

Whitehorse, Yukon**Thursday, November 1, 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 Woman Abuse Prevention Month**

Hon. Ms. Taylor: Mr. Speaker, I rise to pay tribute to Woman Abuse Prevention Month, held every year during the month of November. Mr. Speaker, Woman Abuse Prevention Month is an opportunity to acknowledge and support women living around us who are coping, existing with and resisting violence in their lives. Woman Abuse Prevention Month is also an opportunity for each of us to make a personal commitment, if we have not done so already, to work toward the eradication of violence toward women.

According to a Statistics Canada report, *Measuring Violence Against Women: Statistical Trends 2006*, the rates of violence against women in Yukon are much higher than the national average. The same report states that aboriginal women experience spousal violence at a rate more than three times that of non-aboriginal women.

Mr. Speaker, violence in our communities is everyone's issue. As a society and as individuals, we need to work on changing societal attitudes about violence toward women in order that it can be prevented and eradicated.

Likewise, we need to support victims to encourage accountability for harmful acts and to support our communities in providing education, prevention and healing.

We need to speak out against violence when we see it happening in our community, whether it be physical, sexual or emotional. We also need to teach our children about the importance of healthy, balanced and respectful relationships. Teaching our children that men and women are equal in society will certainly go a long way in addressing the power inequity between men and women, which is the root cause of violence against women.

Mr. Speaker, violence prevention is a priority of our government and is certainly one of the key mandates of the Women's Directorate. The Women's Directorate, Department of Justice, and the Circles of Respect and Equality, an inter-agency committee comprised of 17 government departments and front-line agencies, are pleased to see the recent commissioning of two Yukon-relevant violence-prevention videos and a training manual as part of the Yukon government's public education campaign on violence against women and children. Both videos will be used to further educate and raise awareness of violence against women and children and to provide individuals with information on how to safely help someone who is

being abused. One video will be produced for the general public, and the other will be produced for service providers and will be accompanied by a training manual.

During the month of November, the Victoria Faulkner Women's Centre and Les EssentiElles have organized events and education activities throughout the month of November addressing the prevention of violence against women. Under the banner *Twelve Days to End Violence Against Women*, events include film nights and an interactive game and clothesline project at the Elijah Smith Building, as well as in the main YTG lobby. The clothesline project includes actions that individuals can take to end violence against women. Education activities will also include a radio advertising campaign for portraying examples of abuse in everyday situations and alternatives to violence. I encourage everyone to participate in these events, to speak out against violence in our community and to actively support the eradication of violence against women.

In closing, I would like to acknowledge and thank the many front-line workers who work with victims of violence each and every day. Their efforts and expertise are integral to building healthy communities. It is a very difficult and demanding job, also much appreciated and very necessary.

Thank you.

Mr. Mitchell: I rise today on behalf of the Official Opposition to pay tribute to Woman Abuse Prevention Month. During Woman Abuse Prevention Month the focus is on what we as a society can do to prevent and eliminate abuse and violence against women. Abuse can take many forms, including assault, domestic violence, spousal abuse, abuse in the workplace, or physical or mental cruelty toward anyone. No matter its name, it has to end. The recent terrible assaults in Whitehorse are the ultimate abuse of women. No abuse can be tolerated, as any allowance of abuse to women is the seed that can grow to such a terrible result.

We have many agencies to serve the women of the Yukon, where they can access support and services. We have the RCMP and victim services in Whitehorse, Dawson City, and Watson Lake. We have Kaushee's Place -- the transition home that offers safe shelter and counselling for women and children who are dealing with the effects of abuse -- and the Victoria Faulkner Women's Shelter, which offers advocacy and support for women. The Dawson City Women's Shelter offers confidential shelter, support and advocacy to women and children in crisis. Help and Hope for Families is the Watson Lake transition home for women and children in crisis. The Outreach van is on the front line on the streets in Whitehorse and they offer information and counselling for women in crisis. There are many counselling and support services available through many women's groups, Kwanlin Dun and other First Nations, and government agencies.

The issue of violence against women certainly isn't going away, and the services that are provided are, sadly, needed more than ever. We would like to pay tribute and express our thanks to the many organizations, agencies, front-line workers, staff, and the volunteers and supporters who work with women.

Every woman has the right to be treated with respect and to enjoy a life without violence. Let us be clear here, Mr. Speaker: violence against women is perpetrated by men. As a man, I accept my responsibility to be vigilant in my own speech and actions and to know I must accept responsibility to help prevent my fellow man from carrying out this terrible behaviour from not allowing sexist jokes or banter to go uncriticized, to ensuring that we in this Assembly provide the financial resources to fund the many programs and organizations, some of which I mentioned here today.

This month, as we heighten our awareness of this issue, let us make it a year-long and personal lifelong effort to end the violence.

Mr. Hardy: I rise today on behalf of the NDP caucus to pay tribute to Woman Abuse Prevention Month. Later in the month of November, men and boys, worldwide, will be wearing the white ribbon to mark the International Day for the Elimination of Violence Against Women.

Mr. Speaker, and for the people in the Legislative Assembly, a couple of years ago the Member for Mount Lorne and I were down on Main Street handing out white ribbons during the White Ribbon Campaign.

It was shocking at times to have men walk by, see the white ribbon and refuse to wear it, or make some disparaging remark about what we were doing in regard to this.

It was extremely disappointing for us to see, in this day and age, that attitude out there. I can assure you, Mr. Speaker, that violence still sits just below the surface in many people's lives.

This tribute comes at a grim time, following news that a woman was sexually assaulted in her home just two days ago. That's how close to the surface it is. That's how close it is to each and every one of us.

In every community, in every country, among people of diverse economic, religious, ethnic and cultural backgrounds, women suffer physical and psychological abuse at the hands of men. We all know people -- our mothers, sisters, friends, lovers -- who have been victimized. Women deal with this fear all the time. Families are completely destroyed by this kind of action. Children are scarred for life, and they carry that scar around with them and, unfortunately, at times, they end up enacting what they witness as a child in their earlier lives, or else suffer. We have seen this very close to home in this small territory and its small population.

It is largely men who have created a competitive economic system that creates huge disparities between people and threatens our environment. It is men who have led nations into war. Rape has long been a tool of warfare created by men to terrorize women.

Men perpetrate most of the violence in this world and construct a culture that is based on it. We, as leaders in our society and in our communities, must put an end to it. The only way we can do that is by speaking out.

Statistics abound about this, but I don't want to repeat statistics, for they can paralyze us into inaction; we get hung up on those. We must commit to action, and if we are to create a

world where abuse of women is eradicated, that's what we must do. Collectively we must reduce all inequality between men and women. We must speak out against abuse. We must change our ways and become a more caring and just society.

I want to give our utmost thanks and respect to the volunteers and on-the-ground workers at the rape crisis centres, women's centres and shelters, advocacy and international development groups, NGOs who are each and every day supporting women fleeing violence -- individuals who put themselves in front of that kind of abuse to try to stop it. They all must be recognized and be thanked, but we're still not doing enough in this area. These people are working toward a future of peace and social justice, and we should follow their lead and support them.

Thank you.

In recognition of Project Red Ribbon Campaign

Hon. Mr. Kenyon: Mr. Speaker, as minister responsible for the Yukon Liquor Corporation and as a Yukoner, I appreciate the determined efforts of Mothers Against Drunk Driving, or MADD, to eradicate impaired driving. Impaired driving is not only socially unacceptable, it is in fact a criminal offence.

Today, the Yukon chapter of MADD is officially marking the launch of the 21st annual Project Red Ribbon Campaign across North America. The familiar red ribbon tied to an antenna or a rear-view mirror reminds us of the devastating consequences of drunk driving. The ribbon has come to symbolize a driver's commitment to drive safe and sober, and by tying a red ribbon onto our vehicles in a conspicuous place, we are supporting the goal of keeping drunk drivers off our roads.

I'd like to take this opportunity to thank the local MADD chapter for their very diligent work. Their efforts to remove impaired drivers from our roads are helping to keep our families safer. The local MADD chapter is making a very big difference in the Yukon.

The Yukon Liquor Corporation is proud to renew our partnership in this campaign. From November 1, 2007, until January 7, 2008, the red ribbons and donation boxes are available at all Yukon liquor stores across the Yukon.

The launch of the Project Red Ribbon Campaign is timely. The holiday season is almost here. Office parties are about to start, and so are the weekends of snowmobiling, family get-togethers and so on, and it's a popular time to socialize and share a few drinks with friends, family and co-workers and to really have fun. There is nothing wrong with that. What is wrong, Mr. Speaker, is when people get behind the wheel when they're impaired. Driving while under the influence of alcohol or drugs can have tragic consequences.

The Yukon Liquor Corporation has the mandate to encourage social responsibility in the sale and consumption of alcoholic beverages in the territory. Drinking responsibly means knowing when to draw the line and, among other things, when not to drive. It means not letting other people drink and drive either. There is always a better solution when getting behind the wheel. There are taxis, sober designated drivers, couches to sleep on and more. No excuse measures up to the potential tragedy of a preventable death or serious injury.

We often think of drunk driving as meaning cars and trucks. However, snowmobiles and ATVs are just as dangerous to operate under the influence. Having a few beers while out sledding might be routine for some, but it's a habit that could put an end to all of the fun.

Drinking and driving tragedies don't need to happen. It's crucial to keep educating and reminding drivers that they are not immune to the effects of drugs or alcohol when they drive, that their decision to get behind the wheel could cost a life.

I take this opportunity to urge members of this House and all Yukoners to please pick up a red ribbon, tie it on your vehicle and display it in memory of friends, family and fellow citizens who have lost their lives or who have been injured due to impaired driving. Even more important, don't make another tragic memory for someone else by driving drunk yourself.

With your kind indulgence, I will pass red ribbons to the pages for distribution to all members of the House, including your and our hard working Clerks and pages.

Thank you.

Mr. McRobb: I, too, am pleased to rise on behalf of the Official Opposition in recognition of Mothers Against Drunk Driving, or MADD.

The Red Ribbon Campaign, which runs from November 1 to December 31, is a public awareness campaign to urge Canadians to drive safe and sober. By wearing or displaying a red ribbon, you make a personal commitment to drive safely.

The Whitehorse chapter of MADD was established in 2003. We congratulate all those responsible for the commitment of making our roads safer and providing a voice for victims of impaired driving. Life is a precious gift. Help save one today.

Speaker: Are there further tributes?
Hearing none, are there any introduction of visitors?
Returns or documents for tabling.

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Hart: I have for tabling the Yukon Teachers Labour Relations Board Annual Report for 2006-07.

Mr. Speaker, I also have for tabling the Yukon Public Service Labour Relations Board Annual Report for 2006-07.

Speaker: Are there any further documents for tabling?
Reports of committees.
Petitions.
Are there any bills to be introduced?

INTRODUCTION OF BILLS

Bill No. 41: Introduction and First Reading

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

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

Motion for introduction and first reading of Bill No. 41 agreed to

Bill No. 40: Introduction and First Reading

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

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

Motion for introduction and first reading of Bill No. 40 agreed to

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

NOTICES OF MOTION

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

THAT this House urges the Government of Yukon, in partnership with Yukon Energy Corporation, the Government of Canada and Yukon First Nation governments, to consider increasing the hydro generation capacity of the Mayo dam in order to provide hydroelectric power to potential mines in the area, as well as continue to provide hydro power to Dawson City.

Mr. Mitchell: I give notice of the following motion:

THAT this House urges the Yukon government to recognize that Yukoners with disabilities face special challenges in our society and that more needs to be done to ensure that these people can participate fully in our society. The Yukon government should

(1) consult with First Nations, municipal governments, non-governmental organizations and stakeholders, including business groups, to develop Yukoners with disability act;

(2) establish a government-funded and -sponsored program in partnership with other governments to enhance the accessibility of our communities; and

(3) develop a pilot return-to-work program to assist people with disabilities in returning to work.

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

THAT this House express its displeasure to the Government of Canada that recent tax measures announced by the Minister of Finance did not include any adjustment in the northern residents tax deduction to reflect the increase in the cost of living of Canada's northern territories in the 20 years since the deduction came into effect.

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

THAT it is the opinion of this House that

(1) First Nations' custom adoptions have long been a practice in the Yukon;

(2) many Yukon First Nation parents desire to have their custom adoptions recognized and established in law;

(3) both Nunavut and the Northwest Territories have acts that recognize and legalize aboriginal custom adoptions in a straightforward process; and

THAT this House urges the Yukon government to work in conjunction with Yukon First Nations to develop legislation that recognizes and legalizes First Nation and other aboriginal custom adoptions in the Yukon, similar to legislation in the Northwest Territories and Nunavut.

Mr. Cardiff: I give notice of the following motion:
THAT it is opinion of this House that

(1) the United Nations emergency relief coordinator has described the record number of floods, droughts and storms around the world this year as a climate change "mega disaster";

(2) the Yukon is not immune to climate change-related emergencies, as evidenced by the summer of 2007 flooding in the Southern Lakes and other parts of the territory;

(3) the Yukon government should be prepared to mitigate the effects of catastrophes by supporting victims in a timely and humane fashion; and

THAT this House urges the Yukon government to set aside an appropriate portion of its current surplus of nearly \$100 million to create a permanent emergency measures relief fund to provide immediate assistance to Yukon residents and communities in the event of a catastrophic emergency, whether directly related to climate change or otherwise.

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: First Nations health care, federal funding

Mr. Mitchell: I have some questions for the Minister of Finance. His good friend, the Minister of Indian Affairs, is in the Yukon this weekend. He's here to raise some money for the local Conservative candidate, and he's also here to have some meetings with Yukon First Nations and the Premier.

I have a few suggestions for what Yukoners want from the Minister of Indian Affairs.

Last week, the Premier released the Yukon Public Accounts and tabled them in this House. Page 8 of the report states that there is \$14-million worth of unpaid claims to Indian and Northern Affairs for services the Government of Yukon provides. In other words, the feds owe us \$14 million. I'm assuming that most of it is for health care.

Will the Minister of Indian Affairs be arriving with a cheque for \$14 million to cover this debt?

Hon. Mr. Fentie: I'm glad the Leader of the Official Opposition acknowledges that, once again, the Yukon government and First Nations and the federal government are going to be collaborating on governance in the territory. Of course the meeting the member refers to is the intergovernmental forum, which will very much be focused on a new implementation mandate for the treaties here in Yukon.

With respect to what is owed by INAC, or the Department of Indian Affairs Canada, in regard to medical services provided to Yukon First Nations, it's an ongoing accounting. In fact, we're in much better shape today than we were in years

past, thanks to the diligent efforts of our Minister of Health and Social Services and his department in making sure we keep Canada as current as possible.

Mr. Mitchell: I don't believe I actually heard an answer to the question. I don't think Yukoners care how many federal ministers have been tardy in paying these bills. The Premier has been very open in expressing his admiration for the Conservative Government of Canada, so let's see some results from this warm relationship.

The Department of Indian Affairs owes Yukoners \$14 million in unpaid bills. Most of them are related to First Nation health care costs that the Government of Yukon covers up front, which are then recovered from Canada. The problem is they're not paying.

What efforts has the Premier made to recover this outstanding debt from the Government of Canada?

Hon. Mr. Fentie: I would caution the House not to accept the member's view that the federal government is not paying. It wasn't that long ago that the sum owed was well in excess of \$20 million. So they have been paying. The billing system that we have in place reflects clearly the services provided to date and the monies owed with respect to those services being provided. We would expect any government to do their due diligence, unlike the Official Opposition, which, with knee-jerk reactions, comes up with all kinds of ideas and inferences on what is happening in today's Yukon -- all of them being wrong, Mr. Speaker.

Mr. Mitchell: There are no inferences involved here. The federal government has a multi-billion-dollar federal surplus. We just heard announcements regarding that in the recent update.

So again, this Premier does talk frequently about the great relationship that he has with the current government in Canada, how well they understand the north and how responsive they are to our requests. Well, here's a request for the Government of Canada: pay your bills on time. They owe us \$14 million, according to the public accounts tabled in the Legislature this week, so I hardly think that saying it's a little less than it used to be is quite the answer we're looking for.

The Premier is meeting with the Minister of Indian Affairs and Northern Development on Monday. Is the Premier going out of the meeting with the cheque for \$14 million or not?

Hon. Mr. Fentie: The short answer is: I'm not even going to bother the minister with asking him for a cheque. We do business at a much higher level.

Let's look at the facts. The member has pointed out that we have some sort of relationship with the federal government. I would submit that when it comes to our fiscal arrangement, we're certainly a lot better off today with a principal-based territorial funding formula than we were under the former federal Liberal government with a budget envelope that did not even meet the needs of Yukoners and northerners in general. So if the member wants to discuss that point in further detail, the government side and I are more than willing.

Question re: Land claims, outstanding

Mr. Mitchell: Let's move to another item, then, that should be on the agenda with Minister Strahl: unfinished land

claims. There are three Yukon First Nations that do not have final agreements. The Yukon Party government has sat back and let the federal government take the lead on trying to bring these claims to a conclusion.

The last Minister of Indian Affairs hired a lawyer by the name of Gavin Fitch to review the Yukon's three outstanding land claims. His report was due in June this year. Has the Premier seen the Fitch report, and will he be bringing it up in his conversations with Minister Strahl?

Hon. Mr. Fentie: With all due respect to the member opposite, we have already brought up the issue of the report and the unfinished business many times with federal ministers.

To date, however, the Fitch report has not been provided. As I understand, it will soon be tabled with the now Minister of Indian Affairs. We look forward to the content of that report and the federal response to that report in dealing with the unfinished business here in Yukon.

Mr. Mitchell: Perhaps we are getting somewhere, Mr. Speaker. We are now agreeing that there is unfinished business.

In five years in office, the Yukon Party has made no progress in bringing these three outstanding land claim agreements to a conclusion. The Premier is meeting with the Minister of Indian Affairs on Monday. The federal minister has, or will have, a report in his hands with recommendations on how to move forward. What are the Premier and his federal colleague doing to reopen negotiations with the three unsigned First Nations? Are they prepared to let the uncertainty over the future of these land claims linger?

Hon. Mr. Fentie: It would be incorrect to assert that this side of the House, this government, has not been diligent in this area. I remind the member opposite of the tremendous opposition brought forward by the Liberals in this House over our bilateral agreement with the Kaska First Nation, which directly related to the unfinished land claims in the southeast Yukon with the Ross River Dena and the Liard First Nation. The content of that agreement stipulated that the parties would commit themselves to concluding the unfinished business.

We await the Fitch report. The previous minister decided to do a thorough review of the situation. That has been done. Once that report is in the hands of the federal minister of today, I am sure we will be getting a response from Canada on how they intend to proceed.

The Yukon government will continue to work on finishing the land claims here in Yukon, given the tremendous advancement made to date by the 11 First Nations that have settled.

Mr. Mitchell: Although I was not in this Assembly when these discussions occurred, to which the minister refers, I do recall an awful lot of dramatic announcements about the bilateral, and yet it seems that the Premier allowed it to quietly expire and didn't come back and talk about it any further.

Now, Mr. Speaker, when the Premier came into office five years ago, these three land claims were unsigned. They remain unsigned today. That's the report card: no progress in five years. That's the Premier's record on this issue.

The Premier has a meeting with Minister Strahl next week. This is an opportunity to move this issue forward. The federal minister has the report with suggestions on how to move for-

ward. So will this Premier insist on behalf of First Nations that the Fitch report be made public so Yukoners, including, of course, especially Yukon First Nations, can see what is on the table as we try to move these unfinished claims forward?

Hon. Mr. Fentie: Let's talk about records. Let's talk about our record with settled land claims: Kwanlin Dun, Carcross-Tagish, Kluane First Nation. Let's talk about our fiscal record. The members opposite are making a lot of noise about all the surplus that this government has available to it in its financial position. Let's talk about what happened under the bilateral and the tremendous activity in the southeast Yukon contributing to what is a massive increase in investment in the mining industry in Yukon and the development of other industries in the Yukon, of one of the lowest unemployment rates in the country in the Yukon.

Mr. Speaker, the record speaks for itself. I think the member opposite should reflect a little more on his questions. When he wants to talk about records, there is a distinct contrast between the Yukon Party government's record in leading this territory and the Liberal government's record in leading this territory. The contrast is very evident.

Question re: Medical staff shortage

Mr. Edzerza: We expect that, in the middle of this month, the 12-bed wing at Copper Ridge Place will be opened, finally relieving some of the pressure on hospital beds. Can the Minister of Health and Social Services tell the House if there is a full complement of medical care staff in the facility under his watch, in particular in continuing care and extended care?

Hon. Mr. Cathers: In answer to the member's question, these areas are operational in nature. I can tell the member that there is always some turnover and, typically, some vacancy level in this area, as in any department. However, the staffing levels are good, and I am assured by the department that everything's on track. We look forward to opening the remaining 12-bed wing at Copper Ridge Place, providing care to 12 more Yukoners, on November 15.

Mr. Edzerza: We hear differently. Reports come to us about the serious shortage of staffing at Macaulay Lodge and Copper Ridge Place, where the less-trained staff do the work of registered nurses. LPNs who do this work are also in short supply.

For years, the Yukon Registered Nurses Association has been pointing out that we are not only losing nurses who come to the territory to work, but also other medical staff, such as LPNs. We have seen how, recently in the Whitehorse Correctional Centre, the lack of nursing staff has created severe problems for inmates.

What does the minister say is the reason for the shortage of medical staff in facilities under his responsibility?

Hon. Mr. Cathers: It's interesting to hear the member's version of what he believes to be the facts; however, I do point out again to him that we provide the funding for these areas -- opening the remaining 12-bed wing in Copper Ridge Place is an example. I worked with senior officials on what the needs were and in getting Management Board approval for providing for those needs.

If the member has information relating to this, I'd be interested to hear his suggestions in this area, but I would point out that, in fact, when one looks nationwide, the Yukon is doing very well in recruiting and retaining staff. We have provided further steps in this area, such as increasing the nurse bursary, doubling the size of it, and making it available to twice the number of applicants under our health human resources strategy, and we will continue to build in this area and work with the staff and administration to provide appropriately for these needs.

Mr. Edzerza: Awhile ago, the minister tried to squirm out of the question of medical staff shortages by saying that the main problems are not in government. He pointed at the hospital board -- that it was their problem and not his. We aren't even talking about the shortage at the hospital. This is a problem throughout the territory, in continuing care, the nursing stations, the jail and ambulance services. The reason for exodus and the problem with recruitment in the Yukon are because these valuable workers spend months working only on a casual basis. This is very clear. They are being asked to work without benefits and without full-time work on regular shifts. I heard this issue just a couple of days ago when I went for my flu shot.

Will the minister tell us why there is such reluctance on the part of his department to create full-time, permanent positions in such a demanding area of responsibility?

Hon. Mr. Cathers: The member's assertions are interesting to hear, but they are just that; they are interesting to hear. The Department of Health and Social Services' staff work hard at assessing the needs. They work with me on getting approval for the funding of those needs through Management Board. Staffing levels, as the member ought to know from his previous experience on this side of the floor, are collaboration between individual departments and the Public Service Commission. There are also linkages to the Yukon Employees Union.

The Department of Health and Social Services deals with these matters in an appropriate manner and in fact has developed new ways of recruiting and retaining staff, including making adjustments in the manner in which they hire people for float positions and providing more full-time employment for individuals, rather than on a casual basis. However, those matters are operational in nature; the staff deals with them quite well and I am pleased to be able to work with them and to work through the funding process to ensure that those needs, as identified, are met.

Question re: Alcohol and drug addictions

Mr. Edzerza: The Minister of Health and Social Services might recall that last May I brought forward the case of a woman who was struggling with her addictions to alcohol, crack and pills. She went through the new Community Wellness Court on an assault charge. She was promised that she might have one of her children back under supervision if she took treatment for her addiction and stayed clean for six months. This hypothetical person took the 28-day treatment available from this government. Unfortunately she relapsed after two weeks from the pressure of dealing with a partner who wasn't sober.

I will ask the minister the same question I asked last May: can the minister tell this woman what after-care is available to help her break the cycle of addictions and become a productive member of society and a mother to her children?

Hon. Mr. Cathers: As I have indicated already in this fall session to the member and as the member should be aware, commitments were made in the 2006 election platform to expand the work that this government has already done in areas such as the substance abuse action plan and advancing the services available in the areas of harm reduction, prevention and education, treatment and enforcement related to the substance abuse action plan. Those, of course, are the four pillars of this program.

Steps are being taken, as I indicated previously in this fall session to the member. The Department of Health and Social Services and I, and the Minister of Justice and her department, are working on this area and will be expanding the treatment services that are currently available.

We have already taken steps through efforts such as funding the Outreach van, increasing the funding to the Yukon Family Services Association -- now known as Many Rivers -- to provide for youth outreach workers, to provide increased services to people who may not be accessing those services within treatment facilities, and to provide it to people on the streets.

Steps have been taken in this area and steps will continue to be taken.

Mr. Edzerza: Well, it isn't news that Yukoners who come out of treatment and go back home are returning to the same social environment that sent them into addictions in the first place. Even this government is aware of that fact.

Two years ago, this minister released the Yukon substance abuse action plan. The treatment section of that plan states that treatment options should "prevent the reoccurrence of similar problems in the future." It also says there should be a range of services including after-care and ongoing counselling support.

What program of after-care and ongoing counselling support has the minister established in the past two years since he tabled the substance abuse action plan?

Hon. Mr. Cathers: I actually was not the minister when the substance abuse action plan was tabled, but I am very pleased that this is supported by the entire government. All members of the government caucus are involved, and ministers, including me and the Minister of Justice, are working on this area. Other ministries involved include the Women's Directorate and, of course, there is support in these areas from other departments such as Education.

But we work on these areas. I could point out to the member opposite -- some of the areas that we've acted on include the five-step FASD action plan; increasing support to non-governmental organizations, such as my comment before and reminder to the member of our funding of the Outreach van; increased funding to Yukon Family Services Association, now referred to as "Many Rivers". We've increased funding to Kaushee's Place for providing their programming, and we've increased funding to the Child Development Centre. We've increased funding to Fetal Alcohol Syndrome Society of Yukon

to deal with and address the impacts of those who are affected by substance abuse. Again, as I've mentioned to that member and to other members in this House already this session, just in this year we increased the allocation to this organization by \$200,000.

Mr. Edzerza: Increased funding to NGOs is a good thing, but it does not support new programming.

Mr. Speaker, an addicted person coming out of detox and treatment is very fragile. At the same time, it is an opportune time for change. After-care must include plans for nutrition and healthier lifestyle. It must include an employment plan, and perhaps training or parenting skills. It certainly must include plans for good housing, and it absolutely must include family members and others close to the client, because that is who the client comes home to.

Counselling has to be readily available so the client can face the guilt, loss, grief and shame that come with severe addictions. Can the minister give us a concrete example of how the government's system of after-care actually supports dignity and hope for newly sober clients who must face their old lives once again?

Hon. Mr. Cathers: Mr. Speaker, I have given the member answers. The member simply does not seem to wish to reflect his questioning based upon the answers given.

Again I have to point out that one focus this government has taken, and will continue to take, in addressing substance abuse -- and under the four pillars of the substance abuse action plan, we will work with NGOs, we will work within government and we will work with First Nation governments. We will involve all partners in this area. If the member is suggesting that government should go it alone and not increase funding as we have done to the NGOs that are doing excellent work in this area, I can tell him that we will appreciate his suggestion but we will continue to work with the NGOs who provide excellent services and work on expanding those programs as we have done in the past. That is what we continue to do. We will continue to improve the treatment services, which are far better today than they have been in the Yukon under any previous government.

Question re: SCAN Act follow-up

Mr. Inverarity: Mr. Speaker, the *Safer Communities and Neighbourhoods Act* was passed in the spring of 2006. Since that time, a number of citizens have registered complaints in an attempt to clean up their respective neighbourhoods. SCAN is meant to empower citizens in addressing these issues, such as illegal alcohol consumption and distribution, illegal drug distribution and prostitution.

My question to the Minister of Justice is this: what steps are being taken to track those who have been evicted or who have voluntarily ceased activities?

Hon. Ms. Horne: Mr. Speaker, that is an interesting question, and that has been set up. When a family is evicted, it is taken through social services. If there are children involved, if it is only one partner involved in the operation, that one person is asked to leave. The family is left intact in the home, and whichever partner is involved would be removed from the premises. This is a voluntary procedure.

Mr. Inverarity: Well, of the approximately 117 complaints made on 92 different locations, this has resulted in 15 evictions, 16 voluntarily ceased their activities, and one warning has been issued. The concern of many citizens is that some of these individuals merely move from one part of the city and set up operation in another. So what often happens is the problem in Riverdale gets moved to Porter Creek, the problem in Porter Creek moves to Copperbelt, and so on.

As well intentioned as this law is, perhaps there is an inherent flaw in it. Is the minister prepared to implement a tracking system of individuals who have been evicted or voluntarily ceased operation and have moved to other areas in the city?

Hon. Ms. Horne: As we said when this program was first introduced, there will be problems such as this, but it is discouraging the practice in the Yukon. Since it is so new, we don't have a tracking program set up or reports done.

There have been 117 complaints. Investigation of these complaints has resulted in 15 formal evictions and one warning under the act. Residents have voluntarily ceased their illegal activities in 16 locations. This program is working.

Mr. Inverarity: We know they may have ceased at that location, but if they have moved, where have they gone and are we doing anything about it?

Mr. Speaker, if I may be excused for using an old cliché, it appears that we are flogging a horse with a wet noodle.

This government has made it a campaign promise that there be a zero tolerance for drug dealers. Our Prime Minister is also clear on speaking tough on this particular topic. We have to plug this hole so that we don't simply dump one community's problems onto a neighbouring community. If the minister is unable to do that, is she willing to bring in amendments to SCAN that will in fact allow her department to get tough with these scourges that inflict such pain, grief and misery on our neighbourhoods and communities?

Hon. Ms. Horne: That is exactly what this act does. We are discouraging the activity in one neighbourhood. They may move to another neighbourhood and then maybe move to another. It ceases. This activity does stop. We are very pleased that this act has provided a way to respond to concerns of Yukoners and neighbourhoods. This act is working.

Question re: Snow plowing equipment

Mr. McRobb: Yukoners expect and deserve their highways to be maintained to reasonable standards, especially at this time of the year when snowfalls are common. The most relied-upon piece of equipment by the Yukon government's Department of Highways and Public Works is the one-way plow truck or speed plow. The speed plow is easily recognized as a large dump truck with a huge plow blade unit on the front. These trucks are highly efficient at blading deep snow off our roads and highways.

For the record, can the Minister of Highways and Public Works confirm that these vehicles were ordered "parked" last spring and are still parked?

Hon. Mr. Lang: I would like to compliment all the individuals that work on our highway systems. We have a highway system that includes roughly 5,000 kilometres of road. They, in turn, manage the equipment that maintains those

roads. I as minister don't personally get involved in managing the equipment, but I'd like to compliment the people who do. Not only that, we have more kilometres per capita than any other area in Canada, so they have a large task. I leave the management of that task up to that very capable department.

Mr. McRobb: This serious issue was brought to my attention by a citizen who is concerned about the safety of our highways. As I understand it, a safety issue with respect to the possible detachment of the plow unit from the truck was raised by a highway camp foreman following related incidents involving speed plows working on our highways. The foreman has repeatedly raised this matter within the minister's department, to no avail. Acting in the public interest, he persevered and brought this matter to the attention of the Occupational Health and Safety Board, who, after conducting an investigation, confirmed there was indeed a safety issue with respect to the speed plows and ordered them parked until they were repaired.

Will the minister allow this foreman to speak out in the public interest without reprisal?

Hon. Mr. Lang: Mr. Speaker, again I remind the member opposite, as Minister of Highways and Public Works, I am responsible for the highway portfolio. I don't manage issues inside the department involving equipment -- assessment or fixing equipment -- and I depend on a very capable staff.

Mr. Speaker, the House is not here to be used as a whipping post for the employees of the Department of Highways and Public Works. Hopefully, we keep this at a higher level than where the Member for Kluane has it at the moment.

Mr. McRobb: Well, Mr. Speaker, it seems the minister was just too busy this past summer to ensure the fleet of speed plows were returned to service in time. Apparently it takes about one day to repair each plow unit before they can be returned to service. Given the large number of speed plows in the fleet, who knows when they can all be returned to service.

The under-body plows simply are not effective in four inches or more of snow, and the graders are too slow. It's now November, and dumps of snow are common at this time of the year. Let's not forget the one eight years ago last night that hit the territory with more than a metre of snow.

What will the minister now do to resolve this problem to ensure these essential vehicles are back on the road?

Hon. Mr. Lang: In addressing the member opposite, I would say I recommend that maybe he step down from his position in the House and maybe go to work for the Department of Highways and Public Works. There's an option, Mr. Speaker.

I will remind the member opposite: I'm the Minister of Highways and Public Works. My job is to answer questions at a high level in this House. I'm not here to discuss personnel issues, personalities inside the department or anything else. I have a very capable department that does an exceptional job of maintaining a very large portfolio, which is our highway system. There are 5,000 kilometres of highways in the territory that this government, those individuals, maintain on a daily, weekly, monthly and yearly basis.

I would say to you, Mr. Speaker, as Minister of Highways and Public Works, I compliment them on the work that they do.

As far as the management is concerned, I have the fullest confidence that that management team will do the job they're paid to do in working for Yukoners.

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

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 35: Second Reading

Clerk: Second reading, Bill No. 35, standing in the name of the Hon. Mr. Lang.

Hon. Mr. Lang: Mr. Speaker, I move that Bill No. 35, entitled *Act to Amend the Subdivision Act*, be now read a second time.

Speaker: It has been moved by the Minister of Energy, Mines and Resources that Bill No. 35, entitled *Act to Amend the Subdivision Act*, be now read a second time.

Hon. Mr. Lang: Mr. Speaker, the Government of Yukon is pleased to introduce Bill No. 35 to amend the *Subdivision Act*. We are committed to promoting the agricultural industry in Yukon. Our government has been working hard to make more agricultural land available to all Yukoners. The subdivision act amendments represent one initiative among many required for the government to fully implement the 2006 Yukon agricultural policy.

These amendments are intended to provide for more arable land in production. The vision for Yukon agriculture is to significantly increase production of healthy, locally grown food for local consumption. To support this, Yukon government has given priority to improving utilization of agricultural lands, expanding the agriculture land base in a carefully planned manner, and the development of programs and infrastructure support that facilitates the growth of an economically viable and environmentally sustainable industry.

In the 2006 Canadian census, there were over 138 farms recorded in the territory. The main products include forage crops, bedding plants, sod, vegetables, chickens, eggs, meat and game farm animal products. Most production is for the local market, with limited export to markets in Alaska.

The 2006 Yukon agricultural policy is intended to reflect the social, economic and environmental values of Yukon people. It is also designed to address the current needs of the local agricultural industry.

We are also resolved to meet our commitment made at the national level to improve the quality, environmental sustainability and economic viability of our agricultural industry. In 2003, Yukon signed the five-year *Federal-Provincial-Territorial Framework Agreement on Agricultural and Agri-Food Policy for the Twenty-first Century*, more commonly known as the agricultural policy framework, or APF.

Every province and territory in Canada is participating in the APF process. The agreement provides for five years of federal and territorial funding to cover the cost of implementing the agreement in Yukon.

During the summer of 2003, a first round of consultation on the 2006 Yukon agricultural policy was held with industry, Yukon First Nations, and boards and councils to identify key policy issues and concerns. In the summer and fall of 2004, a discussion paper describing policy issues and options was released and broad public consultation was held to seek feedback on these issues and options.

The 2006 Yukon agricultural policy is a product of this consultation and work. It is designed to meet the current needs and interests of the Yukon agricultural industry and the public. It is also designed to reflect the broader policy commitments we have already made through the APF to encourage development of an industry that is economically viable, environmentally sustainable, and produces high quality and safe food products.

Currently the local agricultural industry supplies only a small percentage of the total food consumed in Yukon. There is considerable opportunity for growth in the industry to supply and meet more of our food needs. To be able to meet these needs, there must be sufficient land base upon which to grow agricultural products, the ability to access new land for agriculture, and the commitment to properly utilize this land for agriculture is essential to the growth and development of this industry.

Through the phased consultation on the Yukon agricultural policy, government heard from respondents that good, arable land should not have to retire with the farmer, nor should a farmer be expected to leave the land upon which he or she has grown roots.

Mr. Speaker, for these reasons, Community Services is bringing forward these amendments to the *Subdivision Act*. These amendments provide for the tightly controlled subdivision of agricultural properties in two circumstances: (1) to permit a one-time subdivision to allow a farmer to subdivide a home site from the rest of the agricultural land so that another farmer can continue to farm the remaining land; (2) to permit subdivision to allow for the creation of public surveyed roads, rights-of-way or public utility lots through an existing parcel. Farmers who have owned and resided on their land for at least 10 years will benefit, as will those looking for productive agricultural property.

Following the approval of these amendments, it is this government's intention to amend the agricultural area development regulations to allow subdivision of agricultural land, subject to the *Subdivision Act*, and to establish minimum lot sizes.

The changes to the act and to the agricultural area development regulations will permit, under controlled circumstances, the subdivision of land where area regulations permit. Subdivision approval will continue as part of the regular business of the community land planning branch of Community Services.

Mr. Speaker, government is supporting this initiative to respond to an identified need by existing and potential farmers and in response to the feedback received during public consultation. The current government promised to make more agricultural land available to Yukoners. These amendments help government to achieve this objective.

Thank you, Mr. Speaker.

Mr. McRobb: I am pleased to rise in support of this bill. I, too, have heard concerns from Yukoners over the years with respect to the need to amend this bill, to allow for a reasonable subdivision of agricultural property, especially with respect to farmers who have retired and want to remain living on their own property, while perhaps disposing of the land, which can continue to be farmed by someone else.

We also, of course, are in support of the agricultural industry in the Yukon, and we see this as a positive step toward helping agriculture. We also support the limitation with respect to the 10-year rule, which limits people to subdividing the land only once in a 10-year period, after owning it for that length of time. However, it would appear there could be loopholes about subsequent sales and further subdivision of the same property, and perhaps we can enter that discussion in Committee of the Whole later this afternoon.

Overall, with respect to agricultural land in the territory, I would be remiss if I did not mention a concern that several Yukoners hold, and that is a continued erosion to our agricultural land base in the territory. What I'm speaking to is, in the past there have been applications for agricultural land that have been approved as agricultural land and, after the first cash crop is harvested -- which are the trees on the property -- the land isn't developed for agricultural purposes or, as the case may be, it is developed for agricultural purposes for a short period of time and then that activity stops. The property then essentially becomes a residential property.

I've heard this concern from land planners and other Yukoners and felt it worthy of mention today.

On the whole, we are in support of the bill.

Thank you.

Mr. Hardy: Mr. Speaker, the NDP caucus also supports the bill, but there are always concerns about changes being made. In regard to Bill No. 35, *Act to Amend the Subdivision Act*, the gist of it is correct, and I think it's fair. But, as my colleague who just spoke before me has indicated, there are some concerns that need to be addressed still. The agricultural act, in my view, is always an act in progress. We do not have enough agricultural land that is in production. We have a lot of identified agricultural land that is not in production, and for various reasons. As the Member for Kluane said -- he has heard it from land planners and individuals in regard to land that meets its requirement under the agricultural act and somebody applies initially and then it becomes a 160-acre residential property. You can drive anywhere in the Yukon, particularly around Whitehorse, and see undeveloped and unutilized land that is owned now and is not being used for the purpose it was originally intended.

I remember very clearly when the land was given out initially, back in the early 1980s. There was what many people call the great agricultural land grab. I can go around and look at so many of those places, and they are just weeds and new growth of trees and there is no development. We need agricultural land in this territory that is being utilized properly. We

don't need more people to get land under the agricultural policy, do the initial requirements and then stop and have no intention of doing any agricultural development.

I'm from a farming background; I was born on a farm. I expect farms and ranches to be productive for the people of the territory. They got the land under that kind of agreement, and it should stay in production. If it doesn't stay in production, let people who have the will and energy and desire take over that land and contribute to our society.

There are many benefits in ensuring that happens. The government is responsible for that. There is a 100-mile rule that people are trying to develop across Canada and around the world where you gather much of your food sources in that 100-mile range. Is the Yukon capable of doing the 100-mile rule? I don't know. But if we do not ensure that the agricultural land that is given out is utilized properly, we will never know. That's an environmental issue. Instead of shipping food up here all the time, we can have food grown. Organics are extremely important in our food chain now, and we need those. That can happen from the land base.

We support this subdivision, recognizing that those who have farmed in the past and maybe now are too old, tired or not interested any more, to be allowed to subdivide once, but not have that land subdivide in 10 years again, and 10 years again, and 10 years again, until we have more subdivisions and less productive land under the agriculture act. If people want to have subdivisions, apply for the land like that, but not under agriculture. Let's keep agricultural land in the hands of farmers, of people, of families who want to farm.

We do need more support in this area, Mr. Speaker -- a lot more support. It's not easy to be a farmer in the Yukon. It's not easy at all. There are a lot of conditions that are facing farmers up here that are not being faced down south. I should know; I came from one of the richest growing regions in North America and it was pretty easy. I was from a dairy farm, as well as a vegetable farm -- but it was predominantly a dairy farm. It was a pretty easy lifestyle, to be frank, in the area I came from. Up here is a lot different -- we did try it up here.

This helps with implementation of the 2006 policy. We support it, but there's a lot more work that needs to be done.

Hon. Mr. Cathers: I rise in support of this legislation and I thank the Minister of Energy, Mines and Resources and officials in both Energy, Mines and Resources and Community Services for their work in developing, not only the agricultural policy, but in bringing forward this amendment to the *Subdivision Act* to implement the 2006 agricultural policy.

One thing I'd like to note, since the Leader of the Third Party just brought it up, is the issue of the two parcels created by the type of subdivision provided under this act. Under subsection (4) of the amendment to the *Subdivision Act* it notes that neither of the two parcels that would be created by the type of subdivision this legislation provides for could be further subdivided. This is intended to be single, one-time subdivision of agricultural land, and it is designed specifically to permit people to retire and to sell part of their land because, as members I hope would be aware, many of the people who have ag-

ricultural land and who have sincerely made an effort to develop a farm are in a situation where, because they have been running their own farms and in many cases are self-employed and engaged in operating that farm, they do not necessarily have the retirement plans and pensions that many other people have. Their farm is their nest egg; their farm is their investment. For those individuals to be forced with a choice of either selling the place that they have invested decades in building -- which is their home -- and buy a smaller place, or of having insufficient resources to retire on, is a choice that we would certainly not want them put into. I'm pleased to hear from members opposite that they seem to be supportive of providing the ability for those individuals to utilize some of the resources by subdividing that property.

Of course, a key part of this *Act to Amend the Subdivision Act* is that both parcels must remain agricultural land and both must remain at or above the minimum lot size for the area for a piece of agricultural property. That, of course, is in recognition of the fact that there is a desire not to see agricultural land divided into parcels that are too small to be self-sustaining. By recognizing that and keeping the smaller lot at the minimum lot size, it would still be a size capable of sustaining a farm, and the larger piece would, of course, be even larger.

One thing that may answer some of the questions and concerns that the two members of the Official Opposition and the third party respectively raised -- the concern about agricultural land being used for rural residential purposes -- agricultural properties that were developed and are currently being used for rural residential.

I would encourage members to take a look at what transpired in the Yukon during the 19-year period that there was a land freeze on the development of rural residential properties within 20 miles of municipal borders. That, in fact, encouraged people to apply for agricultural land because it was the only way they could get a parcel that they wanted to have a home on outside of municipal boundaries. So, in fact, it was a flawed government policy that led in large part to agriculture properties that today are not being used for agriculture purposes.

This legislation, in fact, enables much of that land to be brought into production while the people who live on those properties, whether they were the original developer or purchased it as a titled property -- it enables those people who are not farming it to subdivide off a larger portion and sell it to someone who would then bring that land into production, thus increasing the agricultural land in production and increasing the Yukon's ability to take care of its own needs.

As I've mentioned before in this Assembly, I have to point out that back around the turn of the last century, 100 years ago, the Yukon fed the majority of its people through its own production of agricultural produce, whether vegetables or meat, and through hunting. Today, of course, the majority of our diet for most individuals in society is dependent on food that is shipped in from southern Canada. We demonstrated 100 years ago that we could take care of the majority of our own needs with a population level that, of course -- the City of Dawson, I believe, during the gold rush, if memory serves, hit a peak population of 35,000 people. So the Yukon population has been

significant in the past, with the majority portion of the diet being grown locally or hunted. That demonstrates that we ought to still today be able to address most of our own needs locally. Although, of course, personal preference will logically dictate that even as more land is brought into production, many people will still choose to purchase products that are available only through a grocery store. There is a growing awareness and growing concern among Yukoners, as among many other Canadians, regarding the importance of having a more organically grown diet, a locally grown diet, and having more understanding and more sense of where the products come from. That is good for food security. It's good for the local economy. It is good, of course, for their neighbours who are growing those products or for the individual if they're growing it themselves.

So this legislation, this amendment, strikes a careful balance in providing farmers the ability to retire but keeping the land in production, providing individuals who are not currently farming the area to sell the majority of the property and allow someone else to bring that land into production.

It of course balances it by restricting it to single, one-time subdivision, so that it does not divide the agricultural land into too many parcels. It does keep it at or above the minimum lot size for the area and thus protects the integrity of the neighbourhood and is good for both the individual and for the Yukon. And it's good, as the member of the third party pointed out, for the environment. The more food that is grown locally, the less that is trucked up the highways. Agriculture, when done right and when done prudently, is a net benefit to the economy and the environment by growing things in a more environmentally sensible manner -- locally, rather than shipping it up from Mexico or South America or importing it from overseas.

Now this is just the latest part of steps done by the Department of Energy, Mines and Resources, under the leadership of the minister. I appreciate the work that he has put into this as this area is of great interest to me and I have been very involved with my constituents who are farmers. As members ought to be aware by now, the majority of the farms in Yukon are within my riding of Lake Laberge. I would hope that, over time, there would continue to be more land available in other areas and more farms in all locations, but of course that is a matter that is dealt with locally and affected by local area plans and consultation requirements with First Nations.

This area again is just one further step in providing for the further development of a strong agricultural industry in the territory that is in balance with the rest of the territory. It flows from the agricultural policy in 2006, which was a substantial improvement over the old 1991 agricultural policy.

It is far more modern in addressing today's needs and providing more access to land for individuals. That, of course, is another area that the Department of Energy, Mines and Resources, in particular, has done a significant amount of work on since they took over the authority at devolution. They cleared up land files where, in some cases, people -- including a number of my constituents -- had been waiting literally decades for a decision to be reached on a land application. That department has done a tremendous job under the leadership of the minister

in bringing things forward in a far more timely manner and enabling people who apply for land to reach a yes-or-no decision on their applications in a timely manner to not only gain the ability to advance their lives but to gain a certainty. In fact, if the answer is that they cannot receive land they applied for, they can have that clarified at an earlier date rather than tying up 20 years of their lives waiting for that land.

Other areas that the Department of Energy, Mines and Resources has acted on include the partnership with the federal government under the agricultural policy framework. They have worked to support Yukon farmers in producing more locally grown products and the development of agriculture infrastructure that creates access to market for Yukon-grown products through steps such as the purchase of the mobile abattoir, which, I believe, was the second in Canada. It has been done in the United States on a number of occasions, but this is a new approach that, of course, enables people to have meat processed -- red meat, in this case -- right at the farm, to have it inspected and thus gain access to mainstream markets. Of course, this follows 40 years of attempts by Yukon farmers to gain an abattoir or some means of processing their products and getting them into the market.

In the past, an abattoir was developed between Stewart Crossing and Dawson. It was so far from the bulk of the market that it was not economical. It was far away from both the majority of the producers and the majority of the market -- the majority of the producers being within my riding of Lake Laberge, which is located on the northern edge of, and encompassing the northern edge of Whitehorse, and the majority of the market obviously being the City of Whitehorse and its citizens.

Other steps that have been taken I should note from industry members include the work the Yukon Agricultural Association and the growers of organic food have done in working together, often through volunteer work, in developing an industry and assisting other people in getting involved in the industry, and working together on things such as the Fireweed market, which constituents of mine have been very active in developing. The Rudge family has taken a very strong role in organizing it and has been recognized as farmers of the year for their contribution in this and other areas. It's through steps of individuals such as these that the agriculture industry is improving its access to markets and improving its ability to provide Yukon citizens access to locally grown products.

The specific piece of legislation we're talking about, as indicated, flows from the 2006 agriculture policy, which followed several rounds -- I believe three -- of formal public consultation as well as years leading up to that with development and involvement from industry members and concerned Yukoners.

It's with great pleasure I rise in support of this amendment to the *Subdivision Act*. It does strike the necessary balance in providing individuals with the ability to remain in their homes, to subdivide land and develop their own personal resources and enable someone else to farm that piece of property or to facilitate things such as allowing their children to take over a piece of farmland. However, in the past, the agricultural area devel-

opment regulations allowed that two houses could exist on the property.

If someone wished to allow their children to take over a farm and to build a house, there would be no ability to get a mortgage to build that house and develop that property. So this is another element that is in fact good for families and good for young families and young farmers who would like to develop land. Some members opposite raised a concern about agricultural land being used for rural residential -- again, I reiterate that much of that, as members will note, was due to the 19-year freeze on rural residential applications within 20 miles of municipal borders. The end of the land freeze and the good work of the Department of Energy, Mines and Resources in helping people apply for rural residential land in accordance with zoning and local area plans to facilitate a quicker processing of those applications was a significant step to end the likelihood of such things occurring in the future -- or I should say reduce, because, certainly, I think everyone recognizes that no land policy will ever guarantee that titled property cannot be used for another purpose, but the steps have been taken to modify the policies and improve the processing in a manner to encourage people to apply for the type of land that they wish to receive and to follow due process in accessing that land, whether it be through a spot land application or through a planned development.

So, Mr. Speaker, I think I've summarized the high points of how important this piece of legislation is and the fact that it is good for Yukoners. It is good for the economy. It is good for the agriculture industry, and again I thank the Minister of Energy, Mines and Resources for bringing forward this piece of legislation and thank the officials who have worked on this, as well as the people within the industry and members of the public who have made their views known regarding the development of the agriculture policy from which this amendment to the *Subdivision Act* results.

I thank all of those for their contribution to this, and I believe that this is yet one more beneficial step that this government has taken in facilitating the further development of the agriculture industry for the good of the individuals who are farmers and for the good of the territory as a whole.

Hon. Mr. Rouble: It is my honour and pleasure to rise in the Assembly today to support Bill No. 35, *Act to Amend the Subdivision Act*. I would like to thank my colleague, the Minister of Energy, Mines and Resources, and his department for preparing this legislation and for tabling it in our Assembly -- for bringing it forward in debate now.

I think it's unanimous in the Assembly that we're all recognizing the need, importance and value of having agricultural land in our community, in our neighbourhoods and indeed in our territory. I think we can all agree that having farms is very important to our community and to our economy and indeed is a necessity.

It's also interesting to hear how many of us come from a family of farmers. In my case, it was my grandfather who had the family farm. It's now a subdivision and part of Ottawa. That was a few years ago that cattle grazed on it, and now the city

has grown and grown and grown so that it is now part of the city proper.

Again, I think we can all agree on the importance of having agricultural land close to our communities. I think the Leader of the Third Party brought up many of the significant and salient points regarding the benefits of having produce and meat products produced locally in our own community. Not only do most of these products taste much better than those imported from miles and miles and miles away, but also there is reduced energy consumption. By producing products here in our community and shipping them 50 kilometres or so, the energy consumption, and therefore the carbon footprint and all of the factors that go along with that, are much, much less.

It's a much more efficient use of our energy and our resources if we continue to grow our own products in our own backyard. I must disagree with the Member for Lake Laberge a bit in his assertion that he has the majority of farms in his riding. I haven't done a count but if the member would care to take a drive throughout the beautiful Southern Lakes with me, I could show him the farms in the M'Clintock Valley, on the Atlin road, in the communities of Carcross, outside of Tagish and throughout the area of Marsh Lake. Indeed they are a very important part of the community and the fabric out there.

A little over a year ago, when we as politicians went out and told the electorate what we were going to do if we were elected, the Yukon Party made several commitments regarding agriculture. We committed to making more agricultural land available to Yukon farmers, to safeguard agricultural land from conflicting uses. We committed to assisting Yukon farmers to provide more locally grown products and to support the development of agricultural infrastructure that creates access to markets for Yukon-grown products. We committed to promoting the development of the agricultural industry in an environmentally sustainable way that will provide economic and social benefits to Yukoners and help diversify the Yukon economy. We committed to provide measures to support increased productivity, profitability and sustainability of the agricultural industry.

I'm proud to say, Mr. Speaker, that this is one more step in accomplishing the commitments that we made to the Yukon public during the campaign a little over a year ago. We went to work with the stakeholders involved in this, with the Department of Energy, Mines and Resources, with the people in the agriculture branch and a variety of other stakeholders, and listened to their concerns and took action.

We heard from farmers that many of them had reached a point in their life where they wanted to retire from the daily practice of farming -- my grandfather was in the same boat about 40 years ago -- although many of these farmers, while they wanted to retire, they didn't want to leave their home. As you and as many small business owners know, when they build their business up, it is the equity that they build in their business that is going to serve as their nest egg for their retirement. This is very much the same for farmers.

Many farmers will work their piece of property, build their equity in that, and then they need to use the sale of their family business in order to create their retirement fund. There is a bit

of challenge, though, when your business and your home are on the same piece of property. We found a way to address this concern, a way to subdivide out the family home from the larger asset -- that being the agricultural land.

At the same time, Mr. Speaker, it not only assists the farmer who wants to retire; it also assists those who want to be in the agricultural business by providing land to them. So it is very much a win-win situation. It provides assistance to a retiring farmer and the opportunity for a new farmer to come along, farm the land and benefit our community.

There were significant consultations that went on about this, and I believe that the mover of the amendment has spoken quite a bit to them, as has the Member for Lake Laberge, including the consultation with the farmers association and other stakeholders -- as well, the sensitivities that many Yukoners have toward the subdivision of agricultural land. It is important to put those safeguards on there. I think those have been brought forward and discussed by previous speakers, and I expect we'll get into much more debate on those when we go into line-by-line debate on this piece of legislation.

Mr. Speaker, I would like to ask all members of the Assembly to support this act because of the benefits that it does create. It allows a retiring farmer to stay in their home, to keep their family home, and it allows them to create a nest egg in order to provide for them in their retiring years. It also allows the agricultural land to stay in production and continue to provide benefits to the new farmer and the community at large.

This is a good piece of legislation; I'm glad to hear the support from the opposition parties. This is an area where we can all identify a common need in our community and look at the common interests that are out there, that being increased agriculture and the benefits that go along with that. I think we can all agree to pass this legislation.

I'd like to thank the Minister of Energy, Mines and Resources and his department for all their hard work on this, and I look forward to the ongoing debate.

Mr. Nordick: I rise to speak in favour of Bill No. 35, *Act to Amend the Subdivision Act*. These amendments provide for a controlled subdivision of agricultural property. It will allow for the creation of a public surveyed road or right-of-way or public utility lot through an existing parcel.

Most important, it will permit a one-time subdivision to allow a farmer to subdivide a homesite from the rest of the agricultural land. This allows another farmer to continue to farm the remainder.

Farmers who can subdivide their land parcels must have resided on their land for at least 10 years. By subdividing this parcel of land, other Yukoners will benefit if they are looking for productive agricultural properties.

By amending the *Subdivision Act*, we are meeting our commitments made at the national level to improve the quality, environmental sustainability and economic viability of the agricultural industry in Canada.

The 2006 Yukon agriculture policy reflects the social, economic and environmental values of the Yukon people. It is also designed to address the current needs of the local agricultural

industry. There are 148 farms recorded in the territory. I support this, and the government supports it and is committed to promoting the agricultural industry in the Yukon.

Our government has been working hard to make more land available to Yukoners. The 2006 Yukon agricultural policy is a product of consultation and hard work.

Through the consultation, the government learned that farmers should not be expected to leave the land when they retire. And, on the flip side, the land shouldn't have to retire when the farmer retires.

On that, I will close and reconfirm that I am in support of Bill No. 35, and I'd like to thank all who were involved in preparing this.

Hon. Ms. Horne: I rise in support of these amendments to the *Subdivision Act*. As my colleague, the Minister of Energy, Mines and Resources, noted, we are committed to promoting the agriculture industry in the Yukon.

I appreciate the importance of being able to access land. I also appreciate the importance to people who have been farming for many years of passing their farms on to their children and yet be able to remain in their own home.

The *Subdivision Act* amendments represent one initiative among many required for the government to fully implement the 2006 Yukon agriculture policy.

The vision for Yukon agriculture is to significantly increase production of healthy, locally grown food for local consumption. As noted, there were over 148 farms producing crops, bedding plants, sod, vegetables, chickens, eggs and meat. I am sure that each of us here has gone down to the farmers markets held during the summer months and sampled some of the very fine locally grown produce.

Beginning in 2003, consultations on this issue have been held with industry, Yukon First Nations and boards and councils to identify key policy issues and concerns.

Currently, the local agricultural industry supplies only a small percentage of the total food consumed in the Yukon. There is considerable opportunity for growth in the industry to supply and meet more of our food needs. To be able to meet these needs, there must be a sufficient land base upon which to grow agricultural products. The ability to access new land for agriculture and the commitment to properly utilize this land for agriculture is essential to the growth and development of the industry.

These amendments provide for the tightly controlled subdivision of agricultural property in two circumstances: one, to permit a one-time subdivision to allow a farmer to subdivide a homesite from the rest of the agricultural land so that another farmer can continue to farm the remainder; and two, to permit subdivision to allow for the creation of a public surveyed road right-of-way or public utility lot through an existing parcel.

Farmers who will have owned and resided on their land for at least 10 years will benefit, as will those looking for productive agricultural property. For example, farmers who are reaching retirement age may wish to sell their farm to their children and yet remain in their homes. The good point is that the land continues to be farmed. It will also allow them to finance their

retirement by selling some of their land and yet allowing them to stay in their house.

Following the approval of these amendments, it is this government's intention to amend the agricultural area development regulations to allow subdivision of agricultural land subject to the *Subdivision Act* and to establish the minimum lot size. The changes to the act and to the agricultural area development regulations will permit, under controlled circumstances, the subdivision of land where area regulations permit.

The other change will simplify the process to build public roads across large parcels of agricultural land. The current government promised to make more agricultural land available to Yukoners. These amendments help government achieve that objective.

Hon. Ms. Taylor: I, too, am pleased to rise to provide my support to Bill No. 35. Without having to repeat what several members have said here today, I believe that this bill again will add to further diversification of our economy, and that is something that our government set out to do a number of years ago. Agriculture is but one of those strategic industries that we have identified, as a government, to further develop in partnership with industry.

I was very interested to hear, over the course of the number of years that the consultations and discussions took place that surrounded the development of the agricultural policy, and which the amendment flows out of, that as of last year there were 148 farms in the Yukon. That to me spells that it is a very healthy industry; it is flourishing and of course we look forward to additional farming activities taking place in the territory.

Having grown up in Watson Lake, born and raised, there has been some agriculture taking place in that particular area, alongside forestry, mining, tourism and so forth. It never ceases to amaze me just how diversified our economy actually is.

No matter which community you take a look at -- whether it be Haines Junction, Mayo, Dawson City, Watson Lake, Whitehorse and all along the highway -- there are certainly numerous farming activities situated throughout the territory. As one of those individuals, being married to a third-generation placer miner, I've always likened placer mining to the local farm as well. That is, you never are quite sure how your season is going to turn out at the end of the year. It may be a good one or it may not be as great a season as one had hoped. It is really critical that we do pay tribute, acknowledge and recognize -- and certainly undertake initiatives to be able to further develop and grow economies, such as agriculture and all it provides Yukoners.

I really am very appreciative particularly of locally grown products coming from the Yukon, and I think that every Yukoner is. One only has to take a look, during the summer -- I believe the Member for Lake Laberge had mentioned the Fireweed farmers market that takes place every year along the Whitehorse waterfront. Indeed that is a great venue for local residents and visitors worldwide to come and see just what in fact can be grown here in the north -- north of 60 -- and all of

the wonderful products that are locally made as a result of the locally produced products.

We certainly have seen a growth in those local products and it is really great to see us growing those particular products, whether marketed within the territory or outside the territory. Again, it is really good to see that more and more local stores here in the Yukon are also agreeing to facilitate the availability of products -- agricultural products being sold in the stores.

Of course, agriculture far supersedes just that which we find in our local stores. It expands to many other areas. This particular piece of legislation, as I mentioned earlier, is a direct result of the policy that was initiated back in 2003, I think. It was really completed about three years later. There was a fairly good discussion and consultation that took place among industry, First Nations, communities and those impacted or who directly benefit from agriculture.

These particular changes will absolutely, without a doubt, assist farmers in their ability to continue to farm, but also to make new land available for agricultural purposes for new farmers. Whether they be old or young, it's just good that we will be able to see new land becoming available as a result of these changes, while at the same time permitting existing farmers to keep a small portion of their homesite separated from the rest of the agricultural land for the purpose of residing on their area. It will really benefit existing farmers who perhaps may wish to retire, but will also make more new land available to farming individuals as well.

I am very much in support of this particular bill and I, too, am very pleased to hear the support coming forward from the other members of the opposition. I thank the Minister of Energy, Mines and Resources for making it possible.

Hon. Mr. Kenyon: I rise to speak to Bill 35, *Act to Amend the Subdivision Act*. Agriculture has a long and diverse history in the Yukon. With the new breakdown of electoral districts, Versluc Meadows is slightly outside of my riding now, but it will become part of my riding in the next round. Versluc Meadows was actually used to house the horses required by White Pass and the stagecoach running up to Dawson. In fact, Porter Creek -- the actual creek -- wandered through those fields and in 1905 was straightened out and brought directly across the field, and that remains the case to this day. It was to make growing hay a little bit easier. So that goes right back to between 1900 and 1905. It does have a very long and diverse history.

It has been interesting. I came to the Yukon almost 20 years ago with a researcher who was researching and doing a thesis project on the status of agriculture in the Yukon. At that time the point was sort of made within her research that the primary agricultural product was probably not controlled by the agriculture branch but rather by the drug section of the RCMP. There wasn't a lot of agriculture, but that has changed dramatically in those 20 years.

We certainly have to continue to promote the agriculture industry in the Yukon, and we've been working very hard to make more agricultural land available to Yukoners. The Mem-

ber for Lake Laberge has certainly been instrumental in keeping that in front of everyone, and in a very loud way at times. I certainly commend him for that.

The *Subdivision Act* amendments will assist us in meeting this commitment of promoting agriculture. The amendments represent one initiative among many required for the government to fully implement the 2006 Yukon agriculture policy. These amendments are intended to provide for more arable land in production.

It's interesting that, when you look at the state of agriculture in all of Canada, I believe that one statistic -- and I can't vouch for the exact number, but I suspect it's not far off -- is that over 90 percent of class 1 land in Canada is visible from the top of the CN Tower in Toronto.

We have a lot of marginal land, and I believe that our best land in Yukon is down around class 5 -- maybe a little bit better than that. We may have some class 4 land. But that doesn't mean that it can't be used for agriculture; it's just used for a different type of agriculture.

While the Member for Whitehorse Centre made the comment that farming is a pretty easy lifestyle -- I think that's a quote -- I think a lot of farmers would very much disagree with that. I had the great fun of running a sheep farm for about six years. I think if I never see another lamb for the rest of my life, I'll be pretty happy about it. It's a very hard life, and it's a difficult life, but it is a lifestyle. And it's a lifestyle that a lot of people in the Yukon have adopted or want to adopt.

Really, the vision has to be to significantly increase production of healthy, locally grown food for local consumption. That's really what it's all about.

I had the chance to talk to a former honey farmer on what goes into that industry. I was quite amazed. It's much more complex than I had ever anticipated.

In the Yukon, we are able to grow forage crops. We are able to grow grains and animal feed, organic grains, bedding plants -- huge industry in that -- vegetables, fruits, berries, herbs and, with a change of legislation brought in this last spring, we can utilize fruit and berries as a matrix for wine production. We still have a couple of farmers who are convinced they can grow grapes here. I'm not sure, but they want to try.

You know, Mr. Speaker, I suspect that, if they really put their mind to it, they will probably be able to pull it off.

To support the production of locally grown food, the Yukon government has given priority to improving utilization of agricultural lands, expanding the agricultural land base in a carefully planned manner and developing program and infrastructure support that facilitates the growth of an economically viable and environmentally sustainable industry.

The ability to raise crops and livestock in the Yukon has been demonstrated from the late 1800s through to the present. Statistically, in 1931 for instance, there were only 41 active farms. During the 1940s, 1950s and 1960s, transportation systems were certainly improved, especially by the mid-1940s. That made the demand for local farming less urgent but, by the 1970s, a resurgence of interest took place and, as of 1993, there were 140 farms in operation in the Yukon.

Today there are around 160 and, depending on your definition of a farm, you can go up or down from there -- but more and more, these farms are producing. They won't produce some of our needs. I can remember when I first came up here getting a marvellous talk by the then director of agriculture and talking about how we were going to be reducing and really able to replace many of our needs. Someone going by the office pointed out that we used, at that time, about 11,000 pounds of bananas -- somehow I don't think we're going to be growing bananas, but there is so much more that we can get involved in.

The climate is a limiting factor to agriculture. We have a semi-arid climate, cold winters, although global warming is certainly changing that. Shorter growing seasons have several consequences for the Yukon agriculture industry. Farmers have to choose early maturing crops, hardy plants and animals and compensate for the lack of moisture. Yukon farmers have to persevere and be very determined in order to have successful operations. I do have to point out that much of that is normal genetic drift, or what is usually referred to as genetic modification, which is all part of this. It's not necessarily an intentional thing, but every day genetics are being modified. We have to be kind of cautious in what we get involved with.

The farm's actual proximity to water and valley location affect the microclimate they experience. Some of the best market garden vegetables that I've run into are grown at the Minto bridge, which is right on the water and well irrigated. Effective growing degree days are calculated by adding 18 percent to the growing degree days. The 18-percent factor accounts for the boost the plants receive from the long hours of daylight during our northern summers. We often grow some vegetables better, larger, faster, the further north you go, which some southerners can't quite comprehend, but length of daylight is a big part of it.

Farming north of 60 presents special marketing opportunities and obstacles. Although southern imports may be available at lower costs, several farms raise pesticide-free or free-range foods for prices lower than imported organic food. Sometimes this leaves us with the situation where we may not be able to certify something as being organic but, in fact, it's probably healthier than what is certified and transported. It is certainly easier on the environment.

The price for Yukon hay is comparable to imported hay. It is still nowhere near hay down south but, by the time we get it up here, the price of the local hay is probably comparable. Certainly, as a practising veterinarian looking at some of the analysis of the hay grown locally, it was very comparable to what is down south. Just because it's produced up here, don't think it's of an inferior quality, because often it isn't.

The profiles include mixed farms. They include single-product farms -- whether the product be sod, animal breeding stock, or hay. Most Yukon farms are capable of raising several different crops for the sake of self-sufficiency but, in order to make some monetary profit, like anywhere else, the farm focuses on one or two particular cash crops.

The higher expenses for necessary inputs, including fertilizer, irrigation, supplementary protein for the animals and fuel, compared to the price of outputs, make it hard for Yukon farmers to make a living from farming alone. Many farms depend

on an off-farm income to support the family lifestyle needs. Many farmers pursue this occupation for the love of the lifestyle and the sense of security from having the ability and resources to produce food.

During the summer of 2003, a first round of consultation on the 2006 Yukon agriculture policy was held with industry, with Yukon First Nations, and boards and councils to identify key policy issues and concerns. In the summer and fall of 2004, a discussion paper describing policy issues and options was released and broad public consultation was held to seek feedback on these issues and options.

The 2006 Yukon agriculture policy has come out of these discussions and it is designed to meet the current needs and interests of Yukon's agricultural industry and, of course, of the public. It is also designed to reflect the broader policy commitments we've already made through the APF to encourage development of an industry that is economically viable, environmentally sustainable and produces high quality and safe food products. The industry is there, Mr. Speaker, it is very healthy and we have people involved in that industry, and that's what this act really looks at -- what is involved with the people who are working within this industry. It certainly is an industry.

Currently the local agricultural industry supplies only a small percentage of the total food consumed in the Yukon. There is definitely room to grow in this area. To be able to meet these needs there must be sufficient land base upon which to grow agricultural products. The ability to access new land for agriculture and the commitment to properly utilize this land for agriculture is essential to the growth and development of the industry.

I know people down south who gradually parted off a farm, retained five acres to keep a dog kennel, and very promptly, as the houses were built around him, they formed committees to force him out because he violated, they claimed, noise bylaws. So he moved further away. Gradually land is being taken up for urban development down south. We need to have a clear plan that keeps the agricultural land in use while still treating our farmers in a reasonable way.

It's necessary for this land to continue to be utilized by the farmer, the family or another interested person, to keep the industry growing. So these are the reasons that the amendments to the *Subdivision Act* are being brought forward today. The amendments provide for the tightly controlled subdivision of agricultural property in two circumstances: to permit a one-time subdivision to allow a farmer to subdivide a homesite from the rest of the agricultural land so that another farmer can continue to farm the remainder; and to permit subdivision to allow for the creation of a public surveyed road right-of-way or public utility lot through the existing parcel.

Farmers who have owned the land and resided on their land for at least 10 years, as well as those looking for agricultural property, will certainly benefit. The changes to the act and the agricultural area development regulations will permit, under controlled circumstances, the subdivision of land where regulations permit.

Mr. Speaker, the government is supporting this initiative to respond to an identified need by existing and potential farmers -- a very vital industry to this territory.

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

Hon. Mr. Lang: Through a three-phase consultation on the Yukon agricultural policy, government heard from respondents that good, arable land should not have to retire with the farmer, nor should a farmer be expected to leave the land that is his home. The amendments to the *Subdivision Act* apply to owners of agricultural land whose principal residence falls on the land in question, and where they have owned the land for at least 10 years. The amendments also provide for the removal of a portion of agricultural property for a public benefit such as rights-of-way, protected areas, conservation areas, recreation and for use for public institutions, facilities or infrastructure. The purpose of this amendment in the case of a retiring farmer is to encourage potentially dormant agricultural land to remain productive.

Both parcels will be zoned agricultural in accordance with the zoning regulation created under the *Area Development Act*. The parcel to be removed for homesite purposes will meet the minimum size for agricultural parcels stipulated in a respective area development regulation and, where there are none, the agricultural development area regulation would apply.

Just one subdivision of the original farm will be permitted, which will allow the original farmer to remain on one of the new parcels while enabling a new farmer to actively farm the remainder. The amendment will meet the government's commitment to make more agricultural land available to Yukon farmers and safeguard agricultural land from conflicting uses. It also meets our commitment to implement the agricultural policy in support of the Yukon agricultural industry.

Thank you, Mr. Speaker.

Motion for second reading of Bill No. 35 agreed to

Bill No. 42: Second Reading

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

Hon. Mr. Hart: I move that Bill No. 42, entitled *Act to Amend the Municipal Finance and Community Grants Act*, be now read a second time.

Speaker: It has been moved by the Minister of Community Services that Bill No. 42, entitled *Act to Amend the Municipal Finance and Community Grants Act* be now read a second time.

Hon. Mr. Hart: I rise today to affirm our government's commitment to increase the comprehensive municipal grant funding to Yukon municipalities and to announce that our government is proposing to amend the *Municipal Finance and Community Grants Act* to ensure that this commitment is met in the future years.

The *Act to Amend the Municipal Finance and Community Grants Act* does three things: it removes the ambiguity around the manner in which the comprehensive municipal grant is de-

terminated; it cleans up clauses that were vague and no longer relevant; and it provides certainty to Yukon municipalities by specifying the fund's base amount in each of the next five years and in years to come after that.

In 2008, the total comprehensive municipal grant fund will increase by \$807,500 per year and will continue to increase each year until 2012, at which time the fund will have increased by a total of \$4,037,000. With the increase in funding to Yukon municipalities, Yukon will be investing a total of more than \$74 million in comprehensive municipal grant funding over the next five years.

The increase in the municipal grant funding is good news for municipalities and good news for the Yukon. Additional funding will increase municipal capacity and help to meet the demands of building, operating and maintaining new and aging infrastructure. The proposed amendments to the *Municipal Finance and Community Grants Act* will further establish a new base amount for the fund in 2012. That will be set at \$16,575,000. Further, we have allowed for the ability to increase the fund through the budgetary process in successive years. The Yukon government is committed to this investment in our communities and the increase in municipal grant funding clearly demonstrates our support for Yukon municipalities.

In addition to the increase in municipal grant funding, I have also announced a proportional increase for funding to the unincorporated communities, recognizing that the cost to deliver municipal-type services in unincorporated Yukon is also increasing. This funding will help to ensure that services to citizens of unincorporated Yukon will also keep pace. The proportional increase, which amounts to approximately an additional \$600,000 over the next five years, will be allocated through the Community Services budget for municipal-type service provision in unincorporated Yukon.

This government is following through on its commitment to increase funding for Yukon communities. The amendments tabled before us will provide Yukon municipalities with certainty that the increase and the comprehensive municipal grant funding will be phased in over the next five years in a predictable and transparent manner. I ask that Members of the Legislative Assembly support this important initiative by supporting the proposed amendments to the *Municipal Finance and Community Grants Act*.

Thank you.

Mr. Inverarity: This bill has been brought forward at this time to encourage additional funding for the municipalities and those unincorporated communities within the Yukon. I find it interesting that in the overall amount that is going to be spread out over the next five years -- I think it is -- is so little. I would think that, considering that there is a surplus of \$100 million plus in the budget this current year, that we could at least see a more significant amount spread out over the five years that this particular bill covers.

If I were to ask any of the municipalities within the Yukon, they would like to have seen a lot more money contributed to each of the municipalities. I think that there is also a role to play in assisting those unincorporated communities within the

Yukon. Perhaps a larger amount could have been contributed to their annual fund. This would enable those communities to move up and progress to perhaps the status of municipality.

However, that being said, it is very nice to see that we will have a modest increase to the municipalities. I'm sure they will take what they can get or what is going to be dished out to them, so to speak. I believe that our position will be that we will continue to support this particular bill.

Thank you very much.

Mr. Cardiff: We intend to support this bill, but with comments similar to those from the Member for Porter Creek South. I will have some questions when we get into Committee of the Whole on this bill. The amounts of the increase are debatable; I'm not sure how the amounts of the increases in each of the next five fiscal years were arrived at. Were they arrived at through negotiations with communities?

This appears to provide for increasing the grants to municipalities over the next five years. I guess the question I have is, where does it show? Where is the escalator clause, because I don't see it in the grant itself, in the original act, or in the act where we amended it a few years back. What that act did, Mr. Speaker, was to increase the grants to a few communities; namely, the communities of Haines Junction, Mayo and Carmacks, in that year and then, the next year, it increased them again to basically the same amount that is identified in Bill No. 42 -- the act that we're dealing with now.

So what it essentially does is increase the grant for the villages of Teslin and Carmacks. That's my understanding, that's the way that I'm interpreting and reading it, and the minister can either in his closing remarks clarify that for me or we can discuss it in Committee of the Whole.

What we're doing here is identifying the additional funds in each of the next five fiscal years to increase the grants to municipalities and communities. What I'm wondering is, how much are the grants to individual municipalities going to increase in each of those years?

Similarly, I know that there was a commitment made; I believe it was discussed at the Association of Yukon Communities conference this spring in Dawson when I was there. I know the minister was there and the Minister of Highways and Public Works was there. The issue was of funding for local advisory councils, hamlet councils and the need to harmonize or basically level out, because different local advisory councils and hamlet councils' grants were not all the same.

I don't see that addressed in here. I'm not sure whether this is the piece of legislation or the regulation that would deal with that.

I guess my question for the minister would be: can those hamlet councils and local advisory councils also expect increases tied to some escalator in each of the next five years to their funding to deal with their added expenses? I know the minister mentioned wanting to have funding so that some of those unincorporated areas could provide municipal services to their communities, but what I'm wondering about is the funding, the grant, that's given to those local advisory councils on an annual basis and whether or not this amendment to the *Mu-*

nicipal Finance and Community Grants Act, Bill No. 42, will have any effect on that funding.

So we see the intent here to provide increased funding for municipalities and communities around the territory. I'm not sure exactly how the amounts of the increases were arrived at, whether they were arrived at in consultation with the Association of Yukon Communities and whether or not these are actually adequate to deal with the rising costs of delivering services in these communities. For some of the communities it may be so, but I'm not positive that it will be well-received in all communities. There may be needs that haven't been identified in some of those communities.

So I look forward to hearing the remarks of any other members and the minister's closing remarks.

Hon. Mr. Rouble: It's my pleasure today to rise in response to the legislation put forward by the Minister of Community Services -- the amendments to the *Municipal Finance and Community Grants Act*. I rise in support of this piece of legislation and would request all Members of the Legislative Assembly to support it. I think this piece of legislation goes a long way in helping our communities provide the services they're responsible for throughout the territory.

It has been a long-standing Yukon Party principle that our communities are the heart and soul of the territory. I think all members in this Assembly would join me in recognizing that and the importance our communities have and the importance of our municipal government structures.

The mayors and councils in a variety of different communities throughout the territory play a tremendous role in their community and in delivering services to their constituents. I'm proud to be part of a government that is able to provide the financial assistance they require in order to provide the services their constituents are in need of.

I think all members in this Assembly will join with me in recognizing that we do need to provide additional financial support to our communities. They can demonstrate that by agreeing with this piece of legislation. It's a good step.

Speaking as an MLA who represents the beautiful Southern Lakes where there are no recognized municipalities, in my community we have several different local advisory councils, that being the newly formed South Klondike Local Advisory Council, the Tagish Local Advisory Council and the Marsh Lake Local Advisory Council.

I appreciate the hard work those councillors put in and the benefits they bring to their community. They allow for a community voice to allow for consultations and open public discussions; they create a forum where ideas can come into a community, be discussed and create some feedback.

They allow for community representation and they really do offer a very strong grassroots involvement.

If members haven't had the opportunity to come out to a local advisory council meeting, I would openly invite all members to come out to either Carcross, Tagish or Marsh Lake to attend one of the meetings. We often have more people in attendance at a South Klondike Local Advisory Council meeting than we do in the gallery here.

Indeed I would hazard to guess that there is usually well more than 100-percent more people in the audience in Tagish, Carcross or Marsh Lake than there are here today. I appreciate that constituents from the territory have an opportunity to follow along in our proceedings through the on-line listening of the Assembly through the radio here in Whitehorse and through reading the Blues on the Web. But really, often there isn't a substitute for being there in the meeting room and seeing what goes on. That's really one of the strengths of a local advisory council. Usually there is a discussion at the council level, but most of the time the floor is open to constituents to toss in their thoughts and concerns. It usually offers a very strong grassroots opportunity for the community to have a voice on an issue. I really appreciate the hard work that they do. I know that my time on the Marsh Lake Local Advisory Council was very rewarding and a great step in becoming involved in the democratic and community process.

I appreciate the Minister of Community Services' comments about the transfer of funds to the municipalities. I also really appreciate the increase in funds that will be available to the Department of Community Services to provide municipal-type projects in the unincorporated areas.

While people in unincorporated areas don't expect -- or many don't even want -- the services that are common in a downtown area -- things like streetlights on every corner or many of the other municipal-type services -- there are things we do need out in our incorporated areas. These include things like access to affordable potable water, access to sewage and solid-waste disposal. Those are some of the key things that are typically of a municipal-type nature that are required out in our communities.

I'm glad to see that there has been significant progress made by the Department of Community Services and the other departments in these areas in the past couple of years. I know there has been a lot of strong work in working with our communities on moving, for example, from a burning dump to a solid-waste transfer station and the support for recycling. This was an issue that was recently brought up in Marsh Lake, and I would like to thank the Minister of Community Services for his immediate response to the need out there and for providing support to the community organization that looks after the solid-waste management society out there.

In the past, this government has committed to providing access to potable water in the Marsh Lake and the Army Beach areas and to looking at the installation of a second source of potable water in that community. Having another source of potable water in that community that provides bulk access for home delivery, that provides access to the volunteer fire department as a source of water in that neighbourhood and as a backup to the only source of potable water in the community is very important.

I appreciate that there is a specific line item in the budget that will address this, but it's also good to see that this government is committed to increasing the Department of Community Services' budget for providing these types of services throughout the territory in all the non-incorporated areas.

I think some of my other colleagues who have municipalities in their areas that will benefit from this amendment would like to make a few more comments, but before I sit down, I would like to ask all members to support this and to show their support for our communities by voting in favour of this legislation.

Thank you.

Mr. Mitchell: It's my pleasure to rise today to speak at second reading of Bill No. 42, *Act to Amend the Municipal Finance and Community Grants Act*. I note that the previous speaker, the member for -- as he reminds us -- the beautiful Southern Lakes, has mentioned that his earliest involvement in public life and public service was at the local and municipal levels and that, too, was my experience. I retain a fondness for that. I think our municipal leaders, the leaders who come forward -- in advisory councils, mayors, council people -- are the people closest to us, and they often deal most directly with us in our daily lives and usually for no or very little remuneration. We owe a debt to each and every one of them for that service. I know that the time I spent as a member -- and eventually becoming the chair -- of the Atlin Improvement District in northern B.C. and also on the Atlin Advisory Planning Commission was a very good learning process and very enjoyable in terms of dealing with issues. Ironically, sometimes the issues were frustrations with provincial governments, and here I am in the territorial Assembly, so I can appreciate how that does happen.

I also spent some time at the City of Whitehorse on the Parks and Recreation Board, so I know the work that's done at the municipal level. I did ask questions of the minister last May, requesting that the comprehensive municipal grant level be increased. After attending the Association of Yukon Communities annual general meeting in beautiful Dawson last May in the Klondike, I brought back a motion to this House requesting that this House urge the Government of Yukon to spend some of the \$85 million, which it then had in the bank, to increase the annual grant to municipalities.

So clearly, we on this side were receptive to the minister's subsequent announcements of the proposed increase in the comprehensive municipal grant. We said so at the time; however, we would just like to note that the president of the Association of Yukon Communities has stated that the amounts before us today reflect a bare minimum amount to address the ever-increasing operation and maintenance costs and aging capital infrastructure in many of Yukon's communities.

Considering Yukon's healthy fiscal situation, I would just like to recommend that the minister stay in close touch with the Association of Yukon Communities, with Yukon's municipal governments and their leaders, and not wait too long to review these new comprehensive municipal grant levels and perhaps amending them again, if it proves necessary, sooner than the five-year period covered in the current legislation before us.

With that, Mr. Speaker, I think we should start considering some sort of standard where we try not to fill up too much more space in *Hansard* than is taken up in the length of the bills that are before us. So, I will thank the minister for bringing forward this act. I support this legislation, and the Official

Opposition will be voting for it. I'll leave time for other members.

Thank you.

Mr. Nordick: Mr. Speaker, I rise today and speak in support of Bill No. 42, *Act to Amend the Municipal Finance and Community Grants Act*. I am pleased that my government, the Yukon Party government, significantly increased the comprehensive municipal grant funding from approximately \$12.5 million to over \$16.5 million. This increase was approved by Management Board in July of this year. The amendments to the *Municipal Financial and Community Grants Act* change the limitations currently experienced in the current act and enables the Yukon government to increase municipal grant funding by an amount greater than the annual change in the main estimates.

This amendment confirms our commitment to support the health and well-being of Yukon communities. This bill helps provide certainty to Yukon municipalities. The proposed amendments will establish a new base amount for the funding in 2012 that will be set at \$16,575,000. It will also allow for the ability to increase the CMG fund through the budgetary process in successive years. We are committed to our communities, while practising open, accountable and fiscally responsible governance. These amendments will achieve a better quality of life for citizens of Dawson and other communities in the Yukon.

A simple question of how will communities benefit from this is easily answered. Communities will see that the Yukon government is committed to supporting the local governments by an increase of six percent per year -- approximately \$807,000 -- totalling an increase of more than \$4 million in the comprehensive municipal grant funding. This is the first government to significantly increase the comprehensive municipal grant funding, and I am proud to be involved with this Yukon Party government in accomplishing this.

In closing, I would like to give an example of what this accomplishes for the community of Dawson City. This year's funding is approximately \$1.2 million; the 2008 funding will be approximately \$1.27 million -- so basically \$1,274,000 -- in 2009 approximately, \$1,348,000; in 2010, \$1,422,000; in 2011, \$1,496,000; in 2012, \$1,570,000. These of course are approximate. In summary now, \$1.2 million per year in 2012, approximately \$1.6. This is a significant increase. I'd like to thank the officials and the Minister of Community Services and the Members of the Legislative Assembly for supporting this bill.

Hon. Ms. Taylor: Mr. Speaker, I, too, am pleased to rise to speak in support of this particular piece of legislation. This has certainly been a request of our respective municipalities for some time and we are very pleased to be able to honour our commitment.

As has been said earlier here today, the Government of Yukon has in fact made that commitment to increase the comprehensive municipal grant funding, and in fact this legislation will ensure that this does happen and that it is phased in over a number of years. So these particular amendments are required

in order to ensure that the planned increase can proceed within the parameters of the act, so to speak.

This particular grant, as I understand it, will be increased by over 30 percent over a period of five years. It's quite substantial. While I can certainly appreciate the pressures being experienced by all our communities, whether they be incorporated or not incorporated, there are increasing pressures as a result of the growth in population. That is really as a result of good economic times that Yukon has been experiencing. In some communities, it has been just occurring, but certainly in other communities we have seen it escalate at a more rapid rate, of course.

So it is as a result of a lot of work on the part of many stakeholders to address the economic picture of the territory that we're able to see an influx of individuals moving into the territory, and in turn we're able to see a very low unemployment rate. Our population is growing, more families are making their residence in their respective areas, and it really is a good thing. As a result, we see a lot of our local infrastructure under some pressure, and in other areas more pressure. However, I think that, as the Premier alluded to in the past, if not today, as a result of being able to enhance our financial picture, the financial health of the Yukon Territory over the last number of years -- and, in fact, one only has to take a look at the recent Auditor General report in which it stated that again, for the fifth consecutive year, Yukon has received a clean bill of financial health.

It speaks volumes to the financial authority being purported by the Minister of Finance, as well as hundreds of officials within the Yukon government, to acquire additional funding made available through the federal government -- various transfer payments. Earlier today, the Premier alluded to the territorial formula financing agreement and our success in being able to garner a principles-based formula, which is very welcome news for the Yukon and will garner additional resources for investment in our respective communities.

The reason I make reference to this is we have been able to make available a number of different infrastructure funds. We have partnered with communities and First Nations and the federal government to ensure some of our aging infrastructure is addressed on a timely and appropriate basis. One only has to look at the use of infrastructure funds, such as the municipal rural infrastructure fund, the Canadian strategic infrastructure fund and, more recently, the gas tax monies that were negotiated -- and Yukon is very pleased to share that with First Nation governments as well as our municipal governments.

We were pleased to reinstate the community development fund after it had been taken away by the previous Liberal government and are pleased to make available about \$3.5 million each year through the community development fund for locally driven community projects that have really gone the extra mile in addressing infrastructure requirements, as well as creative programming needs in the territory.

In my area, in the constituency of Whitehorse West, for many years we have seen tremendous growth in the area of Copper Ridge, Granger, Arkell, Logan, Valleyview and so forth. Through the use of the municipal rural infrastructure

fund, we were able to make a commitment of \$6.5 million toward the \$15-million estimated project cost for the extension of Hamilton Boulevard.

Again, one could say it could be a city-driven initiative. We have seen that it is a priority and, in fact, the Yukon government is paying for the lion's share of that project to certainly demonstrate our commitment to addressing this particular piece of infrastructure within the City of Whitehorse.

Over the next couple years, we will see the extension transpire. It will provide an emergency second access egress route out of the community. It will also help to, again, alleviate additional pressures that we have been receiving along that particular corridor. This is but one very small example of the number of different initiatives that we have been able to fund over the last five years by making available these particular funds, which, I might add, were never in place or had not been in place prior to our government taking office.

We have been able to address a number of great projects -- whether they were addressed through 50-percent funding by Yukon government with the other 50 percent coming from the federal government through the Canada strategic infrastructure funds. I am really excited about the Whitehorse waterfront and the Carcross waterfront projects made available through this particular fund. By making those resources available, we have been able to really address a lot of very creative and wonderful projects.

One only has to take a look at the Whitehorse waterfront and the extension of First Avenue, the significant improvements, the cleanup on the old Motorways property, the Robert Campbell bridge lighting, trail development along the Whitehorse waterfront, the brand new concession building that is going up as we speak. I'm sure Whitehorse residents just have to drive on by and see the tremendous project going on with that facility, which should be open pretty soon.

All of these projects have been made available through use of these funds. We were just in Carcross recently for a community tour and we were able to see the footbridge that was recently launched, as it was unveiled to the public. It's another example about a wonderful piece of infrastructure that will be very much enjoyed for many generations by residents as well as visitors. It is timely to have that piece of infrastructure, particularly as we've seen the train roll back into Carcross after 25 years and the partnerships that have been garnered with Holland America and so forth.

In addition to the footbridge in Carcross, we're working with the community, the local advisory community, Carcross-Tagish First Nation and residents at large to work on a community revitalization plan, a downtown plan and the development of wonderful tourism opportunities. Some of these other infrastructure requirements or initiatives that have been deemed as priorities include restroom waste facilities and waterfront cleanup. We're looking at a visitor beach access area along the waterfront and we're also looking at a possible carving facility in partnership with the Carcross-Tagish First Nation, community entrance signs, landscaping and road upgrades in the downtown core.

These are all very municipal-related initiatives, but they have been made available through different funds. This bill in fact will accentuate the work that has been taking place over the last number of years. With the increase in funding to municipalities, Yukon will be investing a total of more than \$74 million in grant funding over the next five years, I believe it is.

This is really great news for our municipalities, and it's good news for the Yukon all around. As I mentioned, it will build upon capacity building within our communities and will help the respective governments meet some of the pressing demands of our visitors while maintaining new and aging infrastructure.

Another project that I just have to make reference to is the Mayo recreation centre, for example. Again, that has been a piece of infrastructure that has been on the wish list of that community for many, many years. We identified that in partnership with the community as a priority, and we were able to make funding available in partnership with the community to actually see that building. I had the opportunity to take a look at that building, to see the opening earlier this summer -- another tremendous asset for the Village of Mayo and its surrounding area residents. It has become a great place for community residents to come together to celebrate, to have various events, initiatives, and is a great place of pride, as the Mayor of the Village of Mayo has put it.

So, Mr. Speaker, I'm very pleased to provide support for this bill. I'm very pleased to hear that all members of the Legislature so far have agreed to provide their support to this bill. Again, I think it's very timely. Of course, we have more work to do with our respective communities, but we are very pleased to move along on this.

Thank you.

Hon. Ms. Horne: Mr. Speaker, I rise today in support of the *Act to Amend the Municipal Finance and Community Grants Act*. As a representative of a rural riding with three communities in it, I appreciate how difficult it is for smaller municipalities to fund their obligations. The towns of Faro and Teslin have both spoken with me about their financial pressures. I am grateful for funding programs like MRIF and the gas tax; however, these programs are for selected capital projects only. Operation and maintenance costs continue to rise and are not the kind of thing that one can ignore.

I would like to spend a couple of minutes on these issues. Teslin has broached several issues with me regarding the municipal finances. These concerns include both capital and operational expenses. Faro also has their challenges with increasing demands on both their capital and operational budgets. Clearly, communities are experiencing an increased demand in their finances.

We have made Yukon an attractive place to do business. This means that we have more Yukoners wishing to live in our communities, and our communities require more resources to service those people.

I was pleased that in July of this year, the comprehensive municipal grant was increased from \$12.538 million to \$16.575 million by 2012, an increase of just over \$4 million. Clearly

our government is putting action to words. These amendments will enable us to flow more money to our communities. I believe that one of the members opposite called these increases modest. These grants are growing by close to one-third, or 33.3 percent, which I would argue is a very significant increase. For my community of Teslin, our funding is going up by \$247,000 from 2007 to 2012, an increase of 21.5 percent. Faro's funding is going up from \$1,356,275 to \$1,631,910 over the same time period, an increase of \$276,000. This represents a 20-percent increase. This increase is very significant to our communities.

In addition to the increase in the comprehensive municipal grant, I was also very pleased that there would be a proportional increase for funding to unincorporated municipalities. Of course, for my riding, this means more money for Ross River. The cost to deliver services in unincorporated Yukon is also increasing.

The Department of Community Services will receive an additional \$605,625 over five years in order to meet these demands.

I continue to be proud of this government's support for our communities. I am proud of our commitment to increase funding to our communities. This is a good news story.

Thank you. Gunilshish. Merci.

Hon. Mr. Lang: I would like to speak to Bill No. 42, which is a very important move forward in how this government will be dealing with the unincorporated and incorporated communities in the territory.

One of the things this government does on a yearly basis is to go out into the communities and meet with the municipalities and First Nation governments right in the communities so we can work with those communities to be on the ground in the communities so we as politicians can understand the problems these communities have.

The Minister of Community Services works with communities on a daily basis. In working with them and bringing this grant and process forward and increasing these transfers of funds, it makes the communities more independent and more able to address some of the large issues they have. If you were to look at the community of Watson Lake, where I spent 25 years, and see the growth in the community and the increase in cost of running a community of that size -- then also the maintenance and upgrading of the infrastructure that community has to work with. Those are daily, monthly and yearly costs, and without that kind of investment in the ground there, you would eventually have an issue that would be too large for any community to manage financially.

With the increase in funding that this government has supplied to the communities -- this is the kind of work the community can do to get their infrastructure and their daily financial house in order so they can do the things that all communities should have the flexibility of doing, to make decisions, work within their budgets and have the flexibility of knowing that this avenue of revenue will be growing over the next five years. In other words, they can plan in a forward fashion.

The City of Dawson, if you were looking at comparable communities -- Dawson City being the second-largest commu-

nity in the territory -- this financial benefit will certainly help that community. The community of Dawson, when we acquired government in 2002, as we all know, had a financial issue, which this government had to address very quickly. We know the history of the challenges created by the Liberal government of the day and we inherited those issues. We had to address the issues of Dawson City.

Those issues now are not behind us, but it will put us in a position where the community itself will have more resources to do some of the things that Dawson has to do to keep their infrastructure and the management of the community in a way that is acceptable for all community members.

I would like to compliment Dawson City council, the mayor and individuals who stepped forward to take on the task of working within Dawson, with the community of Dawson, for very little return. These people are virtually volunteering to go to work in Dawson and address these issues.

Of course, the Minister of Community Services has stepped forward with a plan on how our undeveloped communities and the municipalities -- the organized communities -- can plan and have resources at hand to do it.

So, Mr. Speaker, as the Minister of Justice, who represents three communities, the mosaic of it -- meaning two municipalities and, of course, Ross River -- those communities will have more resources to do what they have to do on a daily basis to manage their communities. In closing, I would like compliment the Department of Community Services and, of course, all the communities that worked on this. I look forward to this passing here in the House so we can move on and free these communities up to do the job they do on a local level to address the issues of their constituents. That means the resources have to be there to do it, so I certainly will be looking forward to the vote here today to pass this very important bill here in the House.

Thank you, Mr. Speaker.

Hon. Mr. Kenyon: I too would like to speak briefly on the motion. I noticed -- again, picking up from some of the previous speakers -- there are a variety of ways to fund municipalities and we've been fortunate in terms of MRIF and all the various RIF structures. They are infrastructure -- very necessary, but very targeted. The Minister for Tourism and Culture mentioned the community development fund as another way of supporting community activities.

I would like to fill in just a few of the details on that as something else that is available to the communities. It is most interesting that since the fund was resurrected in 2003, after the previous Liberal government cut it -- sort of cutting the community development fund in conjunction with disbanding the Department of Economic Development as their economic plan. I think the Women's Directorate was cut out of that as well. So again, they had a very targeted and a very distinct plan of their vision of the Yukon. We don't agree, and by recreating the community development fund, \$2.5 million was set aside in 2003-04. When the dust settled, Mr. Speaker, we actually spent \$2,554,000.

In 2004-05, \$3.2 million was allocated and approved and, when the dust cleared, was \$3.209 million; another \$3.2 million

in 2005-06 and, for a variety of reasons, the approved funding in the end was \$2.461 million. So the fund was brought back a little bit to \$3.0 million in 2006-07 and approved funding was \$2.586 million.

In 2007-08, the budget is \$2.7 million and so far to date within that spending from April 1, 2007, to October 15, 2007, we have already spent \$1.873 million. So if you look at this in the overall pattern, the community development fund really is to fund projects and events that provide long-term benefit and value to Yukon communities. That \$1.873 million approved so far encompasses 55 different applications. We just finished reviewing 25 applications from tier 2 intakes and, when you look at the total thing since the fund was resurrected in the 2002 election, we've actually spent roughly \$13.2 million.

To look at the breakdown of that -- and these are statistics that are up until a few days ago, because we look at this all the time of course -- we have reviewed and adjudicated 737 applications, totalling \$32,613,287. Of that, 416 were approved, for a total of \$13.215 million, and 277 were rejected, with a further 33 withdrawn, leaving about \$19,398,287 that was rejected. So, about 60 percent of the dollar value of what was applied for was actually rejected or withdrawn.

When you look at it in terms of the numbers of projects, roughly 56 percent of the numbers were approved, with 44 percent rejected.

It's a fund that has a very broad scope. It has a number of intakes: four intakes on tier 1 per year, up to roughly \$20,000; two intakes per year at tier 2, which is up to \$75,000; and then one intake per year at tier 3, which is \$75,000. So it's an interesting program and we can look at individual community funds and community projects and what is going to bring long-lasting community development.

What we're talking about today is the *Act to Amend the Municipal Finance and Community Grants Act*. We're looking at another way in we can fund and work with our communities. For instance, in July of this year, a significant increase in comprehensive municipal grant funding from its current level of \$12.538 million to \$16.575 million by 2012 was approved by Management Board. I agree with the Minister of Justice that one has to scratch one's head to listen to someone call that a modest increase -- well, we won't go there, Mr. Speaker.

The increase will be phased in over five years, beginning on April 1, 2008. But in order to ensure that the government can fully implement the increase, the Department of Community Services really had to bring these amendments to the *Municipal Finance and Community Grants Act* forward to allow the increase.

The legislation currently limits an increase in comprehensive municipal grants to the annual growth of the Government of Yukon main estimates. If the targeted growth rate in the main estimates is met for each of the years beyond 2008-09, the government's commitment to increase municipal funding would actually exceed the established threshold. The proposed amendments will enable the Yukon government to increase municipal grant funding by an amount that is greater than the annual change in the main estimates and therefore ensure that our commitment to Yukon municipalities is met.

Furthermore, Mr. Speaker, the proposed amendments will remove unnecessary and unworkable sections of the legislation. The proposed amendment really specifies the total amount of the comprehensive municipal grant for each of the next five fiscal years, beginning April 1, 2008. It establishes the 2012-13 fund amount as the new base for future years and then provides the authorization to increase the municipal grant fund through the regular budgetary process. Things change, Mr. Speaker; they change sometimes with amazing regularity.

The amendments confirm our commitment to increase the comprehensive municipal grant funding for Yukon municipalities, which supports our government's commitment to enhance the health and well-being of Yukon communities. So really, it removes ambiguity around the manner in which the grants are determined. It cleans up clauses that are vague and no longer relevant, and it provides certainty to Yukon municipalities by specifying the fund's base amount in each of the next five years and in years to come beyond that.

With the increase in funding to Yukon municipalities, we'll be investing basically a total of more than \$74 million in comprehensive municipal grant funding over the next five years. That's about \$62.69 million in existing funding and a further \$12.1 million in new funding as a result of the increase. That's good news for municipalities, and it's good news for all of Yukon. Additional funding will increase the municipal capacity, help to meet the demands of building, operating and maintaining a new and aging infrastructure. It will work in conjunction with some of the other grants and in conjunction with the continuing community development fund and establish that new base. We're committed to the investment in our communities. We're committed to the increase in municipal grant funding, and I think this clearly demonstrates where we're going. We're certainly not prepared to scale back on the community development fund. We're not going to scale back on municipal grants. We're not going to disband the Department of Economic Development. This is our vision of the Yukon and one that I think anyone looking at the situation can readily agree with.

Thank you.

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

Hon. Mr. Hart: I thank all members here today for their comments with regard to this act. I look forward to further questions when we convene Committee of the Whole. I would be more than willing to respond to the third party's questions at that time.

Motion for second reading of Bill No. 42 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

All Hon. Members: Agreed.

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

Recess

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

Bill No. 35 -- Act to Amend the Subdivision Act

Chair: The matter before Committee is Bill No. 35, Act to Amend the Subdivision Act.

Hon. Mr. Lang: We are going into Committee of the Whole on the issue of Bill No. 35, which is to amend the *Subdivision Act*.

I will remind all members opposite -- we have discussed it this afternoon -- that this amendment represents one of the initiatives among many required for the government to fully implement the 2006 Yukon agricultural policy. It is very important to remember that. This is one of the steps. These amendments are intended to provide for more arable land in production in the Yukon.

The vision for Yukon agriculture is another issue. Agriculture has grown over the last five to 10 years and is a substantial financial engine for the territory. We have grown. In 2006, we had approximately 148 farms in production in the territory, and there is a mosaic of them. Some produce forage crops for livestock in the territory.

If you were to look at the statistics of the number of horses in the territory, both from a recreational point of view and, of course, the outfitting business, we have a large number of horses that are maintained over the winter here in the territory and, of course, it all depends on forage crops to feed and maintain them through that period of time.

If you're looking at the bedding plant industry here and as our communities grow -- whether it's Watson Lake, Dawson, Whitehorse, Mayo -- there's more demand for bedding plants and greenhouse production because our communities are getting stronger and, of course, bedding plants become part and parcel of the growing population, so that part of the industry is certainly growing.

You only have to look at what we're doing in the subdivisions around Whitehorse to understand the pressure that's on the sod industry -- to produce more sod and better sod -- so that our community can access that kind of expertise when landscaping their properties.

Of course, every weekend during the summer you only have to go down to the park and participate in the farmers market to see the wonderful vegetables that are grown and consumed in the area.

Then of course, if you were to look at what we do regarding beef production, elk production and buffalo -- and then there are fowl, like chickens and turkeys, which is a growing industry in the territory today.

The 2006 Yukon agricultural policy is intended to reflect the social, economic and environmental values of Yukon people. It is also designed to address the current need of the local agricultural industry. As I reminded you here today, it is a growing industry in and around Whitehorse and certainly in the outlying areas.

We are also resolved in meeting our commitments made at the national level to improve the quality, environment, sustainability and economic viability of the agricultural industry. I would remind the members here in the House that we as a government have been working very closely with the federal government to get the cooperation between our two jurisdictions and of course it involves all provinces and all territories in Canada to make sure that we have the resources to do just that -- make our industry more sustainable and viable here in the territory.

During the summer of 2003 -- a little background thing going back to 2003 -- a first round of consultation on the 2006 Yukon agricultural policy was held with industry, the local Yukon First Nations, and boards and council to identify key policy issues and concerns. In the summer and fall of 2004, a discussion paper describing policy issues and options was released and broad public consultation was held to seek feedback on these issues and options. So as you see, Mr. Chair, this has been a long process. This isn't something that was started in the last six months; this has been going on over the last couple of years.

In 2006 -- which was last year -- the Yukon agricultural policy is a product of that consultation. So out of all that consultation, Mr. Chair, we came out in 2006 with the Yukon agriculture policy. It is designed to meet the current needs and interests of the Yukon agricultural industry and of course, most important, the public. It is also designed to reflect the broader policy commitment that we have already made through the APF to encourage development of an industry that is economically viable, environmentally sustainable, and produces high quality and safe food products.

So as you see, Mr. Chair, we as an industry -- a growing industry -- have two or three bases that we're committed to pass: it's the environment, the economics and quality of product.

With the quality of product come the sales that we want to see out there in our community to make our community more self-sustainable in this day and age. The member opposite was talking about the 120-mile radius plan where people in bigger centres say, "Okay, I'm going to shop within 100 miles of my home and acquire the things I need to fill my larder, maximizing the input from our surroundings."

I think that as we grow into this, it's going to become more and more urgent for us to be more and more sustainable as consumers here in the territory.

The member opposite was talking about earlier about the importance of managing our game so that people can harvest

moose and game here locally. It's very important locally for the individuals in the territory to have access to that, as well as agricultural products.

You only have to participate in the farmers market here to find the difference between a store-bought tomato and a tomato that has been grown locally. They are two different items and the quality certainly jumps out at you when you take advantage of that kind of product that is grown right here in our neighbourhood.

Currently, the local agricultural industry supplies only a very small percentage of the total food consumed in the territory. That, of course, is true. There is a considerable opportunity for growth in the industry to supply and meet more of our food needs. When we reflect back on history -- and I think one member here talked about the agricultural potential -- the community of Dawson City with 35,000 people at the turn of the last century was fairly self-sufficient. They fed themselves and maintained livestock. They maintained horses, which did a lot of the work that had to be done in the gold fields.

They had dairy farms, mixed farming, grain farms and fodder farms for horses. They had sheep farms and all sorts of opportunity at the turn of the century to make sure that Dawson City was supplied with food on a regular basis. That, in itself, shows that we can do it; we just have to put the tools together so that we encourage people to go out and farm.

I don't think that anyone at the farmers market complains about price on product. Everyone appreciates the fact that people have gone to work and that there is value to what people do. It is the quantity that we produce and the number of farmers we have out there doing it that is going to improve our sustainability in creating this food wealth, which is what we're doing by looking at this bill today.

Through the phased consultation on the Yukon agricultural policy, the government heard from respondents that good, arable land should not have to retire with the farmer. That is not an arguable thing here in the House because we all understand the nature of the industry. We all grow older, we have different needs, and farming is not an industry that is easy to maintain through your old age. Also, as one of the members said here today, this bill will give the flexibility to that farmer who wants to stay on the land -- in other words, he wants to retire in his home -- but in turn, the land will become dormant if it's not being farmed. The value of that land is tied up in dormant land and we on this side of the House want to encourage that farmland to be productive. How do you do that? You put it in the hands of people who are willing and able to put it into productivity. That in itself is good news.

For these reasons, Community Services is bringing forward this *Subdivision Act*. These amendments provide for tightly controlled subdivision of agricultural properties in two circumstances.

The members opposite were talking about the continuation of the subdivision of land after the first subdivision. In fact, that is covered in this act. They can subdivide once, and both pieces of property have to stay in agriculture.

In other words, we're putting checks and balances in place so that individuals can do this, but it doesn't create a subdivi-

sion effect in our hinterland, nor do we want to tie up agricultural land in subdivision land when we have adequate land for both.

And, of course, there is a restriction: it has to be an individual who has owned the land for 10 years. So, they already have a commitment. They met the commitment by staying on the land for 10 years. So they would qualify for this subdivision.

At the same time, rationalizing what government does on a daily basis, it's important that the public is guaranteed access if, in fact, there is proof of need of access for the government to supply services and infrastructure for the general good of the community. So, in this, we remind people that government has a commitment to make sure that we have that kind of flexibility to work within the act to make sure that we can supply the things that the general public will find necessary, as we move forward.

We're looking at the size of the subdivision. The subdivided lot would have to maintain itself in the community land planning framework in the area in which it's being subdivided. All of those criteria would be addressed by the community land planning infrastructure that's in place today.

In sponsoring this and, of course, supporting this initiative, is a response that we got from industry and from the individuals who were interested to come out during the public consultation process.

A year ago, part of our government's platform was that we would try to get as much land out as available to Yukoners for agriculture over the next period of time. And this, of course, addresses those issues.

Those would be my closing remarks, Mr. Speaker. If there are any questions, I have people here to address them with me.

Mr. McRobb: I do have a few questions. It may not have been necessary to take the House's time to pose these questions this afternoon but the Government House Leader denied us a request for a briefing on this bill. We were caught by surprise with the announcement that the government would be bringing it forward for debate so suddenly.

My first question to the minister relates to the limitation of subdivision. I would like him to explain in clear terms for the record how this bill will limit the further subdivision of the original property. Does the limitation apply to the original property or does the limitation apply to the property owner? Can he explain that for us?

Hon. Mr. Lang: I guess, reading into the question -- section 3(4) states: "Subject to subsection (6), neither of the two parcels referred to in subsection (3) may be further subdivided." It's very clear in the act.

Mr. McRobb: It sounds like the limitation shall be provided to the original property. Can I just get the minister to confirm in clear terms that is the case?

Some Hon. Member: (Inaudible)

Mr. McRobb: The Government House Leader is heckling over there. He is the same person who denied us the briefing. I would ask for a little less arrogance from the government side.

If the minister can be clear in defining this -- it is very important to put this on the record at this time. We don't want another Takhini debacle some years later where something wasn't very clear at the point of sale or at the time that these conditions were implemented. Can the minister clearly put on the record that it applies to the original property?

Hon. Mr. Lang: In answering the member opposite, there will be a caveat put on the properties. In other words, both pieces of properties will have caveats preventing further subdivision. So there will be a clear, legal representation on the caveat that states exactly that question.

Mr. McRobb: Then there's an obvious follow-up question. There's the case where you have a retiring farmer who subdivides a piece of the farm from the agricultural area on which to live, and let's say his son assumes responsibility for the farm and builds a residence. Well, let's fast-forward five decades and the son is now in the position of the retiring farmer, who sold the house on the land to someone else, and the son now wants the ability to do the same. Is the minister saying that would not be possible under this bill, or would it be possible again? Can he be very clear?

Hon. Mr. Lang: As the legislation sits today, that farmer's son could not subdivide for 50 years -- as the legislation sits today. The caveat would be against the property. That doesn't mean the government of the day won't be able to change that. Those are things that I'll leave up to that government in 50 years to handle. As far as the legislation today is, there will be caveats put on both pieces of property. The properties have to be owned for 10 years and it will be very clear on the title -- that it is a one-time subdivision of that parcel of land.

Mr. McRobb: Can the minister tell us if there exists any agricultural land within the City of Whitehorse boundaries?

Hon. Mr. Lang: I have been told that there are two parcels, but they would fall under municipality regulations.

Mr. McRobb: I thank the minister for that. How many agricultural parcels that this bill could be applied to exist today in the territory?

Hon. Mr. Lang: I guess the bill would cover about 50 individual farmers who would have access to this subdivision, and it would grow by 10 or 12 a year as the tenure date came up. It would be a growing number, anywhere from 40 to 50. It doesn't mean that they would all subdivide. It's just the number that's out there of people who have owned the property for that length of time. As people grow into it, that number would change as the years go by and as they pass the 10-year mark.

Mr. McRobb: Can the minister indicate if the government conducted meaningful consultations with Yukon First Nations on this bill and what their reactions were?

Hon. Mr. Lang: Through the agricultural policy framework, we had three consultation periods. First Nations were part and parcel of the consultation as we grew into a new agricultural policy.

Mr. McRobb: One can draw from that answer that there was a consultation period provided by the department and that First Nations were just expected to stand in line with everyone else and go through the process. My question pertained

to the term "meaningful consultations" vis-à-vis the Veale decision. The term meaningful consultation is not just two words you can find in the dictionary. I am referring to the legal sense of that term. Can the minister indicate if that was done? Can he provide us with a response from the First Nations to this bill?

Hon. Mr. Lang: The First Nations were dealt with on an independent basis and they were dealt with -- not, as insinuated by the member opposite, in some kind of a line-up where the interested parties lined up to ask questions. All First Nations were independently briefed and consulted on this, and their input was addressed by the final document that you see here today. One of the questions was: how would you tightly control the subdivision? We addressed that by putting the caveats on the property. They didn't want to see the question about subdividing or the continuation of subdividing, and we addressed that by putting the caveat on the title to make sure that at the end of the day there were tight controls in place for the subdivision. That was one of the concerns they had and we addressed it. They certainly were consulted.

Mr. McRobb: Can the minister indicate whether there were any changes to the proposed legislation as a result of these consultations with Yukon First Nations?

Hon. Mr. Lang: We consulted on policy in the consultation, and the questions that were brought forward -- we accommodated those concerns in the policy, which eventually led into this. So we were very actively consulting First Nations and also other stakeholders in the farming community. Consultation was done; the questions were asked and they were answered; and we had a thorough consultation period for the agricultural policy draft that we presented last year, and this is just one part of it.

Mr. McRobb: Can the minister indicate if there were any outstanding concerns expressed by Yukon First Nations that were not mitigated within this bill we have today?

Hon. Mr. Lang: Not in this particular bill -- there weren't any questions left.

Mr. McRobb: That concludes my questions at this time, Mr. Chair.

Chair: Is there any further general debate?

Seeing none, we will proceed with clause-by-clause reading of Bill No. 35, *Act to Amend the Subdivision Act*.

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Title

Title agreed to

Mr. McRobb: I move that Bill No. 35, *Act to Amend the Subdivision Act*, be reported without amendment.

Chair: Mr. McRobb has moved that Bill No. 35, *Act to Amend the Subdivision Act*, be reported without amendment.

Motion agreed to

Chair: Order please. The matter before the Committee is Bill No. 42. Do members wish to take a brief recess?

Some Hon. Members: Agreed.

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

Recess

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

Bill No. 42 -- Act to Amend the Municipal Finance and Community Grants Act

Chair: The matter before Committee of the Whole is Bill No. 42, *Act to Amend the Municipal Finance and Community Grants Act*. We will proceed with general debate.

Hon. Mr. Hart: I would like to provide a few comments prior to general debate. I would then be more than willing to discuss questions that come from the floor.

These amendments confirm this government's commitment to practise open and accountable fiscal responsibility and governance. Further, the amendments help to achieve a better quality of life, building healthy and safe communities. These amendments are also going to provide for some housekeeping amendments. It removes the ambiguity around the manner in which the comprehensive municipal grant is determined. It cleans up the clauses that were vague or no longer valid and it provides certainty to the Yukon municipalities by specifying the funds base amount in each of the next five years and in the years to come.

Municipalities will receive direct benefit from the amendment and the monies coming forward. The government has made a significant increase to their comprehensive grant. These increases will be phased in over the next five years, commencing in 2008. The funding provided is similar to that found in other jurisdictions, such as B.C., Alberta, Saskatchewan, Newfoundland and the Northwest Territories. These are all jurisdictions that enable increases or decreases in unconditional grants to municipalities, through regulation and discretion of the budgetary process.

The amendment process to 7(3) is in line with the general practice of other jurisdictions like B.C. and Alberta and is in keeping with the spirit of Yukon's body of enabling municipal legislation. This government is showing its commitment to the needs of municipalities by enabling an increase in the comprehensive municipal grant funding, even in years when the government realizes a level of growth, or even the negative growth, to the main estimates not currently allowed under legislation.

This is the first government to significantly increase comprehensive municipal grant funding. While the Association of Yukon Communities was not consulted in detail on the legislative changes, they were consulted on the issue of the increase and supported the initiative.

I would also like to make a small comment with regard to the Leader of the Official Opposition's comments made previously during second reading. Although the Association of Yukon Communities said it was the minimal amount, I think my comment to the Association of Yukon Communities chair at the time was that it wouldn't matter what I gave him, it

wouldn't be enough. He confirmed that, along with other members of the Association of Yukon Communities. It wouldn't have mattered what kind of dollar sign I put in front of them, it would not have been enough; they could have used more.

They were very, very happy to receive what they did get. I can honestly say I received a letter from every municipality, mayor and otherwise, commending us on the review.

I would also like to state that, as part of our funding agreement to the municipalities, we indicated we would be working with the Association of Yukon Communities between now and when the five-year period ends to ensure that, when the next period comes up and the review is done, we can compare apples with apples. We will be working with them on just what kind of increases can be looked at and what costs they will be looking at for their municipalities for infrastructure. We made that commitment and we will meet that commitment in the next few years.

Also with regard to the funding, I'd like to just see if I could put to rest a few of the comments.

We increased the grant, basically, by 32 percent based on the fact that we went right back to 1992 -- the comprehensive grant -- and we looked at all the increases that they received in that time and came up with this number. We used, basically, the consumer price index as our basis of providing the increase, although you will see that our amount actually exceeds the current consumer price index between now and that time. We projected the consumer price index between now and 2012, so we allowed for a little extra to come in depending upon what happens in that process -- for the amount in the projected years to come. So this is basically how we arrived at our total amount for the municipalities coming through.

Again, depending upon how you want to run the numbers and depending on who you use as an accountant, the numbers can be worked any way you want. I think that in general it is a very defensible amount -- very defensible in how we arrived at this amount.

Again, it was very well-received by the Association of Yukon Communities and, more important, I think they wanted to get some assurance that they would be working with us on an ongoing basis. We'll be looking at it either on an ongoing basis with the consumer price index process for increasing for their grant after that period of time, and/or we've left the room open -- if you'll notice in the amendment -- so that we can make further adjustments between now and then in the regulatory budget process, if necessary, for either this government or future governments. So that's in place. We're not stuck just by the amounts that we give them. If we wish to give them more, or if we can get in that process, we can do it through the regulatory budget aspect, just on a normal basis. Now I'll entertain further questions.

Mr. Mitchell: If I was brief at second reading, I will be even briefer now. I thank the minister for his comments.

I would point out a couple of things. The minister has mentioned a 32-percent increase, having looked at all of the CPI figures, and I think we could point out -- since he mentions it has been so many years since it was done -- that over the past five years, the rate of increase of the transfer of funds from the

Government of Canada to Yukon has grown even faster than that amount. And there have been some who have said that what has occurred across the country, including Canada balancing its books and moving into increasing surpluses, has been, to some extent, on the backs of other governments -- provincial, territorial, and certainly municipal governments.

So, I'm not certain that the CPI index is the one and only indicator that we would want to look at because there are a number of services that perhaps municipalities have had devolved to them across the country that they weren't always as responsible for, or other programs from the Government of Canada that may have terminated.

Also, in my conversations with municipal leaders, one thing that they did point out was that they had reached a point where, due to what they felt was inadequate funding, they were finding that in order to deal adequately with the needs for operation and maintenance funding, they were increasingly having to delay or defer infrastructure capital works so that they could meet the O&M needs. And there is a bit of a backlog that eventually builds up there with aging infrastructure.

I'm going to take the minister's remarks, which were said with some humour, about conversations with the chair of the Association of Yukon Communities and other members, in the best positive light, which is to say that municipal leaders recognize that, regardless of any amount of funding that might come forward, their needs are always great and they will continue to have such needs -- not that they wouldn't be grateful for any particular amount, but rather that there is a lot of need.

I think the minister has indicated that this does allow for the government of the day to increase these amounts if necessary within this five-year period. I'm wondering if the minister will just clarify that. Is he talking about extraordinary amounts, or is he suggesting that we have the ability to go back on the basic comprehensive municipal grant -- if it should occur two or three years down the road from now, but prior to 2013, that, due to particular needs of communities, the funding is not sufficient, we have the ability to adjust that? Could he clarify that?

Hon. Mr. Hart: I will try to clarify that. I will have misled him along the way. There is an ability to adjust, after 2012, on that process through the normal budgetary process. So if in fact, for example, they haven't come to an agreement, there is an ability to deal with it through the budgetary process. However, there are other ways in which municipalities can get additional funding for infrastructure under the extraordinary fund process. So there is a venue available to them for these places that are having difficulty and are strapped for capital -- and these projects that are large.

I might add that in the last five years there have been several funds available to municipalities that they never have had before -- the gas tax, the GST rebate, as well as MRIF and CSIF. All those programs have come in the last five years and all have been available to the municipalities. I would also like to state that our municipalities are much better off than many of the other municipalities in the rest of Canada. For example, many of the other municipalities in Canada have to deal with schools; they have to deal with transit in a big way -- it's a large

estimate. In a lot of ways our municipalities, because they are small, have a difficulty in achieving these processes.

If we go back a ways, the major increase for some of our municipalities was done by this government when the Association of Yukon Communities requested to balance off the four smaller communities so they were all equal. We agreed to do that and we did it over two years. That was approximately a nine-percent increase, which was the largest increase they had, period, since 1992.

In essence, it is very good. As indicated, there have been substantial increases right across the country. I think we have gone a long way toward assisting them. It's not over and won't be over until we're done. I think we are very receptive to the needs of our municipalities and our unincorporated areas. We realize that things cost a lot more nowadays. We see it every day in the projects that we handle.

Mr. Mitchell: I thank the minister for the clarification of the question I asked. I would just point out that the MRIF and CRIF programs, to which the minister refers, can be a bit of a double-edged sword, because there is a requirement for the municipalities to put up their share in order to get funding, along with the territorial government and the Government of Canada. Sometimes they don't have the money to put up their share, and that can be problematic.

I don't have any other questions. As I said previously, this is something that will be welcomed by all municipalities. We urged the government to do this in the spring sitting of this year, earlier in this session. Obviously, we are supportive of the fact that the government has moved forward with this legislation. We will obviously support it when it comes to a vote.

Mr. Cardiff: I just have a few questions for the minister. I just want to confirm something. I understand that basically what they are doing is setting the level of the comprehensive municipal grant fund for the next five years. They are also amending the comprehensive municipal base grant for all communities, so that all communities will be receiving \$650,000.

That's the way I read it in paragraph 3 of Bill No. 42. When you look at the original bill, that's what it basically does. It leaves the City of Whitehorse -- I will just read it: In the *Municipal Finance and Community Grants Act*, under the heading "Comprehensive municipal grant -- base grant," in section 9(1), it says: "One component of the comprehensive municipal grant shall be the base grant which shall be paid as follows: (a) to the City of Whitehorse, \$1,000,000," and then it lists the other towns in clauses (b), (c), and (d). What this amendment does is change (b), (c), and (d), to read: "(b) to all other Yukon municipalities, \$650,000."

Those figures are going to stay the same. Where are the other funds -- the additional funds -- and how are they going to be distributed to the communities, and on what basis?

Hon. Mr. Hart: The \$650,000 referred to is an amendment that was made previously to bring all the communities to the same level of money. The money that will be handed out will be done as dictated per the formula in the *Municipal Act*. It will be broken down the same way, with com-

prehensive grants. Every community gets their cut based on what is in the municipal grant.

Mr. Cardiff: I thank the minister for that clarification and it makes it a lot more understandable. I think it is good that all communities are now going to be treated the same.

It is amazing the work that municipalities do, the work that the councillors do in providing good government for their communities and looking after the budgets. They need the money in order to provide those services and I think that it is important that we recognize the fact that they do that. On a regular basis I attend the hamlet council meeting in Mount Lorne and I've been attending meetings in Golden Horn about local area regulations.

One of the things that was talked about -- as I said earlier in my second reading comments -- at Association of Yukon Communities meetings was the need to also level the playing field with local area councils and hamlet councils. Are these increased funds that are in Bill No. 42 going to be affecting the funding that is provided to local area councils and hamlet councils?

Hon. Mr. Hart: This bill does not affect the funding to the local area councils. The local area councils are funded separately under Community Services. We provide them with specific funding. I will advise the member opposite that I had a meeting with the local area councils. I requested that they all meet together and they did so this summer. They came up with recommendations, along with Association of Yukon Communities. A recommendation was put forward by Association of Yukon Communities to basically standardize the amount of monies provided to each of the local area communities, in addition to standardizing how the funds could be utilized -- this was one of our requirements to ensure that everyone is spending it in the same way. That was done.

These are all now on an equal basis. They all receive an equal amount of funding. So, under that process, they're there.

LACs provide recommendations to the government. The problem is that the funding that we're going to be putting into the unincorporated municipalities will be the unincorporated municipalities in all of the Yukon. The Government of Yukon handles the unincorporated communities. So we'll be consulting with the LACs, and we'll look at funding based on a priority basis.

We, too, have a small amount of gas tax that's available for some of our unincorporated communities. But, again, it's very small and very little with which to do any big projects in some of these places.

But, in essence, we are ensuring that we'll be -- we don't want to duplicate issues with respect to our unincorporated communities. They are too small to be doing that sort of thing. We recognize that the delivery of services in unincorporated communities is increasing, and we plan to increase our costs over the next five years through an increase in base funding.

We think that the unincorporated communities have increased costs also and, in some cases, they're quite a bit higher because lots of times the mitigation factor for a smaller place is that it is a lot more expensive than it is for a municipality.

Something as simple as a garbage dump, for example, can be very expensive.

The Member for Mayo-Tatchun will know about Pelly Crossing and other places. And the Member for Kluane has a few dumps in his area that are very expensive too, if they have to be moved or changed. So, sometimes there is a lot more work to be done in the unincorporated communities and a lot more expensive to do one small project.

That is why we prioritize where we can and, basically, put it to where the greatest need is and where it provides the greatest amount of public safety or need in that particular unincorporated. But we also understand that it needs money, and that's why we've allocated some money in there for that same place. It's a very important thing.

The LACs, as I said, as the member indicated, are very important. They do provide a very valuable service. I've been to a couple of your LAC meetings at Mount Lorne, as well as many others. It's surprising how different many of the LACs are and what their issues are. So, every one is a little different.

Every one is a little different, so we have to take a bit more time in some cases to work with it. As well, many of the local advisory councils have new people. They are new, and it takes them a little time to learn the rules and the issues in their particular area. Sometimes we have staff that can assist them and keep projects moving along, if there is a change in personnel.

Mr. Cardiff: I would just like to thank the minister for those comments. I have no further questions at this time.

Chair: Is there any further general debate? Seeing none, we will proceed with clause-by-clause reading of Bill No. 42.

On Clause 1

Clause 1 agreed to

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Title

Title agreed to

Mr. Mitchell: I move that Bill No. 42, *Act to Amend the Municipal Finance and Community Grants Act*, be reported without amendment.

Chair: It has been moved by Mr. Mitchell that Bill No. 42, *Act to Amend the Municipal Finance and Community Grants Act*, be reported without amendment.

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

Mr. Nordick: Mr. Speaker, Committee of the Whole has considered Bill No. 35, *Act to Amend the Subdivision Act*, and directed me to report it without amendment. Also, Mr. Speaker, Committee of the Whole has considered Bill No. 42, *Act to Amend the Municipal Finance and Community Grants Act*, and directed me to report it without amendment.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

The Chair has an obscured view of the clock and I count on the advice of the members as to whether it is 5:30 or not.

Hon. Mr. Lang: I move that the House do now adjourn.

Speaker: It has been moved by the Minister of Energy, Mines and Resources that the House do now adjourn.

Motion agreed to

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

The House adjourned at 5:16 p.m.

The following Sessional Papers were tabled November 1, 2007:

07-1-38

Yukon Teachers Labour Relations Board 2006 – 2007 Annual Report (Hart)

07-1-39

Yukon Public Service Labour Relations Board 2006 – 2007 Annual Report (Hart)