal governments to direct more funding toward alleviating those operation and maintenance priorities. We will continue to play a key role in the nationwide effort to develop a new long-term infrastructure plan for Canada and continue to work collaboratively to develop an investment strategy that meets the unique needs of the north for unincorporated communities and municipalities.

We have encouraged Canada to continue with infrastructure programs that provide for the sustainable and predictable funding that enables strategic investment. This will ensure Yukon continues to be positioned to maximize economic benefits, creating new and lasting jobs in our communities, increasing competitiveness and improving critical services for Yukoners and their families.

In all, more than \$265 million has been committed under the Building Canada program for a number of worthy Yukon projects. A greater portion of this — close to \$104 million or 39 percent — has directly supported municipal infrastructure projects. The municipal rural infrastructure and Canadian strategic infrastructure funds combined represent an additional \$75 million in joint capital investment in community and municipal infrastructure across the Yukon.

Yukon has worked hard to leverage infrastructure funding to maximize benefits for all Yukoners and remains committed to doing so. The amendments before the Legislature will further position municipalities to tackle local priorities, while also remaining flexible. The long-term predictable funding provided by the Yukon government will contribute to vibrant, healthy and sustainable municipalities and improve the quality of life for each and every Yukoner.

We have worked closely with municipalities over the past eight months to collaboratively redesign the comprehensive municipal grant program. I would like to thank everyone involved and especially the municipalities for taking the time and the resources to make the next five-year program a success for the benefit of all Yukoners. I would also like to take the opportunity to thank each and every individual within the Department of Community Services who has worked so diligently in collaboration with our municipalities to see this come to fruition as well.

**Mr. Barr:** We also would like to applaud the hard work of all the municipal governments, the Community Services Yukon government workers and all the community members who have been putting forth their diligence in having this come to — I guess an end to some of the struggles that municipalities have been dealing with.

I would like to say that the lump sum amount that will be given on an annual basis, allowing the opportunity for supplementary, is welcome news.

I think back to working for an NGO and trying to deal with — even on a yearly basis — not knowing what you are going to be receiving and then with the Aboriginal Healing Foundation on a quarterly basis — just to know where you are going and to be able to continue offering the services you are trying to provide. It gives a certainty and just an ongoing clarity with being able to receive this money yearly, in a lump sum.

So I think that is a great positive to the folks who are trying to administer this money. I think one of the things we are missing in this is the details that will presumably be found in the regulations.

We would like to ask when we will see those, and will there be public consultation on these details as they continue to go forward with these?

With the announcement of this *Municipal Act*, it still leaves unclear some of the questions for unincorporated folks as far as when we look at their communities that are receiving an unequal amount and to be able to operate their community centres — for example, Mount Lorne. I look and listen to what has been happening over the years — that the numbers reflect the population and in the amounts that these — for example, Mount Lorne — would receive. I would ask when we are going to be able to see in the future a balanced and equal proportion delivered to communities that are unincorporated — that's not in this act?

In conclusion, we generally support what we have heard and will be included in the regulation — more money to municipal governments and equitable formula tied to the consumer price index; the five-year commitment; and one payment instead of quarterly payments, which caused some problems in municipalities. I look forward to Committee of the Whole debate to get more details from the minister.

**Mr. Silver:** The Liberal caucus will be supporting this bill. We're glad to see the Government of Yukon passing on some of the monies that it receives from Ottawa to Yukon municipalities. I know some of the increases will be used to augment firefighting services, and on this front more needs to be done. I know that, in some communities, the increase was only half of what was actually requested. \$50,000 per year in Dawson is a nice increase, but it is far less than what was requested.

Secondly, I am pleased to see that the government backed down on its policy of giving municipalities their funding in quarterly payments. They will receive all of their monies on the first day of the fiscal year, according to this bill.

This quarterly payment system was put in place under the previous Yukon Party government, and I'm glad to see this Yukon Party government 2.0 admitting that the previous policy was wrong. This is an issue that the Liberal caucus has raised many times before.

**Hon. Mr. Pasloski:** I'd like to get started by acknowledging the indirect compliment by the Member for Mount Lorne-Southern Lakes in terms of the job the Yukon Party government has done in putting this forward and getting such incredible support from the municipalities on this legislation.

Bill No. 45 represents a combination of a two-year collaborative process between the Government of Yukon and Yukon communities. This collaborative process was entitled "Our Towns, Our Future", and was launched in October of 2010. "Our Towns, Our Future" was led by the Municipal Fiscal Framework Review Committee comprised of senior members of the Yukon government and representatives from the Association of Yukon Communities and municipal govern-

ments. Its focus was to look for innovative and cost-effective ways to support strong and sustainable municipalities.

In 2010, it was recognized that the *Municipal Act*, which established many of the fiscal and government frameworks for municipalities in Yukon, was dated from the 1980s and that times had changed substantially since then.

It was recognized that governance and financial systems established over 20 years ago had to be modernized to meet the requirements of a new municipal fiscal framework.

The review committee's findings report was released on May 13, 2011, and the "Our Towns, Our Future" community summit was held on June 27, 2011, which hosted more than 40 delegates, including mayors, councillors, senior administrative staff and Yukon government staff.

Included in the 75 findings of the "Our Towns, Our Future" municipality sustainable review were design options to increase the comprehensive municipal grants in preparation for a new five-year grant program commencing in 2013-14.

I would like to give a little bit of history here. The comprehensive municipal operating grants in 2007-08 totalled \$12.538 million. Starting in 2008, the Yukon Party government approved annual increments of \$108,000 and \$121,000 for unincorporated communities until 2012-13.

The total increase over five years brings the total to \$16.578 million, representing an increase of 32 percent, or about six percent annually — far higher than the consumer price index. In 2013-14, municipal grant funding will increase by \$1.5 million from \$16.5 million to \$18.1 million. Future funding will be allocated by a simplified formula that will account for tax base, the number of dwellings or properties, assets and other factors based on principles of fairness, transparency and predictability. The new program also comes with a built-in review period of five years and indexes annual funding to the consumer price index.

An additional \$2 million over five years is also included to supplement municipal fire department budgets, complementing a recent investment of \$1.9 million in the Yukon Fire Marshal's Office. The changes proposed in Bill No. 45 enjoy the broad support of Yukon's municipal governments and represent an important step toward long-term municipal sustainability in the territory and clearly demonstrates our government's commitment and ongoing support for our municipal governments as outlined in our 2011 election platform.

I also want to take the opportunity to thank all the outgoing municipal councillors, as well as the outgoing chair of the Association of Yukon Communities, the former mayor, Bev Buckway, as well as the current chair of AYC, Elaine Wyatt, for helping achieve this major undertaking.

There are a lot of great things that occurred to this and, again, it's about what this government has talked about — it's about listening to Yukoners; it's about consulting with affected groups and being able to move forward. As we've heard: lump-sum payments at the beginning of the year instead of quarterly payments; a new innovative formula to be used; and protecting the money through CPI protection. Really, it's about supporting municipalities. The reason for municipalities is to continue to see that we deliver government as close to the people as we

can. A classic example of that was the devolution of power for the management of our lands and resources from the federal government to the Yukon government in 2003. We've seen the results of that change in the last 10 years under the leadership of the Yukon Party government.

There's an additional \$400,000 a year for structural fire protection and massive capital investments in the infrastructure — a quarter of a billion dollars in the last few years has gone into infrastructure to allow municipalities to focus their money into other areas, as well. I'd also like to point out that, when it comes to these increases to the municipalities, unlike the Liberal Party that just talks about federal government handouts, we continue to drive an economy — a private sector economy in this territory — to continue to increase own-source revenues so we can pay for our way to ensure that we are creating jobs; we're creating personal income taxes; we're creating corporate income taxes here in this territory; we're increasing fees from licences and permits; and we continue to drive a strong private sector economy to allow us the opportunity to be more flexible and to be able to ensure that we can deliver on the programs and services for all Yukoners.

**Ms. Hanson:** I thought that we were in fact here this afternoon to speak to Bill No. 45, *Act to Amend the Municipal Finance and Community Grants Act*, and it's unfortunate this second reading that we're having a repeat of the election platforming of the Premier, in particular. I believe that the Official Opposition has been clear that we do support Bill No. 45, *Act to Amend the Municipal Finance and Community Grants Act*. We commend the work that has been done by all of those involved in "Our Towns, Our Future" over the many years it has taken to get here.

The Official Opposition sees this exercise — this *Act to Amend the Municipal Finance and Community Grants Act* — as actually phase 1 of a much more comprehensive process that is required — which the Minister for Community Services also has responsibility for the carriage of — which is the amendment to the *Municipal Act*. I would point out for the member who just spoke that, in fact, the amendments that are being made — the *Municipal Act* actually came into effect in 1998. The amendments to that *Municipal Act* are really going to be quite vital because, as the previous speaker mentioned, many, many Yukoners had high, high hopes with respect to the devolution of the federal responsibilities for the administration and management of lands in this territory, that they would be done in an effective manner. One of the key important pieces of the effective management and administration of land and resources is that, in fact, the government does listen and is responsive.

So as the Official Opposition, we'll be working effectively and constructively with the government to ensure that, as the *Municipal Act* review goes forward, the issues of transparency and accountability — and, you know what, Mr. Speaker? The most important provision of that *Municipal Act* that came into effect in 1998 was to guarantee the rights of citizens to participate and to engage in referenda.

This government opposite has refused to ensure that provision can be acted upon, so it would be working with citizens

and with the Government of Yukon to make sure the *Municipal Act* does reflect the principles as set out in that act.

In the meantime, as we speak to the *Act to Amend the Municipal Finance and Community Grants Act* when we go in to Committee of the Whole, we will be hopeful that in fact we will get the details that are required to allow us to have a more full conversation about this. It would be useful when we get the briefings — the brief briefings on legislation as it's coming forward — that we see the whole picture and that does include regulations.

So as I said, and as the Member for Mount Lorne-Southern Lakes made clear, the Official Opposition does look to support this act, to amend this act, and we look forward to Committee of the Whole.

**Hon. Mr. Graham:** I was not initially going to speak to this legislation, but I think I have a different perspective to add that may be of some benefit to some members.

I was first elected to a municipal council in the territory back in 2000 — I believe it was in October of 2000. Very quickly, or shortly thereafter, I became a member of the Association of Yukon Communities. I was fortunate enough to be elected to the executive as vice-chair and then later I was president of the organization for a number of years.

In 2005, I believe it was, we at the Federation of Canadian Municipalities, of which I was a member, passed a resolution that said that in future, whenever the federal government would initiate any kind of funding for municipalities or provinces and territories across the country that was intended for municipalities, the split in that funding would first of all be one percent for each jurisdiction in the country and after that it was based on population. Prior to that time, all of the funding from the federal government that was transferred to Yukon or to any of the provinces was distributed on the basis of population only. That simple resolution by the Federation of Canadian Municipalities that was then adopted by the federal government meant that the Yukon's participation in federal funding went from — on a \$2-billion federal fund, it went from about \$220,000 to \$20 million. It made a tremendous difference to the territory. There was actually a Liberal government in Ottawa at the time and so we have a lot to thank them for.

The other part of that equation, though, and the one that is so important to municipalities around the territory, is any of that funding that then came from the federal government had to be matched by municipalities as well as the territorial government. Many municipalities around the territory found themselves in the position of receiving municipal grants from territorial government and putting some of that aside for capital expenditures. They would also receive a one-third capital grant from the territorial government and one-third from the federal government, so in actual fact, two-thirds of the money was coming from the territorial government and one-third from the feds. It was a wonderful time for Yukon municipalities and we found ourselves in a great position. The difficulty then arose that many of the smaller municipalities — as the minister pointed out — get almost two-thirds to three-quarters of their total annual budget from the territorial government and the

municipal grants for those smaller communities were simply not enough. Not only that, they never knew from one year to the next exactly how much money they got.

The Member for Riverdale South will verify this because she was there for at least one term and a little bit as a member of municipal council, and realized that even the City of Whitehorse had no idea. In fact, for four years our municipal grant decreased each year due to the increases in population in the City of Whitehorse. So in 2007, while I was president of the Association of Yukon Municipalities, we managed to negotiate a number of changes with the territorial government that included a 30-plus-percent increase — as the minister just said — to top up, over a five-year period, the municipal grants. This also included some changes. Not only were we very, very happy with the increases over the five years — and I believe the last one was this year — but in policy, even though I have heard members talk about the fact that at that time the government gave the grants to municipalities in four equal installments, that actually wasn't happening. In fact, it was still coming to us on April 1 of every year. I think there was maybe one year when it did not. So even though that was part of the policy, in actual fact it wasn't happening. So we were really happy about that.

The change with this municipal grant that I think is very positive for municipalities is the open funding format. As I said, we never knew from one year to the next how much money we were getting, and it was really difficult for us to budget in December, not knowing in November what our grant was going to be. So that's a really positive thing. The increases that will be available to municipalities are very appropriate as well. But during my term as a councillor — I think I had a certain reputation, and I want to make sure that people understand, too, that I believe municipalities have a real responsibility to ensure that they live within their means. It was one of the things that I was always advocating during my time with the City of Whitehorse, and I will continue to do that — because municipalities can't just depend on or feel that they can continue coming back to YTG for future increases. The territorial government is beholden to Ottawa, as well, for any new infrastructure grants that will be coming along. If those infrastructure grants are reduced or curtailed in any way, that will have a huge impact on our municipalities. So they have to be aware of that and be prepared for it.

I just want to say how proud I was also to be a part of the "Our Towns, Our Future" report and the meetings leading up to it. I think it was a culmination of a number of years of discussion that really began in 2002-03. The report was great and the fact that everyone was in favour of the report — some municipalities, as a result of this legislation, won't see any benefit in the very near future. It reminds me of when the City of Whitehorse was negotiating with other municipalities. I was really surprised and gratified, as the chair of the Association of Yukon Communities then, to see how well the other communities — or all of the communities — work together. Some of them were willing to make sacrifices, so other communities could move ahead. It was wonderful to see. I think the current association will continue doing much the same.

I was interested to hear the Leader of the Official Opposition say this is only phase 1 and that she would expect to see comprehensive changes to the *Municipal Act*. I have to tell you, from my observations over the years, it wouldn't take very many changes to the *Municipal Act* to make it an absolutely wonderful piece of legislation.

My opinions are not necessarily the ones that will always prevail in this government, but I think the current standard that the *Municipal Act* is in is pretty good. A few little changes — and one of them is definitely not in referendums and petitions. I feel that government by referendum or petition — as sometimes happens within the City of Whitehorse — is very negative. It's divisive and it almost never works. People, in many cases, came to the city council feeling that, because they were able to present a petition or a referendum, it would automatically go through.

I think that, to the benefit of councillors in the city, they have over the years taken the larger view, and that is the view that incorporates all of the people in the City of Whitehorse. I think that the current *Municipal Act* is pretty good. We will make some changes I am sure over the next few years, and I think they will be positive. I look at things like the memorandum on land development. That didn't require a change in the *Municipal Act* but it has given the City of Whitehorse a tremendous planning tool that they use now. The government has committed to listen and to act on the advice they receive from the City of Whitehorse. In fact, the Yukon government only provides advice and assistance and funding when it comes to actual construction time.

The rest of the responsibility is the City of Whitehorse's. That responsibility is available if other communities wish to become involved, but it's a huge expense as well, so I can see why smaller communities wouldn't become involved. I just think the minister deserves a great round of thanks from municipalities around the territory for this piece of legislation and also for some of the other things that are happening in the area of municipalities. I realize I sometimes disagree with advice that she receives, but she always takes it in the best possible manner and I think that she's doing a wonderful job and I look forward to this piece of legislation passing.

**Hon. Mr. Dixon:** It's a pleasure to stand and speak to this Bill No. 45, the *Municipal Finance and Community Grants Act*. This is an important bill before the House today and I look forward to speaking to it. The first thing I wanted to mention is the development of this coming out of — and has been mentioned before — the "Our Towns, Our Future" report and process over the past couple years.

The engagement from the municipalities and the Association of Yukon Communities was quite remarkable, and I think soliciting that input is so important. I think the fact that this bill is being supported by municipalities and the AYC is an excellent sign. It's a sign of the relationship between this government and municipalities. It's very strong. I would say from what I can tell, it has never been stronger. Indeed, a significant contribution to that relationship has been the leadership of the Minister of Community Services. The willingness to engage

with the municipalities directly has been a tremendous benefit to our government, certainly in terms of the fruits of that labour — things like this bill, particularly.

I'd like to thank the former chair of Association of Yukon Communities, the former Mayor of Whitehorse, for her work with the Association of Yukon Communities and the work that led to this bill. There were some excellent discussions over the years, and obviously a net benefit to the territory.

Of course, I'd like to congratulate the chair of Association of Yukon Communities, the current Mayor of Carmacks, with whom I have had a number of discussions, who has highlighted to me the importance of this bill, not only to her community, but to all municipalities in the territory.

Certainly, some of the details of this bill have been discussed already by my colleagues: the funding mechanism, the time length, the indexing to CPI. Those are all important features, and they're important not only to the functioning of the territory as a whole. If I may put on my economic development hat, it is very important for our territorial economy as well. Ensuring that municipalities have the certainty and the clarity of their funding going forward allows them to undertake planning initiatives on a number of fronts. Those include recreation and infrastructure, but they also include economic development.

The new funding mechanisms that are in this bill will certainly provide municipalities around the territory with the ability to plan and chart out their futures with regard to the economy. Ensuring the economic development that we've experienced in the territory is spread throughout the territory is important for this government. I think having the participation of the municipalities in that process of economic development is something that is going to be important.

Some of the ways that we work with municipalities on such fronts — there are a number of funds that we have in the Department of Economic Development. I think this bill that provides certainty in the funding for municipalities will allow those municipalities to engage to a much greater degree with departments like the Department of Economic Development, and participate in some of the funding opportunities that we have. One I would point out as an example is of course the community development fund that will allow communities to receive some benefit from government of funding opportunities. The primary goal of the CDF — the community development fund — is to fund projects and events that provide long-term sustainable economic or social benefits to all Yukon communities and municipalities.

With this bill, Mr. Speaker, we'll see municipalities having a much greater degree of input and certainty around their financing and being better able to leverage funds like the CDF, I think, in the future.

The Minister of Community Services and a number of my colleagues have also mentioned the significant injection of funding into the municipal fire realm.

The input there was something that was done earlier this year and was well received by a number of municipalities and their fire staff. They have conveyed to me on a number of occasions when I have visited the communities how important

that is and how important having that sort of funding is to their governments. It is also important that we maintain the open lines of communication with the municipalities for developing that relationship that is so important.

I was also going to comment a little on some of the comments made by members opposite around the referenda and others, but I see the previous speaker covered that off quite well. Of course, I am sure the Minister of Health and Social Services must have been reading some Plato recently, I suppose, particularly around his views on direct democracy and the fallibility of that system. I'll leave it at that, I suppose. Political Science 100 will come back again in this House I'm sure.

Once again, I would like to congratulate the Minister of Community Services for bringing this bill forward, her staff in the Department of Community Services who have worked so tirelessly on this over the years, starting with the "Our Towns, Our Future" initiative and, of course, the staff and members of the governments and municipalities who have really made this possible with their support.

That's all I have for you today, Mr. Speaker. Thank you.

**Ms. Stick:** It was earlier mentioned that this caucus would be supporting *Act to Amend the Municipal Finance and Community Grants Act*. I'd like to thank my colleague from Porter Creek North for giving a bit of an explanation of how Association of Yukon Communities and government have been able to work together and how the communities in Yukon work well together. I would just note that, as Association of Yukon Communities is a member of the Federation of Canadian Municipalities, it was the only jurisdiction where every community belonged and of nowhere else in Canada could that be stated.

I'm not going to repeat a lot of the points, but I do think the main ones are that it is good for cities and municipalities to know ahead of time what they're able to use and budget for and to be able to count on that money to be there when it is needed. It helps in planning projects, in being able to put out tenders in a timely manner so that work can be done in the same year, and these are all important. I'm glad to see those.

The issue I do have is that the devil is in the details, and that's the piece that we're missing in terms of regulations. Certain formulas have been taken out of the act and will be showing up in regulations at a later time. We wouldn't know about the \$50,000 per municipality per year for the next five years, because that's not in this piece of legislation. But we haven't yet seen the regulations, and would ask that we get that as soon as possible.

We did hear some points at the briefings this morning, and I would thank the staff who came forward and did that for us. Again, the difficulty is not knowing what other details might be in those regulations that will have an impact on the municipalities in the Yukon.

I would point out that we do support this act to amend, but look forward to seeing regulations come forward quickly, and I would be curious to know whether public consultation would be happening with that.

**Hon. Mr. Istchenko:** It's an honour and a privilege to also rise today and speak in support of Bill No. 45, the *Municipal Finance and Community Grants Act*.

I would like to bring a bit of a rural perspective to this as my riding is quite large, and I do have a very active municipality right in the middle of it. This is a comprehensive municipal grant consultation with a commitment made by this Yukon government to work together with Yukon communities to address issues in "Our Town, Our Future." I'm pretty proud that this government has built on it and that we have a positive relationship with our communities. I noticed I couldn't make it for the summit that was held on June 18, but a lot of rural Yukon municipalities were there for that. I also noticed at the AYC in Dawson the support of this government caucus with the municipalities supporting them.

The support for the CMG is unanimous. This grant is an important fund for communities in rural Yukon and accounts for the majority of their budgets. Speaking a little bit about the "Building Canada" money — I've seen this in my community and I can speak to the comments by the Minister of Economic Development and some of my other colleagues' comments about boosting the economies of the communities. I left my community at 6:00 this morning and stopped and talked to one of the people working on a water treatment plant, who is from down south and has been staying in a hotel and spending money in our community for quite a few months. An alarm went off and they were trying to dial a system in, so it's good for the economy.

As I heard earlier from my colleague, the Minister of Community Services, the structural fire protection amount identified will be a welcome addition. I know the rural firefighters in my community are happy for that. They're a big part of our community and if anybody is looking for something to do on Hallowe'en night, they provide a great fireworks show in Haines Junction. As soon as we're done here, I'll be rushing out to see that and cook some hot dogs for the community members.

I look forward to the passage of the five-year agreement which contained in this bill. This is great for the enhanced quality of life for all Yukoners. I'd just like to comment a little bit on something that came from the members opposite referencing referendums and petitions. I was very happy with the last municipal election in my municipality. I know petitions sometimes try to waylay with hidden agendas, but in my community, voters spoke on that day, as voters spoke on October 11, 2011, in support of our government. So I look forward to this and I would like to thank you, Mr. Speaker.

**Hon. Mr. Cathers:** I would like to rise today in support of Bill No. 45, *Act to Amend the Municipal Finance and Community Grants Act*, and I would like to begin by thanking the Minister of Community Services and the staff of the Department of Community Services for the effort they put into developing this amendment. As a number of my colleagues have made reference to, this was the culmination of a lot of work, including most recently a two-year collaborative process between Government of Yukon and Yukon municipalities, enti-

led "Our Towns, Our Future", which was launched in October of 2010.

The "Our Towns, Our Future" work was overseen by the Municipal Fiscal Framework Review Committee, which was comprised of senior members of the Yukon government and representatives from the Association of Yukon Communities and municipal governments. Its focus was to look at innovative and cost-effective ways to support municipalities and, of course, to update the municipal funding structure.

As has been mentioned before, the structure that had previously been in place dated from the 1980s, and it was recognized that there was a need to update it, modernize it and set the course for future funding. Also, that this new municipal finance structure will provide certainty and clarity to municipalities and help them budget is an important fact that a few of my colleagues here made reference to, and that of course is all about giving them a better ability to plan for future years. In particular, smaller municipalities for which the grant composes a significant portion of their funding, the lack of clarity in future funding is of course a major risk factor and a challenge in trying to work out a budget. So this change before us would provide greater certainty, greater ability to plan, and greater ability to manage within a budget and align both operation and capital budgets within municipalities with their flow of funding.

In 2013-14, the municipal grant financing — once this legislation has passed this Assembly — is going to increase by a million and a half, from its current level of \$16.5 million to \$18.1 million. As was referenced before, the current level of \$16.5 million is itself a 32-percent increase from what the funding used to be when the Yukon Party took office.

Pardon me, Mr. Speaker, it's a 32-percent increase from the levels it was at in 2007-08, when it was \$12.53 million.

Again, this increase is significantly increasing the resources to municipalities. The increase over the past five years was 32 percent, or about six percent annually. With the passage of this amendment to legislation — the pegging of the increases to the consumer price index is a matter that will allow municipalities both the growth in financial resources on an annual basis and the ability to have greater certainty about what future years' funding from the territorial government will be.

The addition of another \$2 million over five years to supplement the municipal fire department budget is obviously very important to all municipalities that provide fire services. As the Premier made reference to, this complements the increase in the Yukon Fire Marshal's Office, which resources unincorporated communities and fire halls, such as the two in my riding that are not directly associated with any municipal government so much. We have the Ibex and Hootalinqua fire halls, of course, that provide a good service and they have responded to a number of fires in a very admirable time and have certainly been very much appreciated by me and other constituents.

So that \$1.9-million increase in the Fire Marshal's Office itself was provided to give greater resources to those fire halls that are not operated by municipal governments.

One point that should be emphasized is that this is one part of our continued and ongoing relations with municipal gov-

ernments. The fact that the majority of the Yukon government caucus, after being elected last year, made an effort to attend the first annual general meeting of the Association of Yukon Communities in Dawson City — and I believe it was in May of this year — as a demonstration of our desire to both make sure that people know who members of caucus are and the fact that there are friendly faces on the other end of the phone if they wish to pick up the phone and discuss issues of concern with us or to have a meeting to discuss issues of importance to their municipalities.

The change in this structure to an annual payment structure of a lump sum rather than a four-times-a-year quarterly payment, of course, is about, again, providing greater resources to municipalities to undertake capital projects early in the year and to enter into and manage contracts effectively without being constrained by the timing of payments.

Again, I think this is a very positive change to the legislation. It is the culmination of a significant amount of work by the Minister of Community Services and staff of Community Services, and municipalities, including the participation of the Association of Yukon Communities, of representatives of that association — municipal councillors, municipal mayors. As a number of my colleagues have mentioned in particular, we thank former Mayor Bev Buckway and the current chair of the Association of Yukon Communities, Mayor Elaine Wyatt, for their help in undertaking this major achievement.

With that, I commend Bill No. 45, *Act to Amend the Municipal Financing and Community Grants Act*, to this Assembly.

**Ms. Moorcroft:** As the critic and other members from the Official Opposition have just stated in this House, I also rise at second reading in support of the *Act to Amend the Municipal Finance and Community Grants Act*. Local governments — and here in the Yukon those are municipal governments and local advisory councils and hamlets — provide a great deal of the front-line services that Yukon people rely on for their quality of life, so this is a very important matter.

We generally support what we understand is the intent of these amendments to modernize the way the comprehensive municipal grant amounts are formulated, to increase the grants for 2013-14. We note too that the additional funds for fire departments are ones that come very close to everyone's interests and are important. There are also increases that apparently will be tied to the consumer price index, which is also a move we support. The provision of grants to a municipality up front at the beginning of the fiscal year rather than quarterly payments is a move that many people had urged the government to take and one that we support.

The details are, however, important. This bill would remove the financing formula for the comprehensive grants from the legislation, which public representatives debate in this House, and move it into Cabinet where a decision could be made without public scrutiny.

That's what happens when you move from legislation to regulations. We would like to know the details of the indicated regulations. When the Premier spoke, he said that there would

be a simplified formula and that it would be fair, transparent and predictable. I would encourage the minister, in her closing comments, to address how the regulation will be fair, transparent and predictable.

Will the draft regulation that establishes the formula for setting the grant be released for comment by municipal leaders and the general public before it becomes law? I note that the Energy, Mines and Resources minister promised to release any draft regulations under the *Oil and Gas Act* before Cabinet rubber stamps them. We saw that, when the government tabled changes to the *Financial Administration Act* to prohibit people from occupying government land, they released the draft regulation, and so we are hopeful that they will also respond to that in this case and provide us with the details of the regulation formula that they would come up with.

Finally, I note that an agreement was announced between the Yukon government and the Association of Yukon Communities on October 2. We would expect that the regulation would reflect those negotiations and we would look forward to seeing details of that agreement, as well as of the regulations that the government comes forward with in amending the formula to municipal finance and community grants.

**Mr. Tredger:** I, too, support the intent of this act, and I would like to commend the staff and Minister of Community Services for their efforts in bringing communities together on this. I represent two of the communities — Carmacks and Mayo — but I also represent three unincorporated communities: Pelly Crossing, Keno City and Stewart Crossing. I think it would be important to continue this to ensure that other unincorporated communities also benefit from a modern financing structure.

As has been stated, I do believe the details in the regulations will have a lot to tell us. I would have liked to see some of them formalized in legislation, because that removes it from a Cabinet decision and changes it from the Cabinet or the Executive Council to the Legislature, where it can be debated and more input given.

This act does begin to address some of the concerns that I hear from my communities. I learned this morning that the method of determining the numbers of people will help to alleviate some of the concerns that the communities have regarding the surrounding population and use of the facilities — for instance in Whitehorse, the public library, the Canada Games Centre, and those types of things — recreational facilities — that are used by residents outside. This starts to address it. There is more work that needs to be done there.

As I said, I think we need to begin to address the needs of unincorporated communities and people living outside of the incorporated communities. Over the last little while there has been a downloading of services and responsibilities to communities. I hope that the new act allows for extra funding or for extra support for communities when they take responsibility for things like solid-waste management, the liabilities and costs associated with that when they take responsibility for ensuring their citizens have access to safe and clean drinking water.

The fire department initiative is certainly a good beginning. I hope that it is flexible enough to accommodate increasing needs. When we look at emergency measures, we know that there are a lot more dangerous goods being transported. We know that our highways are getting a lot more use, and it would be important to ensure that this act allows for enough support for the local communities that their emergency responders are supported and able to respond to situations, especially in the rural communities where they don't have access to all of the resources of the city.

Recreational facilities and library facilities are very important, and they are an important aspect of Community Services that are provided by our communities. It is important that this act would take that into account so we are just not off-loading the responsibility for them to the communities but they are having to make the hard decisions that should be made territory-wide. There is a need for the Department of Community Services to work together with all of the departments.

I'll just cite a number of instances that I've noticed where they work very well with other departments and incidents where they don't. The reason I think this is important is that they have begun an initiative and they have had the opportunity to communicate at length with a lot of communities and heard what their concerns are and what their hopes are. This is an opportunity, with support from this government, for the Department of Community Services to build on that.

The members in the community show a lot of responsibility, ingenuity and commitment to the people in their community. They're involved. When we listen to them we can not only get a better project, but we can save the government money. A big concern in the communities right now is the centralization of services. At one point, we were looking at decentralizing and helping by putting the support people in the communities. This has been reversed and more and more of our services are being delivered out of Whitehorse. This has many problems for the people in the community, and it does deny them the opportunity to have experienced professionals in the community who then help to build the community from within.

I will give an example of things that worked very well and ended up saving quite a bit of money was last year and the previous year when there was flooding in Mayo. The Yukon government and Community Services — several of their areas — worked with Yukon Energy, the Village of Mayo, Na Cho Nyäk Dun and the federal government to responsibly and proactively work on the flooding issue and help come up with some very good solutions that all can buy into with the support of everybody. I commend the Department of Community Services for their efforts in that area.

There is an area where it's not working quite as well. The Village of Mayo currently has six volunteer fire department members, each of whom need to obtain a Class 3 driver's licence in order to be able to drive their fire truck in case of emergency. There are also Mayo and Silver Trail youth and adults who are hoping to obtain their driver's licence in Mayo to increase their chances of finding employment. Many employers require their employees to have a driver's licence. Currently, there's a long wait for a driver examiner to come from

Whitehorse to do the driving test. This is not acceptable. The Village of Mayo recognized that. The territorial agent is also a certified driver examiner and has acted in that capacity in the past.

Now, due to some departmental issues between Community Services and the Yukon Liquor Corporation, this important service is no longer able to be provided. Mayo residents have come up with a possible solution, but there is a glitch between Yukon government departments. The goodwill that the consultation in "Our Towns, Our Future" has engendered — it's important to build on that. It's important to ensure that our communities are able to work with our government and continue to maintain the required services in their communities. It's important that we are able to work together to embark on plans to ensure community services are available in the communities where they are needed — positions that deliver that are important parts of our community. Let's hope that the cooperation shown by local municipalities and the Yukon government — Community Services — in putting this act together will continue when meeting the future needs of local citizens. Once again, I reiterate: the Official Opposition does support this act, and I look forward to debate at third reading.

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

**Hon. Ms. Taylor:** First of all, I would like to thank all members opposite and on this side of the Legislature for their support, be it tentative or general support. But nonetheless, it is certainly heartwarming to hear all members speak in some kind of support of Bill No. 45.

First of all, I would like to offer our government's congratulations to every single individual who ran in the recent municipal election, because I don't think we made that known here earlier today. I want to congratulate all the individuals who were elected as the mayors and councils representing our respective municipalities throughout the territory and all of the outgoing individuals who ran in the election or who did not run in the election — chose not to put their name forward again — and also those who did in fact put their name forward, but were not necessarily elected.

Our municipal governments are to be commended for the work they do day in, day out. They are what I would call a first responder on the ground in each of our towns and communities throughout the territory.

They are the ones who really hear and are able to respond to many of the concerns put forward by many of the members here today. It has been about a year since I've held the Community Services portfolio, and I can say that it has been a very rewarding experience, working with each of the municipal governments in all communities throughout the territory on a number of fronts.

I really have to commend the previous minister responsible for Community Services for really initiating the "Our Towns, Our Future" review, which, for the first time in many, many years, has really consolidated a number of issues of importance to all of our communities. It's no small list, indeed, and mu-



municipal financing is but one of them. The *Municipal Act* review, which is currently underway, is another one: working with each of our communities on making land available in terms of working on recreation improvements in our communities.

There is a litany of various issues that have been spoken to, and I don't want to go into each and every one of them because I'm sure we will have the opportunity later on in this sitting to talk about some of those issues that we continue to work on. The point being is that we have a number of processes underway that we work on jointly and in collaboration with the Association of Yukon Communities on behalf of Yukon communities. I think that process has worked phenomenally well over the past couple of years. It hasn't always been that way, and I think that one would tend to agree in this Legislature that, by working together and talking these issues out and identifying key priorities, we are able to move a lot further than we would by working in isolation and on a unilateral basis. There have been a number of comments that have been put forth on the floor here today, and I'll try to get at some of them in my closing remarks, but also in Committee of Whole, which I understand we'll be going into shortly.

When we talk about this bill, it really goes back to the importance of long-term-based funding for municipal governments and being able to respond to the issues of the day — not just today, but ensuring that we continue to have that long-term municipal viability throughout the territory.

The municipal grant is a very key, important source of municipal funding. As I mentioned before, we've been able to increase it by some 32 percent over the past five years, and we're in the last year of that agreement. Last May, during the AGM of the Association of Yukon Communities, I was able to make a formal announcement of our commitment as a government to develop a new five-year program to replace the current funding program, which winds up March 31 of next year. Since that time, our officials have been working very closely and collaboratively with municipal government, and were very pleased to have reached a collective agreement on a new program earlier this summer — really, which wound up at a municipal summit held in June. So, I thank each of the municipalities: all of their CEOs, their officials — to the duly elected officials who agreed on this formula on a go-forward basis.

As I mentioned, the formula is based on a number of principles of fairness, transparency, accountability — timeliness was one issue that was put forward. Going forward in this new formula will provide municipalities with that advance notice — up to six months earlier than what they have previously enjoyed in previous mandates. Each community grant will be calculated independently, based on that specific formula. Again, it's not a matter of working against one another, so whatever one would receive in the old formula, the other would receive less or more, and so forth. But basically it is an open grant and it provides that flexibility to respond to changes in the community, whether it's population, dwelling counts and so forth — again, enabling communities to do that long-term planning.

There has been a great deal said about regulations, of course. I just wanted to say that the regulations — and we'll

certainly speak to this at greater length as we get into Committee of the Whole, but setting the formula in regulation provides that added flexibility for the future reviews, again allowing us to respond to changing municipal needs and circumstances in a timely manner.

The regulation which is currently being drafted, as I note, will contain some of the definitions of the terminology used within the formula. It'll also contain some details of the formula itself, such as the description of the formula factors, how they'll be calculated, the collection, the use of the statistics required to calculate the formula — all of which has been discussed with our municipal governments and has been agreed to. When we do have a draft — a set of regulations — we will indeed be sharing them, continuing on that spirit of collaboration with each of our Yukon municipalities through the Association of Yukon Communities. Because of the timeline, we'll be moving in an expeditious but thoughtful manner in this regard in order to have that program for the new five-year formula set to go on April of 2013.

There was a lot of discussion about unincorporated communities. Those, by and large, are governed through local advisory councils, and the government does support these duly elected forums as well. We do that in a whole host of different manners. I spoke at length about infrastructure funding that has been made available, whether it's through Building Canada or through a number of federal infrastructure funds that have certainly come and gone over the years. One only has to take a look at the community of Carcross. We have dedicated, I believe, around \$12 million just in the past six or seven years in support of waterfront improvements and drinking water improvements and so forth. So we contribute to that 100 percent through recreation funding grants to each of the unincorporated communities.

We talk about structural fire investments. Bill No. 45 speaks to new investments for the first time in structural fire prevention for our municipal fire departments. In the unincorporated communities, we rely on volunteer fire departments and they do a stellar job. I congratulate and commend each of them for their volunteer commitment and for the professionalism that they bring to the industry in keeping our families and our homes and our properties safe and free from harm.

We support them through primarily the Fire Marshal's Office. Earlier this spring — back in May — I was able to announce a new investment of almost \$2 million in the Fire Marshal's Office. That will go not only a long way to supporting those unincorporated communities through life safety, oversight, training and equipment upgrades, but will also go a long way to support those municipal fire departments as well. So, that investment alone, coupled with the investment to the municipal fire departments, is just over \$4 million. Of course, we support unincorporated communities in many, many other ways, but I just wanted to make reference to them.

There is a funding increase allotted to the advisory councils as well, although not directly reflected within the comprehensive municipal grant, because that is a different body.

I also just wanted to talk about getting back to the payments made on a quarterly basis — I think it was the Member

for Klondike. Again, for clarity, it did come as a result of a change in the transfer payment policy that was brought in as a result of an audit on contribution agreements. It was one of the recommendations — good governance — we followed through on. Of course, this had consequences for our municipal governments, and we certainly heard from them. Year after year, those particular circumstances found themselves by way of exemptions. So building on those exemptions and from what we heard during the review with the working group on the municipal grant formula, we have now made sure that amendment is made clear — that municipalities will in fact continue to be receiving that lump sum payment at the beginning of the year instead of having an annual exemption. That is a major amendment going forward.

There was a tremendous amount of discussion about the *Municipal Act*. Before we get too carried away about what should be in the *Municipal Act* or what shouldn't be in the *Municipal Act*, that act is currently under review. We have a working group that has been struck in collaboration with the Association of Yukon Communities. It's the *Municipal Act* Review Committee, and they have done tremendous work. So far, it's been mandated to conduct a broad review of the *Municipal Act* itself, including seeking input from municipalities, local advisory councils, First Nation governments, and the public at large. A great number of community meetings have been held over the course of the last number of months in Yukon communities and will continue to unfold over a two-year period — again, which is really based on the “Our Towns, Our Future” review, which seemed to be a transparent, open and inclusive process.

So we look forward to continuing on with that review of the act, which provides a really strong foundation for providing that strong, local governance and is also crucial to the sustainability of the Yukon communities, just as this bill is before the Legislature.

Again, we're very pleased to work in partnership with Association of Yukon Communities to review and update the act to better meet not only the needs of municipal governments, but the citizens they serve as well. I think that's very important to find that balance on a go-forward basis. Very certainly, if there are any members of the opposition who would like to contribute to the review, they just have to go to our website and take a look at the review and provide their comments. I know there has been some debate and some suggestions made already on the referenda subject. I know the Leader of the Official Opposition has already put forth a recommendation on municipal election financing, so that's something that the member opposite can put forward on the public record as well.

When it comes to talking about the difference between the unincorporated communities — I know there was some discussion by the Member for Mayo-Tatchun, I believe it was, on solid waste to libraries. Again, it comes down to jurisdiction for solid waste, when it comes down to municipal governments. In many areas, you know, we work with municipalities on coming up with their respective plans, but they are in the driver's seat, in terms of where they wish to go with solid waste. But through Building Canada and other infrastructure investments, that's

where the Yukon government has and will continue to make available shared-funding investments, also in support of solid-waste improvements. I think we have come a long way. Whereas, in the unincorporated communities, it's the Yukon government that continues to work to adhere to our *Yukon Solid Waste Action Plan*, and a number of improvements have been made over the past couple of years in this regard.

So, in closing, I just want to say that when the member opposite made reference to the flooding in Mayo, I just wanted to take the opportunity to thank the Department of Community Services and the many other departments and agencies that were involved in the recent flooding that occurred in the Upper Liard and how that team of individuals was just recently recognized by way of a Premier's Award of Excellence. We're seeing a lot more inter-agency collaboration and cooperation among the respective governments and agencies working together. Again, I believe strongly that's something that we can all strive to improve upon.

With that said, Mr. Speaker, I look forward to getting into more debate on this important bill and receiving additional questions.

*Motion for second reading of Bill No. 45 agreed to*

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

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

*Motion agreed to*

*Speaker leaves the Chair*

## COMMITTEE OF THE WHOLE

**Chair (Ms. McLeod):** Committee of the Whole will now come to order. The matter before the Committee is Bill No. 45, *Act to Amend the Municipal Finance and Community Grants Act*.

Do members wish to take a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

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

### **Bill No. 45: Act to Amend the Municipal Finance and Community Grants Act**

**Chair:** The matter before the Committee is Bill No. 45, *Act to Amend the Municipal Finance and Community Grants Act*.

**Hon. Ms. Taylor:** I am pleased to rise again today to speak to Bill No. 45, entitled *Act to Amend the Municipal Finance and Community Grants Act*. As I just stated moments ago, the amendments before members today will enable a new five-year comprehensive municipal grant program to begin in

2013-14. The grant is an annual grant provided to all eight municipalities by the Yukon government to support the provision of services and to help address the operation, maintenance and capital costs associated with municipalities.

The grant is a major commitment by our government and a major source of revenue for municipalities, where for some it can make up approximately 60 percent of their revenues.

The implementation of this important new municipal grant program requires changes to the act, including provision of a single lump-sum transfer at the beginning of the fiscal year, accounting for individualized payment for a new municipality supplementary grant, in addition to the basic grant, and the transfer of the formula from the act to regulation.

As I mentioned, we have been working closely in recent years with the Association of Yukon Communities and its member municipalities on a number of “Our Towns, Our Future” review initiatives, including the new program that is included within the legislation itself.

During the “Our Towns, Our Future” initiative, municipalities expressed concerns that the current grant program is unresponsive to growth, complicated, difficult to predict and certainly has its fair share of challenges. All Yukon municipalities participated in the development of the new grant program and the new formula is designed to address these specific concerns.

The formula calculates each municipality’s grant individually, based on its own unique factors, such as population, assets and tax base.

As I mentioned before, in addition to the 32 percent increase in the grant funding of the past five years, the new formula will result in the largest ever single-year increase to this funding. Following the approval of the amendments before the Legislative Assembly, and the regulations, the Yukon government will increase the grant by \$1.5 million in the next fiscal year. This includes an annual \$50,000 structure fire supplement for each community to address fire service costs.

Most municipalities will see an immediate increase in their grant and the new five-year municipal grant program contains a guarantee that no municipality’s grant will fall below their 2012-13 funding levels.

Madam Chair, we believe that the proposed amendments before the Legislature today will help to ensure municipal viability and improve the quality of life for Yukoners by providing that long-term, predictable municipal funding.

Again, I would like to thank the Association of Yukon Communities and each and every municipal government in developing and working with the Yukon government on the new, comprehensive municipal grant program. It will definitely benefit all Yukoners, and I appreciate the time and effort that has gone into completing this project by Community Services officials and the respective municipal governments in a relatively short time period.

As I mentioned before, I certainly look forward to the opportunity to take any questions from members opposite and proceed with debate on this important bill.

**Mr. Barr:** I’d first like to thank the Community Services staff and welcome them to the Legislature. As we’ve said

already, we generally support what we’ve heard as the plan, which would give more money to municipal governments and boost to municipal fire department budgets, provide an equitable formula tied to the consumer price index, a five-year commitment, and one payment instead of quarterly payments, which caused some problems for municipalities.

We have questions about the move from legislation to regulation. The current law has the formula embedded in the legislation. I’ve heard it’s not perfect. It has some cumbersome features, but it has a solid logic. The logic is that higher assessment means greater tax bill. So, Whitehorse, with high-value homes and extensive commercial and institutional property, has a larger tax base, while small communities with little commercial and institutional property and lower assessed property values have a smaller tax base, and thus get most of their revenue from the grant.

What will the formula look like? Can the minister provide as much detail as possible on the formula, and why not place changes to the formula in the legislation?

**Hon. Ms. Taylor:** As I just stated on the floor, there are a whole host of reasons for going toward a different, varied approach to the formula, which we were currently debating. The formula is comprised of really two main parts. The first primary part is really reflecting the basic grant, or the core funding, to each and every municipality — so taking into account the municipalities’ ability to generate their own revenue through taxation, as the member opposite just alluded to — and of course the second part then refers to the supplementary amount for the items requiring special funding, such as the provision for structural fire.

So, the first part, part A — call it what you will — includes the basic amount that supplements every municipality as an incorporated government providing basic municipal services, so really a flat amount for each and every municipality on a go-forward basis. It then takes into account the population amount to account for fluctuations in population size and the number of people that municipality serves. It also includes dwelling or the property amount — whichever is greater — to account for the number of properties in a municipality that require services.

The fourth item would include a spatial index or, in other words, a retail cost amount to recognize that there is an increased cost of purchasing goods in communities outside of Whitehorse. The consumer price index for Whitehorse also takes into account — the formula does, that is — so that CPI for Whitehorse is the annual increase that would reflect the typical increase in costs of providing municipal services throughout the territory as a base.

The formula also takes into account prescribed asset maintenance amount to reflect the cost of proper upkeep, maintenance and replacement of capital assets. It also takes into account a property tax reduction amount to adjust for a municipality’s ability to generate revenue through taxation, as the member opposite touched upon earlier.

The second part I made reference to is really a reduction adjustment factor, or in other words, a transitional amount, to mitigate a significant reduction of a payment in any given year,

due to a number of factors. I believe that should help the member opposite provide some additional detail to the formula itself.

**Mr. Barr:** The minister has talked a lot about transparency. Will the minister release the MOU with the Association of Yukon Communities the government says is the basis of the new formula for a comprehensive municipal grant? We haven't been able to find that.

**Hon. Ms. Taylor:** The MOU that I referred to earlier was the MOU that was just recently signed off between AYC and the Yukon government. It should be on the Community Services website — if it isn't, we'll make sure it does get up there — but it actually was also reflected in a news release that went out — I think it was during the day of the AYC municipal celebration of municipalities, that evening, thanking all the outgoing mayors and councils for their past tenure of three years, and so forth.

So, again, it's something that the previous minister — the previous government — had started with an MOU. I don't have the specific details in front of me of that MOU, but again, it commits the two respective organizations to work collectively and collaboratively together on issues such as this — this is outlined with "Our Towns, Our Future" — which are again really based on the openness, the transparency and the accountability.

**Mr. Barr:** The minister has said that moving from legislation to regulation gives added flexibility for reviews, but the devil is in the details, as they say. This bill would remove the financing formula for the comprehensive grants from the legislation, which the public's representatives debate in this House, and move it to Cabinet, where a decision can be made without public scrutiny. It's the move from the legislation to regulations. Without seeing the details of the indicated regulations, what are we to think? The public doesn't have a draft regulation to see. The government is saying, "Trust us." I won't be the first or the last to say there are some real trust issues with this government out there in the communities. We are told the regulation will cover a five-year period, giving municipalities some longer term notion of their budgets. That's good. By moving the legislation to regulation, the formula can change any time. I've heard concerns from Yukoners who have been involved in municipal politics way back in the day — that in the old days, the CMG was treated as a slush fund. By making the formula a Cabinet decision — by giving Cabinet and not the Legislative Assembly the power — we hope we aren't adding a political dimension to what should be simple, equitable determinations and what a municipality deserves for its citizens.

I heard the minister speak about providing draft regulations in her closing comments. Will the minister commit before Cabinet passes a regulation containing the grant formula to taking the draft regulation out for public consultation?

**Hon. Ms. Taylor:** I don't believe this member used those exact same words that the member opposite has seemed to have articulated on my behalf, but that said, I did — and I thought I was quite clear, but I'll try to be more articulate for the member opposite.

Going back to "Our Towns, Our Future" really set a process at play for the first time in many years — set really a new relationship, a new tone of working with one another and has since been articulated by way of MOU with Association of Yukon Communities and a number of other processes. The working group that was struck to oversee the comprehensive municipal grant very much speaks to the collaboration and very much talks to the good relationship and the trust that we have between the two organizations.

Again, I just want to say that the reason why this has come to fruition and the reason why we are debating this today is because of the trust and the respect among the respective organizations in bringing this to fruition. There has been a lot of dialogue and discussions among municipalities over the last year on this very subject, and I think it has been quite incredible what we have been able to resolve by having that open dialogue among the respective municipal governments and the Yukon government. As I mentioned, that hasn't always been the case. It started years before, but really by formalizing the relationship through "Our Towns, Our Future" and again, the CMG is just but one of many, many initiatives that are currently underway by the Department of Community Services and many other departments that are working in collaboration with municipal governments to work on issues that matter the most to the people that we all serve collectively.

Coming to an agreement that was effectively agreed to by municipalities and Association of Yukon Communities on behalf of Yukon municipalities was a tremendous accomplishment. I thank each of the individual officials for the work and the time and the effort, all of the travel among communities and for hearing all of the fine details associated with challenges associated with municipal viability. The legislation is very much the first part. The regulations that will flow from that are equally important. As I mentioned, those draft regulations are being drafted right now. That is currently underway. We recognize that there is a time frame. We need those regulations to be ready to be able to take force and effect by the time that we roll out the new funding program effective April 1, 2013.

I did commit, on the floor of the Legislature, and I'll continue to commit again, that we'll ensure that a draft copy of those are made available to Association of Yukon Communities, to all of the municipal leaders and municipal governments. Certainly, we have been working in collaboration with them to come up with this very formula that will certainly guide the direction they take from here on out.

I think it's important that we very much recognize the role that they play. It would be only natural to continue to have that collaboration. We'll certainly make available the draft regulations before they're finalized by Cabinet.

Again, to the member opposite's point as well, I just also want to say that municipal grants are also debated in the Legislature as part of budget debate each and every year. They are reflected within the mains. Certainly that will continue to be the case in the Yukon Legislature.

**Mr. Barr:** I thank the minister opposite for her comments. Her closing remarks to my question alluded to all but

the Official Opposition and me, so I would hope that that final draft would be extended to us also.

**Ms. Hanson:** I just want to pick up — because with respect, the minister opposite has referenced — and I think we all recognize — the Association of Yukon Communities plays an enormous role in the fabric of the governance of this territory, but it's not the AYC that is charged with the responsibility for the approval of the budgets. It's this Legislative Assembly and all the members here.

I note that — with one or two exceptions, two exception, I guess — when the previous minister — previous I guess two times back — brought the issue of amendments to the way the government dealt with municipal grants, it was in 2007. At that time, the government said that in amending the *Municipal Finance and Community Grants Act* they wanted to, and I'm quoting, "removes the ambiguity around the manner in which the comprehensive municipal grant is determined" and contain the provisions with respect to the grant, the escalators and all of those various indices in the legislation, and now the principle — the democratic principle that we seem to have moved away from — is that it's now to be shifted to Cabinet control, rather than the purview of this Legislative Assembly.

I understand the minister says it's for flexibility, but with respect to the democratic principle of the accountability for territorial budgets and the determination of those budgets ultimately resting within this Legislative Assembly, I'm curious as to why, philosophically, the government has moved from its stance of 2007 — the same Yukon Party government wanting to ensure that there was no ambiguity in terms of what those regulations were and to setting them aside and perhaps creating some ambiguity?

**Hon. Ms. Taylor:** Well, again, when one goes back to the working group and when the principles were first formed, again in collaboration with the Association of Yukon Communities, there were a number of principles that came up, of course — adequacy, the certainty, the equity, the minimal, the bias, the transparency and the accountability.

Again, I'm not sure what the members opposite are trying to get at, saying this formula is not transparent or open or accountable or certain or adequate. The formula is housed within legislation and the regulations. We came up with a formula in collaboration with Yukon municipalities, as well as AYC. So they are found inclusive within the legislation itself, which refers to the regulations. There are really no hidden details here with respect to any proposed regulations. Regulations will refer to these principles, will refer to the formula itself, of which I tried to articulate the number of different parts within the formula. I would be happy to repeat some of those elements, but in looking at developing those principles for the working group on a go-forward basis, some of the feedback that we received at that time was that we need to reflect the attributes, the cost of the services in each individual municipality that's flexible and responsive when factors change.

That is, in fact, what the formula does reflect. Certainty facilitates municipal sustainability, the future planning — again, through that stable, predictable funding. We talk about providing it on a timely basis so that municipalities know months

ahead of their schedule so that they can provide that long-term planning, they can provide that budgeting for that infrastructure or whatever their priorities are at that time — again, treats similar municipalities with an equitable lens. The comprehensive municipal grant supports the making of decisions that are in the best long-term interest of the community. Again, the transparency comes into play by where the formula is, in fact, simpler to understand. It's simpler to administer and to verify by way of whether it's the Whitehorse consumer price index, again, by way of property dwelling accounts, all of which information is made available by way of the Web or other means.

Again, the accountability comes into play when the funds are paid appropriately by way of the formula — they are spent, accounted for, consistent with accounting principles, legislation, policy. So, again, the funding formula does reflect all of this — and more attributes. As I mentioned, the supplement with the fire, and of course other items, about which the Association of Yukon Communities has made their concerns known. Having a direct, lump-sum payment made available at the beginning of the fiscal year reflects some of the input we received by municipalities.

We will continue to work with Yukon municipalities on a go-forward basis. We certainly appreciate the work and the hours and the dedicated time by staff and by duly elected representatives, as well, on a go-forward basis. There is certainly no hidden agenda. In fact, this formula is more open and more transparent and more responsive than in years past.

So we again look forward to working with municipalities and responding to their request for added flexibility, which is what is reflected and what will be reflected by way of regulations.

**Ms. Hanson:** I thank the member opposite. I am somewhat familiar with intergovernmental financing arrangements and formula financing. I guess that wasn't the point of the question — quite frankly, it was not the point of my question. What I was asking was really the principle and how the principle — with respect to the democratic principle of accountability, which is ministerial accountability to this Legislature and to Yukoners — is captured, when you remove — as the previous minister, with respect to the management responsibility of or had the charge for the *Municipal Finance and Community Grants Act* at the time in 2007, his intention, as he said in this Legislature, was to remove ambiguity but to keep it within the act.

I guess rather than risk having a repetition of the same thing, what I would do is ask the minister — a simple question was asked earlier — whether the minister would provide a copy of the draft regulations to the Official Opposition, as well as to the Association of Yukon Communities. The critic had asked that question, but we haven't yet received that answer, so it's a simple yes-or-no answer — and then I'm sure that the House would be pleased to move forward with this legislation, as we've all indicated we have no overarching concerns with the intent.

We are concerned about the desire of the government to retain within Cabinet the control, as opposed to the Legislative Assembly, but be that as it may, we would appreciate it if the

minister could simply confirm that we will receive a copy of the draft regulations so that when we engage, as she referenced, in budget debate for this department in 2013-14, we will in fact have an informed basis upon which to engage in the discussion on the details with respect to the municipal grant provisions.

**Hon. Ms. Taylor:** For fear of sounding repetitive, I'll go through it again for the members opposite. It's with great pride that I do. Really, starting from the beginning — again going back to working with the Association of Yukon Communities on the "Our Towns, Our Future" review process, which was struck back in 2010 — my accolades to the previous minister responsible for Community Services and to the department for seeing this process through.

It's an important one and the comprehensive municipal grant — more flexibility, more open and transparent, responsive to municipalities' needs — was but one of the areas that was struck through OTOF, the acronym for "Our Towns, Our Future".

This particular area struck a working group. I want to thank the members of the working group and reiterate that the development of the new formula has been, and will continue to be, an open and transparent process. It has been and it will certainly continue to be that case.

As I mentioned, I've already stated on the floor of the Legislature a couple of times that we will share the draft regulations with AYC, the Association of Yukon Communities, and each of the municipalities and will continue to work collaboratively with them as we have all along throughout the process — through OTOF and through the working group itself. It's no small feat, coming to an agreement on a new formula that speaks to the long-term municipal viability.

Again, I just want to congratulate each of the officials and the elected officials who contributed to this process. I can't recall who on the opposite benches were there during the AGM of the Association of Yukon Communities, but it was there that, in fact, we committed to developing the new five-year program and, again, formalized the process that would replace the current funding agreement that runs out at the end of the fiscal year.

Since then, there has been a tremendous amount of work and that work really culminated in the decision point that was made during a recent municipal summit in June. I congratulate everyone who participated at that summit for talking in a very frank, open, and transparent manner on the program to go forward, again, based on fairness, transparency, predictability, and so forth.

We very much look forward to working with municipal governments on a go-forward basis as we have over the past previous years. Rest assured, there is a lot of work to be done. This is but one component in terms of ensuring that municipalities continue to share the viability that they have, but there are challenges before all of our municipal government. We spoke to some of them, whether it was on the fire side — the structural fire — increasing occupational health and safety-related costs associated with running fire departments. This particular new comprehensive municipal grant program will assist with that by providing that supplement of annual funding to each

and every municipality. Again, it complements the significant investment made by this government earlier this spring in terms of the Yukon Fire Marshal's Office of almost \$2 million that will go toward training and life safety support — that oversight to provide audits, to really work with each and every municipal fire department and those who are in unincorporated communities as well, which members opposite have spoken to as well.

In terms of working with municipalities, I've spoken at great length. To be sure, over the course of the sitting, we'll speak at greater length about investments to be made and that have been made in recent years in infrastructure — again, thanks to joint funding opportunities made available through Building Canada, the CSIF, and municipal rural infrastructure fund. There have been a number of infrastructure investments made through the economic action plan, made available through the Government of Canada. As I stated earlier, particularly, we, alongside Nunavut and Northwest Territories, continue to work with the Government of Canada on a renewed Building Canada agreement to really take over what is due to expire here in the next number of months — again, ensuring that that long-term infrastructure program continues. It is a vital component of ensuring municipal viability, and it's important to every citizen that those municipalities and communities serve their citizens — again, working to ensure that it's base plus, flexible, long term, predictable and reflects the changing or the unique priorities of the northern needs and that's something that we are working on, in collaboration with municipalities.

There are a number of priorities identified by the communities, many of which are identified in the "Our Towns, Our Future" review — identifies some 18 different areas, many of which we are working on in collaboration. Asset management is one of the very important issues identified and is certainly becoming more and more of a priority as a prerequisite for accessing federal funding. Coming to terms on each of our respective assets and how to account for depreciation in accordance with the new PSAC rules that were brought in recently. Those are just some of the ways that we are working together.

I take great pride in meeting with the Association of Yukon Communities on a routine basis. I just had a meeting recently with the president of the Association of Yukon Communities last week and reiterated our support a number of these initiatives on a go-forward basis.

There will be additional working groups to be struck on a go-forward basis, but it is working and it sets a great template for how we can be working on a governance level to really bring these initiatives to fruition and succeed on behalf of all citizens. I would just like to thank the members opposite for providing their support on a go-forward basis and for supporting each of our municipalities on a go-forward basis as well.

**Mr. Barr:** It sounds, from the minister's remarks, that the new *Municipal Finance and Community Grants Act* regulations are almost finished. I would, at the risk of sounding redundant, ask when we, the Official Opposition, can expect to see a copy of the draft regulations with the new formula?

**Hon. Ms. Taylor:** Madam Chair, we certainly don't have any issue with providing the Official Opposition with a copy of those draft regulations when they come out.

Certainly, I would like to discuss that as well with our Association of Yukon Communities and Yukon municipalities to ensure that we're moving forward in a collective and collaborative way.

**Ms. Hanson:** With respect, Madam Chair, the Association of Yukon Communities does represent municipally elected officials. The government in this territory is this Legislative Assembly. The legislators are elected by all Yukoners, including, I may add, those people who are elected to represent Yukoners in municipal councils. Municipal councils are creatures of this Legislative Assembly. So I would suggest that it would be correct for the minister to restate, perhaps, her intent here that she will — and I hope she will confirm that it is her intent as the minister responsible, to respect this Legislative Assembly and those elected to it and to provide the Members of the Legislative Assembly — including the members of the Official Opposition, the Third Party and the Independent member; all elected by Yukon citizens to represent all Yukon citizens — to present to them, as a matter of course, not an exception to the rule, but as a matter of course and good government, a copy of these regulations.

**Hon. Ms. Taylor:** Again, just to reiterate the government's commitment, a copy of the draft regulations will in fact be made available to the Members of the Legislative Assembly and to all of the Yukon communities and the Association of Yukon Communities. I know the member opposite, the Leader of the Official Opposition, just made reference to our municipal governments as "creatures" of the Assembly. I wouldn't call them "creatures", but I would in fact call them "government partners".

**Mr. Elias:** Listening to the debate today, I just have what I think is a simple question — sometimes it doesn't work out that way. Thank you to the officials for being here and providing the minister with support today. I just have a simple question and it relates to the situation that my home community of Old Crow is in with regard to a lot of the debate that has happened today, in terms of accessing funding programs. Obviously, we're an unincorporated community, we don't have a municipality, and 98 percent of the lands in Old Crow are on category A settlement lands.

My question: How do unincorporated communities benefit from the changes proposed in Bill No. 45, *Act to Amend Municipal Finance and Community Grants Act*? I've heard tidbits of a few benefits, but I'd like to get into greater detail of how the benefits can trickle down to unincorporated communities.

**Hon. Ms. Taylor:** I'd like to thank the member opposite for the question. For the intent and purpose of today's debate, and perhaps days to follow, Bill No. 45 really speaks to the formalized agreement between Yukon municipalities — so the eight municipalities that are enshrined under the *Municipal Act* and the Yukon government.

When it comes to unincorporated communities — of which we spoke earlier — we have a number of agreements in place with communities such as Old Crow when it comes to

water, waste water, solid waste and so forth, and likewise community recreation through sources of grants. So there are a number of various programs that are made available to those communities, but for the purpose of today's bill, it is primarily between the eight Yukon municipal governments and the Yukon government.

**Mr. Elias:** I thank the minister for that clarification.

Over the course of the debate today I've heard quotes like "no municipality gets left behind" and I've heard quotes like "the ability to leverage infrastructure funding" and I've also heard — which was news to me because I didn't realize that there was a pan-northern approach to continue the Building Canada fund. That's of interest.

Over the course of my time in the Legislative Assembly there have been various funding programs that have come down with stipulations — very strict stipulations, actually — that they are only accessible by municipalities, whether it's one-third partnership between the Government of Canada, the territorial government, and the First Nation government and municipality. The playing field out there is not level for unincorporated communities to access funding — i.e. for multiplex or recreation centres or new community centres.

The reason why I'm asking this question is because unincorporated municipalities seem to be at a disadvantage continuously with these funding programs that come from the Government of Canada. So in this Bill No. 45, and with the work that's being done with our sister territories to renew the Building Canada fund, will incorporated communities like Ross River, Old Crow — and the list goes on and on — be able to access — I'll rephrase that question: Is the renewed Building Canada fund going to be accessible — will there be greater accessibility for unincorporated communities to the new Building Canada fund negotiations? It's incredibly important because the playing field out there is not level and the funding programs that I was aware of were very strict in terms of whether or not a community could apply to access those funding arrangements. I'll use a community like Haines Junction that has a resident self-governing First Nation. They have a municipality; they have a federal and territorial government occupation, so that's a pretty strong business plan or application coming from a rural community. Some don't have that strength because we don't have municipalities. Those are my comments about being able to not leave any community behind. I hope that the minister can provide some information with regard to the questions that I had today.

**Hon. Ms. Taylor:** I'd like to thank the member opposite for his constructive questions. I just want to say that when it comes to infrastructure funding, the Yukon government has benefited by a number of great partnerships over the years with the Government of Canada, with self-governing First Nations and with Yukon municipalities as well.

The point of utilizing these infrastructure funds is really to leverage the reach of these funding mechanisms by working together. When we can extend the project or the life of a project by working together and pooling our resources, all the better for everybody. The member opposite referred to the Building Canada plan, and rest assured there have been others, which

sometimes have been really a requirement for Yukon government, the Government of Canada and other governments to come to the table on a three-way basis. Others have been half and half through CSIF, for example. Building Canada really has been made available to Yukon with 75 percent funded by Canada and 25 percent funded by Yukon government.

In fact, it was back in 2008 when we signed the long-term infrastructure agreement under the Building Canada plan, which commits Canada and Yukon to investing up to \$244 million in infrastructure projects over a seven-year period which ends in 2015-16. We've been able to utilize those investments over those years. I take a look at some of the jurisdictions other than Yukon. When the economic recession hit in other parts of the country and the globe, some of the other jurisdictions chose to utilize their funding to really speed up the investments to two or three years. Yukon had the ability, because we had the net financial resources in the bank, to be able to afford investments, as well as use these investments, and those through the stimulus economic action plan. So we've been able to actually expand the investments over a several-year time frame, which is a good thing. Of course, each of those projects has been primarily selected based on the infrastructure plan that was first developed, I think, back in 2009. It's really a complete plan of all of the infrastructure needs — critical infrastructure needs — based under a number of different categories, from solid waste to green energy to rural roads — I think it's drinking water upgrades and water treatment, if I'm not mistaken.

Under those specific areas a number of infrastructure priorities have been identified. On a yearly basis, we come up with an annual infrastructure plan and submit it to Canada. In fact, it is announced every year. I was just looking back in my files and earlier this spring we announced the annual plan for 2012-13. In fact, when you look at that, there are many unincorporated communities that are in receipt of funding: Ross River roads, the phase 2, for example; Faro pump house; Carmacks road updates — of course that's incorporated; Pelly Crossing roads; Watson Lake waste water, phase 3; Teslin water improvements; Little Salmon-Carmacks First Nation geothermal energy development; and the list goes on. Actually, when you take a look at the list of initiatives that we have been able to fund over the years starting in 2007, it has covered areas from the Marsh Lake intake commercial fill systems, to Ross River system upgrades, arsenic treatment.

It covers Old Crow road upgrades, for example. In fact, when I was up in Old Crow for their general assembly, I had the ability to take a first-hand look at some of the initiatives currently underway in significant amounts. Water supply upgrades — we're looking for completion by the end of the year. That investment alone in Old Crow — we're looking at just under \$5.4 million. Road upgrades — another \$4 million — have been, by and large, complete. Upgrades of solid waste facility — an additional \$1 million and it goes on. In addition to that, I also wanted to make reference that gas tax funding is also made available to all municipalities and First Nations. We work directly with First Nation governments and Yukon municipalities to ensure access to those gas tax funds on an annual

basis. Part of the prerequisite for that was to come up with an integrated community sustainability plan and each of those governments has come up with them. The member opposite has a copy in his hands.

So, again, we take that as kind of the blueprint, or the road map, forward and then many of those are funded through gas tax. We sit on a working group with Canada and others — municipalities, First Nation governments — so that funds are flowing on a relatively speedy basis. As far as I know, there are well over 100 projects from First Nations and municipalities that have been funded through gas tax funding alone, half of which are now complete. Again, categories include the solid-waste improvements, water, waste-water management, community energy systems, transit, transportation infrastructure — again, common infrastructure — roads and bridges — and community capacity building also included.

I know that our officials work very closely with the recipients to set up a pretty straightforward time frame for accessing those specific projects for approval. So that, coupled with Building Canada — we've been able to really meet a lot of those critical infrastructure needs over the years relative to the rest of the country.

Rest assured, there is a tremendous amount of work to be done. That is why we have chosen to work with the three northern territories together on a go-forward basis because our needs are very unique compared to the rest of the country in terms of coming up with that base and also coming up with that plus. It's not just population based because it wouldn't very much work in our favour obviously — similarly to the health care access fund over the years.

We continue to work. In fact, the federal minister of state was here earlier this summer. We had a great constructive meeting with a number of stakeholders and representatives from other governments around the table, and industry, talking about what that future infrastructure plan looks like. We are hoping to hear some good news at the end of the year about Canada's intention. Through correspondence and certainly through meetings ongoing — we had our federal-provincial-territorial meeting of those responsible for infrastructure in Alberta earlier this year. Again, we made the same pitch to the same minister who was there as well, talking about the unique needs pertinent to the north and how well we have worked to leverage those funds.

We have never had any difficulty in expanding those resources and finding partnerships and I think that's where the north really continues to shine compared to the rest of the country.

**Chair:** Is there any further general debate? We will proceed clause by clause.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Clause 4*

*Clause 4 agreed to*



*On Clause 5*  
*Clause 5 agreed to*  
*On Clause 6*  
*Clause 6 agreed to*  
*On Clause 7*  
*Clause 7 agreed to*  
*On Clause 8*  
*Clause 8 agreed to*  
*On Clause 9*  
*Clause 9 agreed to*  
*On Clause 10*  
*Clause 10 agreed to*  
*On Clause 11*  
*Clause 11 agreed to*  
*On Clause 12*  
*Clause 12 agreed to*  
*On Title*  
*Title agreed to*

**Hon. Ms. Taylor:** I move that Bill No. 45, entitled *Act to Amend the Municipal Finance and Community Grants Act*, be now reported without amendment.

**Chair:** It has been moved by Ms. Taylor that Bill No. 45, entitled *Act to Amend the Municipal Finance and Community Grants Act*, be reported without amendment.  
*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 the report from the Chair of Committee of the Whole?

### Chair's report

**Ms. McLeod:** Mr. Speaker, Committee of the Whole has considered Bill No. 45, entitled *Act to Amend the Municipal Finance and Community Grants Act*, and directed me to report the bill without amendment.

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

**All Hon. Members:** Agreed.

**Speaker:** I declare the report carried.  
 Government bills.

## GOVERNMENT BILLS

### Bill No. 42: *Donation of Food Act* — Second Reading

**Clerk:** Second reading, Bill No. 42, standing in the name of the Hon. Mr. Graham.

**Hon. Mr. Graham:** I move that Bill No. 42, entitled *Donation of Food Act*, be now read a second time.

**Speaker:** It has been moved by the Minister of Health and Social Services that Bill No. 42, entitled *Donation of Food Act*, be now read a second time.

**Hon. Mr. Graham:** Currently an individual donating or distributing food according to regulations outlined in the Regulations Governing the Sanitation of Eating or Drinking Places in the Yukon Territory may be civilly liable if another individual falls ill or dies from consuming the donated food. This new legislation will increase protection for individuals who donate or distribute food with good intent and for charitable purposes.

Members of the public who donate food will now have greater protection from lawsuits that may arise from harm or death as a result of another person consuming the donated food. This increased protection is provided when individuals or groups donate or distribute food with good intent and according to food safety regulations, as outlined in the Regulations Governing the Sanitation of Eating or Drinking Places in the Yukon Territory. The act will provide protection to individuals unless the food was adulterated, rotten or otherwise unfit for human consumption, or if the person donating or distributing the food intended to injure or cause the death of the individual consuming the food, or acted with reckless disregard for the safety of others.

Many people are unaware that they can be held accountable for the harm, or even death, of another person resulting from the consumption of food they donate. We hope this act will ensure and encourage Yukoners to continue with their generous donations to all Yukon food banks and other organizations that provide food for those in need.

I would like to take a little time to just show that there is a link to our current wellness and social inclusion policies. This act is being enacted in 10 other provinces and territories using basically the same language as is being proposed here in the Yukon. I would like to take this opportunity to thank the member opposite for bringing forward this idea in the last session of the Legislature. As I said to the news media today, it was on our radar, but there is no doubt in my mind that your prompting brought the legislation forward in a much quicker fashion than if we had been left to our own devices.

I should also apologize, Mr. Speaker. Due to an error on my part, my department was not there to provide a briefing this morning on the act, but knowing full well that the members opposite were probably conversant with the act before I was, I wasn't extremely concerned.

I wasn't extremely concerned, but you have my apologies.

We are moving this piece of legislation forward as it shows the government's commitment to remove barriers to achieving social inclusion and wellness for all Yukon people. We know from the Yukon social inclusion household survey conducted in 2010 that approximately 13 percent of Whitehorse residents and as much as 17 percent of rural residents cannot always afford to eat balanced meals for any variety of reasons — either as a result of the food not being available, or due to funding or income restrictions. About five percent of Yukon residents, we also know, often run out of food before they have

money to purchase more. This legislation will not solve all the problems but it's one more step that we are taking to ensure that people who do not face barriers are able to donate food to people who may need it. The pathways to wellness project is a shining light on the ways in which we can improve the health and well-being of the entire Yukon population.

On the website, [www.yukonwellness.ca](http://www.yukonwellness.ca), you'll find information on a number of topics, including the wellness gap. Individuals and families with lower incomes or rural residents and First Nation people in Yukon are known to face greater barriers and have fewer opportunities to improve their health. It is important to pay attention to the needs of those with poorer health and fewer resources, especially if we are to make significant improvements in the overall health of Yukon residents. Removing barriers to donating food is only one of the ways in which we are responding to the needs of the Yukon people who are not quite as fortunate and healthy as others.

We also know from our wellness research that giving is good for your health as well. Helping others and volunteering is associated with an increased sense of self-worth and positive feelings like happiness and life satisfaction. This legislation paves the road for Yukoners to donate freely without additional worry.

One of our roles as government is to support people who make healthy choices. We use government levers such as tax laws to encourage people to make healthy choices. By enacting this legislation, we are ensuring that the choice to donate food is as easy as other choices we currently make.

Our government will continue to explore ways that we can improve wellness, to close the wellness gap and reduce social exclusion. Small steps taken by governments at all levels, community groups, businesses and other sectors move us closer to our goal of a healthy, prosperous and vibrant Yukon society.

While the *Donation of Food Act* will provide increased protection for lawsuit from individuals or organizations donating or distributing food with good intent, we have not forgotten the issue of food safety. The regulations governing the sanitation of eating or drinking places in the Yukon Territory continues to ensure that all Yukoners are served food that is safe and fit for consumption. Those families and individuals receiving donated food can be assured that foods donated are still required to comply with the regulations under the *Public Health and Safety Act*.

The government is moving forward to ensure that we increase opportunities for Yukoners to donate food. We are committed to food safety and the safety of those receiving foods. Today we bring forth this new act that will increase the security for individuals and organizations donating or distributing donated food from possible lawsuit.

**Ms. White:** I would like to take this opportunity to thank the minister for his quick movement on this. I am incredibly excited to see it here, and I'll have questions for his officials, when they are in, that I didn't get a chance to ask this morning. I'm just going to talk a little bit from a personal perspective because in my previous life I was a caterer. I am a baker by trade and food was my business. There were times

when, despite the risk on both my side and the side of the organizations that would take it, I felt like I was doing something wrong because there would be the look over my shoulder to make sure no one was watching as they would take my perfectly delectable baked goods inside the premises so they could hand them out. I am excited that we are going to take this from a criminal aspect and this will be a lot easier for people to do. It's going to take a bit, I think, for the community and the organizations to get used to the idea of where the food can go, but what it means is that whenever there is a big function that is catered and you get told that there is going to be 300 people and only 150 show up — that was a lot of food that we couldn't recycle, we couldn't re-donate and we couldn't give to the community. What that means now is that without having to do the back-alley deal with the food, they will be able to take it. It can now be repackaged, it will be able to be held in an appropriate fashion — so whether it is the fridge or the freezer — and then it will be redistributed, which is really exciting.

It means that at the end of buffets, the leftovers can go into the community. I'm hoping that they can go further than just Whitehorse and we can get them out to the smaller communities that also need help.

I look forward to having the debate within the Committee of the Whole, and I'm very happy to see this on the floor today.

**Mr. Silver:** I'm pleased to see this bill before us today. It fixes an issue that has been brought to my attention a few times over the last year and I've certainly experienced volunteering for different groups in the communities. This will ensure that citizens or businesses who are trying to do the right thing by donating food are not penalized in any way. I am sure there are some who decided not to give because of the fear of these liability issues. Bill No. 42 resolves them. I will definitely be supporting it today.

**Hon. Mr. Dixon:** It's a pleasure to rise today in support of Bill No. 42, the *Donation of Food Act*. I know it's one that is receiving support from across the floor from both the Official Opposition and the Third Party, and I presume the independent member as well, although he hasn't spoken to the bill yet but, judging from his physical gestures, I'm going to assume he is also supporting it.

It's an important bill because it's one of those things that is very logical; it's one of those things that, over time, sometimes practices become ensconced in government and they become the way it is, and then sometimes it takes a bit of prompting to change things for the better. I think that's the case with this particular bill, where what is a very reasonable and logical practice had some lack of clarity around it, particularly around the liability, where very well-intentioned groups or individuals were faced with a difficult situation, as outlined by the Member for Takhini-Kopper King.

The case is as simple as, if an event were to occur and there would be leftover food, if it was good quality and unspoiled, it could be provided for more charitable purposes than simply ending up in the landfill, which is something that is worth commenting on.

As we all know, climate change is an important issue that is being dealt with by northern regions, and waste disposal and the way we dispose of waste is an important function of that.

Reducing the amount of food that ends up in our landfill obviously has positive environmental effects. It was noted by some observers of this bill previously that by reducing food going to the landfill, we reduce our carbon emissions. I'm not sure if that's a significant number or not — I certainly wouldn't be able to quantify it. Nonetheless, it is a positive step forward and it's a positive step forward for the territory's environmental programs.

Part of the job of government is dealing, of course, with solid waste. As the Minister for Community Services outlined earlier in debate, the *Yukon Solid Waste Action Plan* has guided us thus far. Obviously, if we can take some actions ancillary to that strategy, it will have a benefit for the territory.

My final comment was on the fact that this is not an unusual process for government to undertake — the creation of this kind of bill. I know it's certainly the case that this sort of legislation exists in other jurisdictions. I believe it exists in Northwest Territories, for sure, and I'm sure that it exists in other provinces and/or territories as well.

As I said, it's a logical step, and I commend the bill to the House. Before I do that, I'd like to thank the Minister of Health and Social Services for his leadership on this file. I can certainly attest to the fact that he has put a degree of priority on it in our offices and has raised awareness among our members of the great benefit this bill will bring. So I'd like to thank him for his leadership on this file, as well as the officials who drafted the bill, as well as the policy work that accompanies it.

With that, Mr. Speaker, I would commend this bill to the House and look forward to seeing it go into Committee of the Whole and hearing the debate on that, as well as it going eventually to third reading and assent, where I will be supporting this bill.

**Mr. Barr:** I'd just like to commend my colleague from Takhini-Kopper King for putting this forward and the Minister of Health and Social Services for moving on this. It's a great example of us working together for the common good — all of us here.

I think back to some of the days when I would be working at CAIRS, which was in the Salvation Army building — Committee on Abuse in Residential Schools — and the dumpsters that were in the nearby areas, especially coming up to the festive season and seeing the folks who are daily in a survival mode. Even before when we had the food bank, their means of survival was dumpster diving, as it was fondly called by those who utilized it. This is going to take that step away from even actually having to witness something like that in our community, which is a sad state of affairs. I just think that it is a really good thing that we are doing here.

**Hon. Mr. Cathers:** It gives me pleasure to rise here today in support of Bill No. 42, the *Donation of Food Act*. I'd like to thank the Minister of Health and Social Services for bringing it forward and to officials who worked on this, for

their efforts in developing the legislation. I think that most of us here in this Assembly agree that this is a beneficial step in encouraging people to reuse food, or rather, to pass it on to someone else to use, rather than disposing of it for fear of liability. That certainly creates the potential that hopefully will be utilized for areas like grocery stores and restaurants which, in some cases, may have large amounts of unused food afterward, whether it's reaching the end of its life before the expiry date on a package of bread or cheese or something like that, but is still in fact a very good and edible food, it does create the ability, rather than it simply being thrown in a dumpster where it can rot in a dump, for it to be taken to people in need, whether it be passed on directly or cooked by someone else and used for that purpose.

As the member noted, bakers are another example of people who have the ability to take food — I don't think anyone really has a precise handle on how much food is currently wasted within the Yukon, and certainly this legislation will not eliminate all wastage of food, no matter how much any of us might hope it would. This legislation brought forward by my colleague, the Minister of Health and Social Services, requires someone to ensure that food is prepared in compliance with the health and safety standards. If they do that and if they have acted in good faith at all times, they will not be held liable for something that was beyond their control, is certainly a very important step. Again, that balance of ensuring that the regulations are followed is an important one.

I think the situation that occurred — the recall of meats from XL Foods that everyone is very much aware of and has been in the news — is an important reminder of the need to have health and safety regulations in place around the preparation of food and to ensure that those are complied with before food is distributed, because it can lead to unintended problems, through contamination, if those standards are not followed.

I don't have much else to add on this legislation. I just wanted to speak briefly in support of it and to recognize that another area I should touch on briefly is the fact that it does create some ability for people with home produce as well — farmers, gardeners, et cetera — to donate unused food. Hopefully, with increased efforts of people becoming aware of these things — whether it's through the Food Bank or Salvation Army or other venues — it will create more awareness so people will donate their food, rather than simply having it go unused if they are not personally going to use it, whether it's garden-grown produce or something that has been baked or simply items on a grocery store shelf that are nearing the end of their life and the best-before-date, but are still quite good and quite safe for human consumption.

So with that, I commend the legislation to the House and look forward to hearing the comments of other members and seeing this legislation hopefully pass before this sitting is out.

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

**Hon. Mr. Graham:** It's truly wonderful to hear support coming from all members for this bill. I really believe that

the bill will make a difference to folks facing difficulties, finding healthy, affordable food to eat here in the territory. I'm looking forward to continuing our discussion during Committee of the Whole. With that, I'll end my comments.

*Motion for second reading of Bill No. 42 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:** Order please. Committee of the Whole will now come to order. The matter before the Committee is Bill No. 42, *Donation of Food Act*. Do members wish to take a brief recess?

**All Hon. Members:** Yes.

**Chair:** Committee of the Whole will recess for 10 minutes.

*Recess*

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

### Bill No. 42: *Donation of Food Act*

**Chair:** The matter before the Committee is Bill No. 42, *Donation of Food Act*.

**Hon. Mr. Graham:** I'll just do a quick little rundown on some other items. This legislation will provide increased protection for individual organizations — as I said before — that donate or distribute food with good intentions and for charitable purposes. Currently, individuals donating or distributing food according to regulations outlined in the Regulations Governing the Sanitation of Eating or Drinking Places in the Yukon Territory — and that's quite important — may be civilly liable if another individual falls ill or dies from consuming the donated food. There are several measures in place to ensure that individuals receiving donated food continue to be protected.

In addition to organizations' individual policies on food handling, the Yukon government *Health and Safety Act* section 22 of the Regulations Governing the Sanitation of Eating or Drinking Places in the Yukon Territory outlines that, in every eating or drinking place, food brought into the premises should be clean, wholesome and free of spoilage, be refrigerated if it is susceptible to spoilage, prepared so it is safe for human consumption and, if it's fresh milk, it is to be served in or from the original container.

Single-serve containers are only to be used once and any food served to a person not consumed by that person, shall not be served in any form as human food. Consultations were held with various groups on this legislation, including Salvation Army, Whitehorse Food Bank, Kaushee's Place, Whitehorse

General Hospital, Help and Hope for Families Society in Watson Lake, and the Dawson City Women's Shelter. All groups that the department spoke to supported the legislation and understood what it was intended to do. Many organizations that are in the business of donating, distributing or even receiving donated food have developed or adopted policies to address safety issues, including policies on such things as previously prepared food and expired and damaged food. In addition, our environmental health officers are always available and have provided guidance and advice on these policies to ensure their compliance with the *Public Health and Safety Act*.

As previously noted, the legislation is enacted in 10 other provinces and territories and the Yukon is proposing to use basically the same language as other jurisdictions.

We're bringing the legislation forward now to better protect Yukoners who generously donate food to charitable organizations. Thank you.

**Ms. White:** Just to confirm and get this on the record: the language that we use in the act that we're putting forward is "injuries or death," and I just want to make sure that that covers all the spectrums of both disease and harm. I'll ask a second question as well: Does this also protect individuals who prepare food in their homes as opposed to industrial preparers of food? Does this cover anyone who donates food?

**Hon. Mr. Graham:** Madam Chair, I have it confirmed that the language resulting from "injuries or death" must be taken in context and includes harm, disease, and other related maladies that may befall a person as a result of food being donated under this act. The second thing was — as long as it meets the requirements under the *Public Health and Safety Act*, which means it must be clean, wholesome, and free from spoilage.

The prepared food cannot be stored in direct contact with shelves or walls, so it has to continue to meet the *Public Health and Safety Act* section. However, it would be treated in a similar fashion.

**Ms. Hanson:** The minister made reference to the fact that the legislation is modelled on or is similar to other provincial and territorial jurisdictions. Of course, we do support this legislation for all the reasons he and the colleague for Takhini-Kopper King cited, but I'm just curious as to what changes Yukon has made with respect to our legislation and if there was a reason why we would have differed from any other legislation. I'm just curious, basically.

**Hon. Mr. Graham:** It's not different in content; it would be different in style and format to meet the requirements of the Yukon legislative process, but that's it. I can assure you that we absolutely made no policy changes from any other piece of legislation.

**Ms. Stick:** I just have one quick question. I wondered in this act if this also leaves room for wild game and wild meat?

**Hon. Mr. Graham:** Once again, as long as the *Public Health and Safety Act* sections are followed — and there are also food safety guidelines for food banks. We're not saying there's no problem, but as long as the guidelines are followed, because there are also guidelines here that govern, under the

*Public Health and Safety Act*, what must be done in terms of food or drink that is readily susceptible to spoiling and the action of toxin-producing organisms — it shall be kept under refrigeration. So as long as those sections are followed, there shouldn't be a problem.

In fact, I know — if I can just ramble on here for a second — in British Columbia, the British Columbia outfitters association has a policy that my younger sister, who is an outfitter, and her husband, follow and that is that a percentage of the total meat harvested each year must be packaged, frozen and given to charitable organizations, such as food banks and other organizations like that within the northern B.C. area. It has actually been a real plus for big game outfitters in northern B.C.

**Chair:** If there is no further general debate, we'll continue on, clause by clause.

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Title*

*Title agreed to*

**Hon. Mr. Graham:** I move that Bill No. 42, entitled *Donation of Food Act*, be reported without amendment.

**Chair:** It has been moved by the Hon. Mr. Graham that Bill No. 42, entitled *Donation of Food Act*, be reported without amendment.

*Motion agreed to*

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

**Speaker:** It has been moved by the Hon. 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

**Ms. McLeod:** Mr. Speaker, Committee of the Whole has considered Bill No. 42, entitled *Donation of Food Act*, and directed me to report the bill without amendment.

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

**Some Hon. Members:** Agreed.

**Speaker:** I declare the report carried.

**Hon. Mr. Cathers:** Mr. Speaker, I move that the House do now adjourn.

**Speaker:** It has been moved by the Government House Leader that the House do now adjourn.

*Motion agreed to*

**Speaker:** This House stands adjourned until 1:00 p.m. tomorrow.

*The House adjourned at 5:21 p.m.*

#### The following Sessional Paper was tabled October 29, 2012:

33-1-49

Appointments to Major Government Boards and Committees, Standing Committee on: Third Report (dated October 29, 2012) (Hassard)