

**Whitehorse, Yukon**  
**Wednesday, May 23, 2007 -- 1:00 p.m.**

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

*Prayers*

## DAILY ROUTINE

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

Tributes.

## TRIBUTES

### In recognition of National Public Works Week

**Hon. Mr. Lang:** On behalf of the House, I rise today to recognize National Public Works Week, celebrated this year from May 20 to 26.

National Public Works Week is the celebration of the tens of thousands of men and women in North America and recognizes those individuals in the federal, provincial, territorial, municipal and First Nation governments, as well as the private sector, who provide and maintain the infrastructure and services collectively known as public works.

The theme for 2007 National Public Works Week is "Public works: moving life forward". As Minister of Highways and Public Works, I would like to take this opportunity to pay tribute to those employees in the government who perform public works actively, daily and without notice. It is in the interest of all residents and leaders of this territory to learn the importance of public works staff in moving life forward in the communities. They are responsible for and must design, build, operate and maintain streets and roads, water supplies, sewerage and refuse disposal systems, transportation systems, airports, public buildings and other important structures and facilities. These dedicated individuals also look after supporting functions of supplying and disposing of assets as well as the maintenance and operation of fleet vehicles. These employees play an integral part in providing our critical infrastructure and services, and they are dedicated to improving the quality of life for present and future generations.

The goal of this week is to enhance the profile of these often unsung heroes of our society, the professionals who serve the public good every day and with quiet dedication. One of the key reasons for the success of moving life forward is due to the huge commitment by those people who perform the duties to complete projects. These men and women exemplify the idea of public service.

I would like to take this opportunity to name a few. There are the electricians who respond to power failures in all weather conditions, at all times of the day and night. Their work often takes place during the worst of conditions and in isolated locations -- sometimes forsaking personal commitments to ensure others have services: the workers who clear the flooded drainage systems and repair the broken water mains we witness from time to time; the snowplow operators who clear the snow on highways throughout the night so we can drive

safely in the morning; the building inspectors who ensure that buildings meet design standards; the clerks and other staff who are there to answer the phones and assist people at the counter to assess a wide range of public works services; and, of course, the folks who collect the garbage and compost and operate the local landfills.

These are women and men who perform the sometimes nasty and unpleasant activities that need to be done to keep our communities operating in a clean and safe manner.

With the dedication of these hardworking individuals, we see local infrastructure development projects such as: the Shakwak highway upgrades; new multi-residential housing units at Yukon College; the school at Carmacks; Mayo, Marsh Lake and Ross River community complexes; the Canada Winter Games venue; semi-potable water; well improvements in communities; new bridges and culverts throughout the territory; and main administration building accessibility improvements. This list only begins to speak to the many projects that are designed, built and maintained by these individuals.

Moving life forward is paramount and, without public works activities that go on daily, we would not be able to enjoy everyday conveniences to which we are accustomed.

Thank you to all the individuals who provide hands-on experience and professional expertise to all our communities. Mr. Speaker, please unite with me in recognizing National Public Works Week and in thanking all the dedicated men and women in our public works sector who strive every day to improve the facilities and transportation in our communities for a better quality of life and for the benefit that these provide for all Yukon citizens in our territory.

Thank you, Mr. Speaker.

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

## INTRODUCTION OF VISITORS

**Hon. Mr. Cathers:** I would like all members to join me in welcoming to the gallery three visitors with the food for learning program: Martha O'Connor, executive director of the national organization Breakfast for Learning, Jean Kapala, who is one of founding members of the Yukon food for learning program, and Marion Nigel, the owner of Three Beans Natural Foods. Marion and her staff have been major supporters of the Yukon's food for learning program. It's important to note as well that all three of these ladies have been working with the local food for learning program over the past 15 years.

Thank you, Mr. Speaker.

*Applause*

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

Reports of committees.

Petitions.

Are there bills to be introduced?

Notices of motion.

## NOTICES OF MOTION

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

THAT this House urges the Yukon Party government to delay no further in providing important budget briefing information to the opposition parties, such as it has done with material produced by the Department of Highways and Public Works.

## NOTICES OF MOTION FOR THE PRODUCTION OF PAPERS

**Mr. McRobb:** I also give notice of the following motion for the production of papers:

THAT this House do issue an order for the return of budget documents known as the "community breakdowns".

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

## QUESTION PERIOD

### Question re: Nurse shortage

**Mr. Mitchell:** I have risen in this House on several occasions to address the nurse shortage at Whitehorse General Hospital. The minister failed to take the opportunity to address the real issues. His pitiful response was nothing more than casting insults at the opposition.

Well, Michele Demers, president of the Professional Institute of the Public Service of Canada said, "Nurses are being shuffled between departments to fill gaps created by the staff shortage."

Will the minister now stop hiding behind the Whitehorse General Hospital Corporation and do the job he is being paid to do, or is he now planning on slinging the insults at the president of the Professional Institute of the Public Service of Canada?

**Hon. Mr. Cathers:** The only person who is engaging in insults on the floor of the House is the Leader of the Official Opposition. I have and will continue to conduct the government's response to these issues in a respectful manner.

We work and I work, as Minister of Health and Social Services, with all the organizations involved, including the Whitehorse General Hospital, which is run by a board of directors, the Yukon Medical Association and the Yukon Registered Nurses Association. We will continue to foster a collaborative and productive relationship to address the challenges we face within our health care system.

Once again I have to emphasize to the member opposite that the member is not accurately reflecting the fact that there are challenges within every health care system, and the challenges we face in the Yukon, in comparison to the rest of the country, point out that our system is doing very well indeed and, in fact, is second to none in Canada.

**Mr. Mitchell:** I appreciate the tone the minister is trying to take today, but let me expand further on what the president of the Professional Institute of the Public Service of Canada had to say. I quote: "The morale is low. The number of grievances has increased," Demers said. "There appears to be some leave requests that are denied."

This is no way to treat our nurses. This is no way to treat Yukon health care. The Official Opposition would be quite willing to help. Perhaps expanding the existing nursing program at Yukon College will help address the long-term issue. In the short term we need to stop asking nurses to work on call and offer more full-time positions. Perhaps the collaborative health model the Yukon Party suggested in their platform may help.

There's no lack of options; however, the minister must show leadership. Will this minister accept these suggestions in the spirit of cooperation and move quickly to implement solutions?

**Hon. Mr. Cathers:** Mr. Speaker, that is exactly what we are doing. We are implementing solutions. What the member has consistently been asking me to do, in effect, would amount to micromanaging the system. Does the member not respect the Yukon *Hospital Act*, setting up the Hospital Corporation Board with the authority over the operational matters there? Yes or no, does the member respect that?

I work with the Yukon Hospital Corporation Board and have done so very productively. I would point out to the member, as I reminded him yesterday, under the Liberals' watch, a mere \$18.1 million was invested in operation and maintenance funding to the hospital. Last year, under this government's watch, we invested \$32.8 million in operation and maintenance funding -- an increase of \$14.7 million in annual operation and maintenance funding over what the Liberals invested during their time in office. Certainly we are stepping forward, and we will continue to step forward in providing the resources directly to the hospital and, through the Department of Health and Social Services, in programs such as our \$12.7-million health human resources strategy.

**Mr. Mitchell:** The minister should check his numbers, because the numbers that he's putting forward here are inaccurate, in terms of what was put forward under the last Liberal budget.

The minister can continue to deny, deny, deny. He can talk about arm's length, but, Mr. Speaker, the buck stops there. Maybe this government should form a new association called "arrogance anonymous".

Mr. Speaker, allow me to add one more comment --

### Speaker's statement

**Speaker:** Order please. The Chair has been very patient with this type of terminology, in terms of saying the government is arrogant as opposed to an individual member being arrogant, but there seems to be a disturbing trend. Perhaps it's my fault that I didn't step in earlier, but this type of conversation will lead to discord in this House. I would ask the Leader of the Official Opposition to keep that in mind, please. You have the floor.

**Mr. Mitchell:** Mr. Speaker, allow me to add one more comment from what Michele Demers had to say yesterday. None of the nurses will be allowed to take more than two weeks off at any time this summer. That seems to be the directive at this point in time.

Mr. Speaker, we've heard enough rhetoric, enough ducking, and too much of the non-answers. The proof of the pudding is in the eating, and the proof of this minister's failure is being served up daily at Whitehorse General Hospital. We've offered two possible solutions today. The minister needs to stop wasting time with the sarcasm and rhetoric and get down to dealing with solutions. Will this minister stop deliberating and equivocating and take actual steps to address the problem?

**Hon. Mr. Cathers:** The Leader of the Official Opposition, once again, stands and pays no attention to the facts. The member is simply not recognizing the facts of the matter. The member wants numbers here -- yes, I will point out again that under the Liberals' watch, there was \$18,133,441, in operation and maintenance funding. That is the number.

Under this government's watch last year -- \$32,819,096. In round numbers, it is an increase from \$18.1 million to \$32.8 million -- \$14.7 million in increased funding, operation and maintenance, on an annual basis last year compared to under the Liberals' watch. Those are the facts, Mr. Speaker.

This government will not engage in useless rhetoric, such as the member is engaging in. We will continue to work collaboratively with the individuals involved, with the associations, and with the Hospital Corporation Board in stepping forward with the resources and continuing to take steps, like the \$12.7 million health human resources strategy, which we implemented. When the members opposite had the chance to address health and human resources, they did absolutely nothing.

**Question re: Elk, winter tick infestation**

**Mr. Elias:** I have some questions for the Minister of Environment. Earlier this year, biologists in the minister's department confirmed that Yukon elk have been exposed to an infestation of winter ticks. Now, this is very bad news if you're an elk. More seriously, it is also potentially very bad news for Yukon's moose and caribou populations. In fact, it can be fatal.

In other jurisdictions -- Alberta, Saskatchewan and Manitoba, for example -- there has been a significant die-off among moose populations because of these ticks. These winter ticks have only been found on our elk so far, but they can very easily be transferred to other wildlife that is simply walking through the forest.

What is the minister's plan to ensure that the infestation will not affect other Yukon wildlife, in particular moose and caribou?

**Hon. Mr. Fentie:** The minister's plan is to let the biologists and the experts in the field address the issue. It is those experts who discovered that elk here in the Yukon had an infestation of ticks. I am very confident that our people and our Department of Environment, especially our biologists, are well-versed and capable in this area. They are working on this matter diligently, but I would point out to the Member for Vuntut Gwitchin that this again could be another stark and realistic example of climate change. That is why this government, months and months ago, came forward with a climate change strategy that actually speaks to things such as insect infestations. Now we are moving ahead, post our first-ever environmental forum on the matter, to begin work with Yukoners and

stakeholders and experts in implementing a strategic action plan for this very serious global phenomenon.

**Mr. Elias:** I know the minister has received letters on this issue from renewable resource councils. They have expressed concerns about how these unwelcome visitors could have a very serious impact on our moose and caribou populations. They have recommended that the minister give the eradication of these ticks the highest priority. They have also requested that the minister dedicate both the human and financial resources needed to make this happen.

Has the minister complied with the requests that he has received, and can he tell the House what additional resources have been allocated to head off this potentially serious situation?

**Hon. Mr. Fentie:** I would, with all due respect to the member opposite, inform him that my first answer clearly demonstrates that we are dedicating all available expertise -- our biologists and, of course, the resources required therein as we deal with this very serious matter. The government is very concerned about this and we share the concern of our resource councils and others in the territory when we have to deal with these kinds of phenomena and insect infestations.

The other major problem we are dealing with in the Yukon is the spruce bark beetle, for example. There are some 400,000 square hectares infested, which, as I understand it, is one of the largest on the North American continent. I would suggest to the member opposite that the member place some confidence in our expertise that we have here in the Yukon. We are fortunate within the Department of Environment to have a full complement of very skilled biologists who are diligently doing their work as we speak in addressing this matter.

**Mr. Elias:** Production of the state of the environment report would also help.

Climate change seems to be one of the main reasons these ticks have made their way this far north. In other words, these ticks may be here to stay. As the minister knows, Yukoners depend on moose and caribou as an important source of food. Moose and caribou are also important to our tourism and outfitting industries. The government should be doing everything it can to ensure the health of these animals.

According to the Department of Environment Web site, officials are investigating the risks and will consider strategies to control the infestation. When does the minister expect to have this work completed, and when will he report to the public on the next steps that the government intends to take?

**Hon. Mr. Fentie:** I think it's fair to say that the biologists charged with this responsibility are proceeding expeditiously, and they will be implementing what they feel to be the appropriate measures to manage this kind of situation as soon as possible.

I think it's important that we recognize the issue of a state of the environment report. Here we are talking in the Legislature without a completed report, and we must ensure the report that we table publicly is correct. Without all that, we are talking about the state of the environment, so I want to congratulate the Member for Vuntut Gwitchin for recognizing, at least in this

area, a component of the state of the environment. Congratulations to the member opposite.

**Question re: Nurse shortage**

**Mr. Hardy:** I would like to recap for the Minister of Health and Social Services some of what we have recently been hearing about the situation facing Yukon nurses. The chair of the Yukon Hospital Corporation Board has acknowledged that there are both shortages and morale problems. The Yukon Medical Association says it is a crisis. The union says the number of grievances has increased significantly. Nurses are being called in on days off to fill in for others who are sick, and vacation plans are being scrapped. In continuing care, there are shifts with no RNs on the floor. In rural communities, nurses are doing double duty because they are understaffed.

I have a very simple question: what new ideas does this minister have to ensure that Yukon patients will receive nursing care that he calls "second to none", or will he continue to act as if everything is under control?

**Hon. Mr. Cathers:** I do thank the Leader of the Third Party for his question and would hope he understands that at no time in my response was I attempting to suggest there are no challenges. Every health care system in the country has its challenges. Comparatively though, I have to point out that our system is second to none. We're doing very well.

There are issues where we have challenges and we work on them when they are within our own resources in the Department of Health and Social Services. Some of them are operational issues so they're not dealt with directly by the minister's office, but we do provide the policy, guidance and financial support related to that. When there are issues, such as with the Yukon Hospital Corporation, we work with that corporation in addressing those issues.

As far as the issues the member raised about continuing care, I would point out that, as I mentioned on the floor of the House before -- but I know the member has not always had the opportunity to be here and hear that -- we do have some vacancies that are being --

**Speaker's statement**

**Speaker:** It's not appropriate to mention whether a member is or is not in the House. Honourable minister, please do not do that.

**Hon. Mr. Cathers:** Mr. Speaker, that was an inadvertent slip on my part.

I recognize the member may not have heard my response and I was just trying to point out that we do have some positions being hired for in continuing care right now, and those are moving forward in the standard manner.

**Mr. Hardy:** What is the point of spending thousands of dollars to attend job fairs or advertise for nurses if the best we can offer is on-call work? What is the point? They're not going to come.

How can we attract well-qualified nurses if we expect them to accept entry-level positions that ignore years of experience they have accumulated?

Finger pointing and politicizing the issue won't solve anything. The Yukon isn't alone in facing the nursing crunch. We recognize that over here.

I'd like to suggest a more proactive approach that might assist the department and the Yukon Hospital Corporation, as well as First Nations and Yukon communities, to come up with an effective plan to meet our current and future needs. Is the minister willing to consider bringing in an independent consultant to do a proper assessment of the current situation and recommend strategies to address our ongoing nursing needs in the context of what is actually happening across Canada?

**Hon. Mr. Cathers:** I appreciate that suggestion from the Leader of the Third Party. That's an interesting concept. Prior to making a commitment or a determination, one way or another, on his recommendation, I would want to refresh with the department what work has been done internally and to what extent with the Yukon Advisory Council on Nursing and with the Yukon Registered Nurses Association. That work has already been done collaboratively.

I would point out on the floor of the House, as I have already in this session, and emphasize that we do have a very productive working relationship with the Yukon Registered Nurses Association. In fact, I had the opportunity to be invited to their AGM and to sit in on the presentation of Michael Villeneuve, whom they had brought in to present a vision of nursing in the year 2020. I once again emphasized our interest in strengthening our efforts and the working relationship between me and the Yukon Registered Nurses Association to ensure that together -- me as minister, the Department of Health and Social Services and the Yukon Registered Nurses Association -- we are coming up with the plan to ensure that Yukon nursing remains strong and continues to grow stronger and that the appropriate steps are taken to plan for the future.

**Mr. Hardy:** The minister must realize that recruiting new nurses is only one side of the equation. The Yukon has excellent nurses, but if we are losing them through burnout, or because they feel their work isn't being properly valued, we need to find out how to fix that.

If Yukon students, including First Nation students, are hesitant about entering the nursing profession because they aren't confident about their career prospects here, we need to address that as well. An experienced consultant with the right background and no vested interest could interview practising and retired nurses about the challenges they face. This person could work with the department, the hospital, the Yukon Registered Nurses Association, the union and the medical community to develop a solution-oriented plan of action. This person could help to develop linkages at the community level to identify the real needs and give health care users a sense of ownership in the process of how we attract and retain nurse practitioners.

Will the minister commit to contracting a qualified person with the mandate and authority to guide decision-makers toward an effective solution that has eluded us so far?

**Hon. Mr. Cathers:** I want to stress to the member opposite that I don't want to rule out his suggestion; I want to discuss it with officials and put it into context, considering the

work that we have already done and what has already been launched in expanding our efforts.

I have to emphasize to members that we have within the past year and a half significantly ramped up the efforts in the department on the health human resources strategy. It has been a major priority of ours and will continue to be a major priority in moving forward and addressing the needs. Health human resources were not addressed by previous governments. We are taking steps to move forward. That will include working with associations such as the Yukon Registered Nurses Association, and I don't want to either rule out or predetermine a conclusion on the member's request -- we will consider that -- but prior to determining how to move forward, I want to honour the commitments I have already made to the Yukon Registered Nurses Association. Our desire is to engage with them and to strengthen our engagement with them on moving forward together to plan for and address the needs within nursing, both today and in years to come.

I do have to remind the member opposite that, in fact, actions that we have rolled out include announcements last month in this area and we will continue to act in this area.

#### **Question re: Mine abandonment plans**

**Mr. Hardy:** I have a question for the Minister of Energy, Mines and Resources regarding the Sherwood Copper mine at Minto. In a recent media report, the president of Sherwood Copper said the company had raised something in the order of \$85 million for this project.

Will the minister tell us how much the company has put on the table to ensure that the necessary reclamation work is done at the end of the mine's productive life?

**Hon. Mr. Lang:** We have a reclamation policy in place and that is between the department and the mine. The resources will be put in place as the mine moves into production.

**Mr. Hardy:** Mr. Speaker, we've seen what can happen when a mine shuts down and the taxpayers are left on the hook for millions of dollars' worth of environmental cleanup. The Faro mine is a classic example. So is the BYG mine near Carmacks, where the operator simply walked away and left an environmental nightmare behind. We've seen lengthy court battles over huge amounts of money owing to local creditors. We're not suggesting that this will happen with Minto, but the fact remains that this is the first major mining venture under the territorial government authority. If anything goes wrong, we can't fall back on the federal government any more.

Will the minister table the abandonment plan for the Minto mine so that Yukoners can see what this government is doing to protect both the environment and the taxpayers?

**Hon. Mr. Lang:** Certainly, Mr. Speaker. Answering the member opposite, we are concerned about the same issues as the member opposite. That is why we put the new policy in place, and I certainly will get a copy over to the member opposite so he can review it.

**Mr. Hardy:** I appreciate the answer from the minister. Now, if the minister and the Premier are to be believed, there may be several more mines opening up in the coming years. Yukoners are very concerned about the future of our water, our

land and our wildlife. The old federal regime did not prevent environment travesties from occurring. It also didn't present any ironclad mechanism to make mine owners take full responsibility for the mess that they create. What assurance can the minister give that things will be different now that the territory is in charge of resource development and that Yukon taxpayers won't end up paying millions and millions of dollars for environment cleanup when a mine shuts down?

**Hon. Mr. Lang:** Again, Mr. Speaker, we're looking at the new policy, which puts resources in place to answer those questions, and also internally in the Yukon, we certainly have *Yukon Environmental and Socio-economic Assessment Act* in place to address most of the issues. So as we move forward with devolution, we certainly have strengthened our policies to make sure that what the member talks about does not happen in the future in the Yukon.

I will send a copy of the reclamation policy and plan forward, and the member opposite can see what we've done as a government for checks and balances on exactly what the member has been talking about.

#### **Question re: Bonnet Plume Outfitters**

**Mr. Fairclough:** I have some questions for the Minister of Energy, Mines and Resources on the outfitting industry. Now that the minister has cleared up the conflict of interest he had with this industry, he is free to answer questions on the floor of this House.

Last year I raised several questions about cabins constructed by an Alberta-based outfitter in the Bonnet Plume area north of Mayo. For several months the Yukon Party government refused to acknowledge that these cabins were a problem and refused to do anything about it. Last fall, however, they did initiate a court action asking that the buildings be removed, and that was after much public pressure.

In April of this year there was a technical setback in the court case. At the time one of the minister's officials told a local paper, "We do not view this as a big change; we have full intentions of proceeding with the Bonnet Plume case." That was April 10, and since then the government has done nothing.

My question is to the minister: is the government proceeding with this case or has it been dropped?

**Hon. Mr. Lang:** Yes.

**Mr. Fairclough:** We have checked at the Law Centre, and there is no court action initiated by government at all -- no court case against this mining company.

Now the minister says that they are continuing to do this. Can he tell us when? And when does he expect to have these buildings removed?

**Hon. Mr. Lang:** The department has never initiated a court case against any mining company.

#### **Question re: Highway corner indicator signs**

**Mr. McRobb:** I have a question for the Minister of Highways and Public Works on another matter with which this Yukon Party government has kept people in the dark. It concerns road safety.

Anyone who has driven the Yukon's highways has likely come to appreciate the value of corner signs as a helpful safety

tool. The corner sign is situated at the start of the corner on the right-hand shoulder of the road. It has a highly reflective surface with a sharp black-on-yellow design that stands out from a distance, especially in the dark. They usually reflect well beyond the field of view of headlights on the road. It is safe to assume these important driving aids have reduced accidents and saved lives, but all that has suddenly changed without as much as a peep from this minister.

Why did he decide to remove hundreds of corner signs from Yukon roads and not even bother to ask Yukoners?

**Hon. Mr. Lang:** The management of the highways is done through the Department of Highways and Public Works and Public Works Canada, which is done on a national scale. As the highways are brought up to a national standard, then there is a standard for signage. That is being done in a very progressive way.

**Mr. McRobb:** Obviously this government is at arm's length from its departments.

These signs are important navigational instruments that assist drivers in knowing there is a corner up the road, where the corner starts, and the severity of the corner, based on the sign itself.

Allow me to describe a scenario. It's winter, it's dark, and there are traces of snow on the Alaska Highway. A truck is following a car, wanting to pass. The truck driver has no indication of what lies beyond the headlights of the car, as he would have before the minister removed the reflective corner sign otherwise seen in the distance. Without an indication of coming impediments, the truck driver decides to pass. Before the manoeuvre can be safely completed, however, a corner suddenly appears and the driver is forced to brake, creating a hazardous situation for the vehicle beside the passing truck. In a worse scenario, just at that point, an oncoming vehicle rounds the corner, intensifying the hazard. Why was the minister so quick to overlook the safety of Yukon motorists?

**Hon. Mr. Lang:** Mr. Speaker, that was quite a story. If you travel on our highways and abide by the speed limits, the highway is at a certain standard and the signage isn't necessary.

The government of the day, the Liberal government, signed on to the National Safety Code. Part of that was how the roads would be signed and how the roads would be brought up to a certain standard. We have followed through on the strength of the Liberals' commitment to the National Safety Code and today the roads are being upgraded. Where they are upgraded within the going rate of speed, these roads are safe.

**Mr. McRobb:** He removed the corner signs but the corners are still there. This House has already established several other examples of how the Yukon Party government keeps Yukoners in the dark on matters important to them. Look at how it threw our climate change money at a questionable project that does nothing to reduce emissions for years. Look at how it phased out the rate stabilization fund without asking Yukoners or letting them know of their intentions before the recent election. Look at the hidden position papers on education reform. These examples testify to government arrogance and disrespect for the public.

It's no wonder the minister, just last week, passed on tributing National Road Safety Week. Highway curve signs deserve a better fate than the minister's secret decree, and so do Yukon drivers. Will he commit to re-examining his decision on consultation with Yukoners before he removes any more of these important safety signs, or does he prefer to just leave Yukoners in the dark?

**Hon. Mr. Lang:** It's the opinion of the member opposite that I worry about. We work within the National Safety Code on our highway system. We partner with the federal government on resources; we maintain our highways to a certain standard; and we maintain the signage at a certain standard. We mature as our highways improve.

I encourage every Yukoner to follow the speed limit when they're travelling on our highways throughout the Yukon.

#### **Question re: Affordable housing**

**Mr. Hardy:** I want to go back to a question I asked a week and a half ago or so. It was regarding affordable housing.

At the time, the minister indicated that affordable housing is the responsibility of the private sector. Is that a position that is shared by all his other provincial colleagues -- health ministers -- across this country? Is it a position that's shared by the territorial representatives?

My understanding is that each province, each minister, each government, each territory recognizes that affordable housing is a responsibility of the government, and they have a role to play to ensure there is housing for all people in our society.

**Hon. Mr. Kenyon:** The Yukon Housing Corporation does maintain somewhere in the neighbourhood of about 550 homes that are rent geared to income, based on 25 percent of income -- the lowest in Canada. Most other jurisdictions are 30 percent or higher. We continue to utilize affordable housing funds to try where we can to reduce the price of housing, and we are dealing with the housing trust fund, which will be coming up in the very near future. So we are working where we can on that.

Where we can't work is with individual zoning within a municipality. That is unfortunately a reality. Much of this is a municipal issue.

**Mr. Hardy:** Mr. Speaker, I will not argue with the minister that this is also a municipal issue. I would love to see the municipalities take a more active role with housing, with poverty, with the issues facing our society, such as crime. I would love that. But that is no excuse for this government to shuffle all the responsibility over to the private sector. This minister can lead in this area. This minister can set a goal to build so many affordable housing units per year throughout the Yukon Territory. They do receive funds from the federal government to do this. Why isn't this minister accepting that responsibility and doing the work that's necessary to ensure that people have affordable, clean housing?

**Hon. Mr. Kenyon:** We have made significant investments into affordable housing. Currently in the Village of Haines Junction, of course, roughly \$1.8 million went into a housing complex for seniors. Units with rent geared to income will be available, we hope, around the first of October. We've

also invested some \$34 million by leveraging money into what was known as the athletes village and it will bring on-line approximately 44 homes. It's interesting to note, Mr. Speaker, that with all the naysayers saying that seniors did not want to live up there and did not want to move out of downtown, most of the units have been committed one way or another. Of those seniors moving up there, better than half are leaving the downtown core to move up there.

**Mr. Hardy:** A week and a half ago, this minister said that they had nothing to do with affordable housing or social housing -- whatever you want to call it. There are more people than just seniors who need housing. There are more families out there who are living in substandard conditions. The Downtown Residents Association has identified some of the extremely serious housing conditions that exist today.

The problem is that, in the downtown core of Whitehorse and elsewhere, these units are slowly being removed. Whether they're good or bad, they're being removed or else the costs are getting so high that it's driving people away. They can't work in the service industry, where there are job shortages. The nurses are also feeling the crunch. This is all connected. It's connected in our society and a good government looks after all aspects of our society.

Will this minister make a commitment, not just to the seniors but to all people in the Yukon, to build some housing units?

**Hon. Mr. Kenyon:** Again, much of what the member opposite passionately discusses -- and I recognize that -- becomes very much a municipal and zoning issue.

But in terms of retaining housing stock, the home repair program is an example. It does not have an income threshold. The home repair program can provide loans up to \$35,000 and the interest rate is fixed at 2.4 percent.

For low-income homeowners, subsidies are available based on family size, location, and household income. If a homeowner requires additional financing, they can potentially access the home repair enhancement program, which is another loan up to \$30,000, and the interest rate for this program is the average of the five-year rates.

There are a number of other programs that individual landlords can access to upgrade rental units within their homes or rental units within an investment home. That tends to be much of what the member opposite is referring to. These programs are available, and I would add that some of the discussion in the local media around that time brought the matters up without really realizing the depth of some of the programs that we do have available.

Those sorts of things we can do. We will be addressing other issues, but we can't interfere with municipal zoning.

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

## ORDERS OF THE DAY

### MOTIONS OTHER THAN GOVERNMENT MOTIONS

#### Motion No. 110

**Clerk:** Motion No. 110, standing in the name of the Mr. Cardiff.

**Speaker:** It is moved by the Member for Mount Lorne THAT this House urges the Premier, in his capacity as Minister of the Executive Council Office, to establish an independent, non-partisan commission of Yukon citizens to conduct a review of MLA salaries and benefits in relation to those in other Canadian jurisdictions, and to report its findings and recommendations to the Yukon Legislative Assembly during the fall 2007 sitting.

**Mr. Cardiff:** Mr. Speaker, in considering this motion, I think we need to look at the specific wording and be clear on just what this motion is or is not about. This motion does not call for a raise in pay; it's calling for a process of review of MLA salaries, and I believe that it's long overdue. I've been following the political scene in the Yukon since I moved here more than 30 years ago, and I have watched many changes on the political scene and in the jobs that MLAs do.

Just by way of background, it has been nearly 20 years, if I recall, since the question of MLA salaries and benefits have even been considered in any meaningful way. I was actually interested to learn from your office this morning that when the Yukon got responsible government in 1979, at that time it was decided that the work of a backbencher would be considered a half-time job. The work of a Cabinet minister would be considered a full-time job. A lot has changed in those 28 years. We need to think about whether or not that formula is still relevant. The Yukon's population has increased since then; many of the matters that MLAs deal with are much greater, and there are a larger number of issues. A lot of those issues have become far more complex than they were 28 years ago.

That has happened over time, and I've witnessed that. I am sure that the public has witnessed that. I know that many of my constituents and many of the people I have worked with over the years have indicated that to me.

Some MLAs may, in fact, work at other jobs between legislative sittings; however, there are many MLAs over the years who have chosen to make their MLA job a full-time commitment. Certainly, every MLA here today and those who have gone before us know how often they are called upon to attend functions or lend a hand to answer constituents' concerns in the evenings or on the weekends. I know my experience is that of getting phone calls on the weekend and late at night, dealing with issues in the grocery store on the weekend and providing assistance to people, whether they are your constituents or not -- it's providing advice, explaining to them how government works and what the processes are that they have to go through. The work may not be considered full-time in a conventional sense but, in another sense, it is almost like being on call all the time.

I would also like to acknowledge today that I know that the Speaker's office and the Clerk's office and the staff there have

already done a considerable amount of work on this question over the years, gathering information about the salaries and benefits of Cabinet ministers, MLAs, MPPs, MNAs and MHAs in other Canadian jurisdictions, and that will be valuable in this review.

I hope you will excuse me for bringing this motion forward at this time. I think traditionally this is something that is done through the Speaker's office, but I felt that it was timely that we deal with this at the beginning of a new term of government. It is something that I believe has been talked about. As I said, I have been following politics for just about my entire life here in the Yukon -- and prior to that actually, as well. I know that it has been a matter of discussion among MLAs, it has been a matter of discussion among the public and it has been a matter of discussion in the media.

The motion before us today calls for an independent review, and the most important thing we need to keep in mind is that the motion is not calling for a political review, because that would not serve the best interests of the public or the members of this Assembly. The Legislative Assembly is responsible for giving the government the authority to spend taxpayers' money. The taxpayers are the people we represent. They are the people we work for. That includes the budgets of all departments when we give that authority, including your office and the Legislative Assembly itself.

However, as MLAs we don't have a free hand in setting our own salaries or benefits and, quite frankly, I don't believe that we should have. I don't think it is up to us to decide how much we make and whether or not we are compensated adequately. In a broad sense, I guess we should be considered employees of Yukon people as a whole, and I think that puts us in a position where you can't use a traditional collective bargaining process with the general public. That is how it is done in other sectors. There is a collective bargaining process. Government employees have access to the collective bargaining process where representatives bargain with the government as to the wages, benefits and working conditions in the workplace.

Teachers have that same ability. Other unionized employees also have that ability. In the public sector, if you're not represented by a union, individual employees have the right to go to their employers and negotiate that.

This motion recognizes that difference, and there is ample precedence for what the motion is suggesting -- an independent review and independent commission. It is what is standard in most jurisdictions. We've seen that most recently in British Columbia, I believe, but it has happened in many other jurisdictions.

Here in the Yukon, it's the practice we use for determining judges' salaries. An independent commission was established to review those salaries and the recommendations were binding on the government in order to ensure the independence of the judiciary from the Legislative Assembly.

In this motion, we're calling for an independent, non-partisan commission to look at what MLAs are paid in other jurisdictions and what benefits they receive, to compare that with what MLAs make here and the benefits they receive. This isn't for us, necessarily. This is for the future as well.

The commission would report its findings and make its recommendations to the Legislative Assembly in time for the next sitting of the Legislature in the fall.

From conversations I've had with other members, I understand there may be some friendly amendments brought forward, and our caucus has made it clear on many occasions that we are always willing to consider amendments that will improve any motion or piece of legislation we bring forward. That's certainly the case here today, Mr. Speaker.

We are willing to work cooperatively in this matter.

I know we all share the goal of wanting to make sure that the Yukon people get the best possible representation they can for their interest in the Legislative Assembly. It would not be appropriate for me, or for any of us here today, to go into the question of whether or not MLA salaries should be higher or lower.

If this motion passes, and I hope that it will, it will be a matter for an independent commission to consider. I don't want to prejudge any of the conclusions that the commission might reach.

With that, I'd be happy to step down and allow other members to speak to the motion in the hope that we can reach an agreement this afternoon on moving forward with this initiative.

**Hon. Mr. Cathers:** The government has no position on this matter. It is not a priority of ours. We are focused on delivering the commitments we made to Yukoners in our election platform and on managing the territory and responding to the needs of Yukoners.

I don't mean to diminish the member's motion being brought forward. The individual MLAs here will make their decisions individually about whether or not to support it. I'm simply pointing out that this is not something that is an issue that the government itself takes an interest in, as I indicated. It is really not on our list of priorities.

In our opinion and as I indicated previously to the Member for Mount Lorne, it is also not really appropriate for the motion, as it stands on the Order Paper, to have the Executive Council Office taking the lead on this. Again, in our view, that's not really the appropriate manner to do it.

If it is indeed the desire of members individually in this Assembly to review this matter, it should be dealt with as an Assembly matter, not as something for the government to deal with. With that in mind, I will move what I'm hopeful the Member for Mount Lorne will regard as a constructive amendment.

*Amendment proposed*

**Hon. Mr. Cathers:** I move

THAT Motion No. 110 be amended by deleting the words: "urges the Premier, in his capacity as Minister of the Executive Council Office, to".

**Speaker:** It has been moved by the Hon. Member for Lake Laberge



THAT Motion No. 110 be amended by deleting the words: "urges the Premier, in his capacity as Minister of the Executive Council Office, to".

**Hon. Mr. Cathers:** For members who do not have copies, I would point out it is a simple deletion of the wording. The motion, as amended, should the amendment pass, would read: "THAT this House establish an independent, non-partisan commission of Yukon citizens to conduct a review of MLA salaries and benefits in relation to those of other Canadian jurisdictions, and to report its findings and recommendations to the Yukon Legislative Assembly during the fall 2007 sitting."

It is simply deleting any reference to government as an entity. It is appropriate, if this matter is to be considered and if it is the wish of members to do so, that it should be dealt with by the Assembly itself. As I indicated, the government has no position on this matter.

**Speaker:** Are you prepared for the question on the amendment?

*Amendment to Motion No. 110 agreed to*

**Speaker:** Is there any debate on the main motion as amended?

**Mr. Mitchell:** Mr. Speaker, our caucus can support this motion as amended. We agreed to look at this in our 2006 election platform in a similar manner. We stated that, if elected, we would establish an independent commission to review the compensation package for MLAs. We think that's the right way to do it. As the Member for Mount Lorne said in his opening remarks, that's how it is done for judicial compensation. We think that it's best to have an arm's-length, independent commission to go out and examine what's done elsewhere. It's not really the business of this House to be sitting here and trying to come up with numbers or figures, whether they be up or down, about our own compensation, but rather to get the information and then, when the information is available, members can, if they choose, address the issue.

I do agree that the nature of the job has changed significantly. I was not even aware when it was last addressed in Yukon. I knew it was more than a decade ago. I'll accept the research done by the Member for Mount Lorne that it has been considerably longer than that. The nature of the position -- and I call it a position, not a job, because it is public service and it is a position that we're elected to and that we agree to serve. Nevertheless, it has changed significantly and it has become a 24/7 position. As the Member for Mount Lorne indicated, there is a great deal of weekend time and evening time that is spent in serving constituents and the wider electorate in these positions.

Even when a member is outside the territory, whether it be for a weekend in Skagway or Haines or for a longer vacation, we are often called back to the position, either by people who come up to us in public places to discuss Yukon issues or through the mixed blessings of e-mail and cellphones. We don't really leave these positions behind. So, I think it has changed.

I don't really have more to say at this point. I think it's important to look at it in its entirety, including all aspects, from housing allowances for rural members to what is expected of members and ministers, be it on the government or the opposition side, compared to other jurisdictions. Again, we support the idea that this be done in an independent and non-partisan way by an independent commission.

So, we will support the motion.

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

**Mr. Cardiff:** I will be short. I would like to thank both speakers to this motion. I would like to acknowledge the amendment and, quite frankly, I feel that this actually goes further and helps with the intent of the motion to depoliticize the matter. It takes it away from the government and makes it even more independent. I thank the Government House Leader for pointing that out and making that amendment.

With that, Mr. Speaker, that's all I have.

**Speaker:** Are you prepared for the question on the motion as amended?

**Some Hon. Members:** Division.

#### Division

**Speaker:** Division has been called.

#### Bells

**Speaker:** Mr. Clerk, please poll the House.

**Hon. Mr. Fentie:** Disagree.

**Hon. Mr. Cathers:** Disagree.

**Hon. Ms. Taylor:** Agree.

**Hon. Mr. Kenyon:** Agree.

**Hon. Mr. Rouble:** Agree.

**Hon. Mr. Lang:** Agree.

**Hon. Ms. Horne:** Agree.

**Hon. Mr. Hart:** Agree.

**Mr. Nordick:** Agree.

**Mr. Mitchell:** Agree.

**Mr. McRobb:** Agree.

**Mr. Elias:** Agree.

**Mr. Fairclough:** Agree.

**Mr. Inverarity:** Agree.

**Mr. Hardy:** Agree.

**Mr. Cardiff:** Agree.

**Clerk:** Mr. Speaker, the results are 14 yea, two nay.

**Speaker:** The yeas have it. I declare the motion, as amended, carried.

*Motion No. 110 agreed to as amended*

## BILLS OTHER THAN GOVERNMENT BILLS

### Bill No. 102: Second Reading

**Clerk:** Second reading, Bill No. 102, standing in the name of Mr. Inverarity.

**Mr. Inverarity:** I move that Bill No. 102, entitled *Act to Amend the Yukon Human Rights Act*, be now read a second time.

**Speaker:** It has been moved by the Member for Porter Creek South that Bill No. 102, entitled *Act to Amend the Yukon Human Rights Act*, be now read a second time.

**Mr. Inverarity:** This bill aims to amend two aspects of the existing *Human Rights Act*. These two aspects can be summarized as follows: increase the time limit to file a human rights complaint from six months to two years and empower the Human Rights Commission with a discretionary power to accept complaints after the time limit has elapsed.

These amendments to the *Human Rights Act* are both necessary and appropriate here in the Yukon to restore the balance to the human rights principles that, on the one side, ensure that every individual is free and equal in dignity and rights and, on the other side, that any person charged with an offence has the right to be presumed innocent until proven guilty, according to the law, in a fair and public hearing by independent and impartial tribunals.

The Human Rights Commission mandate is currently set out in the act to include:

- (1) promote the principle that every individual is free and equal in dignity and rights;
- (2) promote the principle that cultural diversity is a fundamental human value and basic human right;
- (3) promote education and research designed to eliminate discrimination;
- (4) promote the settlement of complaints in accordance with the objects of the act by agreement of all parties; and
- (5) cause complaints that are not settled by agreement to be adjudicated and, at the adjudication, adopt a position that, in the opinion of the commission, best promotes the objects of the act.

So the commission's role is essentially to perform a screening function rather than an adjudicative one. The recommended amendment in this case is to increase the time limit to file a complaint from six months to two years and does not adversely affect the Human Rights Commission's ability to fulfill the mandate.

This amendment actually supports and enhances the commission's ability to perform its function. With the current time restrictions for filing a complaint, the commission is required by law to not accept a complaint of an alleged human rights offence when that offence took place more than six months prior to the complaint being filed.

It is well documented that, in cases such as sexual abuse, non-reporting, incomplete reporting and filing delays in reporting are common. Delays in reporting sexual abuse, harassment and other violations of basic, personal human rights is a common and expected consequence of such abuse.

For victims of such abuse to complain would take courage and emotional strength to reveal those persons' secrets and open up some very sensitive wounds they may have.

The six-month time restriction requires victims to report incidents before they are psychologically prepared for the con-

sequences of this reporting. Extending the time limit for filing a human rights complaint aligns the Yukon with northern jurisdictions with this respect and removes the restrictions on the individual's assurance to free and equal dignity and rights.

The second part of this proposed amendment aims to empower the Yukon Human Rights Commission with the discretionary power to accept complaints after this time limit has lapsed. Under regulation 4 of the act, the director of the Yukon Human Rights Commission must be satisfied by a preliminary investigation that the complaint is not beyond the jurisdiction of the commission and that it is not frivolous or vexatious and that it does deserve further investigation.

The commission's jurisdiction in accepting or rejecting a human rights complaint is based on factors that have nothing to do with the time lapse alleged between the offence and the filing of the complaint. Where the commission determines that a complaint deserves further investigation, a separate tribunal, called the Board of Adjudication, conducts hearings and decides whether or not discrimination has occurred.

It is also commonly noted that a delay in bringing forward complaints does not automatically determine an individual's rights to a fair trial. An accused's rights are not infringed solely because a lengthy delay is apparent on the face of the indictment.

Empowering the commission with discretionary power to accept a complaint after the expiration of the established time limit does not infringe upon the accused's rights to a fair trial. As noted, the commission's role is a screening function. The commission does not adjudicate. Its role is to determine whether or not further investigation is warranted.

Without this proposed change, the Human Rights Commission will continue to be required to impose the equivalent of a judicially created limitation period for a criminal offence.

In circumstances where further investigation of a complaint is warranted, the act currently prevents the commission from accepting a complaint if it is outside the time limit restriction. The current provisions of the act in effect actually impair the commission's ability to perform its function and also create the potential of bias in the favour of the offender. There have been recent calls from the executive of the Human Rights Commission to review and update the *Human Rights Act*. This government must be commended for responding to that call and taking the necessary action to ensure a review takes place. Unfortunately, it will likely be a few years to complete the review and update the act.

The scope of the amendments being proposed today include extending the time limit for filing a complaint and extending the discretionary powers of the commission for accepting a complaint after the time limit. These two important changes to the act can be implemented without delay and achieve the optimum balance between conflicting interests. Both changes support and strengthen the principle that every individual is free and equal in dignity and rights. Both changes avoid the deterioration of the individual's right to a fair trial.

The consequences of waiting until the review and update of the act are completed will be experienced in essentially two ways. The Human Rights Commission will continue to be con-

stricted by the judicially created limitation period that denies victims opportunities to seek justice when they are psychologically prepared for the consequences of reporting that incident. The second and perhaps more important consequence of not implementing these changes without delay is the effect of perpetuating a bias in favour of offenders. Empowering the commission with discretionary powers to accept complaints outside the time limit enables the commission to respond to the long-standing and typically more severe incidents that may take years to surface. These are the very cases that we as a society want to ensure are investigated and resolved, and currently the *Human Rights Act* prohibits this.

I urge all members to support these amendments, that there be no delay in implementing these two very positive changes to the act.

**Hon. Ms. Horne:** This government is very proud of our record on human rights, and rightly so. I would like to take a few minutes to discuss human rights here in the Yukon. As members of this Assembly know, Canadians and Yukoners have been at the forefront of promoting and addressing human rights. In fact, I recently spoke with Canada's Foreign Affairs minister with respect to Canada's role in the promotion of human rights on the global stage.

Canada was and is a place of safety for those fleeing persecution in other countries. Our rich legacy as a place of refuge, a place of safety, has garnered Canada a worldwide reputation as being one of the best countries in which to live. As members of this Assembly know, the Yukon *Human Rights Act* sets out some compelling objectives. It calls for Yukon to further in the Yukon the public policy that every individual is free and equal in dignity and rights, to discourage and eliminate discrimination, to promote recognition of the inherent dignity and worth and of the equal rights of all members of the human family -- these being principles underlying the *Canadian Charter of Rights and Freedoms*, the *Universal Declaration of Human Rights* and other solemn undertakings, international and national, that Canada honours. It also affirms the rights and freedoms that underpin our social structure. It declares that every individual and every group shall, in accordance with the law, enjoy the right to freedom of religion, conscience, opinion and belief. Every individual and every group shall, in accordance with the law, enjoy the right to freedom of expression, including freedom of the press and other media communication. Every individual and every group shall, in accordance with the law, enjoy the right to peaceable assembly with others and the right to join with other associations of any character.

Every individual has the right to the peaceful enjoyment and free disposition of their property except to the extent provided by law, and no one shall be deprived of that right except with just compensation.

These rights and freedoms are what make Yukon such a great place to live. Each one of us approaches the question of human rights guided and shaped by our personal context. Each of us has a role to play. I think it is wonderful that we live in a society where the individual is free and equal in dignity and rights. It was not that long ago when women and First Nations

were not entitled to vote or hold office. Clearly, neither gender nor ethnic background is a barrier to contributing to Yukon.

Indeed, I note that the Yukon Party has always been a leader in the promotion of equality and dignity. The Yukon Party's first leader was Hilda Watson when it was formed in 1978. It was then known as the Yukon Territorial Progressive Conservative Party. I am pleased that the Yukon Party has such a rich legacy of equality and dignity for all and that these values have always been a part of this party.

This government is committed to addressing human rights in the Yukon and we back up our words with money. Where there has been a demonstrated need, we have stepped forward over the past five years. The Yukon human rights core budget has increased by 78 percent. The 2006-07 Yukon Human Rights Commission budget is \$451,000.

In addition to these core budget increases, there have also been two one-time supplemental grants totalling \$168,700. We have been working with the commission, including increasing its core funding in 2004-05 by \$80,000 and by making a one-time contribution of \$60,000 to clean up a backlog of cases.

We have worked with the commission to address their concerns in previous budgets. We are continuing to work with them. As a government, we value and cherish human rights. We support the *Human Rights Act*. We support the organizations that the act created. Because human rights are so integral, my colleagues and I believe that Yukoners need to be consulted. It would be a mistake to make changes to the act without consulting Yukoners first. The appropriate course of action is to include this proposal as part of the *Human Rights Act* review and consult on it as part of the broader act review.

With respect to the act review, we are in the process of the initial phase that will lead to a comprehensive review of the act. We will be undertaking a full and comprehensive act review. We are exploring options on how to best ensure that Yukoners, members of the opposition, the Yukon Human Rights Commission, the Board of Adjudicators and other stakeholders are part of the process.

I understand that both the chief adjudicator and the executive director of the commission have spoken about the area of timelines as something to look at. The opposition have brought forward this bill to amend our *Human Rights Act*. I would prefer to see this change incorporated into the broader act review that we will be undertaking in the very near future.

**Mr. Cardiff:** I'd like to speak to Bill No. 102, *Act to Amend the Yukon Human Rights Act*. There's no question in my mind, as a member of the New Democratic Party. It was the New Democratic Party in the middle to late-1980s that brought forward the current human rights legislation we're today attempting to amend.

In its time, it was a good piece of legislation. Did it go far enough? Probably not. There was quite a debate, not only here in the Legislature but in the public, about how far it did go. It shows how far Yukon society has come because it's more accepted today than it was then.

I think that all citizens of Yukon recognize the need for this type of legislation to protect people from discrimination

and prejudice to ensure that no one, regardless of gender, sexual orientation, race or hairstyle -- it doesn't matter -- deserves to be discriminated against. That protection needs to be there.

I think that recently there has been a little more concern expressed in the public that the current *Human Rights Act* does need to be amended and it does need to be reviewed. I'm glad to hear that the Minister of Justice is initiating a process where the public will be consulted on a full review of the human rights legislation.

Bill No. 102 does address one concern of the public, which also has been raised by those who deal with the human rights legislation, and that's a good thing. Sometimes it's good to fix things one little thing at a time. I believe, in this case, we do need to look at the complete piece of legislation. I think it's important.

I can support this. If Members of the Legislative Assembly decide that we should make this change now, that would be fine, but I don't want it to pre-empt or put off any review.

Doing it one little piece at a time is kind of like some of the legislation that we see the government bringing forward. The *Act to Amend the Liquor Act* -- now, there is a piece for you. There are all kinds of issues when you bring forward amendments to pieces of legislation, and there has been a lot of work. The Minister of Justice is talking about a review of the *Human Rights Act*. There was a review of the *Liquor Act* done, and many recommendations were put forward. We got a recommendation and a change to a piece of legislation that wasn't even in the review. The other recommendations sit idle and aren't being brought forward in the Legislative Assembly. That is kind of similar to what we are dealing with here with this piece of legislation. I don't oppose it, but I would rather see a fuller look at all the improvements that could be made to the *Yukon Human Rights Act* for the benefit of all citizens in the Yukon by improving access to the commission and the work it does and ensuring that the commission is adequately funded. More and more Yukoners are becoming aware that there is a *Yukon Human Rights Act* and that they shouldn't be discriminated against. They are aware that there is protection and there are avenues for compensation when they are discriminated against. It actually educates the public about what human rights are all about.

As we do more and more of that, and as the public becomes more aware that it is unacceptable to discriminate based on a number of grounds, I think the pressure on the Human Rights Commission, the pressure on the staff that work there and the ability for them to fulfill their duties as laid out in the act -- there is way more pressure on them. The caseloads go up and they need to be adequately resourced to fulfill those duties. If we really believe in human rights and the protection that this act offers, then they need to be adequately resourced so that these matters can be dealt with in a timely way. I believe that that's important.

So while I'm willing to support this amendment to the *Human Rights Act*, I feel it falls far short -- far short of what really, really needs to happen. I'm glad that there will be a review. It will take persons far more knowledgeable than me or other Members of the Legislative Assembly to go out and

gather that information and make those recommendations about what changes really need to be made to the *Yukon Human Rights Act*.

So while I support it, I feel it hardly goes far enough, and I look forward to the review that the minister has promised. I hope that it's a complete, full review and that the changes to the *Yukon Human Rights Act* also come forward in a timely manner so that we're not waiting for years for the much-needed improvements. I look forward to debating those amendments at some time in the near future.

Thank you.

**Hon. Mr. Cathers:** I thank the member for bringing forward this issue for debate. However, as indicated by the Minister of Justice in her remarks, there is a need for an overall review of the *Human Rights Act* and that will be proceeding.

It is our belief, in government, that it is appropriate that the public consultations occur and that the full review take place and deal with all issues related to each other because many of them are linked, rather than dealing with issues one at a time on the floor of this Assembly.

With that being said, I move that debate on second reading of Bill No. 102 be now adjourned.

**Speaker:** The Government House Leader has moved that debate on second reading of Bill No. 102 be now adjourned.

*Debate on second reading of Bill No. 102 accordingly adjourned*

## MOTIONS OTHER THAN GOVERNMENT MOTIONS

### Motion No. 33

**Clerk:** Motion No. 33, standing in the name of Mr. McRobb.

**Speaker:** It has been moved by the Member for Kluane that this House urges the Government of Yukon to develop a comprehensive energy policy in consultation with stakeholders, which:

(1) ensures affordable energy is available for all Yukon residents and businesses;

(2) identifies the effectiveness and long-term practicality of existing subsidies within and outside the current electricity rate structure -- i.e. the rate stabilization fund;

(3) ensures that energy development and management decisions support the high quality of the natural environment and biodiversity of ecosystems, recognizing the absolute importance of the long-term protection of these natural systems to economic, social and cultural well-being of Yukon residents;

(4) identifies new policies (e.g. net metering) and related implementation plans;

(5) promotes uses of renewal energy that contribute to a lasting legacy of affordable and sustainable energy for the benefit of all Yukoners;

(6) promotes and assists community energy management initiatives through local partnerships;

(7) encourages First Nation equity positions in energy development projects and works in partnership with all stake-

holders toward sustainable energy solutions for the benefit of all Yukoners;

(8) updates the non-utility generator policy to allow for private investors to participate in the expansion of the territory's electrical system;

(9) incorporates all issues related to oil and gas development; and

(10) provides for the discussion of any other public issue important to stakeholders or the public.

**Mr. McRobb:** Thank you for your patience in reading this rather comprehensive motion. Indeed, it does contain 10 clauses. It encompasses several fields within the topic of energy, all important to people in the territory and all related to the government's comprehensive energy policy. I would like to speak to each one of these 10 points.

From the outset, I'll say that these matters are something I could have spent a lot of time developing a speech on but, as is common in this Assembly, sometimes we have to go with what we've got. I don't have a speech written for this. I have several documents spread all over my desk here, and I think some of them are relevant to the debate and people will be interested to hear about them.

So I think I'll just start at the top and work from there. I'll leave plenty of time for other members to also put their comments on the record.

First of all, I think I should address the need for a comprehensive energy policy. The motion speaks to how it should be developed in consultation with stakeholders. For nearly five years now under Yukon Party rule, we've heard about this government working on an energy policy. However, Yukoners have heard virtually nothing with respect to any progress on its development. This raises a number of concerns because there are a lot of issues that relate to energy policy in the territory that are of concern to members of the public, industry and businesses, and those people simply don't have a voice in the action and policy development the government has taken.

It seems today that, under this Yukon Party government, the whole approach has been diverted from a policy-driven approach to more of a backroom decision-making approach. There are plenty of examples to back that up. I recall during my first term in this Assembly, in the Piers McDonald government -- through experience and learning from the leader at the time -- how important it was to ensure government's actions were well-grounded in public policy. Throughout the years I learned to appreciate the importance of acting in a transparent and inclusive manner.

One of the aspects in a government taking an inclusive approach in consultation with the public is that, right from the start, the government is taking a lead in an important area but it's also saying that it doesn't know best. It's saying it wants to hear from Yukoners and it wants to hear Yukoners' input and their reaction to any matters that are on the table for discussion.

Part of the McDonald government was the fact there were four policy commissions set up. I chaired the energy commission, which had a mandate for less than three years. Part of the commission's work was to consult with the public in all aspects

of what it did. The main mandate of the energy commission, formally called the Cabinet Commission on Energy, was to develop a comprehensive energy policy for the territory.

It's rather unfortunate to see what has happened to that policy in the years since, where it's practically collecting dust on the shelf, even though there are plenty of worthwhile initiatives that could be undertaken. Some of them are still in progress but many aren't.

Going back to the need for public consultation, this government acts unilaterally, as we've seen, with our climate change money being thrown at a project that won't reduce CO<sub>2</sub> emissions for several years along with a quick, backroom decision to phase out the rate stabilization fund. A government is exposing itself to a backlash from the public and to criticism and concerns. Certainly, to date, we've seen some of that occur with respect to those two decisions. Certainly, there will be more coming once Yukoners see the impact on their power bills.

Public consultations enable the government to hear from all stakeholders and the public. That is a worthwhile exercise, but it's hard work. It's hard work because at the table you typically end up with extreme views from one side to the other and everything in between. It's hard work, because the final recommendations must incorporate all legitimate concerns and interests and try to find the correct path to take through a balance of what was heard. It's far too easy for the government to circumvent a public consultation approach, as has been happening with the Yukon Party government, because that's the easy way to go.

The previous McDonald administration chose not to take the easy approach. It took the roll-up-the-sleeves, let's-do-the-hard-work approach to ensure the policy development is well grounded in public consultation, and let's hear from everybody on the spectrum, from the Chamber of Mines, the consumer groups, the Conservation Society, the Chamber of Commerce, Parks and Wilderness Society -- let's hear from everybody in all corners of the territory. That's what happened.

In addition to the consultation, there were discussion papers developed on several aspects. I recall there were probably about 12 discussion papers, including a document entitled *What We Heard*, which was a roll-up of comments received during the consultation process. There was a Web site that made available all information produced. There were statements made by me, as the energy commissioner, in the House; there were constant updates; there were timelines. Mr. Speaker, it was a very accountable process.

Conversely, when I look at what this Energy, Mines and Resources minister has done, I've asked for timelines and we don't get any. As a matter of fact, I recall his answer regarding the development of a comprehensive energy strategy from a year ago: he said his officials would work on it in their spare time. That's rather startling -- work on it in their spare time. That's the low priority assigned to this policy development by the minister at the political level.

Mr. Speaker, this is more than a part-time undertaking. In recent years, and especially in recent months, people across the world have rallied around the climate change issue, wanting to

do something to improve the climate change problem, to reduce the CO<sub>2</sub> emissions and so on. Energy policy ties directly into this whole sphere. There are several initiatives the government could be undertaking to reduce emissions throughout the territory. A lot of those initiatives could be developed through programming or projects; instead, we don't see any discussion with the public about that.

It's critical for the government to be transparent in how it develops policy. To do it in isolation from the public is certainly a wrong approach.

So there is a need for a comprehensive energy policy for the territory that's inclusive of oil and gas development, something that wasn't touched on too much in the original policy that was released in 1998. Some updating is required, but I don't think it's a whole lot of work and it's something the minister should have taken seriously and already initiated to the public, complete with a process inclusive of discussion papers and so on. What's wrong with that approach?

I recall the first rendition of the Yukon Party from 1992 to 1996 under the Ostashek government. It provided discussion papers related to energy within a four-year mandate. This government's mandate has already exceeded that period, yet we've seen no material produced for the public with respect to energy policy development. Yet the government says that it's working on it and that there has been money budgeted every year. I know that from attending briefing sessions with officials from the Department of Energy, Mines and Resources.

There is money allocated every year for energy policy development, yet we've seen nothing from the government. The minister has failed to provide any timelines. And just on that point alone, I recall how the Yukon Party reacted to the energy commission's timelines. If we were so much as a day late producing anything, we heard about it in the media. Conversely, this government doesn't even produce timelines. So there is a drastic difference in what the Yukon Party expected from another government and what it actually does itself.

I think the Yukon has changed enough in the past nine years to warrant a review of the comprehensive energy policy. The policy that was produced in 1998 was not intended to last forever. That does not mean any of the 56 recommendations it contained need to be deleted, but each one of them should be reviewed and possibly others added.

Furthermore, a policy by itself without budgeting or action doesn't achieve much. The government needs to implement the policy recommendations on an annual basis in order to actually effect those recommendations.

This motion, in delineating the 10 clauses, tries to speak to a lot of what an energy policy should include. I'll read the first item on the list. It says, "ensures affordable energy is available for all Yukon residents and businesses." The energy commission did quite a bit of work on defining affordability, and it was determined, in consultation with Yukon energy stakeholders, that affordability meant an increase of no more than nine percent. That formed the basis to establish the rate stabilization fund back then.

Nine percent was quite an acceptable figure, especially in the context of rate increases that were proposed and approved

in the decade previous to 1998. I recall in one year in particular, in 1993, the utilities company was applying for an increase in the neighbourhood of 56 percent from the Yukon Utilities Board. There was another proposed increase in excess of 20 percent when the Faro mine closed in 1998. The severity of these increases alarmed many Yukon residents and businesses.

The feedback was generally that they could not afford such large increases, so the energy commission defined affordability and attempted to do something to stabilize rates to something more affordable than a 20-percent increase and a 56-percent increase and so on.

Those increases that were applied for at the time -- and there were more -- brought about a period of what was known as "rate volatility" and within the commission and its energy stakeholders that was quite a frequent topic for discussion: what could we do to lessen the rate volatility in the Yukon? Upon some examination of what rate volatility was and identification of some of the drivers of rate volatility, it was ascertained that large mining loads, such as the Faro mine, going on and off the system were the main causes.

If you look at the former Anvil Range mine in Faro, it drew about 40 percent of all power produced on the Whitehorse-Aishihik-Faro grid -- 40 percent. That is a huge amount. I recall that the diesel generation alone was in the neighbourhood of 150 million kilowatt hours per year, or 150 gigawatt hours per year. That was tremendous, and the cost of diesel generation at the time just for O&M was in the neighbourhood of 12 cents per kilowatt hour.

The cost of diesel generation in some of the years in the 1990s was in the neighbourhood of \$18 million a year. That's quite substantial. I recall the total bill paid by the mine was only in the neighbourhood of \$5 million or \$6 million a year. Yukon ratepayers were expected to pick up the balance.

Then, of course, when that particular customer went off the system, a large unpaid bill was left behind. I think it was in the neighbourhood of \$7 million or \$8 million. Some of that had to be borne by the ratepayers, as well, according to the regulator. That again caused more rate volatility. We don't know of any large industrial customer of comparable size coming on the system in the near future; however, it could happen, and rate volatility could still exist even with smaller industrial loads coming on and off the system.

We heard about the Minto power purchase agreement and how that could have a downward effect on rates. That very well may be, but it's presumptuous to predict with any certainty that would happen. As a matter of fact, I'm aware that there are other parts of the equation that suggest a rate reduction might not happen. One of them is the possibility of restructuring a rate design. Now, anybody listening will probably ask, "What? Rate design? What's that?" Well, that's the cost of service charged to any customer class. Just to summarize, Mr. Speaker, residential consumers pay about 80 percent of the actual cost that is approved by the regulator to serve it. The regulator has ordered, several times now, that the cost of service to that class be moved up closer to the actual cost. So if you see an increase in the cost of service to the residential class from 80 percent to 95 percent -- and I apologize for all these numbers, Mr.

Speaker -- that amounts to a 20-percent increase to customers in the residential class.

So we could be facing a 20-percent increase due to adjustments in rate design. We already know that bills are going up 30 percent because the minister decided in the backroom to phase out the rate stabilization fund. Combined, those two increases total nearly 50 percent.

The possible downward impact from the Minto mine is much lower than that, and not nearly enough to balance that out to even keep bills the same. The numbers just aren't there. That is why we are sceptical of the minister's promise that a year from now bills are going to go down from what they are today. It doesn't add up. He has produced no evidence to support his claim. He refused to go on record when questioned about it, although it didn't stop him from saying it in the media. But we received no assurance from the minister that bills won't be higher than what they are now after the smoke clears from his phasing out of the rate stabilization program in July 2008.

Let's presume there is an increase. Will it be affordable? Well, as mentioned, affordability was defined as nine percent. Maybe the Yukon Party has a different number. Maybe it thinks 20 percent or 30 percent or more is affordable. But I would urge the members on the government side to perhaps broaden their field of vision outside of their exclusive circle and consider the interests of other Yukoners who are less fortunate and those who are in the category of the working poor, which is a large demographic of our population -- people who hold a job or two or three to try to make ends meet. Usually they are raising a family, paying rent and everything else, and they simply can't afford to pay a lot more on their power bills.

Let me explain that point, Mr. Speaker. When the fund was originally set up -- I believe it was announced in September 1998 or thereabouts -- \$10 million were allocated to this fund by the government of the day. That was projected to cover the cost for three or four years, which it did. After the election, the next government, the Yukon Liberal government, continued the program and continued to fund it with government funds. When the OICs expired, there was another government in place. It was the Yukon Party government, and when it renewed the OICs -- it was the same minister we have today, the Member for Porter Creek Centre -- the funding was changed from the Yukon government to be paid for entirely by the Yukon Development Corporation. This was a huge shift.

I realized at the time that it was one that carried a lot of repercussions, but we didn't make a big deal of it at the time. We understood it was important to continue the program, and if the government believed it could be afforded by the Yukon Development Corporation, then so be it. It gets back to the old argument of ratepayer versus taxpayer, and recognizing it's a fine line between the two, we did not make an issue out of it. But it's a bit of an issue in recent times because of some of the issues related to the stabilization fund and why it needed to be reviewed.

The amount paid for the fund has escalated from about \$1.5 million in 1999 to somewhere in the neighbourhood of \$4.8 million for the past year. At least, that's the figure I've heard from the minister, but he has provided no evidence to

back that number up. As an aside, I do note that, in the orders-in-council that are required to extend or continue the rate stabilization fund periodically, there is a reporting requirement clause. If the minister would be amenable to tabling those reports, I would certainly be interested in taking a look at them.

You have to ask why the cost of the program jumped from a couple of million dollars a year to \$4.8 million a year. One of the big reasons -- and it's one that has really received very little media attention and one I doubt Yukoners are aware of -- is how the Yukon Party axed the clawback aspect of the program. Let me just explain what the clawback is.

First I'll explain why it was instituted. It was integrated into the rate stabilization fund originally as an energy conservation tool to provide more realistic price signals to consumers to the effect they would understand that the more energy they used, the less the subsidy would become.

Now I'll have to mention a few numbers to back that up. The rate stabilization fund peaked in its subsidy at 1,000 kilowatt hours a month, which is recognized to be about the average consumption level for residential consumers across the territory. The amount of the subsidy was about \$38, the last time I looked at it. That amount declined on a progressive scale to zero dollars at 1,500 kilowatt hours per month.

So if you use 1,500 kilowatt hours per month, the subsidy would be zero. If you reduce your consumption to 1,000 kilowatt hours per month, the subsidy is \$38. If you use 1,250 kilowatt hours per month, presumably the amount received through the rate stabilization fund would be \$19. It was graduated throughout that range. The price signal to consumers was: if they use more than 1,000 kilowatt hours per month, they would receive less of a subsidy.

I must give credit to the Yukon Conservation Society for bringing its ideals to the table. It certainly was not part of what was proposed in the beginning when we developed the concept for a rate stabilization fund, but it speaks to the value of public consultation, listening to stakeholders and properly considering their input. It was a good idea. It was incorporated into the rate stabilization fund.

The Yukon Party of the day did not like that, probably because many of its members used a lot of electricity and, due to the clawback, anybody using a large amount of electricity simply did not receive a subsidy. That's fine, but you have to look at the welfare of the entire system and ensure that any part of a program like this meets certain objectives and principles. One of the most important ones is sustainability of the program itself. I think that principle was violated by the Yukon Party throwing out the clawback aspect of the program because it ballooned the cost of the rate stabilization fund to where we see it today -- \$4.8 million.

Did the government contribute toward that? No. No, the Yukon Party stung the Yukon Development Corporation with that extra tab. The minister took the credit in the media for increasing the subsidy, but officials in the Yukon Development Corporation had to pay the bill. Yet, we hear from the minister, "Oh, the corporations are arm's length" -- blah, blah, blah. Well, that's not necessarily the case, Mr. Speaker, because the minister has the ability to give direction to the corporations.

And we know the minister may not give direction in all matters -- for instance, the original power purchase agreement with the Minto mine -- you'll never see an order-in-council giving direction on that. So we know there are other possibilities, including the simple "thumbs up" that lets the officials know that their plan is okay with the government of the day, and especially the minister. And the officials, in wanting to do their jobs well, simply carry on.

So don't expect to see a paper trail for everything. However, when it comes to extensions of the rate stabilization fund, there is a paper trail, to a degree, and they are the orders-in-council that are gazetted, and each order-in-council contains certain information regarding the period of coverage, who is included in the rate stabilization fund, how it's paid, what the level of the subsidies should be and so on.

So, Mr. Speaker, in axing the clawback feature of the program, the costs shot up, and that's the point I'm trying to make to address the second clause in this motion. It's almost like the Yukon Party wanted to shoot up the costs of this program so it could point to the high cost of the program and then take drastic action to deal with it, such as phasing it out altogether. And that's not really fair.

Perhaps what the government should have done is recognize the fallacy in doing away with the energy conservation clawback. Maybe it should have said, "Look, we are big enough; we were just re-elected; people won't remember this four years from now, so let's reinstitute the clawback to send the conservation message, the proper price signals, and continue this valuable program into the future." But it didn't do that. Instead, the minister axed the program in half, effective in about 10 weeks, and he has announced that it will be phased out altogether one year from then. This raises a number of questions, and they all relate to energy policy and how the government makes the decisions in the backroom, in isolation from energy stakeholders and the public.

The rate stabilization fund has another interesting aspect, which, it would appear, the minister ignored completely. I am not sure if he really understands it, because there is a contradiction in what I have heard from him in his statements made in this House. That is, the whole program is geared to a specific rate from about nine years ago -- a power rate approved by the board. Should power rates decline to that point, the rate stabilization fund drops to zero all by itself. That makes me wonder why he would axe the program in half in the coming year and then terminate it altogether thereafter, especially when he said that, after it is terminated, bills will be lower than they are today.

Let's examine that grandiose prediction by the minister a little bit more. If bills are lower 14 months from now than what they are today -- after he terminates the rate stabilization fund -- then that means rates have dropped to a degree equivalent to the subsidy provided by the rate stabilization fund. So there's no need to terminate the program. Terminating the program would achieve only one purpose and that is the minister doesn't believe there should be rate stability in the future beyond July 2008.

I know lots of people who would take issue with that. For one thing, it exposes consumers once again to rate volatility. I've already explained what rate volatility is. Perhaps some people have grown indifferent to the importance of avoiding rate volatility, but any such complacency would only attest to the effectiveness of the rate stabilization fund over the past decade. Without the rate stabilization fund, people would be well aware of the negative impacts from rate volatility.

People wanted certainty in what they would be paying for electricity in the months ahead; they wanted to avoid huge increases due to other factors that affect the price of power in the territory; they wanted stability and, hence, the name of the program -- the rate stabilization fund. So by the minister terminating the rate stabilization fund, he's really introducing a period of rate volatility.

There are a couple of aspects to consider. One is near term and the other is long term. Mr. Speaker, in the near term we know we have a new industrial customer in the Minto mine north of Carmacks, once it's connected to the line, if it's built and things turn out as expected. I certainly hope they do.

As mentioned, there are other factors that could offset the benefit of that customer coming on to the system, such as the rate design variance and the discontinuation of the rate stabilization fund, to name just two.

The near-term future would appear to be uncertain enough, but let's take a look at the calendar and wonder what might happen to rates in the future. On previous occasions in this House, I've spoken against the Yukon Party dream plan of building a large coal-fired electrical generating station and have brought to light some of the huge rate impacts that would be inherent with any such decision. I recall that the upshot of that discussion was something in the neighbourhood of tripling or quadrupling power bill costs for everybody across the territory in a worst case scenario. Given the volatility of world metal prices, we have to look beyond the current window of high prices. It all deals with risk to the system.

Risk is something else that was considered by the energy commission, and it produced a discussion paper on that topic alone, because it's huge and is one that is heavily considered by the regulator when reviewing any capital projects in the territory. Even the small Aishihik third turbine project was treated very carefully, due to the risks associated, even with the relatively small investment.

Quite simply, Mr. Deputy Speaker, the Yukon customer base is quite small when compared to outside grid areas, and consequently each customer is more exposed to volatility in power rates. It appears there is no getting away from that in the future in the territory. In fact, as more mines open up, the likelihood of greater volatility exists.

Let me just touch on that point. I already referred to the Yukon Party's dream plan of the big coal plant. Obviously, if the demand for electricity on this system increases much more, there will be a need for further generation options. They're very expensive. They're so expensive that, even if we built a hydro plant in the neighbourhood of 25 megawatts, it could simply double everybody's power bill. That's how expensive these



facilities are to construct nowadays. Let me just put that into context.

Yukoners are very fortunate for federal largesse in years past with respect to investments in hydro infrastructure. The Whitehorse Rapids dam was built and paid for by a federal agency. I believe not all of that amount was attributed to rate-payers in the cost of power. The Aishihik dam: the full cost of that facility was largely written off in the transfer of the Northern Canada Power Commission, or NCPC, in 1987 to the Yukon Energy Corporation. That provided a huge benefit in terms of power rates.

So officials within the Yukon Energy Corporation are very well-versed on this aspect and are fully aware that, should we need to build any sizable, new power generation, there is a huge risk associated with that investment. The cost, if needed to be foisted upon the existing rate base, should any industrial customers dematerialize, would be huge. It could double, triple or quadruple power rates.

So we've got to be very cognizant of the repercussions from madly rushing in and connecting everybody we can up to the system, however we can. These decisions must be made very carefully.

The rate stabilization fund, if continued, would protect against that rate volatility I've just spoken about. Is that a good thing? Well, absolutely. I beg the minister to round up and bring in here anybody who disagrees that rate volatility is a bad thing. Instead, he makes the decision in the back room that rate volatility is good. He has the near-term glasses on and he's looking only at the next industrial customer with the near-term scenario. There is no long-term outlook at all. There is no understanding of the principles that were integrated into the development of the rate stabilization fund.

He probably heard complaints from officials that it was costing too much. Now, whether he connected the dots to his own actions to do away with the clawback a few years before remains unknown.

So I hope he has been listening over there, Mr. Deputy Speaker. I would like to hear him respond to this question in particular: was the minister aware that doing away with the clawback on the rate stabilization fund would escalate the costs of the program so drastically? If so, why did his government not contribute to the fund to offset those increases instead of just foisting all that cost onto the Yukon Development Corporation?

Now before we move off the rate stabilization fund, I have to go back to how it is funded and point out that the government of the day has a role to play. The minister and his colleagues can't simply take credit for the rate stabilization fund but not pay for it.

We are dealing in this House with a territorial budget of about \$800 million for the coming year and how much is directed toward this program? The answer is zero. Zero -- that is the level of financial commitment from the Yukon Party government toward the rate stabilization fund -- zero. It all comes from the Yukon Development Corporation, which is basically achieved through profits from Yukon Energy Corporation and

the fair rate of return on its investments, which are paid by electrical consumers across the territory.

The Yukon Party has foisted the costs of the rate stabilization fund on to the backs of consumers. That is not how it was intended as originally set up. The government of the day provided the funding out of its budget. I think that is an important point to make. The Yukon Party government, unfortunately, in nearly five years has provided nothing toward the rate stabilization fund. Furthermore, they have cancelled the program, effective in 14 months -- cancelled; gone -- providing no stability for ratepayers. Goodbye rate stability; farewell affordability; hello volatility. That is the mantra the minister is singing.

We don't agree with that song. We believe the government has a role to back up what it says. If the government says power rates should be stable, then it should fund the program.

This government has a huge budget and it's sitting on a surplus of some \$85 million. That's a huge amount -- \$85 million -- and yet the government has been chintzy to the degree of halving the program for the coming year: a mere -- probably -- \$2 million to cut the program in half and then, afterward, terminate it altogether. So, it's rather obvious the decision was not made for financial reasons; the decision was made for ideological reasons.

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

#### Point of order

**Deputy Speaker:** Mr. Cathers, on a point of order.

**Hon. Mr. Cathers:** The member is in contravention of Standing Order 19(g) by imputing motive to the minister responsible for the Yukon Development Corporation and the Yukon Energy Corporation. The minister did not express a reason such as the member attempted to impute that he had applied for the decision.

**Deputy Speaker:** Mr. McRobb, on the point of order.

**Mr. McRobb:** The Standing Order cited by the Government House Leader states, "imputes false or unavowed motives to another member." I was referring to the Yukon Party government. That's not personalizing the comment; the House leader is merely too sensitive and this is not a point of order.

#### Deputy Speaker's ruling

**Deputy Speaker:** There is no point of order.

**Mr. McRobb:** Thank you, Mr. Deputy Speaker. We know we've touched a nerve on the government side by exposing some of this information that, so far to date, has not come to light. I can understand why it hasn't come to light, because it's rather complicated to understand -- there are a lot of numbers involved; there's some history involved -- and it's a tough thing to get out.

I see some members smiling. They probably felt it could be covered off in that. But that's why I enjoy Wednesday afternoons sometimes, Mr. Deputy Speaker, because we are provided with time to put our views on the record. In the case of a motion, such as the position I'm in today, my time is unlimited, so I get to speak relatively freely on any aspect of this motion. It has provided me an opportunity to get on the record some of the history, value, principles, effectiveness, worthwhileness --

everything else -- of the rate stabilization fund, what the Yukon Party did to it, what it means in the future in terms of rate volatility, the cost of funding the program, what happened to it there, how the Yukon Party did away with the conservation initiative part of the program a few years ago, and how it's claiming conservation is one of the reasons it is doing away with the program now.

Well, let's examine that aspect a little further, because it's a good one. The minister is now claiming conservation is the reason he has cut the rate stabilization fund in half and will terminate it altogether in 14 months' time. Sure, there are some people in the public reinforcing that argument, but that's nothing new. The energy commission heard that particular input back when it designed the program. I've already referenced who was at the table, from one end to the other. Even though the minister knows there is a huge ideological gap between where he's at and where the conservation community is at, that doesn't stop the minister from using this as a reason to discontinue the program.

There are some obvious questions attached to that. One is: how does the minister explain doing away with the clawback that provided conservation incentives and price signals to consumers within the RSF as originally designed? How does he explain it? That's another question I'd like him to answer; that's four now, so I hope he's studiously writing these down and, when he responds, I hope to hear his answers.

What's more shocking is that such a statement from the minister reveals a greater philosophy he must hold that essentially says the higher the electrical price, the more consumers will reduce consumption. There is some truth in that -- let's just examine that for a minute with an example on the extreme side. If people paid \$10 per kilowatt hour for electricity, obviously the average consumer wouldn't be able to afford a power bill of \$10,000 a month, would they? So, yes, people would have to reduce.

But we take a much more realistic and practical approach, and that is that the government should be sponsoring conservation programs and initiatives to help people reduce.

The other day I mentioned DSM -- that's demand-side management, which is the opposite of just building supply options, or supply-side management. The Yukon Party favours the latter approach, and that's evident in how it spent the climate change money on the Aishihik third wheel. It develops supply.

Well, fine. That's the typical hard right-wing approach -- just keep developing the supply. But it carries with it a lot of risks, and those risks I've spoken to already in terms of the ultimate impact on power bills, should a less-than-rosy scenario eventually develop, such as the cost being foisted on the remaining customers on a grid after industrial customers leave.

So the whole issue of the rate stabilization fund really points to a philosophy of the government. And it believes that if it "rate shocks" people enough, then that's good for conservation. Well, I would submit that it took quite a different approach in years past. I have in front of me some of the press releases from back a few years.

But you know what, Mr. Deputy Speaker? I'm not going to take the time of the House to rehash something that happened -- a party's position some 10 years ago -- in the hopes of trying to score some political points. I think it has been firmly established: the Yukon Party of the day tried to come out and champion the ratepayers' cause, at least for a little while.

But what we're seeing today is something drastically different. It's completely abandoning the ratepayer by doing away with rate stability and re-introducing greater rate volatility with no guarantees and for no apparent reason.

So, we disagree with the hard-line approach taken by the minister and his colleagues. And, at some point in time, the chickens will come home to roost and the proof will be in the pudding.

There will be rate volatility and people will start to say, "Whatever happened to the rate stabilization fund?" That will bring us back to this point in time when the minister and his Yukon Party colleagues made a backroom decision to cancel the program in isolation from public consultation. I feel that is clearly on the record and I'm looking forward to the minister's response to those questions.

The third clause of the motion ensures that energy development and management decisions support the high quality of the natural environment and biodiversity of ecosystems, recognizing the absolute importance of the long-term protection of these natural systems through economic, social and cultural well-being of Yukon residents. I think that clause is self-explanatory. We know Yukoners place high value on the environment and don't want to see it sacrificed for any reason that is not extremely legitimate. I would be surprised if any member of this Assembly argued against that clause, although I've come to expect almost anything from this Energy, Mines and Resources minister.

Let us move on to the fourth clause. It says: identifies new policies -- for example, net metering -- and related implementation plans. This is an exciting one to discuss because net metering can be defined as the ability of consumers to sell power back to the utility itself. This is becoming very popular in Outside jurisdictions that currently allow this to take place. I recall seeing news clips on CBC News, *The National*, about various parts of the country and into the United States where people are designing highly energy-efficient homes that produce an abundance of power and so are able to sell back to the local utility.

Some of the means of production typically include solar power and wind power. Generally, there are sustainable production methods that are used, and the excess power is sold back to the utility. So some customers have a negative bill at the end of the month, where the power company actually pays them. Well, wouldn't that be nice? We know there are people in the territory who have been asking for the ability to do this here in the Yukon for quite awhile. It is high time that they're allowed to do so.

I recall some discussions at the Utilities Board level 10 years ago regarding this, and it seemed the holdup at the time was waiting for the technology to arrive to ensure that the power produced was of an acceptable quality to enter into the

system. Well, obviously if it's good enough for the bigger companies, it is probably good enough for us.

There is another aspect that occurs to me, and that is whether the power is needed or not. Obviously, most solar and wind power is generated in the summer months and the shoulder seasons rather than the wintertime. The power demand curve in the Yukon is generally higher in the winter because we need more lights and there is electric heat, and so on and so forth. So the demand curve is rather opposite to the supply curve of those renewable sources.

That is understandable. However, that is part of the beauty of connecting a customer like the Minto mine to the grid, because a lot of the power supplied to this customer can be produced by power generated in the summer; namely, through our hydro facilities at Whitehorse and Aishihik Lake.

This is power that would otherwise be spilled over the dam. This has been discussed in previous sessions. It's not something the minister just pulled out of the hat when he made the announcement a few weeks back. This has been on the record for years, long before he was ever elected into this Assembly.

It's great that the Yukon has found such a good customer that draws its demand year-round and not primarily in the winter months. That helps to make it more legitimate to look at the possibilities of net metering. What I would suggest through this motion is that the minister should get the signal that it's something for which we've been advocating for a long time, and it's something he should develop.

Developing a policy does not mean that automatically it must be implemented right away. Such a policy is going to require consultation and fine tuning, and this takes time. I would suggest that this is something he could start work on sooner rather than later. I will be following up with him in the fall if we haven't heard anything since.

Along with development of that policy, we should hear from the minister with respect to implementation plans with respect to that policy because, come the fall, he will have all kinds of information at his fingertips that speak in much more detail to the area I just covered regarding supply and demand and available power on the system, and whether it's practical to enter into purchase agreements with people able to sell excess energy back into the system. He will have all the information at his fingertips and we will be following up at that time.

So I think that pretty well covers off clause 4 regarding net metering.

Clause 5 promotes uses of renewable energy that contribute to a lasting legacy of affordable and sustainable energy for the benefit of all Yukoners. Well, that's a laudable objective that should form a basis of any energy policy. Renewable energy is certainly one the Yukon is rich in. Renewable energy comes in many forms. I just mentioned wind power. I mentioned solar power. There are other forms, such as geothermal power and so on. These are all what is described as renewable energy forms. There is a lot of opportunity in this area.

A couple of months ago, the Yukon Liberal Party brought to the territory a guest speaker by the name of Guy Dauncey, who spoke at its climate change forum. It was quite interesting

to see a map he included in his presentation on the geothermal potential in the territory. It was extracted from satellite scanning data, and most of the Yukon Territory has a very high potential for geothermal energy. That's why I included that aspect into my question yesterday to the minister about what conservation programs he was working on and enhancing to make available to everyone -- not just some of the people, to whom the existing programs only apply.

It was really interesting to see that most of the territory was coloured up in this map that clearly indicated there is all kinds of potential for geothermal energy in the territory. Perhaps that's an area in which the government could take a major initiative.

Certainly, in terms of home heating and heating buildings is concerned, there is a lot of potential.

A little while back, I mentioned the potential of the Haines Junction warm-water well, and also alluded to district heating, which was explored in some detail by the energy commission's work nine and 10 years ago, and there are all kinds of areas that could benefit from district heating. Especially when provided to government buildings, Mr. Speaker, the benefits are clear.

The government doesn't have to make a complete case for economic viability. The government has lots of money to spend, and it shouldn't treat itself like a business in that respect, especially if the goals are laudable and the principles are good, as they would be with district heating.

I know following the energy commission's work there was a project undertaken in Watson Lake involving the Yukon Electrical Company Limited to supply district heating to buildings in that community. As far as I understand, it was successful. There was a small project in Burwash Landing that should be expanded. I hope that someday the government recognizes that. I think Pelly Crossing has a project. There are some that were developed in Whitehorse. I don't think they're working to their originally anticipated level of production, but with today's technology, Mr. Speaker, and with the potential enormity of geothermal heat, then maybe they should be re-examined in this new light.

I also mentioned awhile back about the diesel generator in Beaver Creek that could be quickly adapted to heat nearby government buildings, yet the government has done nothing about that in five years. In some communities where there is no identifiable and economic alternative to diesel, then the best approach is to examine ways to adapt the community to the waste heat generated by the diesel and reduce CO<sub>2</sub> emissions by using that method.

A lot of potential exists in the area of sustainable energy and it is rather disappointing to see this whole exciting area being ignored so badly. It really is disappointing. Some of the recommendations in the energy commission's report, which I tabled here a couple of weeks ago, identified initiatives within this category. I don't think the government has made much progress on those recommendations at all.

That brings us to clause 6, which reads, "promotes and assists community energy management initiatives through local partnerships". I'm not sure if the minister is even aware of what this particular clause means, because community energy man-

agement is a term and the energy commission used it so frequently it became known by its acronym, CEM. There was even a public workshop held, I believe in June 1998, on this particular aspect. There was a discussion paper as well. At the public workshop, I recall one of the invited guests was the mayor from Fort McPherson. He related that community's experience in developing community energy management. Certainly it was a positive example that impressed all others at the workshop.

In addition, there were other examples of community energy management. Some opportunities within the Yukon were identified, and there's a lot of potential in this area. The commission also was very well aware of the example in the northern Quebec Cree community, and I'll try to recall the name, Mr. Speaker. I'll almost certainly expect an inquiry from the *Hansard* office on this one. The name of the community, I believe, was Oujé-Bougoumou. This community developed a district heating system fuelled by wood chips, and the whole upshot was it put a lot of people to work; it eliminated the dependence on imported fossil fuels; it was a big boost to the local economy; I believe it was owned and operated by the local First Nation; it brought a lot of pride to the community; people recognized they were doing a good thing to help themselves; it improved the whole social condition within the community and also provided positive aspects to other government-related responsibilities and cost.

This was a good example that was brought to the attention of municipal leaders and the territory, and it was factored into the final report of the energy commission. Mr. Speaker, if you're ever interested in learning more about the Oujé-Bougoumou example, I do have a VHS tape on that, and I certainly would be willing to lend it.

Now, what has happened to community energy management since? Well, the sad answer is nothing. Why is that? Lack of a priority by government has got to be the only answer. If the government wanted community energy management to happen, it would happen; it's as simple as that.

So, it hasn't received the required priority by the Yukon government. Is there potential in the territory for CEM? Absolutely, there is potential in virtually every community for CEM. It doesn't necessarily have to be fuelled by wood chips. As mentioned previously, there are other sources such as geothermal heat. There is a lot of potential in that area. We talk about climate change but really, are we doing enough? The answer is a firm no.

Clause 7 says to encourage First Nation equity positions in energy development projects and work in partnership with all stakeholders toward sustainable energy solutions for the benefit of all Yukoners. Well, in this day and age in the Yukon, we have matured to the point where we realize that First Nation partners are a must when it comes to working together, especially in areas such as this one. Some of the projects and communities that would be targeted fall within traditional First Nation territories and settlement lands and there is a legal obligation by government to work with the First Nations and indeed provide for equity positions in projects.

I am aware of a few potential projects that have been identified over the years. There are one or two in my riding that I am aware of -- one near Burwash Landing where the Klwane First Nation had a study done on a nearby creek with the idea of harnessing the hydro potential. As far as I know, that hasn't gone anywhere.

Obviously there is more need to address this clause. I also recently learned from the same First Nation that it has an application for a geothermal project in the works, yet there is nothing in this government's budget to address that project. So again, very little is being done in this area. I would like the minister to comment on that: why not?

The minister has a number of questions to answer so far, and I hope he's taking this seriously enough that we're going to hear full answers that actually deal with the questions.

Clause 8 "updates the non-utility generator policy to allow for private investors to participate in the expansion of the territory's electrical system". Well, Mr. Speaker, that's simply not happening. Before we discuss why it's not happening, let's first elaborate a little bit on what it is.

To begin with, a non-utility generator is someone other than the utility companies, namely the Yukon Energy Corporation and Yukon Electrical Company Limited. A policy framework from within -- they must act, and the objective is to allow for private investors to participate in expanding the electrical system.

Well, was there an opportunity for such on the Carmacks-Stewart transmission line? Well, I'm not aware of any. I've reviewed some of the evidence before the current hearing, and it would appear that it's all owned by the Yukon Energy Corporation with subsidies from the Yukon government, also known as the taxpayer, or the Yukon Development Corporation. I'm not aware of any investment opportunities for First Nations, for instance -- Carmacks-Little Salmon First Nation or the Selkirk First Nation -- in the ownership of the line.

I really think that's a missed opportunity. The previous Ostashek Yukon Party government introduced what was called a non-utility generator policy way back then, but it fell off the rails. I think the intent is good. Basically it would introduce competition into the system of developing electrical generation in the territory. Generally, Mr. Speaker, competition is a good thing, and we know that. It also helps to provide a good comparison for projects proposed by the Crown-owned utility, which might not be a bad thing. We're aware of some possibilities now for where this could be done.

Just last week, a submission was made to the Utilities Board about a power line on the Haines Road, and the Yukon Electrical Company apparently has produced some financial analysis of that project, but we're not seeing any assistance at all from the government on a project that would reduce CO<sub>2</sub> emissions greatly in that region, including its own highway camp at Blanchard. So there is not enough being done.

This non-utility generator policy, as far as I know, doesn't even exist. The minister has not done his homework in this area, as he hasn't done his homework in every one of the areas I've listed so far, even though he has had five years and even though we heard the Yukon Party mantra only six months ago --

- to continue the course, that there are benefits to continuing with the same people. Well, where is it? Where are the benefits? We see nothing in all of these areas. There are no benefits.

I invite the minister to prove me wrong. Let's hear his examples that prove otherwise.

Clause 9 incorporates all issues related to oil and gas development. I related to this at the start. Oil and gas development is an important part of the Yukon's energy future and there needs to be policy work established in this area. One only needs to look to our neighbours in Alaska, the N.W.T., Alberta and B.C. to see there are issues within the oil and gas sector that should be resolved to the satisfaction of the public long before they become big problems here.

It is not all a downside question. There is an upside question as well. How can the territory benefit to the maximum from oil and gas development and so on and so forth?

I know the minister needs an example and I'll give him one: coal-bed methane extraction, or natural gas from coal, which is the same thing but is the more technical term the minister uses. This has been a very controversial matter in Outside jurisdictions. It has been one where you simply can't point to the environmentalists and say it only concerns a particular sector of our society.

In Colorado, Alberta and southeast B.C., there are hard, right-wing ranchers, for instance, who are very upset about the environmental and social consequences of coal-bed methane development in their regions.

In short, if allowed to proceed unencumbered, coal-bed methane development in the Yukon could destroy part of our air, water and land, including aquifers under the ground, and it could be disastrous to the health of wildlife and humans within the region they operate. I recall part of the presentation put on by the Canadian Parks and Wilderness Society where they identified some of the tremendous concerns with coal-bed methane extraction and production. One of them was the sound from the noisy turbines. This sound was equated to the noise of aircraft taking off 24 hours a day. The echo in the valleys carried that noise a significant distance and was a great disturbance to people living in the regions affected or passing through them.

I don't think we need to allow that to happen in the territory without first setting public policy around it. This should be regulated. This deserves public discussion. There are ground-water concerns, air concerns and noise concerns. The footprint on the land is tremendous -- the number of roads required, and so on. Yet the minister has been asked several questions in the last almost five years on this and he indicates it is not necessary to do anything. It's not here yet. Well, what if it comes here tomorrow? The minister would be unprepared. There is no policy and there are no regulations. How would he address it? Well, he would say, "I didn't have my homework done. This one slipped through the cracks."

That's not good enough. The minister needs to roll up his sleeves. I would like to hear this question answered when he gets up and talks. It's question 6. When will we see a policy and regulations to restrict coal-bed methane in the Yukon?

When? And what are they going to look like? Is he going to involve the public? What does he envision for a process, or will it just be decided in the backroom again?

So there are other issues related to oil and gas development. One of the other big possibilities is the Alaska Highway natural gas pipeline. We've spoken to this matter several times in the past, and I certainly don't intend to repeat those arguments. Let's just say that there is a whole lot of work that yet needs to be done in order to ensure that Yukoners are protected and ensure that benefits are maximized.

We've seen very little from the Yukon Party government, even though it stood up on countless occasions and said, "We're pipeline ready. We're pipeline ready." Well, we know differently. We're not pipeline ready. We haven't even heard of progress lately from the aboriginal pipeline group. How is that group making out? There have been no updates at all from the minister. It seems that it has fallen off the radar screen.

Yet in Alaska it's an item of topical importance. Governor Palin's pipeline bill recently passed the Legislature, and it will be interesting to see the level of interest in the bids on that call for interest coming up soon. It might be that the Alaska Highway does end up proceeding before the Mackenzie Valley pipeline. You know, there have been mixed reports coming out of the N.W.T. in the last week about the role of the federal government's involvement in that pipeline. It's clear there are quite a few roadblocks yet to be smoothed out.

Well, what is the Yukon doing? What has the minister done? What's the latest progress report? That's another question -- question 7 -- I would like him to respond to. So, he's going to be a busy man when he gets on his feet here shortly because a lot of Yukoners who are listening are very interested in the answers to these very vital and important questions.

Let's move on to the final clause: "provides for the discussion of any other issue important to stakeholders or the public". Mr. Speaker, this is crucial to the development of any policy, especially a comprehensive energy policy, and that's inclusion of the public and the stakeholders. I've alluded to this already and have compared what's happening now, which isn't much, with what happened then, which was nine or 10 years ago during the period of the energy commission's operations, and have compared the levels of consultation with development of policy. There is a drastic difference.

The energy commission rolled up its sleeves and did everything, as it should. It really set a good example in terms of a process used for public consultation. It was inclusive of stakeholders. It developed discussion papers. It held workshops. It held public meetings. It visited communities within the territory. It provided a roll-up document of input heard. It produced a report of recommendations. It had a Web site and telephone numbers. It was fully accountable. It had timelines. It had a budget. Mr. Speaker, all of those are laudable objectives and an optimum way of doing things. This government shouldn't be so dismissive of that fine example.

Nowadays, what do we have? Well, we've got policy being developed in the backroom without public involvement -- for example, how we spend our climate change money, what we do

for rate stabilization, development of the energy policy. These are just matters within this topical area.

The list goes on if you want to expand it to education and other issues as well. So the minister has practically absolved himself from any work in the policy development area. There has been nothing -- no discussion papers, no public meetings, no policies, no involvement of stakeholders, no reports, no nothing. I know that's bad grammar but I'll say it again -- no nothing from this minister.

Question 8 that I'll pose to the minister: can the minister prove me wrong by identifying anything he has done in policy development where any of those things have been done? I'd like to hear about them. I don't think there has been anything. If he strikes out again, I would like him to project what he envisions during the remainder of his mandate and try to identify possibilities that may exist in the near-term future for inclusion of those aspects into policy development.

For instance, he might stand up and say, "Yes, we will be developing a comprehensive energy policy and we target 2009 and there will be public consultation and discussion papers and all the rest of it." That's an example of what he might say. I know people listening will be interested in the minister's response to that question as well.

I think I've covered the aspects of this motion fairly well. As I listen to the members across the floor critique what I said, my memory will no doubt be jolted into recognition that there were other points to also put on the record, but if time permits -- unless other members talk out this motion -- I will be provided an opportunity to respond before the end of the day, at which time I will cover off any unjustified critiques of what I've put on the record today.

Finally, I would say this motion was noticed and discussed in good light with the objective of trying to make the Yukon a better place and trying to encourage the government to take action in a good way. The intent of the motion was very well intended. I will also add, if the minister would like to discuss any of this at a later date, I would certainly entertain that possibility. I think that, by working together, we can make the territory a better place. There are all kinds of potential in every one of these areas to do exactly that.

**Hon. Mr. Lang:** It has been interesting for the last period of time listening to the member opposite go on and on about his vision for energy. The only missing part of this conversation is that, being government, a lot of the conversation ends. We are looking at going forward with energy in the territory. We are also looking at factual figures, and we are looking at business plans and a future for economic development in the Yukon. That's not the responsibility of the opposition. The opposition opposes, Mr. Speaker.

When he talks about being chair of the energy commission, that was many governments back. There have been three general elections since that member opposite sat on the NDP side of the House with the government of the day with his energy plan. Yukoners voted against it in three elections.

That speaks volumes to his energy plan. We have a responsibility as government to make decisions. We were elected

by the Yukon people to do that. We put a platform forward, and we're moving ahead with that platform. The member opposite's platform was not accepted.

The member opposite, the know-all of energy in the territory, whom we listened to for the last three hours, went from one party to another, hoping to sit in the seat I'm sitting in today. The Yukon people soundly -- soundly -- made a decision that the member was not going to be the Energy, Mines and Resources minister for the territory and that he'd sit another term in opposition. With opposition obligations, he would go on and talk about his future energy plans.

Well, Mr. Speaker, this government is moving ahead with an energy strategy, and it's doing it in a very productive way. We're moving ahead with phases -- April to June of this year, background research and scoping, analyzing and identify existing Yukon government energy-related policy commitments, review of all election commitments, intergovernment agreements, strategies and relevant legislation.

For example, a survey of other Canadian energy strategies: review which jurisdictions have done energy strategies, what they include, the planning process that was followed and how the government managed the energy sector. In other words, we are doing our homework.

Assessment of successes and failures of these strategies: linkage and relevance to the Yukon context; scoping of the Yukon energy sector; identify all relevant policies, legislation, regulation. For example, identification of all Yukon energy sector stakeholders, current status and key issues.

SWOC analysis -- identify strengths, weaknesses, opportunities and constraints of the Yukon energy sector, identify key gaps in Yukon energy strategies and policy, and also identify key areas for strategy and policy development. It is a commitment we are working on from April to June. That should be finalized in the next month.

What are we looking forward to from June to August? Building the energy strategy team, initiate consultation with other Yukon government departments and non-government stakeholders, identify all key stakeholders, interests and issues, establish positive working relationships and linkages, build the Yukon government energy strategy team, define the makeup of the team and the roles and responsibilities; define the linkages with other Yukon territorial government departments and stakeholders; recruit a team leader; secure office space and required budgets.

Number 3 is to establish committees -- a senior steering committee to give direction, a technical working group to undertake work and an advisory committee to stakeholders to provide input and advice.

Is that a government doing nothing? Certainly not. We are putting a road map out and we are going forward with it.

From July to September -- develop an overview energy strategy. That should end in September. This is a key overview document that outlines key principles for the Yukon energy strategy, the makeup of the Yukon energy team, commitments to work with stakeholders and the public -- key priorities for action projects -- and implement the schedule.

Implementation -- (d), from September on -- follow through on the implementation priorities, and roll out policy and program development as identified on the overview strategy. That is a road map for the member opposite as to how this government is going to move forward in looking at the Yukon energy strategy.

The member opposite talks about managing the resources and the energy issues in the territory, and goes from there to pipeline issues to education issues to other issues pertaining to management of the territory.

The Member for Kluane put out quite a large wish list of things he would do if in fact he was ever lucky enough to be elected to form a government and sit in the seat of the Minister of Energy, Mines and Resources. However, the people of Yukon made a different selection. They made a selection where the member opposite would not be part of the government.

I appreciate the fact that he has issues with that, but I am going to move forward with my responsibility in my fifth year as Minister of Energy, Mines and Resources to activate the territory's economy, to work with the Minister of Environment to mitigate CO<sub>2</sub> emissions, which the member opposite doesn't see the necessity for. He debated at great length about his knowledge of the third wheel at Aishihik and how it wasn't necessary, that it was a bad expenditure of public funds, that Minto mine was a bad investment for our energy dollar and, of course, Pelly Crossing should not be considered in the business plan for hydro power.

If you were to add all three of those up with the third wheel, working with the peak demand here in Whitehorse, the Minto mine and the small community of Pelly Crossing, we are looking at 200 tonnes of CO<sub>2</sub> emissions yearly. That is a give-or-take figure.

Anywhere else in the western world today, if we were standing in front of a group in Vancouver or Saskatchewan and said this is a picture of how we were going to mitigate that kind of tonnage in our atmosphere, it would be looked at as a very positive environmental move for not only our community, but for Canada as a whole. The members opposite laugh at that and may jest but the facts speak for themselves.

You can't talk environment one minute out of one side of your mouth and talk about extending diesel consumption out of the other side of your mouth. The Liberals have to stand for something, Mr. Speaker. According to the conversation we've had over the last 10 days, we went from days and days of environmental issues and how we're not addressing environmental issues, to recommendations from the Leader of the Official Opposition to continue the consumption of diesel and to continue the emission of the tonnage that we are putting into our atmosphere.

That doesn't play well with the general public. The general public is smarter than that, and you can't play it from both ends, Mr. Speaker. The members opposite are in the Blues saying to Yukoners that this is not a good deal for Yukoners, the Carmacks-Pelly-Stewart extension is not a good deal for Yukoners. The same party without the oversight of the Yukon Utilities Board put the Yukon Energy Corporation and the Yukon gov-

ernment in a very vulnerable position in the last five years on the Mayo-Dawson line.

The Liberal Party cannot stand up in this House and defend what they stand for today.

There is an environmental issue in the country; there is an issue for us in our constituency as to how we can conserve power. We can work and manage our personal lives and our personal demands a little better. We as a government certainly are going to do that.

The rate stabilization fund is a prime example of a subsidy that we are growing out of. We are not going to artificially subsidize power so individuals don't know what they are paying for power. The member opposite hangs his hat on the rate stabilization fund. Certainly when it was instituted many years ago - - when the population was leaving the Yukon and the Faro mine had closed -- there was a necessity at that point to do something with our power bills because of the management of power at that time.

Today it isn't the same. Our population is growing and unemployment is the lowest it has ever been in the history of the Yukon since they started to take statistics. Our potential on the Yukon end of the equation is growing. When the Liberals left power, we were number 44 out of 65 jurisdictions for investment in the world. In five short years -- through devolution and through hard work -- I'm happy to report to this House that we're number 11. We are the choice of the majority of the mining community in the world. We've done that over a five-year window. We've done that by saying to industry that we have room for industry in our communities. The attitude of the Liberal party is to just say no -- just say no to Minto, just say no to Pelly, just say no to Carmacks and just say no to Mayo and Elsa. It's not good enough.

Our government, and we as a group, have a responsibility to not only maintain, but to rebuild, the Yukon economy. Minto mine will employ 150 people and, by hooking up to hydro, will eliminate tonnes of CO<sub>2</sub> emissions, and it is on selected A land. The Selkirk First Nation is going to realize revenues of approximately \$3 million a year from royalties.

Also, the First Nation has an employment agreement and a working relationship with the mine so they maximize their position from employment and royalties. This will make the Selkirk First Nation a very successful government. This is good news: good news for the First Nation, good news for us and Yukoners, and good news for the environment.

The member opposite went on for three hours about the energy commission that was put in place many, many years ago, and he happened to be the chair of that commission and did such extensive work on this issue -- certainly, as time goes on, things change. It was approximately eight or nine years ago that this commission was up and running. This is a different Yukon.

The Member for Kluane doesn't even understand that. You only have to walk downtown to see that our community has changed completely -- the mosaic of people you see on the street, our schools are filling up, our workforce is expanding. You have only to look in the newspaper. How many jobs?

There are pages and pages of opportunities for Yukoners -- not only in Whitehorse, but in the Yukon.

I spent a very busy weekend in Dawson City. Dawson City is up and running for the summer. There are placer opportunities growing in that area. It is certainly looking optimistic for the quartz end of things. The drilling programs are massive in the Dawson area. The Dawson area is an expanding market for minerals and for economic development for the community and for our territory.

The member opposite obviously has not been to Mayo. The member opposite, with his "just say no" attitude, has not gone to Mayo, Elsa and Keno City and seen the opportunities there for Mayo residents and Yukoners. The United Keno Hill Alexco Resources company is putting a drilling program together that is expansive. It will bear fruit for all the Yukon, not just Mayo. This government in looking at hydro in the area and spending some resources at the Mayo dam to upgrade the facility. Also it is looking at improving the Liberals' Mayo-Dawson line.

When the Mayo-Dawson line was managed by the Liberal government of the day, they undersized the cable -- they undersized the wire. If we get the blessing of the Yukon Utilities Board and if we can move on with the expansion and tying in the Carmacks-Stewart line and expanding it, we would have to enlarge the facility at Stewart and also rewire to Mayo. We would then have to tie that facility together so we could take advantage of the Keno Hill and resources in that area and manage the hydro from there all the way to south of Whitehorse. That's what we are doing in our energy portfolio.

We are certainly looking at energy strategies. The Yukon Energy Corporation put a 20-year plan in front of the Yukon Utilities Board. The Yukon Utilities Board asked for a 20-year plan, or a plan for how the corporation was going to move forward. They were very responsive. They put the 20-year plan together and put it in front of the Yukon Utilities Board. The corporation is working with the Yukon Utilities Board as we speak on the potential expansion of the line.

We are looking at a decision coming out of the Yukon Utilities Board fairly shortly. We certainly looked at Yukon Energy Corporation and the corporation.

Going back to the opportunities Carmacks-Pelly bring to our community, to our society and to the Yukon, and the tonnes of emissions that are going to be eliminated by this business decision, it's a partnership between industry -- industry being Minto mine -- ourselves with our infrastructure money as government, and the Yukon Energy Corporation. We are all investing in the future of the Yukon in that infrastructure.

The member opposite -- the "just say no" group -- says that is not a good deal. That's not a good deal because it is not part and parcel of maintaining the diesel levels -- I imagine. I have to second-guess the member opposite on why he would be so adamantly against this project. Why would you not let the Yukon Utilities Board do their due diligence? Why would you want to second-guess their decision? There is a process.

We are a long way from making the final decision on the line. The Yukon Utilities Board has to do its work. If in fact the Yukon Utilities Board comes back like they did on the power

purchase agreement, then we have to readdress that issue. And they did -- the corporation and Yukon Energy Corporation went back to the table and resolved the issues that the Yukon Utilities Board had.

The Yukon Utilities Board, by the way, is a very important agency. The agency works to protect or to provide an overview of energy decisions and energy plans.

The Yukon Utilities Board is a local group of individuals who have access to expertise, and I think that expertise comes from Alberta now. They are very, very highly qualified individuals who go over very closely any proposed project that the Yukon Energy Corporation has. Of course part of that, the third part that we are going through now, is a public process. I find it amazing that the member, with all his background in energy, would stand up and accuse the government of the day -- that being us -- that there is no public input on this proposal.

"The public has been left out in the cold." That's what the member opposite says. Of course, the member opposite says a lot of things. He mentions figures that I find amazing; he mentions timelines; he mentions scenarios that I would really have to question. Again, I would remind the member opposite that governments make decisions and governments have to be factual.

As I sat through the two and a half hours, taking notes as the member opposite spoke -- two and a half or three hours -- I found that a lot of the information was very questionable. Obviously, the member opposite doesn't have a grasp of the subject. I would recommend -- and I just recommend to the Leader of the Official Opposition that maybe, in that large cast of individuals across the way, they could appoint a new critic for Energy, Mines and Resources. That would make our dialogue a lot easier and, I would have to say, probably factual. But that's only a recommendation because I'm not in the opposition; I'm in the government. The choice that the Leader of the Official Opposition makes is his to make.

In going back to the issues about energy and about the strategy -- of course, I listed off the strategy -- when we went to the people last fall, we had a firm commitment that we would be looking at tying in the hydro grid. We made a commitment to Yukoners. We made many commitments to Yukoners that we're working on. Of course, one of them was the energy issue, and also how could we as a community work with energy and the environment? What would be the merit in looking at other ways of creating energy?

In Watson Lake, the high school and the community complex -- which is very large by the way -- are heated with excess heat from the generators. That works very well and it should be looked at. We are looking at different avenues where we can maximize situations like Watson Lake, because places like Watson Lake will probably exist for the next 20 years being dependent on diesel power.

We're looking up north at Old Crow and what the options are there. I know that Yukon Energy Corporation did an extensive review of wind power in different communities and found the situation that, in a place like Old Crow, the wind was not sufficient to create the power it needed, nor did the wind come at the right time of year, so there was a management problem



of the wind, and the wind volume wasn't there. They did many studies; they looked at Crow Mountain; they looked down by the river. I could stand to be corrected, but I think the experiment went on for probably three or four years in three or four different locations, so that inventory was done.

How can we take a community like Old Crow, which has a dependency on diesel -- which we understand logistically because of where it's at -- how can we take that diesel one more step and utilize the heat from the diesel generators for public use? Those are options we should address because the heat is there, the diesel's there and it is going to be there for a period of time because of its location. This government certainly looks at that.

This government looks at partnerships with our First Nations on these issues. We certainly have had a working relationship in Old Crow, government to government, when we looked at all the work we've done there over the last four years and the investment of both governments -- not just the territorial government. The Old Crow people and this government formed an economic partnership to enhance Old Crow to the benefit of all Yukoners.

The stronger and the better our communities are, the better it is for the whole community. We certainly will continue working with communities like that to resolve their energy issues and minimize the impact those units have on the community of Old Crow or Watson Lake.

Those are things that this government is very concerned about.

In terms of the member opposite going on and on about 10 points and how this government has failed on every point, it was depressing. I couldn't believe that we could be such failures in such a short period of time. The knowledge that the member opposite has is overwhelming. Of course, he has never had the opportunity to actually do anything, because he has always been in opposition. It's not like I don't take some of the things he says. We do not have closed minds; we are not like the member opposite. We do take advice on different levels; we do work with certain opposition members to make sure that communities are heard.

We understand the concerns of the Member for Mayo-Tatchun and the concerns of the Mayo community, so this government went ahead with the community complex, which was just opened in October, or it opened just in the last 12 months. We also took a look at the school in Carmacks to replace a structure that was long overdue -- it had been ignored for many years by many governments. We, as a government, bit the bullet and made a decision.

We do work with our partners and communities to enhance them.

As far as energy is concerned, the member opposite's dialogue was on our deficiencies as a government and the "just say no" attitude toward the Minto mine, Pelly and Selkirk First Nations and, of course, about the government not having a vision for hydro power in our communities. I have to agree with the member opposite that his foundation is only what he has seen from where he is sitting and from the Liberal Party.

I have to agree with him. When he sat as an NDP, he was very vocal about a public inquiry and all the issues that the Mayo-Dawson line brought forward. When we were elected in 2002, the line was not done, the contractors had not been paid, the major contractor could not be found. There was general chaos in the line between Mayo and Dawson. That was our first challenge as a government.

Now, the member opposite was sitting in opposition and he was very vocal that the party of the day, the member who sat for the Liberal Party of the day and who was the Premier of the previous government and also at the time of decision making was the Minister of Economic Development, I think. I could be proven wrong on that but she had two titles. Of course, that decision was made.

The members in opposition now understand that from their side and from the Liberal Party and their track record -- we can only talk about track record. I could see where, under that kind of management, we could still end up in the same situation as we did with the Mayo-Dawson line. The capacity of the group in opposition is limited. I appreciate that, Mr. Speaker. We do try to work with them and bring them up to mark on a lot of these issues. But if they will not work with us in a positive way, I find it hard to work with the members if it is just on a negative level and if it is not pertinent information put on the floor.

We are dealing with a very important issue here in the territory. What we are trying to do is get away from a hidden subsidy on a product, which is energy and which every other community in Canada -- I am not sure about the United States, Mr. Speaker. But we are very aware of costs and management of those costs.

In other words, we move forward and we look at our light bills. The member opposite put a light bill for a year -- I'm not sure if it was his or somebody else's. Mr. Speaker, if you were to look at statistics across Canada and if you take the Yukon, with its water consumption -- top in Canada. So our sewer is over-taxed. Our energy consumption is very high in Canada, one of the highest in Canada.

This energy part of our daily lives has to be addressed. We can't continue on this trail of hidden subsidies. What we're doing is extending the rate stabilization fund for another 12 months at 50-percent levels, putting together a working group that can go out and talk to individuals about conservation and how they can conserve their energy, and also tying in a big economic engine for the territory, which will be our first producing quartz mine in the equation, and taking another community off diesel -- Pelly Crossing will be off diesel. That will bring us to over 95 percent of our consumers being on hydro.

I think we are -- as an area, as a territory, as a partner in Canada -- looking at a very, very positive standing in the Canadian community. What we've done as a government is to acquire more customers. The member opposite doesn't talk about customers. He talks about pie in the sky, and how power can be managed and how whatever. But in his whole conversation, he never talked about customers.

Customers were what we were lacking. Of course, as the Liberal Party understands, when they were in power they were driving our customer base out of the Yukon.

In the last five years this government -- this group of individuals -- has been working very diligently to bring that customer base back. We have done that. As for this expansion -- and the Pelly Crossing expansion -- I'm not talking about the other customers in-between Carmacks and Pelly Crossing. You are going to have Minto and that gives the First Nation at Fort Selkirk an opportunity to look at Minto as a potential community. There is an opportunity for the Selkirk First Nation. Minto was their home. They live at Pelly Crossing because the bridge is there and it was more convenient. In fact, with power and the Minto mine just down the road -- I'm not making decisions for the Selkirk First Nation, but I say to you there is a great opportunity for the Selkirk First Nation to expand their housing projects and move individuals back home.

Those are the kinds of things that the member opposite doesn't understand. The customer base will generate more revenue. He said there is no guarantee that the \$4 million -- or whatever figure he pulled out of his head on what Minto was going to pay, because nobody in this room can give an exact figure on that -- on diesel it would be the same.

For one thing, if it is diesel then the Minto mine, which he didn't bring to the floor, would produce it themselves. Yukon Energy Corporation would have nothing to do with Minto's production of energy for the mine.

I say to you that is why it is very important on this side of the House that we deal with facts and we deal with numbers as closely as possible, and we just don't throw figures out there that make one side of the argument or the other.

It is Minto mine resources -- Pelly, the Minto mine, the expanded grid to Stewart and all the other individual consumers on that line will create revenue which, by the way, will be created by water, by resources we are not utilizing now. As we know, the Yukon Utilities Board states very clearly that the Yukon Energy Corporation can only make a percentage of profit. After that, it has to go back to the ratepayers. That's where I'm going. It's not pie in the sky or a guessing game. It is written in law. The Yukon Energy Corporation can make so much on their investment; after that, it has to go back to the ratepayer.

The member opposite is protecting his subsidy, but not many people out there are accosting me on the subsidy, as minister. There is no line-up of people at my office door demanding that we push more subsidies through the system. The majority of Canadians understand.

If we were to take a poll, environment is one of the biggest issues in Canada today. The member opposite is looking at artificially subsidizing power for the sake of some management tool, advising a "just say no" attitude to Minto mines and the expanding of the hydro grid. I feel very confident that this government, unlike the Liberal government of the past, will manage that expansion in a very businesslike way. Guess why: we have the Yukon Utilities Board involved to do a critique of the business plan. That was obviously missing when the Liberal government of the day short-circuited the critique, because they

didn't want the criticism. They jumped headlong into a power line between Mayo and Dawson that cost the consumers of the territory.

Talk about a subsidy, talk about a business plan -- that was a business plan. At the end of the day, the member opposite standing up and defending that -- saying that, at the end of the day, that was the business plan. Think about if the business plan had come in on track. Think about the Yukon Energy Corporation's strength today -- never mind the court cases and the time it takes to go to these court cases in Vancouver and all the work that the corporation has to address on that level. Instead of \$17 million, the Liberal Party got it up to \$35 million, and then they stood up in the House, in their largesse, and said, "Well, we're all right now because the price of diesel went up." So we're in good hands now. In other words, that was the business plan -- that you sit down and pray that the diesel price will go up so it makes it a better business plan. Well, I say, let's manage projects like that. Let's go to the Yukon Utilities Board and listen to them and all of their expertise. It all takes time.

The part 3 that's going forward now is a very lengthy review of the business plan. Once that business plan is critiqued by the Yukon Utilities Board, it will go in front of the Yukon Energy Corporation so they can go out for engineering and contractors and can come back with a figure that, hopefully, we as consumers and Yukoners can live with.

The next most important thing is getting the team together -- the energy team together to build the line between Carmacks and Stewart Crossing. Now, Pelly to Stewart Crossing, to tie in our hydro grid, would potentially be partnered by Western Copper.

That is a partnership among industry, the Yukon Energy Corporation and the government, to make sure that this does not fall back on the consumers. This business plan among the corporation, industry and this government will not be a burden on the consumer.

I am very positive, and I have critiqued many parts of this plan. This plan is a workable plan. It works toward an environmentally friendly hydro system. This thing will be a minimum -- now, without Western Copper -- of 200 million tonnes a year of CO<sub>2</sub> emissions. Western Copper will mean we will have a tonne a day -- tonnes will be eliminated from our communities and our territory. We will do an overview and repair the dam here to enhance its production; we will put the third wheel in place in Aishihik, and we will look at the Mayo dam to see what we can do to enhance it. Within two or three years we will be looking at United Keno Hill -- Alexco, Mr. Speaker.

Also, we will be looking at expanding other potential in that area. When we upgrade to an industrial line to Dawson, instead of the extension cord the Liberals put in place, we will be looking at expanded economic generation there. Mining companies are looking for power to run the pumps on their placer operations. All of a sudden we get more customers. The member opposite never wants to talk about customers. Customers, I guess, are a bad thing.

As we get more customers, as we enhance the production and as those resources come back into the Yukon Energy Corporation, it says the Yukon Utilities Board dictates that the

money -- the savings -- have to go back to the consumer. The consumer is going to get an application and the member opposite of course doesn't mention that. We have committed and the Yukon Energy Corporation has committed. Part of the business plan was to go in front of the Yukon Utilities Board no later than the first of February to address rate reductions for the consumers in the territory -- rate reductions, Mr. Speaker; not subsidies at all.

The Member for Kluane talks about 30 percent and 50 percent. Let's face it. There's only 100 percent. I added up all the percentages he was talking about and he had it up to 120 percent -- 120 percent of 100 percent. That says a lot for his math.

The facts are that the consumers in the territory are looking forward to an economic future and an economic opportunity. Our smaller communities like Pelly Crossing, Minto and of course, Carmacks and Stewart Crossing -- and all those individuals in-between -- are looking at opportunities to hook onto the grid and to become part of the Yukon's economic future.

We look at Keno Hill. We look at the opportunities with the investment that's on the ground there with the hydro project -- enhancing and modernizing it so it's more productive.

We look at the dam here, the wheels we have here. There is the opportunity to bring in some technology that will enhance production. The third wheel is going to mean that, during peaks, we won't be running diesel in Whitehorse; we won't be waking people up in Riverdale; we won't be polluting the air in Riverdale -- we won't have to because we will have the third wheel to take up that difference.

Again, that will mean 34,000 tonnes of emissions eliminated. That is in the Whitehorse area alone. If we look at an expanded energy program, we can look at opportunities in Faro, enhancements that could be done on the Campbell Highway and the potential on Drury Creek for hydro expansion. We also have BC Hydro expanding into northern British Columbia. Eventually, some government someday will be looking at tying into that grid and managing it from California to the Alaskan border. The potential for hydro power for the whole west coast is there, but we have to make the decisions. We can't just say no.

We can't look at that because we have a better idea. The member opposite hasn't come up with one idea. I have listened to the member opposite. I have been penalized by having him as my critic for four years. Write this down, Marian. I could list on one hand the product that has come from that gentleman.

The Leader of the Official Opposition is here today.

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

### Point of order

**Speaker:** Member for Kluane, on a point of order.

**Mr. McRobb:** On the point of order, Mr. Speaker, even though I am enjoying the humour in the minister's comments, I do believe that you should remind members to avoid making personal remarks, because it could incite bad discourse or possibly even a riot.

### Speaker's ruling

**Speaker:** I will make the ruling. Obviously, there is no point of order. The Chair has allowed a wide-ranging debate here. There has been, shall I say, pros and cons expressed on each side and they are only that.

The minister has the floor.

**Hon. Mr. Lang:** Anyway, I have to get my train of thought back, Mr. Speaker. It has been broken. It has been derailed.

As we talk about the energy future for the territory, it gives me great pleasure to stand in the House and put our plan forward for, hopefully, the unanimous agreement of the House on how we are moving forward with managing hydro in the territory. We are expanding the units. We certainly are looking at our energy strategy. That is part of our moving forward -- and I've gone through that extensively because the member opposite is very interested in that. I certainly look forward to him involving himself in the public meetings that will be out there. Of course they will be in the local newspapers and so you will have the dates at that time. Certainly he will add his voice, as all Yukoners should, to this go-forward energy strategy for the territory.

We certainly have been with Yukon Energy Corporation and their 20-year plan, which was an extensive overview and was requested again by the Yukon Utilities Board. They wanted a go-forward plan from the corporation so they could do their job better and that has been done.

The member opposite got off talking about pipelines and all sorts of issues that I guess do pertain to energy. The Yukon is very, very concerned -- not concerned. We have been in government here for five years and, of course, when we were chosen by Yukoners in 2002 to form a government, the pipeline issue was a large issue for the previous government and was a constant focus of a lot of question periods -- and what we were going to do as a government when this pipeline was going to arrive. The Member for Kluane was worried about his community and the impacts it would have on that community.

We have certainly been monitoring our neighbour, the Northwest Territories. The first thing we did in 2002 as a government was to patch up our relationship with the Northwest Territories and, of course, Nunavut, north of 60, and also our neighbours in Alaska, B.C. and Alberta. They were important partnerships that had been frayed a bit during the Liberal two-year tenure in office.

So we were very conscious of the impacts of having that kind of a relationship with our neighbours because of the importance of, first of all, our location north of 60 and the economic importance of working in partnership. Of course, the Premier did that. He went immediately to the Northwest Territories and worked with Nunavut to bring on the three premiers.

Of course, that kind of partnership bode very well, not only in energy, but also in our partnership in the Canada Winter Games. That was the three territories highlighting the territories north of 60 for all of Canada. I have to publicly say that Yukon, with the help of the Northwest Territories and Nunavut, did a fabulous job of the Canada Winter Games. Plus, I can't ignore

the City of Whitehorse that worked very, very hard and, of course, the 3,000 volunteers that we got out of this territory because they came from Watson Lake and Dawson City.

Of course, going back to our energy file and the debate we're having now, the pipelines pertaining to energy are of concern to us because we all understand the situation in the Northwest Territories. We have the producers in the Northwest Territories. They have done a critique -- or an updated financial picture of the pipeline and these very large figures come at us again. They say it will be double or triple the costs. I'm not going to mention figures because, again, we on this side of the House have to be aware of the fact that figures have to be fairly close to the mark.

We have First Nation issues in the south end of the Mackenzie Valley that the federal government has to address. We as a government understood in 2002 from the pipeline timelines that the Mackenzie Valley pipeline was a reality and that, first of all, we had to work out a partnership on how we would work with the Northwest Territories in our cross-border business opportunities and the labour market and how we would, vice versa, work with them when our pipeline came down the Alaska Highway. Of course, in the last five years, we have been discussing the pipeline on many levels. As the member was talking about in his discussion here for the last hour on the energy file, the Governor of Alaska has changed; they have a new governor, and with that comes a new government for the State of Alaska.

We have certainly kept ourselves abreast of what is happening. The governor has put a gas bill in front of the House in Juneau. That has been going through the process. I think that one House has passed it. I think the other House is looking at it now. That bill would be -- if the timelines are what I hear, they are looking at this fall. With that timeline, we have to look at producers. The producers are a very important part of any pipeline because you need the resources.

There has been a change in the government's attitudes in Juneau in the sense that the last governor had a package that didn't get through the House, so this is a whole new package. She has a whole new overview of how she pictures the benefits flowing to Alaska. That will be another issue that I imagine we will be addressing either after this goes through the House or at the latter end of all the work that has to be done before this thing is passed.

I am looking forward to that. We as a government are certainly concerned about the issues brought forward by our constituents and Yukoners, asking that we ensure minimal impact from any pipeline that comes through our territory. We want to maximize our benefits from construction. We want to ensure that we are not ignored when it comes to gas off the line or gas on the line. We don't want to see a bullet line through our constituency that does not benefit us in the end. That would be folly.

We have continued to fund the aboriginal pipeline group. That is an important component to this, because there are seven First Nations directly involved. Their traditional territory is directly in the line of the pipeline, so we are keeping that going. I am happy to report that industry is getting involved with the

aboriginal groups, so there is dialogue. It is an educational dialogue and an opportunity for First Nations. As this grows into a reality, we certainly aren't going to ignore other Yukoners either. We will be asking how other Yukoners and other First Nations are going to be involved in the process.

We have to address the fact that the pipeline is a reality, as the member opposite just said a half hour ago. The Alaska Highway pipeline could go ahead of the Mackenzie Valley pipeline. The other day, the Leader of the Liberal Party said that he wanted an over-the-top pipeline. That dialogue has been going on for many years. Alaska has in law that there is no over-the-top option.

That option has been taken care of by the State of Alaska. We also have an agreement with Northwest Territories that eliminates the over-the-top option, so we're going to work with the Northwest Territories and be of help where we can. Our partnership on the pipeline will grow in time to see one of these pipelines evolve into the fact of a contract and delivering product.

Of course, the Mackenzie is a Canadian pipeline taking Canadian gas to Canadian markets. That's a completely different project than the Alaska Highway pipeline. We're taking American gas -- Alaska gas -- through our jurisdiction into northern B.C./Alberta to tie in with trunk lines to the southern United States. It's a different form of business plan.

There is the opportunity in north Yukon for stranded gas. We are working on dispositions there as we speak. We're looking at an expanded disposition program there for this year. We put our disposition out and we had 24 applications. It's very good for the oil energy industry in the Yukon to get that kind of interest.

The pipeline in the Mackenzie will no longer -- if in fact that goes forward -- be talking about stranded gas and frontier operations. Right now, northern Yukon -- where a big part of our resource is -- is stranded and it's frontier. As far as an energy corporation bidding on north Yukon opportunity, they consider it frontier because it's just an investment.

From a government's point of view, we did work with Devon Energy Corporation and get a \$35-million well enhanced in the Kootaneelee and also one well drilled in north Yukon. That was done in the last 18 months. That was an investment in the oil energy part of the portfolio of Energy, Mines and Resources.

We are working toward a very positive energy strategy for the territory. The member opposite talked about the opportunity for geothermal units and we certainly are interested in that. Haines Junction has an opportunity. Right here in our fair community there is an opportunity at the Vanier Catholic Secondary School for that kind of science for heating homes. That science you can shrink down into your own home. The opportunity for that kind of science would either heat or cool your home; you have two options.

Those kinds of investments -- you realize 10 years ago when we were talking about that kind of energy source for your home, the costs were astronomical. The whole science was new. It was workable, but the science wasn't tight enough to get the economics in line so that an average individual could really

look at those opportunities. Now, over the last 20 years, people are doing it.

They're drilling the wells; they're enhancing the wells; they're putting on the science they need to extract the heat, and it works. So, those kinds of things are what we're looking at in the future.

But I think as we move through this afternoon -- and I know that the member --

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

## INTRODUCTION OF VISITORS

**Speaker:** Member for Klondike.

**Mr. Nordick:** I'd like all members to recognize a constituent of mine, Greg Hakonson, in the gallery, please.

*Applause*

**Hon. Mr. Lang:** I'd like to welcome Greg myself. He's on the Energy Corporation Board of Directors, and he is here for energy meetings in the next couple of days. So, welcome to Whitehorse.

Going back to the energy and the questions that the member opposite was talking about for that three-hour period -- it's too bad he only gave me an hour because I could have talked at least as long as he did; just correcting the information would take longer than I have.

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

**Hon. Mr. Lang:** The Member for Mayo-Tatchun is making jest, Mr. Speaker, and I appreciate that. I appreciate the fact that all members in the House, I think, have a concern about our environment. I think we have a concern about how our utility could be cheaper.

What do we do as a society to protect the less fortunate in situations involving our utilities? How do we work with the general public to educate individuals on utilities so they can manage them better and get better results for the money we spend? What do we do to critique avenues of enhancing our fixtures at home? There are options where we can look at enhancing our homes so that we are burning less power and, in turn, enhancing our lifestyle.

This government, needless to say, is making decisions. We are making decisions with the Yukon Utilities Board's recommendations. We are working with the board of directors from the Yukon Energy Corporation. We are working with industry and talking to individuals on the street about how they visualize the government moving forward on our energy strategy. We are looking very optimistically at the going-forward plan to tie in the Carmacks-Stewart hydro expansion.

Mr. Speaker, I think if one looks at what we have done in the last four years, the proof is in the pudding. We are looking at a very positive future for all Yukoners.

We are certainly looking, with the enhancement of the hydro line, at lower rates instead of subsidization, and a go-forward management plan on how we can educate Yukoners to manage our utilities in a more manageable way. I look forward to the next 12 months and I look forward to being able to report to this House in the next 14 months that the rate stabilization fund is no longer needed in the territory because we have rate

reductions. Then we move on to managing our resources, working with industry and enhancing the reductions in our energy portfolio to the benefit of all Yukoners.

As we do our reductions, Mr. Speaker, we are looking at all customers and we are looking at all levels of consumption. That's optimistic.

I certainly appreciate the member opposite and I wish I had more time, as the Energy, Mines and Resources minister. Of course, my portfolio is very expansive. We are looking at different things in our department. Every one of our departments is going at full speed ahead.

We are looking at our communities and what we're doing there. There are many opportunities, such as Haines Junction and forestry plans and working with the Teslin Tlingit on land issues, working in Watson Lake with the Liard First Nation on the great potential in southeast Yukon to move forward with an energy package for access to gas and forestry in partnership with the First Nation. There is working with the Ross River Dena on opportunities for them in that part of the world. Ross River has had an unemployment issue for years. Now you can't find people to go to work in Ross River. They are all out in the field. That has not happened in the last 10 years.

As you go to Dawson City and see the influx of people there -- Diamond Tooth Gertie's is full of people, full of local people with great attitudes. The people are out there on the land or working with people on the land to expand the fortunes of Dawson City.

Today, Mayo is going full out. We have a wonderful community complex there. It has services there now so people can move back into the Village of Mayo and make a home. The school is an excellent school and we have the infrastructure here.

What we've done is we're moving people back to the Yukon. We've built infrastructure so they can come back home to the Yukon and they can live in a place like Mayo and it can be a great experience. They have the opportunity in that Mayo valley, whether it is at Alexco or the gold operations there or the prospect of economic development in exploration -- all of that is an opportunity for the people of Mayo.

At the end of our dialogue this afternoon, I would say to the member opposite after three hours -- I would say as a judge of the comments -- I think that we are moving forward. We are certainly moving forward on the energy portfolio and I look forward to his criticism in the coming years -- from the opposition benches. I look forward to working with my colleagues here, moving forward with a whole different vision. It's economic development. It's not "just say no," Mr. Speaker.

**Speaker:** Order please. The time being 5:30 p.m., the House now stands adjourned until 1:00 p.m. tomorrow.

*Debate on Motion No. 33 accordingly adjourned*

*The House adjourned at 5:30 p.m.*