Yukon Legislative Assembly
Whitehorse, Yukon
Thursday, April 15, 2010 — 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.

Are there any tributes?

TRIBUTES
In recognition of Law Day
Hon. Ms. Horne: I rise today on behalf of this House to pay tribute to the 28th annual Law Day. Law Day recognizes the anniversary of the proclamation of the Canadian Charter of Rights and Freedoms signed on April 17, 1982. Law Day is organized nationally by the Canadian Bar Association and locally by the association’s Yukon chapter. Law Day’s purpose is to educate and inform Yukoners about the role and importance of law.

This year’s theme is “Access to Justice.” I’m pleased to say this government is taking important steps to ensure all Yukoners receive the information and services they require to move through the justice system. For example, the Victims of Crime Act, which is being tabled in the House this session, will ensure we treat victims of crime with courtesy, compassion and respect. This builds on the work that we did in September 2008 when we hosted the Path to Justice Conference for individuals with fetal alcohol spectrum disorder, or FASD conference.

As usual, we will celebrate the event with the Law Day Charity Fun Run and Walk, which takes place on April 23 at noon. I will start the race myself in front of the Law Centre on Second Avenue. I urge all Yukoners to take part in the run, as the proceeds raised will go to a very good cause, the Yukon Association for Community Living, which advocates for people with intellectual disabilities. The proceeds will be used to set up a registered disability savings plan for those Yukoners in need.

I would like to congratulate the volunteers who make the Law Day Charity Fun Run and Walk possible. Günilschish to you. Thank you.

Speaker: Any further tributes?

INTRODUCTION OF VISITORS
Speaker: Under introduction of visitors, members, it is my distinct pleasure to introduce the participants of the 2010 Yukon Youth Parliament. They are as follows: from St. Elias Community School in Haines Junction: Korrel Ronaghan, Laura MacKinnon and Chloe Godson; from Robert Service School in Dawson City: Greg Fischer, Cheyenne Rear, Justin Dragoman and Emile Bouffard; from Tantalus School in Carmacks: Kyle Sam, Leif Martin-Berry, Kristen Murtagh and Nina Gage; from Porter Creek Secondary School: Nicolai Bronikowski; from F.H. Collins Secondary School: Aidan Sullivan; and from l’École Émilie Tremblay: Jeannette Carney.

We are also delighted to have the chaperones and some of the teachers: Geoff Scherer from Haines Junction; Marc Legault and Sarah Taylor from Carmacks; and Sandy Silver from Dawson City. Also assisting with the sessions will be Blake Rogers.

Please join me in welcoming them.
Applause

Speaker: Any further introduction of visitors?

Returns or documents for tabling.

TABLEING RETURNS AND DOCUMENTS
Mr. Cathers: I have for tabling today a package, which includes a letter addressed to the Speaker and Members of the Legislative Assembly.

Attached to it is a copy of a letter to the Land Planning branch signed by 21 constituents of mine, and attached to that is a copy of a 2008 petition addressed to the Minister of Community Services. Finally, I have for tabling my letter of September 15, 2008 to the Minister of Community Services, and all these matters are regarding the Takhini Hot Springs Limited attempt to subdivide and to acquire rezoning.

Hon. Ms. Horne: Mr. Speaker, I have the Annual Report, November 1, 2008 to October 31, 2009, of the Yukon Law Foundation.

Mr. Cardiff: I have for tabling this desktop calendar that was tabled yesterday. It says: “Moderation is always in good taste” and the bag that went with it, because we don’t find it in good taste.

Speaker: Any further documents for tabling?

Reports of committees.

Any petitions?

Any bills to be introduced?

Any notices of motion?

NOTICES OF MOTION
Mr. Cathers: I give notice of the following motion:
THAT this House urges the Yukon government to respect the wishes of Yukon citizens living in the Hot Springs Road plan area who, by an overwhelming majority, expressed their opposition to the 2008 rezoning application made by Takhini Hot Springs Limited, and in particular object to

(1) any reduction of the minimum lot size for properties zoned “commercial mixed use/tourist accommodation – CMT”;

(2) allowing the local area plan and zoning regulations to be changed or circumvented to permit development of condominiums; and

(3) any action by government that permits an increase to the residential development potential of this property.

Speaker: Any further notices of motion?

Hearing none, is there a statement by a minister?
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Hearing none, this brings us to Question Period.

QUESTION PERIOD

Question re: Hospital Corporation public relations

Mr. Fairclough: Yesterday, a local newspaper ran a long story about this government’s plan to build new hospital facilities. A reporter asked the chair of the Yukon Hospital Corporation Board about the cost of a new website and a new public relations campaign that recently began. The chair of the Hospital Corporation Board apparently didn’t think much of the question. He used a profanity and then hung up the phone. The profanity appeared in the story yesterday.

This is a senior representative of a corporation and of this government. The individual was appointed to the position of chair by this Yukon Party government as well.

Does the Minister of Health condone this type of language being used by his representative and has he asked the chair to make a public apology?

Hon. Mr. Hart: For the member opposite, I am sure he’ll get a chance to ask the chair of the Hospital Corporation that exact question this afternoon when the Hospital Corporation is in here as witnesses before the Legislature.

Mr. Fairclough: Mr. Speaker, the question was asked of the minister and he should have enough strength to at least answer the question. The chair of the Hospital Corporation is a public representative of this government and he should be apologizing for this type of profanity.

I’d like to ask the minister about the cost of this public relations exercise. The Hospital Corporation has created a new website and it is running ads in local newspapers and has placed ads on websites including Facebook. A public relations campaign like this, Mr. Speaker, comes with a cost. The chair of the Hospital Corporation refused to answer that question yesterday. Instead, he swore at the reporter and then hung up. I will ask the minister: what is the cost of this advertising campaign?

Hon. Mr. Hart: I thank the member opposite for his question. Again, I will reiterate that he has an opportunity to ask the Yukon Hospital Corporation that exact question this afternoon with regard to the cost. Obviously the Hospital Corporation and its board of directors are responsible for the operations of the Yukon hospital, and they alone know exactly what the costs are with regard to their operations. I look forward to the response to that question from the Yukon Hospital Corporation.

Mr. Fairclough: He is the Minister of Health and Social Services, Mr. Speaker, and he should be able to answer these questions now. The government is obviously sensitive about the backlash that has been generated by its decision to borrow $67 million to build new health care facilities. Now it has the Hospital Corporation spending money on a PR campaign trying to justify the spending to the public. The government is obviously sensitive about the criticism it has received. It is also unwilling to tell the public how much money is being spent on this decision. The Hospital Corporation should be spending its budget on health care, not on defending political decisions made by the Yukon Party government.

Why is the Hospital Corporation picking up the tab for this political advertising campaign, and how much is it spending?

Hon. Mr. Hart: It’s kind of interesting that he’s taking this line of questioning. With regard to health care, the Yukon Hospital Corporation is in charge of providing health care to all Yukoners and it is their duty to educate the public, including all Yukoners — and I might add, the member opposite — about what is available through the Yukon Hospital Corporation and what’s required and what services are available at the Yukon Hospital Corporation. They are advising that and providing that to the general public and ensuring that the average Yukoner knows what services are available here in the Yukon hospital. That is the main reason for the education process that this Hospital Corporation is processing through, and not on a political bash.

Question re: McIntyre Creek protection

Mr. Fairclough: Mr. Speaker, we first raised the issue of McIntyre Creek protection on McIntyre Creek. He discarded his dedication to environmental protection. Mr. Speaker, this government several weeks ago and yesterday he said he won’t be doing anything about protecting the area because he has already done enough.

He said, and I quote: “I did contact Kwanlin Dun. But, to date, I have had no response from Kwanlin Dun, and they have not returned any of the written information that I sent to them. So, I have done my work as the MLA.”

The minister gave up on McIntyre Creek after one unrebutted message. Is this how hard the minister intends to fight for environmental issues?

Hon. Mr. Edzerza: Well, this is not a new issue that has been brought to the floor of this Assembly. The question has been answered several times. I’ll state for the record again, Mr. Speaker, that the city does take the lead on the development within the city. This government will honour the land use planning processes that are in place at this point in time.

Mr. Fairclough: In other words, he’s not willing to fight very hard at all. Kwanlin Dun may not have known where to find the member to return his message. The member himself did not know at the time if he was NDP or Independent. He said he would have taken this issue seriously if he were a member of the Green Party. Now he sits with the Yukon Party. Kwanlin Dun’s response to the member’s correspondence was probably “Return to sender, current address unknown”, but in the meantime the member opposite has already given up. Does the minister really think he has done his job when he gave up on McIntyre Creek?

Hon. Mr. Edzerza: For the record, I will stay at a much higher level than what’s coming from across the floor. I will answer in a responsible, professional manner. I’d like to state for the record that this minister and this government does not fight with anybody. We collaborate, we meet, and we make decisions together.

Mr. Fairclough: Mr. Speaker, the minister made clear when he crossed the floor the last time — he left his luggage behind. He discarded his commitment to protecting McIntyre Creek. He discarded his interests in timely state of the environment reports and, based on his complete silence on the Peel, he discarded his dedication to environmental protection. Mr. Speaker, it is hard for Yukoners to keep track of the member’s
whereabouts in the House. Beyond that — and more importantly — it has been impossible to keep track of his positions on issues that matter. Will the minister save Yukoners the trouble and tell them now: are there any other commitments he intends to discard?

Hon. Mr. Edzerza: Again for the record, I would like to state that this member is not the only member who moved anywhere on this floor of the Legislative Assembly. I rest my case.

Question re: Mineral staking within municipal boundaries

Mr. Cardiff: Mr. Speaker, yesterday the NDP put on record our position on the archaic free-entry system — the ancient laws that privileges mineral claims on Crown lands. An NDP government would change the system of mineral staking to give greater balance and allow there to be some places where mineral staking should not happen, like within municipal boundaries. The minister filibustered our motion for nearly three excruciating hours in order to prevent our motion from coming to a vote.

The people want to know where the Yukon government stands. Does the Yukon government stand behind the current free-entry system where mineral staking is permitted everywhere, including within municipal boundaries?

Hon. Mr. Rouble: Yesterday we had an opportunity to have a fulsome discussion about the issue of the free-entry system and also about staking and to clear up some misconceptions or misperceptions that people might have.

I would just like to make it perfectly clear for members and for the public that, under our Placer Mining Act, staking placer claims within municipal boundaries is prohibited, and there are specific conditions under the Quartz Mining Act that govern staking claims within municipal boundaries.

Additionally, we discussed yesterday how this government is working with the City of Whitehorse and other municipalities to address their issues of land planning and land concerns in their constituencies, and also about how we can work with organizations like the City of Whitehorse with their official community plan and with their zoning bylaws in order to address the multitude of land issues we face here in the territory.

Mr. Cardiff: So the minister just stated that placer claims are prohibited. Why not quartz claims? The free-entry system allows for mineral staking virtually anywhere within municipal boundaries. Ski trails at Mount McIntyre are already staked. We know what has happened in Spruce Hill, and every community in the Yukon has special places that are not currently immune from exploration. Once staked, the owner has proprietary rights even if others enjoyed the land for other purposes for decades prior. There seems to be something wrong with that picture, Mr. Speaker. How can the minister defend this system that is so unbalanced in favour of the mining industry?

Hon. Mr. Rouble: Mr. Speaker, for additional clarification, the Quartz Mining Act expressly prohibits the staking of any claim on land occupied by any building or anywhere near a residence and on any land under cultivation. There are additional criteria on this list. The Government of Yukon also prides itself on having a strong regulatory regime. We discussed this yesterday — the ability to have a claim does not guarantee the ability to turn that into a full-sized mine. We have discussed it, and we have provided additional information to the member opposite about the permitting process, about mining authorizations, about land use authorizations, about water licences, and the other regulatory steps involved in conducting activity on Yukon lands.

Mr. Speaker, Yukon prides itself on having a very progressive and responsible regime of regulations to ensure that we have responsible development that will benefit us socially and economically as well as address the environmental and socio-cultural and socio-economic needs of people in our community.

Mr. Cardiff: We heard all that information yesterday many times over as the minister repeated and repeated and repeated the same information.

Our position on free entry is not that radical. Many other jurisdictions have changed from a free-entry system; they’ve modified it to provide discretion and oversight. They have different means to allocate land rights and their mining industries have not suffered. It’s a progressive proposal, something that we feel would be a piece that supports the growth of a world-class mining industry, while diminishing land use conflicts. We need to do more land use planning. I don’t believe that it will scare away business as the minister suggested — as he said — and he resorted basically to fearmongering yesterday, saying that mineral —

Unparliamentary language

Speaker: Order please. Honourable member, the term “fearmongering” has been ruled out of order in this House several times before. I ask the honourable member not to use that term. You have the floor.

Mr. Cardiff: The minister cited that mineral companies will go where the resources are. I’d like to know: can the minister tell us how Yukoners would feel about the loss of benefits, such as taxes that might be generated through other uses of the land when mining claims sit without benefit to Yukoners for lengthy and indefinite periods of time?

How do Yukoners know that mining companies will be compensated for an expectation of income when lands they have previously staked become exempt, such as when a park is created or an area is protected? How do Yukoners feel about that?

Hon. Mr. Rouble: I think Yukoners are feeling very positive these days. They are excited about economic opportunities, they are satisfied by the responsible development that’s occurring and they are confident in the regulations and permitting processes that we have in place. We’ve seen investment in exploration in the territory grow from $6 million a couple of years ago, to over $150 million. We’re seeing an increase in economic opportunities and these are being done in a responsible manner. We have a strong regulatory process, including water licences, mining authorizations, land use permits and the other variety of instruments that are used to mitigate and control many of the activities that happen on the land base.
That’s in addition to the work that this government is doing on planning throughout the territory, including working with other orders of government to establish land use plans, such as the north Yukon land use plan. Additionally, the area of the Peel has been withdrawn from staking while we conduct the land use plan there.

Of course, we also have to look at the other obligations that have been established prior to us. There are existing staking claims out there; there are existing claims and we have a responsibility to respect those.

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

Mr. Cardiff: Before the Peel Watershed Planning Commission was established, there were 1,658 active mineral claims in the region. By October of 2009, while the planning commission was deliberating and lands were not withdrawn, there were a total of 8,460 active quartz claims in the planning region. That represents a fourfold increase since the commission first noted claims in the region in the spring of 2005.

Having these claims staked limited other land values and land use options that needed to be considered for that area under land use planning, which I don’t believe this government is as committed to as they say they are. Has the free-entry system of mineral staking been a help or a hindrance to doing what is right in the Peel watershed?

Hon. Mr. Rouble: Mr. Speaker, I don’t share the same opinion that the member opposite does. There is a significant number of people, organizations, businesses and governments who do make use of land and space within the Peel watershed. Yes, there are claims in that area; there have been claims in that area for decades. Additionally, Mr. Speaker, there are other groups that continue to utilize the land — to utilize it for either recreation purposes or for economic purposes through tourism or guiding. Mr. Speaker, this government recognizes that we have a responsibility to work on a diversified economy to build all sectors and we’ll continue to do that. Included in a diversified economy is certainly the mining and resource industry.

Mr. Cardiff: The minister is not answering the questions that I have been asking, basically. In a poll, 92 percent said free entry should only be permitted in certain parts of the territory. Yukoners place lots of different values on land. There are critical wildlife, recreational, spiritual and First Nation values that are equally important to our economic well-being.

The Whitehorse Cross-country Ski Club recently hosted a major cross-country skiing competition. The Mount McIntyre trail network is world-class. It is key for the recreational health of Whitehorse citizens and a major plus for visitors who come to the Yukon. Our laws have permitted mineral staking on these trails, putting this land — valued by so many Yukoners for reasons other than mining potential — in jeopardy. Is the free-entry system a help or a hindrance to preserving the ski trails at Mount McIntyre for the enjoyment of future generations?

Hon. Mr. Rouble: Mr. Speaker, the free-market entry system that we have in the territory — indeed in many parts of the world — is certainly a strong part of our economic health. It is a strong part of our industry and it’s part of the reason why Yukon is a very attractive destination for resource companies. That, Mr. Speaker, and our strong regulatory practices and the systems we have established will continue to work with our legislation, our regulation, with interested parties, in ensuring that we have responsible resource extraction. We also will work with municipalities and other orders of government, and as the member has said, the City of Whitehorse, to address many of the land use planning issues within their boundaries and within their control as well.

The Department of Energy, Mines and Resources is certainly working with the City of Whitehorse as they finalize the official community plan, which will be a guiding document for land planning in the Whitehorse area.

Mr. Cardiff: I know that the Minister of Energy, Mines and Resources is new to his portfolio. I understand that he fails to understand the problems inherent in the current legislation. I think the minister needs to catch up on what’s happening in other jurisdictions. I cited several examples yesterday in my short remarks. I think I spoke for 30 or 40 minutes, compared to the minister speaking for three hours. Quebec, New Brunswick, Newfoundland, Labrador, Manitoba, Alberta and Saskatchewan are all ranked higher than the Yukon in terms of attractive locations for mining companies. That’s according to a recent survey by the Fraser Institute that was released this morning. These jurisdictions for the most part have changed from a free-entry system and they are seen as more attractive by global mining firms. But yesterday, the minister was not prepared to let this House debate our motion —

Speaker: Ask the question.

Mr. Cardiff: Will the minister commit to getting up to speed so that this matter can be debated by this House before the end of this sitting?

Hon. Mr. Rouble: Mr. Speaker, when it comes to finding out more about the issue, I would certainly encourage the member opposite to do the same as well — to take a look at our pieces of legislation we currently have on the books, to take a strong look at the placer act, which states that placer staking is prohibited within municipal boundaries, to take a look at the conditions put on quartz mining staking and to take a realistic look at how those are applied, and also to take a look at the practices and permitting that govern activities on claims.

We have a strong regulatory process that encourages responsible development. It’s very important to Yukon’s economy; it’s also very important to Yukon’s environment and to our people.

This government will continue to work with a multitude of organizations, companies and different orders of government in order to ensure that we have strong regulatory practices that promote economic growth in a responsible way in our territory.

**Question re: Yukon Energy Corporation/ATCO**

Mr. McRobb: We now know about the government’s gag order preventing officials from discussing anything related to the Premier’s secret negotiations to privatize Yukon’s energy future. It seems that gag order also extends to documents related to those private negotiations. In 2008, the Department of Energy, Mines and Resources spent $275,000 of taxpayers’
money on consultants and lawyers secretly assigned to the Premier’s privatization plan.

I’d like to ask the Energy, Mines and Resources minister about these contracts. We know if he runs his own department, he’ll be free to answer these questions. He had lots to say in three hours yesterday. So when will the Energy, Mines and Resources minister make these contracts and the documents they produced available to the public?

Hon. Mr. Rouble: It was recently commented to me how, more and more, it appears that innuendo, conjecture and just wild ideas are often presented as fact in this Assembly. The Member for Kluane has been a member of this Assembly for many years. He is well aware of processes of government, well aware of the responsibilities under the Access to Information and Protection of Privacy Act, and he’s certainly adept at using the tools that he has at his disposal.

The Department of Energy, Mines and Resources has a responsibility to implement our energy strategy, and we’ll continue to do that. Mr. Speaker, we want to see energy opportunities grow in Yukon. We want to see the development of additional green energy areas. We want to see energy being available to help Yukoners for their rural, for their domestic and for their economic opportunities.

Mr. McRobb: Mr. Speaker, it is very disappointing to see the minister refuse to answer these questions. It appears he is content to let the Premier run his department and answer to him and follow the Premier’s orders. The public paid $275,000 for this work, yet they aren’t allowed to see any of it. This is an open and accountable government? It appears this minister, like several of his colleagues, is prepared to let the Premier run his department and tell him what documents he’s allowed to release and what documents he’s supposed to hide from the public. Will the minister stand up in the public interest and release these documents, or will he continue to follow the Premier’s orders?

Hon. Mr. Rouble: Mr. Speaker, I am wondering if there was a question on energy policy anywhere in there? This government has a responsibility to citizens of Yukon, to our employees, to the companies that we work with.

We also have a responsibility to future generations. We also have a responsibility to follow the legislation that this Assembly and previous Assemblies have passed before us. The member opposite is fully aware of how this government goes about disclosing information, its responsibility to do so, and we do. Earlier today, we saw more documents being tabled in this Assembly and more information being made available to Yukoners.

We will continue to do our good work in looking after the energy requirements of Yukon now and into the future.

Mr. McRobb: Hiding documents from the public is not good work. There’s an important principle at stake here and it’s being an open and accountable government. The minister has a choice to make: he can either decide to be open with the public or he can follow the Premier’s orders and remain in denial. These contracts were signed off by the Department of Energy, Mines and Resources. The minister has the authority to release these contracts, yet refuses to do so. These documents examined options for the government to consider in its privatization negotiations.

Is that why the Energy, Mines and Resources minister refuses to release this information?

Hon. Mr. Rouble: I’m always amazed at how conjecture and theory is often presented as fact.

Mr. Speaker, Yukon’s legislation doesn’t hide documents. Yukon’s legislation and the officials we have in our different departments who provide the information and who provide the interpretation of our legislation certainly don’t hide documents. Mr. Speaker, there is certainly a strong side that members often don’t discuss when they talk about the access to information and protection of privacy legislation, and that is the protection of privacy and the responsibility to ensure that is protected as well.

I certainly take issue with the member opposite’s assertion that government officials are hiding documents and that they are not following the legislation that we have passed.

Question re: Yukon Energy Corporation/ATCO

Mr. McRobb: Let’s return to some of the many outstanding issues of public concern from the fallout of the Premier’s secret parallel negotiating process to sell out Yukon’s energy future to private interests from Alberta. So far, the Premier has denied every aspect of this scandal brought forward on the floor of this House, despite the hard evidence to the contrary, despite the confessions of the departed, and despite the Yukon Party’s pledge to be fully open, accountable and transparent.

Many Yukoners listened in disbelief again yesterday as they heard their Premier deny there were ever any gag orders still in effect on officials, whom he involved in his secret top-level assignment. Will he now set the record straight and admit these gag orders were and still are in effect?

Hon. Mr. Fentie: Mr. Speaker, with great pleasure, I’ll set the record straight. The government has no gag orders on any official, any employee, any department, on anyone. Furthermore, I think, given the recent dissertations by the witnesses before the House, the Member for Kluane is now taking issue with what the witnesses informed the House and the member. Clearly, there were no secret negotiations. Clearly, discussions were taking place. Clearly, those discussions had nothing to do with selling assets whatsoever. In fact, it was quite the contrary. This member’s very evidence that was tabled in this House clearly shows that asset sale was not on.

So, Mr. Speaker, I don’t know how else you can explain this to the Member for Kluane, other than the fact that the member might just want to readjust his script and get back down to the basic facts of what’s really happening in the Yukon and, indeed, in this case, with the Energy Corporation.

Mr. McRobb: This Premier is locked in hard denial. Since they are all in it together, the whole Yukon Party government is therefore locked in hard denial. The evidence proves otherwise. I am confident Yukoners can see through this and it is encouraging that hope is supported by recent public opinion polls. Further, the emergence of good governance as a top issue of importance to the public hits this nail squarely on the head.

Yesterday, the Premier again denied his end runs around his
Speaker's ruling
Speaker: There doesn’t appear to be a point of order; it appears to be a disagreement among members. You have the floor, minister, and you have about 10 seconds left.

Hon. Mr. Kenyon: That again is an allegation that is completely not true, but it seems to be consistent with the Member for Kluane’s other claims.

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

ORDERS OF THE DAY

GOVERNMENT MOTIONS

Motion No. 1021
Clerk: Motion No. 1021, standing in the name of the Hon. Ms. Taylor.
Speaker: It has been moved by the Government House Leader
THAT Craig Tuton, chair of the Yukon Hospital Corporation, Joe MacGillivray, chief executive officer of the Yukon Hospital Corporation, and Nick Leenders, chief financial officer of the Yukon Hospital Corporation, appear as witnesses before Committee of the Whole from 3:30 p.m. to 5:30 p.m. on Thursday, April 15, 2010, to discuss matters relating to the Yukon Hospital Corporation.

Hon. Ms. Taylor: The motion that is before us is self-explanatory, as you have just articulated. It is welcoming debate on the motion to have witnesses appear before the Legislature later on this afternoon, including the chair of the Yukon Hospital Corporation, chief executive officer of the corporation, as well as chief financial officer of the corporation to discuss matters related to the Yukon Hospital Corporation.

We look forward to debate on this and receiving a vote on this. Thank you.

Mr. Mitchell: Certainly, we in the Official Opposition are pleased to have this motion on the floor today. In fact, we would have been pleased to have this motion on the floor last fall, during the fall sitting, when we requested that officials appear, or indeed, the previous spring, when we also requested that officials appear.

I am pleased, in particular, that the House Leader didn’t repeat her phrasing of last week and refer to this as “housekeeping”, because it is anything but. In point of fact, what has gone on for the past year plus regarding the Department of Health and Social Services and the Yukon Hospital Corporation has been very, very discouraging, Mr. Speaker. We on this side of the House have repeatedly asked questions about decisions that originated within government to devolve some responsibilities or projects from the government, from the Department of Health and Social Services to the governorship of the Yukon Hospital Corporation. We know that the Premier will tell us, as he often has, that it’s within their mandate under the legislation, and it certainly is. However, the decision to

Point of order
Speaker: On a point of order, Member for Kluane.
Mr. McRobb: On a point of order, Mr. Speaker, I think you’ve already granted this member lots of latitude in his reference to “not true,” but to claim that we on this side of the House are somehow picking on people with disabilities by asking this question is clearly out of order.
Speaker: On the point of order.
Hon. Mr. Kenyon: On the point of order, if the member opposite had been listening, I thanked him for not joining the print media in that. He appears to now be bringing himself into the discussion. That’s his decision; it’s not mine.

Some Hon. Member: (Inaudible)
exercise that part of the mandate at this point in time is certainly a joint decision.

Last year, Mr. Speaker, I wrote to the chair of the Yukon Hospital Corporation, because we weren’t getting any answers from the Health minister in the previous sitting about the issues of the Watson Lake hospital and what was happening to this oft-delayed, expensive project, or the decisions around the Dawson hospital, and finally, the decision, the costs of borrowing to construct the nurses and visiting specialist residence over on Hospital Road across the river.

I wrote to the chair of the Yukon Hospital Corporation asking about the terms of the loan, the costs involved, the interest rates, what bank is involved and so forth, because we couldn’t get answers in the House. I did that on February 17 and I have already tabled that document in this House but I can file it again today for the benefit of those who haven’t retained it. A mere two months later, I finally got an answer from the Hospital Corporation after repeatedly being told in this House to ask the Hospital Corporation and that it is not up to the Department of Health — although the final decision on the transfer of responsibility was stated by the government as not being complete but being considered. At the time, I finally got an answer on May 6 but dated April 30 that thanked me for my letter, informed me that the “Yukon Hospital Act allows the Corporation to borrow funds” and that they have the authority to do so and that said, “We intend to keep the public aware of our plans through our semi-annual newsletter to the community, Our Pulse. Thank you for your interest in this project.”

The open and transparent government who refused to answer any questions about this and to defer them to the Hospital Corporation — we saw that what we got was, “Read our newsletter.” That’s the information available to the Legislative Assembly. Read a newsletter. Now there’s a website with a bunch of information and some promotional polls and questions on it, and this again is how we have to be informed.

Yes, as representatives of many, many Yukoners in this House and in our role of holding this government accountable, we do indeed support this motion to finally have a two-hour window once a year to ask questions about tens and tens of millions of dollars of projects and everything else associated with them. It’s just unfortunate that has taken so long for this to come forward. We will be supporting the motion, Mr. Speaker.

**Mr. Cardiff:** We in the NDP caucus, of course, share many of the same concerns that have just been reiterated. We do look forward to the opportunity to ask questions of the officials from the Yukon Hospital Corporation later this afternoon. That said, I think enough has been said about this and I look forward to the questions and answers this afternoon.

**Hon. Ms. Taylor:** I would like to thank members for their constructive input and we look forward to members opposite sharing that constructive input with members of the Hospital Corporation.

*Motion No. 1021 agreed to*

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### Government Bills

#### Bill No. 82: Civil Forfeiture Act — Second Reading

**Clerk:** Second reading, Bill No. 82, standing in the name of the Hon. Ms. Horne.

**Hon. Ms. Horne:** I move that Bill No. 82, entitled *Civil Forfeiture Act*, be now read a second time.

**Speaker:** It has been moved by the Minister of Justice that Bill No. 82, entitled *Civil Forfeiture Act*, be now read a second time.

**Hon. Ms. Horne:** I’m here today to present the second reading of Bill No. 82, the *Civil Forfeiture Act*. During the last sitting of the Legislature, on Wednesday, December 16, 2009, a motion was passed to bring forward civil forfeiture legislation.

This motion read: THAT this House urges the Government of Yukon to explore and bring forward civil forfeiture legislation that would allow the government to seize the proceeds of criminal activity.

I appreciated the comments from those who spoke to the motion. The Member for Vuntut Gwitchin noted that civil forfeiture legislation has been helpful in reducing the means available to organized crime to commit further crimes. I also appreciate the comments by the Member for Porter Creek South, who stated that the Official Opposition’s position was that the government should move forward to explore civil forfeiture legislation. I would also like to thank the members of the opposition who stood up and voted in support of this motion. It was passed with unanimous consent. This is an example of the Legislature working together. I am grateful for the support of my colleagues on this side of the Legislature and the support of the members across the way. Mr. Speaker, as for the terms of the motion, we have now prepared that legislation and bring it forward for consideration here today.

I would now like to take a few minutes to explain more about this legislation. This is an act that will transfer title of property that is the proceeds or instrument of unlawful activity to government.

The *Civil Forfeiture Act* will provide civil remedies to assist in preventing persons who engage in unlawful activities from keeping the proceeds acquired through unlawful activity and in preventing the use of property as the instrument of unlawful activity. A “proceed” is defined as “property that is acquired as a result of unlawful activity”. An instrument of unlawful activity is property that has been or is likely to be used to engage in unlawful activity that results in, or may result in, the acquisition of property. Persons who acquire property as a result of, or use property in, an unlawful activity, may have that property forfeited under civil forfeiture legislation.

Forfeiture cases are conducted in civil court and decided on the civil standard of proof — the balance of probabilities — rather than the higher criminal standard — beyond a reasonable doubt.

A civil forfeiture lawsuit against property may proceed if there is no charge in a criminal matter. If there is no conviction following a charge — for example, an acquittal or stay or
where there is a conviction, but the federal Crown does not request forfeiture of the property.

In a civil forfeiture lawsuit, no one is found guilty or not guilty. Since 2001, civil forfeiture legislation has been adopted by eight provinces in an attempt to take the profit out of illegal activities by ordering the forfeiture of ill-gotten property and compensating victims of crime. In Ontario, a challenge was made as to the constitutionality of the Civil Remedies Act. The decision by the Ontario Court of Appeal to uphold the constitutionality of the Civil Remedies Act was appealed to the Supreme Court of Canada.

Seven provinces joined the court challenge to side with Ontario in its argument that seizing proceeds of crime falls under provincial power over property and civil rights, rather than federal jurisdiction to craft criminal law. The Supreme Court’s unanimous decision in April 2009 to uphold the Civil Remedies Act of Ontario preserved civil forfeiture laws adopted across Canada in recent years.

We based our civil forfeiture legislation on British Columbia’s Civil Forfeiture Act. British Columbia runs the civil forfeiture office, which is a cost recovery or self-funding model. Its success has exceeded all expectations. Envisioned as an innovative way to remove the profit motive from unlawful activity, it became self-sustaining well ahead of schedule.

The civil forfeiture office was challenged to become self-funding within 36 months of start-up and that goal was achieved in only 18 months. More importantly, as an example to Yukon, all settlements to date in British Columbia have concluded on the civil forfeiture office’s terms. Yukon’s civil forfeiture legislation has not been drafted to run a cost recovery or self-funding model. It has been drafted to adapt to the Yukon government’s existing structures.

The Yukon government conducted targeted consultation on the draft Civil Forfeiture Act with the RCMP and the Crown. We asked the RCMP and Crown for their views on the draft legislation and how and what their involvement might be in civil forfeiture cases.

We also specifically asked them to suggest ways on how information sharing may be handled. Pursuing civil forfeiture cases will be dependent on other agencies sharing information with the Yukon government. Under the legislation, the director of civil forfeiture may enter into information-sharing agreements with Canada, a province, or another jurisdiction in or outside of Canada, a public body or a law enforcement agency.

An interim preservation order may do any number of things to restrain the disposition or transmission of the property in order to preserve the value of the property. If the value of the property is compromised to such an extent that it loses its value, there is no point in moving on forfeiture so it is important to preserve its value pending the outcome of the forfeiture proceeding. As well, no court order may be made that erodes or encroaches upon the value of a property other than is necessary to the property’s preservation.

Property that is used unlawfully without an owner’s consent or knowledge may be protected by the court through a protection order. The court may proceed to protect the interest in the property held by the uninvolved interest holder by issuing a protection order. Mr. Speaker, there are sufficient remedies available in the legislation for persons whose property is in question to be able to show that their property was not being used for unlawful activity with their knowledge. By having strong protections and processes for proof placed upon the government to make their case, property owners are adequately protected. Once property has been forfeited through the court process, the property becomes the property of the government as a result of that court order.

In the case of cash, the court order has the effect of transferring ownership to the government and the money can be deposited in the consolidated revenue fund. If the court orders real property forfeited, that order is registered in the land title office to show the government is now the legal owner. Government can then sell the property and deposit the proceeds in the consolidated revenue fund.

has been charged with an offence that constitutes the unlawful activity, or a person charged with an offence that constitutes the unlawful activity was acquitted of all charges, or the charges are withdrawn or stayed.

Under the legislation, an unlawful activity means an act or omission that occurs in Yukon, in another province or in a jurisdiction outside of Canada that is unlawful under an act of Canada or Yukon or another jurisdiction and would be an offence in Yukon. The act allows for a director of civil forfeiture to be appointed by the minister. The director may enter into information-sharing agreements with Canada, a province or another jurisdiction in or outside of Canada, a public body or a law enforcement agency.

The director may collect and manage the use and disclosure of information to determine if civil forfeiture should proceed. The director has the ability to apply to the court for an order forfeiting the whole or the portion of an interest in property that is the proceeds of unlawful activity or being used to engage in unlawful activity to the government.

The director may only apply to the court for a forfeiture order for property located in Yukon. The director may administer and dispose of property under this act in accordance with the orders of the court and the regulations. To make sure property under question will be available at the end of litigation, the director may make an application to court for an interim preservation order to all of or a portion of the interest in property. An interim preservation order may do any number of things to restrain the disposition or transmission of the property in order to preserve the value of the property. If the value of the property is compromised to such an extent that it loses its value, there is no point in moving on forfeiture so it is important to preserve its value pending the outcome of the forfeiture proceeding. As well, no court order may be made that erodes or encroaches upon the value of a property other than is necessary to the property’s preservation.
At a later date, if required, the regulations allow that a special civil forfeiture account can be created with expenditures devoted to specified programs or activities.

Mr. Speaker, the act before the House has been drafted to reflect national best practices across the country. Civil forfeiture legislation has been proven in jurisdictions across Canada as an effective tool to prevent people who engage in unlawful activities from keeping property acquired unlawfully and to prevent property from being used in unlawful activities. Yukon now has legislation that will allow another law enforcement tool to pursue unlawful activities in cases where a criminal conviction might not be possible. The ability to target property used to engage in, or acquired as a result of, unlawful activity will provide the Yukon government with another tool to target crime and provide safer communities with a future means to directly redress unlawful activities through a special civil forfeiture account.

I urge members of this House to pass the Civil Forfeiture Act to improve our ability to remove the incentive for unlawful activity within Yukon by providing government with the authority to seize the instruments and proceeds related to unlawful activity. Thank you, Mr. Speaker.

Mr. Mitchell: I thank the minister for her second reading remarks. It has often been said that the devil is in the details, and that indeed is the case in legislation such as this. The minister is correct when she said that on this side of the House we encouraged the government to move forward with this type of legislation; however, we want to put on the record that we certainly weren’t signing a blank cheque when we did so.

I first of all want to thank the officials for their hard work in drafting this legislation and the briefing that was provided yesterday. It is somewhat difficult in that we first saw this legislation some two weeks ago and we had one hour of briefings yesterday, and here we are debating it.

Some points that I would like to put on the record. First of all, the minister has indicated, civil forfeiture legislation has been developed in a number of jurisdictions across the country, such as Ontario, B.C., and the minister mentioned New Brunswick.

It is something for the Yukon to consider. Yukoners have legitimate concerns about crime in their communities. Yukoners want to ensure that they have safe communities and they want legislation that actively discourages crime. Yukoners don’t want to see criminals prospering from criminal activities.

This legislation may indeed be one mechanism to address a number of these concerns, and that is why we did encourage the government to come forward with it. However, there are issues with the legislation that we have in hand that we are concerned about. First of all, we believe it’s very important to balance the communities wanting to dissuade criminals from setting up shop and from profiting thereby with the rights of individuals to privacy and protection and security of their homes and their livelihoods.

We do have to consider, and the public needs to be aware, that this legislation shifts the burden of proof in criminal court is to prove someone’s guilt beyond a reasonable doubt. The burden of proof in civil court is very different from that. It simply is that the majority of evidence leads the court to believe something — and that can be, in fact, simply technically, as was explained by the officials, that in minds of the court that is 50 percent plus one. There are a lot of details which do concern us. Some were raised during the briefing by my colleague the Member for Vuntut Gwitchin, such as the question: when a owner of property — be it a homeowner or an owner of a vehicle or any other property — who may have an action taken against the property — because this legislation is against the property not the person. There are the Latin terms in here, but in any case, that is the key aspect of it. So when this occurs, the Member for Vuntut Gwitchin asked: who will cover the costs of a person — who may be innocent of any wrongdoing but whose property has been swept up in this legislation — to defend their rights to continue ownership of the property, that they are not guilty of any wrongdoing but have simply been caught up unawares in this matter, because the burden of proof has been shifted to the person whose property has had an action taken against it — a forfeiture order against it — to defend their innocence.

The answer is that it is up to the person, the owner. There is no method envisioned for the government to assist someone in mounting that defence, which raises obvious concerns that this would be expensive and that not everyone may have the means in front of them to defend their innocence.

Secondly, we were told that this will start with a file being passed from the RCMP to the director and to the Justice department. For clarification, there does not have to have been a conviction for this to occur; there simply needs to be a police file, and so, again, the burden of proof is very different.

This can, in fact, be used to try to legitimately address the people the police believe have been committing crimes but have not successfully been able to prosecute, but it could also be used incorrectly. There are a lot of sections in here that address the fact that people cannot simply transfer the ownership of property from one person to another in order to evade responsibility. That is fair enough when it comes to — it’s called the “presumption of advancement” and it says, “…the presumption of advancement does not apply to a transfer of property or of an interest or a portion of an interest in property.”

Yes, if somebody is truly committing illegal acts, this will prevent them from transferring ownership to a friend or a relation and then saying, “It’s not my property.” But by the same token, there can be legitimate reasons why people have transferred properties.

Now there are a number of other things that we are concerned about. There has been no public consultation on this legislation, not with the general public and not with any other groups among the public — for example, with the chambers of commerce, with the Real Estate Association.

So this is all news to members of the public the day this legislation was tabled. So the public hasn’t had an opportunity to look at the legislation in hand and people who may have a particular interest in the public to provide input and suggestions
on how to improve the legislation before we debate it and pass it.

Without going into too much detail, we all know that many people in the Yukon spend a portion of their year in Yukon and a portion of the year somewhere else. The oft-noted former chair of the Yukon Energy Corporation spends about half the year in Arizona and half the year in Yukon, for example. He’s not a full-time resident here.

Many people arrange for housesitters or renters during the period of time that they’re away, and they do so in good faith. It could be that someone is away on a business trip; it could be that someone is away, studying abroad. There could be a variety of reasons, but it would be a lot for a person to always know — I mean, most of us try to vet the people who are staying in our houses, but we don’t always know what may go on in a house or with a family relative to whom we are turning our house over.

Again, there is a method in here for an innocent person to defend themselves, but they have to do that. They have to defend and prove their innocence. The government doesn’t have to prove their guilt. It is presumed when they make the order that these are the proceeds of crime or that the place has been used — the dwelling, the vehicle — for perpetrating illegal acts, and the owner has to defend against that.

Again, Mr. Speaker, very often, people, on a fairly informal basis, loan a vehicle to someone who might not have a pickup truck and they borrow a neighbour’s pickup to presumably transport something for an afternoon and that person may also be engaged in illegal activities and the owner does not know.

We just want to point these out as concerns. We think that there should be an opportunity in Committee of the Whole to get into this in much greater detail and we intend to. We hope that when this passes at second reading, because certainly the government itself has enough votes to pass it at second reading, and if we vote for this at second reading, it should not be seen as a simple endorsement of the act as it reads.

We encourage the government to show good faith by calling this bill in Committee, not allowing it, if it passes at second reading, to simply become law on the 32nd day of this sitting based on our House orders and the so-called “guillotine act”.

With that, Mr. Speaker, we know that there are others who want to speak, and we do look forward to debate on this in Committee.

Mr. Cardiff: I realize that my time is limited today and, unlike the government yesterday, I will try to be succinct in my comments and try to cover as much territory as I can.

First and foremost, I’d like to correct the minister that the New Democratic caucus did not support the motion that was brought forward in December to bring forward this legislation. There was no support from this caucus. As well, I understand some of the reasons why the minister is bringing this forward today and I’d like to remind him —

Some Hon. Member: (Inaudible)
licity and it is based on the balance of probability of guilt. In many cases, the people who are losing their property probably won’t even be able to defend their rights because they may not even be able to afford lawyers. The reason for that is because it is going to be difficult for people who are accused and who have had their property seized to defend against these actions because the money and the property they would use to hire a lawyer to defend themselves is probably the very money or the property that the government is going to confiscate.

The other thing is there are many cases in Canada where legislation of this type is being challenged under the Charter. In section 24, it states that there can be no legal proceeding for damages against the director because of anything done or omitted, so there is no recourse for people if they have been un-justly treated or have had their property seized.

We, too, share a major concern that the government has only chosen to consult with the RCMP and the Crown. This is going to affect a large number of people and the chances of the misuse — it may not happen right out of the gate, and the intentions may be good, but if you look at what has happened in other jurisdictions, in the United States they embrace this legislation and its governments raked in billions of dollars doing this.

In fact, the United States encouraged jurisdictions in Canada to follow suit. Basically, it gives government the opportunity to increase revenues without raising taxes, but I believe there are lots of examples where there have been consultations on the Corrections Act, on Compensation for Victims of Crime Act. We’re currently doing consultations on — or I hope we’re going to be — the Landlord and Tenant Act. We’ve done some consultations; we’ve completed the consultations on whistle-blower protection and we just need to make recommendations.

We’ve done consultations on the Human Rights Act and the Smoke-free Places Act. We’re proposing to do consultations on the safe use of off-road vehicles. I’m not saying that’s not important, but I’m quite certain that doing a consultation on this legislation is very important.

This is going to affect the public. We feel that the definition of “unlawful activity” is too broad. It allows regulations to define those unlawful activities. In section 20, proof that a person has participated in an unlawful activity can be when it is likely to have resulted in the person receiving a financial benefit.”

Proof of unlawful activity can even be when a person is found not criminally responsible on account of a mental disorder. It’s an attack on people with disabilities who may not have the cognitive ability to recognize that they’ve been taken advantage of by somebody else. Someone who has not committed a crime can be liable under this act as an uninvolved interest holder. The money realized from this can basically — and the minister said this — go into the consolidated revenue fund. In other jurisdictions, it’s in the purposes of the act that it goes into crime prevention programs and victims of crime funds. We believe that that would be a much better way to direct the funds.

The bill covers all legislation in the Yukon, not just Criminal Code offences. So someone could contravene an act that is not even criminally related, such as a traffic violation, and jeopardize their property.

The minister cited that this has been successful in targeting organized crime. Well, we agree that proceeds of crime should be confiscated in the case of organized crime and serious criminal and violent activity. Yes, we’re not against that, but we feel that this particular piece of legislation allows for too many abuses of people’s rights. There is the possibility of abuse as a source of income for the government, as I mentioned. In other jurisdictions, that’s the tendency. It may not be the intention at this time, but it could become used as a form of raising revenues, as has happened in the United States in some areas.

The tendency will also be to lay charges based on the balance of probabilities, because it actually means revenue to the government. We believe there’s too great a possibility of punitive prosecution. This is a small territory, and it might be an easy way to get even with someone — to give information that may be false, may not be totally above-board, but to try to get even with someone who has irritated another citizen. They may have irritated the RCMP or even the public service.

We don’t see anywhere in this piece of legislation where reporting to the public is mandated. We believe that there’s not enough accountability. There should be some mechanism that would allow for an annual report to the public and to this Legislative Assembly.

Therefore, because of all the reasons that I have cited and as per the motion that I read into the record yesterday, we won’t be supporting this bill going forward at second reading. What we did yesterday, and what I am requesting the minister do today is step back and consult with all Yukoners about this piece of legislation. I don’t think anybody wants to be soft on crime. I think we want to be tough on criminal activity, but people are presumed to be innocent until they are found guilty. This legislation basically presumes them to be guilty, and they are forced to prove their innocence in the participation of whatever activities, whether or not they were party to it. The legislation is about the property; it’s not necessarily about the person, so it could be somebody else’s property. It could be your property, Mr. Speaker; it could be the Clerk’s property; it could be the Minister of Health and Social Services’ property, and if you’re not in control of that property, if you’ve lent it to somebody or you’ve asked somebody to take care of it and they use it in a commission of a crime, the Minister of Justice can take it away. Basically this piece of legislation allows the government to come and take your property.

The Minister of Justice or the government can come, seize your cash, seize your home, seize your truck, seize your boat. You know, you may have loaned your truck to somebody to haul their boat to the lake and at some point during that trip they commit a criminal activity, unbeknownst to you, and the government could — because the vehicle was used in the commission of a crime, or in the balance of probabilities it was — 51 percent — they can come and take your truck. Now I know the Minister of Justice is going to say that that is totally ludicrous, Mr. Speaker, because we would never do anything like that.
As we’ve shown, and as I’ve spoken about earlier, in criminal cases in this country, innocent people have been convicted of murder and serious crimes, based on a much higher standard. The probability of innocent people having their property or their livelihood seized, their homes — there was a case I read about recently with regard to this matter, whereby a woman, totally unknown to her, had her son staying — well known to her, her son was living in her home. Unknown to her, he was running an Internet fraud scheme out of her house and, because of legislation identical to this, basically the same type of legislation, her home was seized. It took her years to get her legal costs back and it was a struggle.

Basically, the government wanted to take her home, because her son, unknown to her, was conducting an illegal activity out of her home and she didn’t know. This could happen here. If it can happen there, it can happen here. We’re not saying we shouldn’t be seizing the proceeds of crime, but we’re saying we need to have a higher standard of proof. There needs to be the protection of people’s Charter rights to the enjoyment of their property and they need those protections.

As I said earlier, Mr. Speaker, we are not going to support this at second reading. We don’t support it going forward. What we will support is this government taking a step backward — and I might add, the other thing about this legislation — I can’t cite the particular clause — is that it is retroactive — retroactive to whenever. It could be retroactive to the 1990s; it could be retroactive to the 1980s; it could be retroactive to the 1970s. I wonder how members of the public, members in this Legislative Assembly would feel about that. I wonder whose property may be seized because of that.

As I said earlier, we won’t be supporting this. I would suggest that the Minister of Justice take a step back. I’m more than willing to debate this piece of legislation in the fall, after they have gone out and talked to organizations like the Chamber of Commerce, like labour groups, like some of the non-governmental organizations who represent some of the disadvantaged people here in the Yukon who could be affected by this archaic, regressive piece of legislation. Why not go out to the public, consult with other civil liberties groups, legal experts, people on the street, and get it right. That would be what we would support here in the NDP caucus. Thank you.

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

Hon. Ms. Horne: Mr. Speaker, civil forfeiture legislation is helping to take the economic incentive out of crime in eight provinces. We want to show that crime does not pay.

The department will need to have ongoing discussions for implementation of the act with both the RCMP and the Crown as they prepare to roll out the act. By adopting civil forfeiture legislation, the Yukon government will have another law enforcement tool to pursue unlawful activities. Forfeiture cases are conducted in civil court and decided on the civil standard of proof rather than the higher criminal standard.

The member opposite spoke of abuse. This is based on the same basis as SCAN. We received those same comments, the same criticism. As we found with SCAN, it is very effective. No one’s rights have been violated. This is the best legislation we could put through to help us in stopping crime. There are strong protections and processes for proof in the legislation, and innocent property owners are adequately protected. Anyone who claims to have an interest in forfeited property is given the opportunity to respond to the lawsuit, but there is no criminal penalty or sanction against them whether or not they choose to participate. There are sufficient remedies available for persons whose property is in question to be able to show that their property was not being used for unlawful activity. We are not doing this as a profit-making scheme. We want to stop crime in Yukon, and this is another tool we can use.

A lot of the questions that the members opposite have put forward can be answered in Committee of the Whole and a lot of them fall under the regulations of the act. So I say to this House, this is a good act. Let’s vote it in. Thank you.

Speaker: Are you prepared for the question?
Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.
Hon. Mr. Fentie: Agree.
Hon. Ms. Taylor: Agree.
Hon. Mr. Hart: Agree.
Hon. Mr. Kenyon: Agree.
Hon. Mr. Rouble: Agree.
Hon. Mr. Lang: Agree.
Hon. Mr. Edzerza: Agree.
Mr. Nordick: Agree.
Mr. Fairclough: Agree.
Mr. Cardiff: Disagree.
Clerk: Mr. Speaker, the results are 10 yea, one nay.
Speaker: The ayes have it.

Motion for second reading of Bill No. 82 agreed to

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

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

Motion agreed to
Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Mr. Nordick): Committee of the Whole will now come to order. The matter before the Committee is Bill No. 18, Third Appropriation Act, 2009-10. Committee of the Whole was in general debate on the Executive Council Office, Vote 2. Do members wish a brief recess?

All Hon. Members: Agreed.

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

Recess

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

Bill No. 18 — Third Appropriation Act, 2009-10 — continued

Chair: The matter before the Committee is Bill No. 18, Third Appropriation Act, 2009-10, Vote 2, Executive Council Office, general debate.

Executive Council Office — continued

Hon. Mr. Fentie: When we adjourned the other day, we were discussing the supplementary for the Executive Council Office. Of course, I did a bit of an overview, Mr. Chair, on what those requests were for and any changes in the mains vis-à-vis the supplementary during the course of the fiscal year. Changes do happen. I know the Leader of the Official Opposition has fixated on the fact that estimates change; but they do, and that is what variances and that exercise is about. Of course, so too is the public accounts when actual figures are then presented to the Legislative Assembly and to the public. But that is done in accordance with the Auditor General’s work and this fiscal year that we are closing out. We will now be going into the process that will, by fall, hopefully produce the public accounts.

The Executive Council Office is a department that covers a lot of the oversight for government and one of the areas that — in fact, we were listening to some of that today about communications and gagging officials, and I can assure the members opposite that should they wish to ask questions in Committee of the Whole debate, why that’s not possible. However, sometimes the Official Opposition tends to steer away from those matters because it is a very telling situation once you get into the facts.

The Executive Council Office, beyond having an oversight in communications, ensuring that no official employee or element component, entity of any government department agency or function can be gagged. It also is responsible for land claims and implementation. There are some changes in regard to that with the supplementary. The Development Assessment branch is part of the Executive Council Office and the Youth Directorate. Of course, we know that the Youth Directorate is very much engaged with non-government organizations and youth groups that are serving the public well as front-line workers to address issues and challenges that Yukon youth of today are experiencing. Of course, much of that includes youth at risk. These are all functions of the department that are critical to the quality of life for Yukon and its citizens.

Also, Mr. Chair, the Executive Council Office is instrumental and in the lead on a five-year review process for the Yukon Environmental and Socio-economic Assessment Act. This is a very important review. The review is essential in providing input and information regarding our own act. By the way, this regulatory regime has really — over the last while, the experience that we’ve gained and that industry has gained — this particular regulatory regime has become somewhat of a situation where the country itself is now recognizing the uniqueness of the Yukon and, of course, this regulatory regime has quickly become an asset for the Yukon Territory. It is allowing the Yukon — even though we have many challenges to be competitive, it does allow the Yukon to be very competitive in the marketplace, especially when we are soliciting investment in areas such as the resource sector, but it also applies to projects and private sector investment for development, and the regime is proving to be quite positive. The five-year review is very important. The Executive Council Office and the Development Assessment branch are doing their work; we must do so in concert with the federal government and First Nation governments, but of course we want to make sure that anything we do as the review concludes, and what comes out of that review, enhances and strengthens Yukon’s regulatory regime going forward into the future, because of the fact that it has become really, as I said, quite an asset.

The other functions of the Executive Council Office are to ensure that government departments are in sync with many other functions, relative to the overall plan and vision of the government. This is not an easy task and I think a great deal of appreciation should be extended to the Executive Council Office and all its employees because we do have quite an extensive workforce. This government has chosen to be very aggressive in delivering its commitments to the public and implementing our plan and vision for the Yukon, and that aggressive approach also creates a tremendous amount of challenge and pressure on our bureaucratic structure.

Delivering the product for Yukoners is the intended objective, and because of the leadership at this level of the Executive Council Office and how that all filters through, our overall chain of command and structure has proven to be extremely beneficial in making sure that we are delivering, to the extent possible, all areas that are relative to not only building an economy, addressing quality of life, governance and so many other areas, but is instrumental in making sure that we are progressing on all fronts.

It is with that that I will move to closing out my comments by referencing the fact that the Executive Council Office also has been dealing with the northern strategy projects and, of course, the Leader of the Official Opposition has mistakenly taken that particular element of the budget and suggested that is a problem when, in fact, the member should recognize that we have obligations to the federal government with the northern strategy and changes during the course of the fiscal year in the
main estimates, to some degree, are the result of spending down these types of programs.

Also, the development of the Governance Liaison and Capacity branch is specific to working with First Nations, which is also leading to improvement in our ability to advance development projects and, indeed, ensure that the governance relationship vis-à-vis the treaties — both land claim and self-government agreements — are advancing and being implemented, given the spirit and the intent of the agreements that the federal government, First Nations and Yukon have entered into.

Mr. Chair, with that, I will request that the members opposite now engage in what is sensible and constructive debate.

I would just add that, you know, it appears that there is some limited understanding of how government works, especially by the Official Opposition, and we would endeavour at this level in debate to assist the Leader of the Official Opposition and his colleagues in understanding better the function of government and how it works.

Mr. Mitchell: I’m going to take the high road here.

I’m going to ignore the partisan side of the minister’s comments about the Official Opposition and just move forward. Time is very limited.

First of all, I want to thank the officials in the department for the work they do on behalf of Yukoners. It is, as the Premier says, very important work that is overseen by the Executive Council Office.

I’d like to say, first of all, that the explanations provided by the Premier on the funding changes — the $2,530,000 that have not been expended on the northern strategy projects are perfectly clear, well understood and agreed to, so we don’t need to have any further discussion on that.

We recognize that, as the Premier said last Tuesday, the sponsor for the projects was unknown at the time and that the project was developed, and the full funding amount was allocated, and now it will be expended in the year that we’ve now just commenced. We understand that budget adjustment.

The Premier has talked about the five-year review process of YESAA. That was certainly landmark legislation that was the fruition of many years of work by more than one government. It is certainly beneficial to Yukoners to have the screening and recommendation process be more of a one-window process, with First Nations, Canada and Yukon all participating, rather than a serial process.

There are times when we questioned what the government might be deciding when they decide not to follow the recommendations, but that is in fact the government’s right to do, because it is an advisory and screening body that makes recommendations and does not decide — the governments decide. So we have no qualms with that.

There will be more questions we will get to when we get into the main estimates for Executive Council Office, so I’m only going to really ask one question now, because we never know — some years Finance and Executive Council Office, some of the Premier’s departments, have never made it to the floor for debate in Committee.

I could leave this question for the main estimates, but in the event that they may never be called, I would ask if the Premier can give us an update on what has happened to date, where the process is on the nine-year review of the FTAs with First Nations — with those First Nations that have undergone the nine-year review. There has been much discussion of this in the media, we’ve heard from First Nation leaders that they are disappointed that Canada has not moved more expeditiously to complete this process, and we recognize that this is a process that the Premier is not responsible for, but rather Canada is. But our window to this process is through the Executive Council Office, and the Premier will clearly have some knowledge because he’s meeting with the First Nation leaders and he’s also meeting with the DIAND minister and the Finance minister and indeed the Prime Minister as to what is happening.

With that, as I’ve said, I’m not going to engage in any of the other issues that the Premier would like to claim are the positions of the Official Opposition. I hope the Premier will use the seven minutes I’m leaving for him — rather than continuing to ask questions — to give us a good answer on the status of the nine-year review. I look forward to that answer.

Hon. Mr. Fentie: The immediate status is ahead of us and I believe there will be a bilateral discussion transpiring next week between the federal government and First Nations. I think we have to put this in context because there has been a tremendous amount of work that has been done to date. It includes the fact that there has been an increase in time with the actual financial arrangement between Canada and First Nations, and extension of the existing agreement, but there have been a lot of other initiatives that have been part of the overall nine-year review. Firstly, we have to understand that the actual nine-year review was very comprehensive, very detailed and delved into a tremendous amount of detail with respect to the agreements. Secondly, the Yukon government in conjunction with First Nations also did a gross-expenditure base review. Collectively, all the work was contributing to a presentation to Canada on the merits and the value of an appropriate financial transfer agreement between the federal government and self-governing First Nations.

We must understand that this includes seven First Nations, not the most recent four who have settled their agreements and entered into treaties. It is specific to the first seven First Nations who signed off their agreements, both land claim and self-government.

The process also included a lot of engagement with the government, represented by myself, First Nation chiefs, including the Grand Chief, and audiences with a number of ministers. Those ministers included the Minister of Finance — the federal Minister of Finance, the Minister of Justice, and of course included the minister responsible for the Department of Indian Affairs and Northern Development. At the time, it also included the minister responsible for Intergovernmental Affairs and, just off the top of my head, there may have been more, but these are the kinds of meetings and discussions that were going on all through this period the nine-year review was — I guess the best way to put it — ongoing.
The result of all that work got us to where there was a bilateral process and engagement between representatives of the self-governing First Nations — the seven First Nations. I believe we were sitting as observers. The Yukon government was represented as observers because the bilateral fiscal arrangement is indeed between only the federal government and Yukon self-governing First Nations. There is a lot of confusion on this, but I want to stress the fact that when there are comments made and things that come out in the media and through other sources that there is a direct flow of money to the Yukon government that then is profiled for First Nation governments. That is incorrect. The financial transfer agreement and the arrangement between self-governing First Nations and the federal government are bilateral; it has nothing to do with the Yukon government and it’s in a direct allocation to Yukon First Nations.

The programs that create flow-through are some, in many cases, related to implementation — such as in the past, there was an agreement on language. That has changed because First Nations have chosen to exercise — at least some of them have chosen to exercise their authority in this area and now have a direct relationship between Canada and each individual First Nation. Further, when it comes to health care, we extend all health care services to First Nations but we then are in a process with Canada where we submit billings to Canada for reimbursement of the costs incurred — on the health care basis, the cost incurred by the Yukon health care system is after due diligence. Canada reimburses the Yukon government and the Department of Health for the expenditures that we have incurred considering health care delivery to Yukon First Nations, because Canada is the responsible government when it comes to health care for aboriginal Canadians. Neither province nor territorial governments bear that responsibility.

There is also the flow-through that includes boards and committees. Just by way of example, that arrangement includes many boards and committees that have been created through the treaties and the Umbrella Final Agreement, so there is an arrangement there. The ultimate financial arrangement between Canada and Yukon First Nations is bilateral and is directly involving the First Nation governments and the federal government.

We have been very supportive of the process. The Yukon government has provided, in most cases, human resource assistance, but this also required fiscal resources to be applied. We have worked with First Nations in an effort to make sure that Canada provided an appropriate fiscal arrangement. I think that the biggest challenge here — just before I close off, given the witnesses will be coming to the House — is the issue around clawback and own-source revenues. I think most other matters are relatively concluded, but this issue is a big one, and we actually support the First Nations in ensuring that Canada institutes an appropriate arrangement where an appropriate retention of own-source revenues remains with First Nation governments, similar to what we’ve accomplished. We’ve accomplished a 70:30 split where we retain 30 percent of own-source revenues.

Mr. Chair, seeing the time and the fact that the witnesses from the Yukon Hospital Corporation will be brought before the House momentarily, I move that we report progress.

Chair: It has been moved by Mr. Fentie that Committee of the Whole report progress on Bill No. 18.

Motion agreed to

Chair: Pursuant to Motion No. 1021, adopted by this House today, the Committee will receive witnesses from the Yukon Hospital Corporation. In order to allow witnesses to take their places in the Chamber, the Committee will now recess and reconvene at 3:30 p.m.

Recess

Chair: Order please. Committee of the Whole will now come to order. Pursuant to Motion No. 1021, adopted by this House today, Committee of the Whole will now receive witnesses from the Yukon Hospital Corporation. I would ask all members to remember to refer their remarks through the Chair when addressing the witnesses. I would also ask the witnesses to refer their answers through the Chair when they are responding to the members of the Committee.

Appearance of witnesses

Chair: Mr. Hart, would you please introduce the witnesses.

Witnesses introduced

Hon. Mr. Hart: Mr. Chair, appearing as witnesses this afternoon are Craig Tuton, chair of the Yukon Hospital Corporation, Joe MacGillivray, chief executive officer, and Nick Leenders, chief financial officer.

Chair: Would the witnesses like to make an opening comment?

Mr. Tuton: Mr. Chair, thank you. I think I’d like to start just by giving a little background about the corporation and what it is we do and some of the things that we’re about to embark on.

Before I do that, I would like to just take a moment to address an issue that was reported in one of the local media and just take an opportunity to advise those who were offended by my comments that I apologize. It is also regrettable the way that was reported.

The corporation has reached a milestone in its development, and we at the corporation are very excited about this. It was first established in 1993 under the Hospital Act. We have a board of trustees that consists of 14 Yukon residents who include community members, First Nations, nominees from the City of Whitehorse, the public sector, physicians and other hospital staff. These people are hard-working, very caring individuals from within our communities, who meet monthly, on a regular basis, to ensure that every Yukoner has access to the best hospital services possible.

Our mission at the board level is to provide quality acute care for the life and health of Yukon people, and this means for all Yukoners regardless of where they reside. The corporation, since that inceptive date of 1993, has demonstrated quite
clearly that we can operate a quality hospital program at Whitehorse General Hospital.

If you look at services that are provided at Whitehorse General Hospital, they have changed a great deal over the last 10 years.

If we just take you back to a moment in history, from our beginnings in 1901, we had an eight-bed hospital, which led to 120 beds in the 1970s and to our current facility, which has 49 in-patient beds, supported by leading-edge diagnostic, laboratory and a program that we are very proud of, our First Nation health program.

Whitehorse General Hospital is a respected and valued provider of health care services in Yukon. We have an excellent staff. While other provinces are struggling to find trained professionals, Whitehorse General Hospital has managed to maintain the trained health care professionals we require to provide these services in our hospital.

Currently, we have 126 physicians who have privileges to work in our hospital. This number will increase over the coming years. This number includes family physicians, resident specialists and the many visiting specialists who come to Whitehorse and provide services out of our visiting specialist clinic.

That visiting specialist clinic is a cornerstone program at Whitehorse General Hospital and is one that provides great value to all Yukoners. This clinic allows us to provide services closer to home. We have 25 specialists from Alberta and B.C. who travel to Whitehorse regularly to see patients at Whitehorse General Hospital and this includes cardiologists, oncologists, neurologists, internal medicine specialists, dermatology, nephrology, ophthalmology, rheumatology and many others as well as orthopedic.

When a specialist is here, he may see anywhere from 12 to 30 patients per day, and these are 12 to 30 Yukoners who don’t need to fly south to receive these services. This program has significant impacts on Yukon people, and quite frankly, it saves the health care system millions of dollars a year in medical travel costs. Last year alone, there were over 5,200 patients who saw a visiting specialist at Whitehorse General Hospital. This is one of our fastest growing programs and we expect this number to continually increase.

We all know family members who need to see a specialist or who require a diagnostic service, but who don’t receive these services because it means leaving their home and traveling to another community. They may not have the financial means to travel. They may not be able to take time away from work or family, or they just may not be comfortable in an unfamiliar city. This might be someone who lives in Whitehorse but needs to travel to Vancouver for an MRI, but it also applies to patients in our Yukon communities, who may not be able to travel to Whitehorse to receive a service. This speaks to the value of hospital services being provided in communities other than Whitehorse. The trends are very clear. The Yukon is growing, and the demands for health care services are increasing. Our corporation is proactively working to address these needs. We are investing in health care on a number of fronts: through our expanded programs and services at Whitehorse General Hospital, through construction of our new staff residence and health services facility, construction of our new hospital and health services facilities in both Watson Lake and Dawson City, and by helping the department put the Thomson Centre back into operation as a continuing care facility.

In 1993, the Hospital Act provided the corporation with a broad mandate that included the operation of Yukon hospitals and medical care, as well as residential and continuing care and rehabilitative care. This year, April 1, the Watson Lake hospital was officially transferred to the corporation. Our corporation is now at a crossroads as we build these new hospitals in both Watson Lake and Dawson City, and as we at the corporation organize our operations in order to support these regionalized services.

We believe in the provision of services in the communities outside of Whitehorse. This is what we mean when we say that we are moving services closer to home. We believe that this is the perfect time for the corporation to start engaging Yukoners in a public awareness campaign. Our public awareness campaign has been focused on providing factual information to Yukon people about the services that we provide today and about some of the pressures that we’re going to face while providing services in the coming years.

We have also been providing information on the exciting changes and products that we are currently undertaking to provide improved and expanded hospital services.

We at the board, as stewards of health care, have a responsibility to discuss this with Yukoners. I’m sure you’ve all read the articles in the media over the past weeks about our hospital projects in both Watson Lake and Dawson. We can’t rely on others to provide this information for us and, quite frankly, it’s not appropriate for others to do that. We must be responsible for getting that message out. Our responsibility is to our stakeholders, who are Yukon people who use our services. It’s about what they’re doing and why we’re doing.

We’re proud of the services we provide throughout Whitehorse General Hospital and very excited about the opportunity to strategically expand our services in southeast Yukon and in the north, in Dawson. All one needs to do is travel to either one of those communities or communities that surround those and talk to the citizens to see what their reaction is and what their thoughts are about having a future in hospital care in those communities.

I know you have questions you would like to pose to us and we at the corporation look very forward to discussing all these and other issues with you today.

Thank you, Mr. Chair.

Mr. Mitchell: First of all, I would like to welcome the witnesses, the chair of the corporation, the CEO and the CFO to the Assembly. It is really your Chamber, not just our Chamber. I know that the chair has some considerable experience appearing as a witness here in a different capacity, not for the Hospital Corporation, but for the Workers’ Compensation Health and Safety Board. But it is a first-time experience for the other two witnesses, and we do appreciate your attendance here.
We would also like to thank all of the employees, the staff, the nurses, the family physicians, the specialists, and the technologists who provide such excellent service to Yukoners. There is likely not anybody in this Chamber today who hasn’t made use of the services. I know for myself and for our family, I have two children, currently aged 34 and 37, who began their lives at the Whitehorse General Hospital. So we have a long history and we appreciate the work that is done there.

We have lots of questions, of course, and only so much time, so I’ll just start with a few that perhaps the chair or others can answer.

There has been an ongoing issue over the past half-dozen years regarding the employment of nurses and the way in which nurses are employed at Whitehorse General Hospital or by the Yukon Hospital Corporation, since this will now include two other regional hospitals. And the concern that has been expressed by some members of the nursing community is in regard to the use of how many nurses are permanent full-time versus part-time or on-call nurses. There have been nursing staff who have said that they can’t get the amount of work that they want and others who feel that they’re perhaps being worked more than they would like, even with overtime, when there might be other nurses available.

I’d like to ask the chair why there is this fairly high percentage of part-time and on-call nurses. Does this save money? Also, what are the annual expenses for contract nurses?

Mr. Tuton: I’m going to turn this obvious question — it’s an operational question — to the CEO. But before I do, I just simply want to take an opportunity to further comment on your comments — that we here in the Yukon are very fortunate to have the professional nurses that we do.

I have never seen, in all my years, such a dedicated group of individuals. It goes to your point, sir, about how, when they’re called upon to work when there are no other people to work, there’s never a question or an issue. It’s always “yes”. So I’ll ask the CEO to respond to your factual questions.

Mr. MacGillivray: I guess what I’d like to start by saying is that — I want to mirror what Mr. Tuton said in that we do absolutely value the services of all of our staff and we do have a very dedicated nursing staff at Whitehorse General, and now at Watson Lake as well. There has been a fair bit of discussion around the appropriate and proper make up of our staffing complement — not necessarily from a gross-number perspective, but with regard to the number of permanent staff versus casual and term staff that we have. This is something that I think has evolved over time.

Historically, we have relied more heavily on casual staff to fill in when we require it while regular staff are away, while permanent staff are away, but it is becoming more and more difficult to not only recruit but to retain casual staff. This is something that we have been looking at quite seriously over the last several months. This resulted in the establishment, the actual move of some six positions from casual to permanent status, and we continue to watch this very closely. Something that is perhaps of interest is the fact that we currently have three nursing positions that are vacant out of a total complement of some 73 nurses. That’s a fairly small number of vacancies and we are actively recruiting those currently.

Mr. Mitchell: One question that I asked at the beginning of that set was, does this save money? The particular ratio that is used — is that a decision, a reason for operating in this way? And what were the annual expenses for contract nurses? Perhaps when the witness is next answering he could cover those.

Also talking about the nursing staff — and obviously, we concur, as we’ve said. I think we’ve all received some extraordinary treatment from nurses over the years and we know the dedication — if any of us have been hospitalized — that we get from our nurses here.

To the nursing staff — over the last several years there have been a number of times when it has been reported that there has been a shortage of operating room nurses and a shortage of emergency room nurses, which has been reported by both nurses and physicians, which has led to some closures or inability to operate fully in those two areas. Has this been addressed, and why is this occurring?

Mr. MacGillivray: With regard to cost, no, I don’t believe the decision to rely on a mix of permanent, term and casual positions is directly related to costs at the end of the day. This has really been more a matter of flexibility, I believe, in the way we staff the wards and the way we work up our schedules.

I don’t mean to say, though, that costs are not important. Clearly we have an approved staffing complement and we stick to that complement.

We have had the good fortune over the last year or so to actually have a full staff within most of the nursing units, and that is why we only have three vacancies currently. We have had difficulties recruiting in some areas and we aren’t immune to the difficulties that some other jurisdictions have found, especially in the specialty areas such as the operating room, intensive care unit, maternity ward and psychiatric nurses. We have historically had some difficulty recruiting in these areas and it is in those instances that we have relied on some of the contract nursing agencies that send nurses up to us from Outside in order to cover these areas. What we have found — we’ve done some analysis of the actual costs — I don’t actually have the total costs for contract nurses here today but we have analyzed the per hour costs. Although there is, in some instances, a small increase to using the contract nurses, it isn’t as great as what some people would believe. Because the contract nurses are contracted through national agencies and because the Yukon has, relative to other jurisdictions, a higher rate of pay, the gap between what we pay our contract nurses and what we pay our permanent nurses is less.

Mr. Mitchell: I thank the CEO for the answer. In some of these cases — for example, with the annual expenses where they’re not at the witnesses’ fingertips, we would certainly accept follow-up written responses to some of those issues.

Moving on, Mr. Chair, there was a decision made not that long ago by the Yukon government regarding organizations, corporations, municipalities — although that has been deferred
— and NGOs to pay the annual funding in quarterly installments, rather than up front as a lump sum, as has been the case in the past. I believe the Hospital Corporation is subject to that as well. Can the CFO perhaps — or whoever has that number — let us know how much anticipated interest income the Hospital Corporation is missing out on by not having the money up front? Or another way of looking at it as, a year earlier, before it changed, what amount of annual income did the Hospital Corporation benefit from by having the monies paid as a lump sum?

**Mr. MacGillivray:** That’s correct; we have changed the way that the funding flows through our contribution agreements with the Yukon government. Rather than receiving full funding at the start of the year, we’re now receiving funding on a quarterly basis. When this decision was made, though, there was recognition that this was going to impact our cash flow and our revenues and the potential lost interest was estimated and that was actually included in the contribution, so we don’t see any net loss.

**Mr. Mitchell:** Perhaps again as part of the written response, the witness might provide the actual number in a timely manner.

Obviously, one of the big changes in how health care is provided or will be provided in this territory, which the chair alluded to in his opening remarks and it has been certainly a topic of great interest over the past year in the media, is the decision to — as the chair has described it — fully take up the legal mandate of the Yukon Hospital Act of 1993 by assuming responsibility for the Watson Lake Cottage Hospital as it now exists, and the future hospital that will exist in Watson Lake and the hospital to be built to replace the nursing station in Dawson.

We would like to ask how this decision was made. Whose idea was it to transfer the control over? Did it originate with a request from the Hospital Corporation Board and government has responded to it? Did it originate from the government? Just a little bit of information over the way this process took place.

**Mr. Tuton:** This, obviously, has been a work in progress, and started with the whole issue around the Watson Lake hospital and the transfer. I’m very happy to say that that transfer just occurred April 1st of this year. We were in Watson Lake last week to celebrate with our new employees, who have come across from the Watson Lake program to us. It’s something, though, that I think is — when I spoke earlier about us taking the proactive approach to recognizing the need, I think it goes without saying that one of the things that we at the corporation are always aware of and remain cognizant of is the fact that, although our population here in Yukon is definitely growing, at the same time, it’s actually aging. What that means to health care facilities is that there is going to be much more demand placed on those facilities as we move forward.

In looking at that and at some of the documents that were made available to us and that we were able to review, such as the 2007 Sierra health report, which was done for the Department of Health and Social Services and spoke about closer alignment of the Watson Lake hospital to the Yukon Hospital Corporation, as well as the health care review in September 2008, which also spoke to that rationalization.

As we at the corporation continue to do our strategic planning, we consistently prepare for the future, and we must prepare for the future. We must ensure that Yukoners have available to them the acute health care that they have grown accustomed to and their expectations have risen to.

We look at that, and we look at the partnership we have with the Department of Health and Social Services and our ability to partner with them to continue to improve both the level and the quality of health care throughout the Yukon. It only makes sense that we continue to look at where we can improve these services.

Watson Lake and Dawson City are obvious areas where we can react to the demands immediately. Watson Lake is the gateway to the Yukon. It’s the gateway of the Alaska Highway from British Columbia on two sides into Yukon; it is also the hub of present-day mining. We know that is going to grow; we know they had an eight- to 10-bed facility in that community since the early 1970s.

We know that Dawson City, in the northwest area of the Yukon, is also expanding fairly quickly with mining and all of these are going to create demands on the system. We know, for example, that Whitehorse General Hospital is reaching capacity and on many days we are at capacity or over capacity. So we need to be able to relieve that issue.

The other thing that is important to recognize is that in my earlier comments I referenced “closer to home.” It is very important, and we have heard consistently from Yukoners, both here in the capital, as well as in other communities in the territory, that they need to be able to receive these services here. We’ve spoken to many in our First Nations community, just to give an example, who have never been to Whitehorse, let alone Vancouver or Edmonton or Calgary. When they learn that their health is in such a position that they need to have the treatment that is not available in their community, number one, and even more so in Whitehorse, number two, and that they have to go to a larger community they don’t, because they can’t culturally accept that. So, it’s the right thing to do. It’s preparing Yukon for the future. It’s allowing us to develop these programs. Let’s remember that both Watson Lake and Dawson City — and Faro, for that matter — all had hospitals — and Mayo. Good point. They all had these hospitals. So the key here is that we, in conjunction with the department, are developing, yes, hospitals, but they’re not just hospitals. The key is that these are going to be community health centres. These are not just hospitals. Hospitals form a certain portion of these new buildings, but within our partnerships with the department, we will also share those facilities with other health services.

We know that when you’re trying to attract people to communities, one of the first things that they talk about besides education is what is available in health care. It’s something that we can control. It’s something that we at the Hospital Corporation are quite good at — very good at as a matter of fact — and something that we are very much looking forward to — providing these services.

So, I hope that answers your question.
Mr. Mitchell: Actually, while the witness waxed eloquently about the role that the hospitals and community health centres would play, I don’t believe he actually did answer the question, which was where the decision originated — whether it was board-driven or government-driven in its origins. Perhaps, when the witness is next answering, he’ll get back to that with a more succinct answer. But I do thank him for the information, if not the answer.

Again, on this same topic, no one argues that we don’t need to have newer, improved and updated replacement facilities in the two largest communities in the Yukon outside of Whitehorse — Watson Lake and Dawson. We do support the fact that there should be better facilities. The question becomes what the facilities should be, how the decisions are made, what is the process, and what is the needs assessment. We’re not certain at what point in time the Hospital Corporation or, prior to that, the government, did a needs assessment for the facilities and a cost-benefit analysis on the type of facility there should be, because we could build anything from a nursing station to VGH. Obviously, somewhere in-between would be the right decision.

So we’re looking for some of that information. For example, was there full consultation with the Yukon Medical Association and the Yukon Registered Nurses Association before making the decision to move to this change model of a more extensive hospital facility in Dawson and a much larger replacement for the oft-cited cottage hospital that has existed for some 30 years or so in Watson? What kind of process went on to determine what the O&M needs would be for these new facilities, where there will be savings and where there will be more expenses incurred?

When the chair was last responding, he was talking about the pressure on Whitehorse General Hospital being only a 49-bed hospital, where it sometimes is filled to capacity, though he did mention that it was once, I think he said, a 120-bed or so hospital.

It may be unfortunate that a former government made the decision to downscale areas of that hospital when the hospital was rebuilt back in the 1990s, but again there has been a lot of talk of the cost-savings. There’s certainly the issue of the benefits of people being closer to home, but the cost-savings and of course those roads — the Alaska Highway down to Watson Lake and the Mayo Road, the highway up to Dawson City — are two-way roads, so if those other hospitals are going to be used for overflow, well then there’s a cost of people being moved from Whitehorse to Watson or Dawson just as there’d be a cost of the people from the communities coming in. We’re not totally sure about the cost-savings. As far as the cost-savings for the sort of treatment that doesn’t exist in Whitehorse, presumably it’s not going to exist in Watson or Dawson. People will continue to go Outside for MRIs, at least for the foreseeable future, and continue to come to Whitehorse for CAT scans until we can justify having more than one in the Yukon.

We’re wondering whether there is a cost-benefit analysis and at what point in the process it was done, because the initial start of these two facilities came in a Budget Address on March 25, 2004.

The report indicated that there would be multi-level care facilities in Dawson City and Watson Lake, sort of extended care facilities, at a cost of some $10.6 million. The Health minister has indicated that somewhere close to $5 million has been expended in Watson Lake. I noticed on the website that the Hospital Corporation refers to it as the half-completed shell in Watson Lake that will now be converted.

So one would think that the process — normally, in the business world and in the health care world, the process would be to do a needs assessment study of what type of facility is needed, based on consultation with health care professionals, members of the public and so forth. Then, looking at the affordability of the project, do a series of planning stages to cost out and design a facility. And, you know, form following function, one would design a facility and then look at how to economically build it, so that it is at its most functional. Here, we appear to be doing the process backward. We have yet to hear of what studies have been done, but they are going to be done at least in Watson Lake to shoehorn a — I think $25 million is the figure on the new website, “moving closer to home”, and that has to be put into an existing shell designed for another purpose.

So again: what needs assessment studies were done? What cost-benefit analysis was done? Was there full consultation with the YMA and YRNA before making the decision? And if the chair wants to throw a bonus in there, he could answer the previous question about whether it was board-driven or government-driven. Thank you.

Mr. Tuton: I’ll respond to your bonus question first. I apologize for not answering that the first time around, but I obviously didn’t hear the question or the context of the question.

The process that — I guess, really, there were three steps or three levels. Obviously, I alluded earlier to the fact that the act clearly states and allows for the corporation to move forward on that basis. The next one, from the board’s perspective, obviously, was the strategic plan that the board had developed. If you would like, these are available. I’m sure it’s available on our website, but if you wish, we can leave copies with you.

The third step of that process, obviously, was government. So, I can assure you also, Mr. Chair, that the board, when posed with the question of the transfer of Watson Lake, as well as taking over the operation of a new hospital in the community of Dawson City, did so very seriously.

We didn’t take it lightly, and yes, we did the studies. One of the first things that we said to government was that we needed to do some work, initially to see what comes out of the feasibility, the functionality and all of those other — and we then contracted with the firm, RPG, out of Vancouver, who are experts in functional programming and planning of hospital facilities. We contracted with them back — early last year, and they made a number of visits to both communities of Dawson and Watson and spoke at length with doctors, with nurses, with patients, with municipalities, and consulted extremely — we
have, as a matter of fact, been applauded in both communities for the amount of consultation that we have done.

In fact, even today, when we’re in the design stages of both Watson Lake and Dawson, we rely very heavily on our existing hospital staff. For example, at Watson Lake we rely very heavily on the four medical doctors. We rely very heavily on the medical staff at the health facility in Dawson City, as well as the two doctors who are in Dawson City. We have received a tremendous amount of very valuable input from all those people.

So yes, the answer to your question is yes, we did the studies; yes, we did the consultation; yes, we talked to all those groups you indicated.

I think, if you like, I can ask Joe just to speak a little bit more about that.

Mr. MacGillivray: The way the functional planning process worked — we had these professionals in. We used a single contractor for both facilities because we recognized we wanted to have some consistency between them. RPG was a consultant we used. They came in and looked at current service volumes within the territory, but they also looked specifically in the community of Watson Lake and Dawson.

Based upon the projections that we managed to receive from other agencies such as the Bureau of Statistics and the trends that were envisioned, what RPG did was make projections out to the year 2018. Based upon those projections, the hospital functional plan was then developed. In this manner, we ensure we’re taking into context the current level of services that are either being utilized or being required within the community — projections taking us forward, and trying to tailor the facility and the services that are there so that they best meet the needs or the anticipated needs of that community going forward.

There was clearly a recognition that collocation of services in these communities was going to be one of the real benefits to patients and residents of those communities and regions, so we have designed the hospital facilities — they’re referred to as “hospital facilities” but they’re actually hospital and health services facilities.

We’ve designed the facilities so that they will have an acute care hospital component to them, but that they will also have room available for physicians’ offices, public health, therapy services, laboratory and medical imaging within the acute care side of things, a First Nation health program, ambulance or EMS services, as well as the ability to have home care visiting services such as the Child Development Centre, visiting specialists who may deem that there is a big enough volume in those communities to actually provide services locally, and in the case of the Dawson City hospital, we’ve also designed this so that a new McDonald Lodge, which is envisioned as phase 2, would be located to this facility as well, so they would have some common services and be able to support one another in that manner.

With regard to a previous question regarding interest income, we do have those figures and I’d like to provide them now if I could. In 2008-09, we budgeted $475,000 for interest income. In 2009-10, with the change in the contribution agreement so that we do not receive our full contribution upfront, but we receive it in quarterly installments — and with a significant reduction in the interest rate — we budgeted $32,000 in interest.

Mr. Mitchell: I thank the witness for digging those numbers out.

In the last question I was asking about the consultation process and it sounds like the witnesses indicated that it was extensive and the decision was announced on April 9 in a news release that Watson Lake has now been folded under the umbrella of YHC. The reason that I asked it is I have a report here called, Our Vision for Excellent Health Care Delivery in Watson Lake, and it is authored by the head nurse there in the nursing station. In the end, it says at the time that this was written: “We do not believe that a transfer of Watson Lake Hospital to the Yukon Hospital Corporation will improve effectiveness or efficiency of services. We believe that a change in the way we deliver services will do both of these things and in addition will give better health care to the residents of Watson Lake. A Primary Health Care facility is well supported in the Yukon Health Review, the Romanow Report and by the WHO.” So there has now been a change in those views by the nurse in charge of Watson Lake hospital and health centre toward the changes that have occurred because obviously the transfer has been completed.

Mr. Tuton: I’m sure that one can understand that reports of these natures that are written by individuals are certainly there to provide information. However, those types of reports don’t go through the same kinds of public processes as do the consultations and that the discussions the corporation has. I think the best way, though, to answer you question, sir, is to look at that transfer that just occurred, and let me provide you with some factual detail around that transfer. The staffing of Watson Lake hospital, as it was known prior to April 1, consisted of 36 employees. During our transfer of that facility, 27 of those 36 employees transferred to the Hospital Corporation. Five remained with Government of Yukon. Nine new employees have been hired and we’re now looking for another seven permanent positions. I guess the argument would say that the vast majority of the staff, which include nurses at Watson Lake, would certainly agree with the consultation that we have done and are very happy to become employees of the Yukon Hospital Corporation.

Mr. Mitchell: I thank the witness for the response. I’d like to ask a couple of questions about these new facilities, in terms of providing services closer to home, what kinds of services that are not currently provided that might be provided or are planned on being provided. For example, I believe it has been reported that, once these facilities have been completed, expectant mothers will be able to give birth in the Watson Lake and Dawson hospitals, as opposed to the current practice of generally coming into Whitehorse. In achieving that, what kind of medical specialist is the board planning on hiring for these two regional hospitals? For example, will there be an obstetrician based in Watson Lake and one based in Dawson, or will a Whitehorse-based obstetrician make periodic visits to those communities to provide prenatal care, or will expectant moth-
ers come to Whitehorse for the care but give birth, hopefully, with the appropriate doctor being in the community at that time? Could the chair explain some of the enhanced services that are being planned?

Mr. Tuton: I can explain some of the enhanced services, but let me first deal with the issue or the example that the member has just brought forward. We have been very clear as we have spoken to the communities in both Watson Lake and Dawson that the whole issue around childbirth and providing those kinds of services in the hospital is much broader. It’s a much broader issue and it’s certainly not one that, at least initially, we’re planning to include as a program in those facilities, and for obvious reasons. It’s very specialized care. It takes very specialized doctors, obviously, who have to be fully trained and qualified, and they must do a number of births. Both the doctors and the maternity nurses, for that matter, must keep current. Obviously, in the case of emergencies, there are always emergency births at all our nursing centres and health care facilities across the territory, but it certainly isn’t one that we’re planning — at least initially.

I think the CEO spoke awhile back about some of those programs, such as medical imaging, laboratory, occupational therapy, physical therapy, some respite care and, very important to us at the Yukon Hospital Corporation, our First Nations health program. These are all programs that are not currently in each of these communities. Perhaps I could ask my CEO if he would like to expand a little bit on the programming side to further answer your question.

Mr. MacGillivray: Mr. Chair, we have a significant program development opportunity. I think, going forward. We’ve only just received responsibility for Watson Lake hospital this month and it’s going to take us a period of time as we transition from the old hospital facility, in which we are currently running the program, into a new hospital facility. But there is, I think, significant opportunity for alignment of the programs that currently exist in Watson Lake with the programs that we have at Whitehorse General Hospital. Although there is currently an imaging opportunity — or a new imaging program at the Watson Lake hospital — I think we would like to see that expanded and enhanced through the hiring of a dedicated lab X-ray tech. The same applies to the laboratory programs that are already there.

We also envision having a combined occupational and physiotherapist position, and in the absence of being able to identify one of those, at least having rehab aid therapy services in Watson Lake in order to allow for patients to come back to that community sooner after receiving some surgeries here in Whitehorse or Outside, alternatively. We do envision there being significant opportunity with regard to an electronic medical record being implemented in both Watson and Dawson City. There is new programming through our First Nations health program to provide and support culturally relevant and culturally sensitive services to First Nations people in those facilities, and many other opportunities.

I did just want to mention, as well, with regard to maternity and obstetrical care in these communities, that we have a very high level of expectation and a very high standard within North America for our obstetrical care and births, specifically. It takes a significant amount of resources, both from a facility and a specialist perspective to support that type of a program.

We don’t envision those programs being operated in the near future, anyway. It is difficult to say down the road whether or not we will have the volume there to support such a program.

Mr. Mitchell: I thank the witnesses for the response. Perhaps a little later we could get back to this O&M cost and what is being projected, because I don’t think I heard that in the answer. You know, it is very refreshing, Mr. Chair, to have these witnesses here to ask questions of and get these instant responses. That is a positive step. Perhaps we should have them appear monthly.

I do know that the chair will probably recall that I wrote to the chair last February regarding questions we had about the then recently announced plans to proceed with the construction of a new residence for visiting nurses and doctors — questions about the costs, what kind of loan there would be, the terms of the loan. At that point, I wrote in mid-February, and the chair responded at the end of April, although the letter didn’t arrive until May 6. At the time, the chair said basically that the act allowed for it and said, “We intend to keep the public aware of our plans in our semiannual newsletter to the community, Our Pulse”, which didn’t really answer any of the questions I had put in the letter.

Now they’ve moved further. I guess if I wrote the chair now, he could also refer me to the website, so perhaps I’ll just ask about the website, because it has been a subject of some controversy as to the purposes of it. The chair indicated earlier that it was communicative and it was certainly a good thing to communicate with people.

There’s a series of links — when you go to the website, you can find out something about the Watson Lake hospital, the Dawson City hospital, the Thomson Centre — and there are some polls attached to these. For example, when it comes to the Watson Lake hospital, this new website has some information about it. That would be the one that makes reference to the half-built shell, I believe, for $5 million.

Then it asks Yukoners to take the survey, and the question that’s attached to this is, the Watson Lake hospital should be managed by Yukon Hospital Corporation — it’s stated in the form of a statement, not a question — it says, “agree, disagree or undecided.” I’m somewhat curious about this form of communication and the purpose for the poll because, after some six or seven years of construction of the facility and a year of being told in this House that it’s likely that this facility will be transferred to the Yukon Hospital Corporation, an announcement that it will be turned into a $25-million hospital, and a news release issued April 9 that indicated that the transfer had been completed on April 1, I’m wondering if it is the chair’s view of consultation to now ask the question: the Watson Lake hospital should be managed by Yukon Hospital Corporation — agree or disagree? What would the chair do if people disagreed, for example?

Mr. Tuton: As I think I attempted to allude to earlier about the public awareness, it’s very important for us as a cor-
poration to keep the public knowledgeable about who we are, what we are and all the services that we’re here to provide. It’s interesting because, although your question walks around the issue of availability of information, what I’m saying is that we, from the corporation’s point of view, need to be very transparent and very open about what we are doing and the direction that we are moving forward in.

The poll, as you call it, is simply meant to take the pulse of Yukoners, to see where Yukoners are going. We embarked on a 10-week campaign that started March 22 and that campaign includes the micro-site that you refer to — www.movingcloser.ca. It includes those polls and surveys that were designed to take the pulse of Yukoners. It includes ads in local papers and radio spots. It also includes, on an ongoing basis, signage in the facilities and banners in both of the print media, as well as in the Yukon hospital and in the soon-to-be Watson Lake and Dawson — electronic media that will keep the public informed as to what programs and what services we offer.

If you like, the bonus, as you spoke to, that I didn’t respond to earlier — if you would like me to go back to the O&M costs at Watson Lake, I would be more than happy to. So if we can look at the projected O&M costs at the Watson Lake hospital — and perhaps I would first talk about the half-empty shell that we inherited.

We did, as well, an engineering study on that structure to ensure before the corporation moved ahead and committed to building the Watson Lake hospital, and more importantly, building it utilizing the existing structure, that we had a report done. That report came back and it said, basically, that by utilizing the existing shell, or the existing structure, we would be saving in the area of $1.9 million. It ended up being a very positive use of that. Now let me talk about our projected budget for the operation of the Watson Lake hospital. We’re projecting today an O&M cost of $4.66 million per year, with a capital projection of $150,000 per year. We’re estimating our revenues at $320,000 per year, therefore, anticipating a contribution agreement with the Government of Yukon for a figure of about $3.9 million for the operating year 2010-11.

Recognizing that the department, in operating the facility as it existed prior to April 1, 2010 — their budget was somewhere in the neighbourhood of $2.5 million, with an unknown dollar figure for the centralized costs that we have included in our $3.8 million.

Mr. Mitchell: I thank the witness for those figures. I would just point out for the record that the witness referred to the poll as I refer to it. It is actually the website that says: “quick polls” and “more polls”. I’m just using the terminology that is present.

As far as the projected costs, of course, for 2010-11, the O&M is O&M for an existing hospital. It is not using the new area yet, and it is not the $25-million hospital. It is that future O&M that I was kind of interested in.

Getting back to communication of information, another section of this site says — another statement or question in the form of a statement says: “YHC should borrow money to build new hospitals in Yukon.” — “agree, disagree or undecided”.

That’s another decision that we thought had already been made by the government transferring the responsibility of the corporation, and then by a letter of authorization from the Health minister authorizing a $67-million potential borrowing. So, again, these might have been really good polling questions to ask Yukoners maybe 12 or 15 months ago, before the decision to borrow the money was made in the case of this question, and before the decision to take over the operation of the Watson Lake half-completed shell and turn it into a hospital. But it would appear that the website is communicating questions to Yukoners, seeking their input after the decisions have been announced.

Another statement on the website is: “Dawson City needs a hospital and it should be operated by Yukon Hospital Corporation.” My understanding was that the chair has held meetings in Dawson City and explained that they would be taking on this responsibility. The site was chosen and so forth.

To go back to this communications plan, it would appear less that it’s communicating information and asking questions, seeking Yukoners’ opinions in advance of decisions; rather, it would appear to be almost justifying policy decisions and seeking information as to whether Yukoners agree with the policy.

I’m wondering if that’s the role of the Hospital Corporation — whether it be to seek justification for their own policy decisions or those of the government of the day. As part of that I would ask — I’ll apologize in advance if this is offensive to the witness, so that the witness doesn’t have to apologize to me for his response, because he started this with an apology. What is the cost of the advertising campaign? What are the goals of the campaign? Is it to communicate information to the public? Is it to consult with the public? Or, is it to seek justification from the public of decisions that have already been made and announced?

Mr. Tuton: The member is quite right — the decision has been made and made for some time on how these projects were to be funded. I guess what confuses me is that I was very clear in my remarks earlier. The campaign that I speak of is a public awareness campaign, and I’m sorry if people don’t understand what public awareness is, but that’s exactly what we’re trying to do. We’re trying to make the public aware of all of the situations that arise at Yukon Hospital Corporation — who we are, what we’re doing.

We want to be transparent. We want to be able to get continuous feedback from Yukoners who obviously have some interest and it’s going to give us an ability to look at what some of those concerns are and, if necessary, address those concerns. So that is what public awareness means to me and what it means to the corporation, and that’s what we’re going to do for 10 weeks.

I can certainly share with you the costs — I mean, that’s a cost of doing business to the corporation. That’s what we do. The cost is very small — insignificant — about the cost of a cup of coffee for a Yukoner per day. It’s about $2.50 a day — a cost of about $80,000 over that period. To us, it’s a dollar well spent, which is going to inform Yukoners clearly about what they can expect in health care, what they can look forward to as they look forward to their needs or don’t look forward to their
needs in health care, as it occurs. We think that it’s absolutely the right thing to do. As a matter of fact, we think at the corporation — at the board level — that it’s something that we must do, and we are doing.

Chair: Mr. Tuton? Mr. MacGillivray, do you want to add something to that quickly?

Mr. MacGillivray: When we began — or prior to beginning the public awareness campaign — we did a very small survey of Yukon people to try to gauge the awareness of what the corporation is, who we are and what it is that we’re doing.

What we found was that a very small portion of the Yukon population actually had a good understanding of what it is that the corporation does — less than one-third of Yukoners could accurately describe what it is that the corporation is here to do.

The goal over the 10 weeks is to improve that; to increase that awareness and to increase that knowledge of the corporation so that more Yukoners are aware, given the crossroads that we are at in the development of the corporation’s mandate and our responsibilities.

Mr. Mitchell: I do thank the witnesses for the response. We do have a number — $80,000. I guess if I could provide some constructive advice to the chair or to the officials, it would be that the next time, perhaps if there are some plans for 2011 or 2012, it might be helpful to ask the questions in advance, rather than announcing the decisions and then asking the questions afterwards. But we’ll move on as my time is limited and my colleague from the Third Party wants to get into this debate.

So I’m going to try to at least get some answers to the question I asked by letter of the chair last February, which is about the some $17 million that will be spent or is being spent on the building that has gone up across the way on Hospital Road. Aside from the obvious, the residence is for nurses and for visiting medical specialists. What else will this building provide — and I must emphasize “short-term” housing for our interns, our students, all of our new employees, for any visiting medical specialist, and our contract nurses we need from time to time. Our projected budget today is $17 million. We are slightly behind time today but we fully expect to have the project completed on time and on budget by December 2010. As I have said in the past, we conducted a tender process publicly, and we selected one of our fine Canadian financial institutes through that competitive process to provide us with the dollars that we need to build that facility — that $17 million. I can tell you that it is at a fixed interest rate of 5.23 percent. The demand term installment loans will commence on December 15, 2010. We are going to make our first loan payment January 2011 and the final loan payment will be made March 2028.

Included in the agreement, every five years, either party can unilaterally elect to terminate the transaction, and our payment process will be covered by a contribution agreement with the Government of Yukon for $1.5 million per year. So, hopefully, sir, that answers your question.

Mr. Mitchell: To save me the math on the 5.23 percent — does that contribution agreement, the amount you just said — is it $1.5 million or $1.8 million? — fully cover the amortized amount per year? Do you have a number for the total interest over the term of the loan, as projected?

Mr. Tuton: That $1.5 million per year fully covers the cost. I think I’d like to correct the record here. I did make a slip of the tongue, so to speak, when I talked about the O&M costs in Watson. I believe that I said $4.66 million, when in fact the actual number is $4.066 million. So I apologize for that.

Mr. Cardiff: I, too, would like to welcome the chair and officials, and thank them for attending and providing the information that they have provided. I look forward to them elaborating on some of the information that has already been given. It has raised some questions, as well. As you can see, I have pages and pages of questions.

In your remarks earlier, you talked about how these facilities in Watson Lake and Dawson City aren’t going to be hospitals; they’re going to be community health centres. I also heard “shared health services.” What I would like to know — we had this discussion many times last fall. I asked the minister questions in the Legislature and it was really hard to get a clear answer about the mandate of the hospital. It’s our understanding that the mandate of the hospital is acute care. So if these are going to be community health centres, we would like to know about the scope of practice of the nursing staff. We would like
to know about staffing levels, which should have been part of the study that was done by RPG. What staffing levels would be needed to provide these services?

It appears there will be — what I heard the chair say was acute care; they were looking forward to having occupational and physiotherapists, lab services, X-ray technicians, specialist clinics and a connection to home care. We would also like to know about the types of diagnostic equipment, mental health services, and detox and addictions services. And who is actually going to be providing them? Is it the Hospital Corporation that will be providing them or will there be space for the government’s Department of Health and Social Services? How are those costs going to be — what will the hospital pay for in these facilities in Watson Lake and Dawson City?

Also regarding respite care and chronic disease management and support — these are typically not things that are done in an acute care facility. I’ll give you an example a little later.

Mr. Tuton: First, to correct the record — and I’m sure I spoke correctly when I said these are going to be hospitals, but they are going to include other health care facilities within the hospital.

If I can refer you to the act that was established in 1993, it clearly states that our mandate or “The objects of the Corporation are to supply (a) hospital and medical care and services, (b) supervised residential care and continuing care; and (c) rehabilitative care and services.” That is part of the act; however, as I alluded to earlier, we are partnering in both of these facilities with the Department of Health and Social Services. So when we build the facilities, we are going to build them and equip them with, for example, clinical space for our community doctors. We are going to build them with pharmaceutical space to provide pharmacies. We are going to provide space to the department for these kinds of services that you have indicated, such as the rehab services, public health and community nursing. Those are going to be provided by the Department of Health and Social Services and perhaps I can ask my colleague, the CEO, to provide some other information.

Mr. MacGillivray: There was a question previously about what diagnostics would be available in Watson Lake and over the coming year. I think we would like to see the X-ray services expanded so that we actually have a digital capacity down there so that we can turn around X-rays in a more timely manner. That is actually a project that is currently underway throughout community nursing. We would also envision over the long run, I think, having ultrasound services there in some form as yet to be determined.

One of the areas I guess that a question hits upon is what other services will be within this facility. We do envision this being a two-storey facility. We have the luxury or the good fortune in Watson Lake of having ground-level access at both the first and the second floor, so we envision the second floor of this facility being a hospital and hospital operations, and the first floor of the facility actually having a variety of allied and complementary health services.

This would include the community nursing program, the EMS — we would have some offices for EMS. There will be some space for physicians’ clinics, a retail pharmacy if there’s the decision to put one there — home care — again, the Child Development Centre on a visiting basis, and space for other visiting type services that might come from Whitehorse or elsewhere. So it is a two-storey facility, but the vision is that patients in Watson Lake would go to a single facility to receive health care services. Those services would be provided under the mandate of the corporation and continue under Health and Social Services.

Mr. Cardiff: Thanks for the clarification, because we couldn’t necessarily get all the information that we were looking for. I’m assuming that the services that the Yukon government provides now will be provided in both Watson Lake and Dawson City — and the hospital’s mandate isn’t going to change that much. Okay? I’m just going to briefly try to give you a quick overview of a scenario that has happened here in the Yukon more than once. We’re talking about an elderly person — they’ve had an accident, they’ve broken a bone or they’ve injured themselves seriously, and they end up going to the hospital, which is where they should be, to receive the services. But unfortunately they end up staying there for three months, because there’s no room in the continuing care facility. But he’s in an acute care facility and he’s taking up an expensive bed in an acute care facility where those services are provided to the public.

It’s not within the hospital’s mandate to provide counseling or the same level of physio or occupational therapy that would be provided in a continuing care facility. He needs that rehabilitation therapy but he’s now a patient who’s waiting for that therapy. He can’t go home and live independently because of the situation. So for three months, while staying in this bed, this person doesn’t get the exercise that is needed or the recreational programming. Unfortunately, people in these situations often get depressed, which means they need mental health services. They lose weight and basically there’s a decline in their condition.

So, in the end, instead of being a level 1 or 2, long-term care candidate, they’ve deteriorated and they need far more services. These are the kinds of things that I don’t know if the department tracks and I don’t know that the hospital necessarily tracks, but it costs the system a whole bunch of money. By building these acute care facilities, how is that going to reduce the costs to the system, to our health care system? What can we do to ensure that this doesn’t happen? Is it about changing the mandate of the hospital? Who should be providing those services?

Mr. Tuton: This is certainly an issue that has been very predominant at the board table ever since I took the position of chair a number of years ago now.

I guess we have an advantage here in the territory because we do have our hospital, and it is unfortunately — or fortunately — the fallback when there are no beds at a continuing care facility for these patients. Therefore, we at the hospital — whether it’s in Watson Lake, in Whitehorse or, in the future, in Dawson — are going to be called upon from time to time to fill that role to ensure that patients do have a bed in which to be treated. It’s something that our chief of staff is faced with on a regular basis, where those decisions have to be made about
Our emergency room visits have gone from 19,000 to 25,500 in just 10 years — an increase of 34 percent.

What it says is that those are the areas that we need to concentrate on. We’ve been saying that when the existing emergency room facility was built, it was too small to handle the needs of the day then and it certainly doesn’t meet the needs of today. That is an area that we have been in discussion with government about, and it’s an area that we have to recognize and we have to deal with.

Quite frankly, prepare yourself, because the anticipated costs around that expansion — which would include laboratory, medical imaging, and emergency room — is estimated to be between $45 million and $50 million. Those needs are evident today; they’re needed today. That speaks to the numbers of dollars that are required within our health care system. It is sustainable, but we have to look at some very innovative ways to be able to finance the needs of our health care system.

Mr. Cardiff: I thank the chair for the answer to that question. If they’ve done — they’ve obviously done some work on this. They’ve done some studies on this, and it would be helpful to members of this Legislature if those studies — I don’t believe they’re proprietary, and I hope that there’s not some private corporation that’s going to steal that information and make use of it — could be shared with Members of the Legislative Assembly.

I have a similar question with regard to the studies that they talked about a little earlier. I believe RPG was the name of the firm that did the consultations and the plans.

I’d like to know what the cost was of that work that RPG did, and whether or not there were projections for fixed operating costs, and what the staffing levels would be at a hospital in Dawson City. There are doctors there; there are nurses there. It’s currently operated as a nursing station. So I believe if it is going to be a functional hospital, there might be a requirement for more staff. So we’d like to know what a 24-hour acute care hospital in Dawson would need, if that’s what is intended. We’d like to know what the cost is.

With regard to RPG, I understand — basically it stands for “resource planning group”. I understand they are very experienced in the work they do. We’d like to see a copy of that report. I would just like to know whether there were any recommendations in these reports, which I’d be pleased to read myself at some point. But one of the things they’ve been very successful at are P3 projects, and they’re basically looking at outsourced services.

I’m just wondering whether or not the Hospital Corporation is looking at private industry to outsource some of the services that they’re required to provide either here in Whitehorse, in Dawson or Watson Lake?

Mr. Tuton: I’ll take the last question and then I’ll ask my colleague, the CEO, to follow up. Absolutely not, we’re not looking at any P3 projects in either Watson Lake or Dawson, and we’re not looking at any private contractors to provide any of the services — at least the general services — in Watson or Dawson. I’ll ask Mr. MacGillivray to continue.

Mr. MacGillivray: Part of the question was a request for the cost of the contract for the Resource Planning Group to...
complete the functional plan in Watson Lake. What was actually in place was a contract with Kobayashi & Zedda Architects Ltd. They subbed to the RPG group.

That contract with KZA was for $198,650. That contract was with Highways and Public Works. The contract was already in place at the time that the corporation was asked to come in and take on the responsibility for Watson Lake. Highways and Public Works continued to administer that contract and the corporation received the reports.

There were three reports that were actually developed. One was the functional plan by RPG. The second was a review of the existing shell in Watson Lake with regard to the feasibility and the suitability of that to be used for a future hospital facility. The third piece was some preliminary conceptual plans, based upon the decision that yes, the shell was suitable. The $198,000 actually included all three of those. I would have to go away and come back with specific costs for RPG.

Mr. Cardiff: It was my understanding from the earlier discussion that these reports address both Watson Lake and Dawson City.

Mr. MacGillivray: The report that KZA and RPG provided in Watson Lake was covering the three areas I’ve just discussed.

RPG was then contracted directly by ourselves to complete a functional plan in Dawson City, given the experience we had with them in Watson Lake and the fact that we were pleased with the quality of their work.

Mr. Cardiff: Do we know what the cost of that study was in Dawson City? As well, is it possible — are these documents public and could we receive a copy of all the documents in our office?

Mr. MacGillivray: I apologize — I don’t have the costs of the RPG contract here. I will follow up, though, with those costs and with a copy of the actual functional plan for both facilities.

Mr. Cardiff: Thank you, Mr. Chair. During the study that was done in Watson Lake — I’ve driven by that building many times actually over the last five or six years, and hopefully we will actually see some progress there — it was my understanding that, because the building was open to the weather for awhile, that there were issues around mould in the building.

I’m just wondering whether or not those issues have been addressed.

Mr. Tuton: Yes, all of those issues were addressed. In fact, there was very little actual mould that was in the building. The very, very, very minute amount that was found was rectified and fixed very quickly.

Mr. Cardiff: Thank you. I could probably ask a lot more questions about these subjects, but I’d like to ask some questions about the Thomson Centre. It’s my understanding that there has been a commitment made to open beds at the Thomson Centre. It’s my understanding that the building itself is now functionally operated by the hospital. Is it going to be the hospital that’s actually providing the services there? Who’s responsible for the repairs that are left to be done and the work that’s left to be done there?

What’s the estimated cost of those repairs? How many patients is it intended to house? Is this going to be helpful in alleviating the situation that I brought up earlier? Will there be physiotherapists and other therapies available at the Thomson Centre, as it’s expected to be operated, and what level of care can be expected there?

Mr. Tuton: I’m happy to say that the Thomson Centre actually is one of the assets of the Yukon Hospital Corporation; therefore, we are the landlord. We will be leading the renovations at the Thomson Centre. Unfortunately, I can’t provide you with any costs today because we haven’t gotten to that point yet, but we expect to be there fairly soon. Therefore, I also can’t give you any dates as to when tenders will be let or when they will be awarded or when renovations will start.

But I can tell you from our discussions with the Department of Health and Social Services that their plans are to have 19 intermediate care beds and 10 extended care beds in the adjacent pod. The 19 intermediate care beds — for anyone who has been in that building previously — that will be in the area that was previously used for the dementia units. The total number of beds will be 29. Health and Social Services will be tenants of the Yukon Hospital Corporation. We would be happy to provide the dollar information once it becomes apparent to us.

Mr. Cardiff: I would like to thank the chair for that. Obviously, if it is Health and Social Services that is going to be delivering the services there and they are the tenants, it will be Health and Social Services that is responsible for the level of care and whether or not there will be physiotherapy and other therapies.

As their asset holder and the landlord, were there issues of mould at the Thomson Centre as well, so can you tell us if those have been resolved?

Mr. Tuton: Presently and over certainly the last year or so, the Yukon Hospital Corporation has been utilizing a great deal of space in the Thomson Centre. There have been ongoing issues and ongoing repairs made to the Thomson Centre and there are some continuing issues around that. The issue of mould, though, is not one that I can identify for you immediately, but if and when it does become an issue, I would certainly be prepared to provide you with that information.

Mr. MacGillivray: I can add that in the areas of the building that are being renovated for continuing care, we are specifically looking to ensure that any mould that may be there — and we’re not sure that there is mould there, but any mould that may be there — is remediated prior to it being used for continuing care services.

Mr. Cardiff: Earlier, there was a discussion about the transfer — and there has been a discussion about the public relations campaign or the education campaign. It was my understanding that prior — that the recommendations that were made in the 2002 report — there was a commitment to demonstrate the improved cost-efficiency and effectiveness in service delivery. It was supposed to lead to an improvement in the alignment of the delivery of health care services. That was my understanding.

I’m just wondering whether or not the hospital has and could produce and make public that complete assessment —
because obviously the decision has been made to transfer the delivery of those services in Watson Lake and Dawson City, and that was what was asked for in the 2008 sustainability review — the rationale, basically.

There was a commitment basically to demonstrate that there was a benefit to it. I’m just wondering if you could produce and give us a copy of that complete assessment.

Mr. Tuton: I have no idea what the member is referring to.

Mr. Cardiff: Okay, it’s in the 2008 — in that report which, unfortunately, when I came in I didn’t bring a copy — and so I’m going from the notes that I made, but I believe it’s on page 21.

Mr. Tuton: Mr. Chair, would it be agreeable with the member that we take that question back with us and see if we can determine what it is and provide a written response?

Mr. Cardiff: That would be agreeable. I will try and provide the reference before the end of the day.

I believe that somebody has gone to get that as we speak, so I should be able to provide a copy of what it is that I’m referencing.

I would like to ask about medevac and the rationale that there will be a cost savings and an improvement in services. We’ve already seen patients transferred from Whitehorse to Watson Lake and the potential is there. I guess what we are looking for is some sort of analysis or study that shows that there actually will be a cost saving.

The other question in here is, if someone is injured in Mayo and they need to be medevac’d, are they going to go to Whitehorse or Dawson City? It is my assumption that they would go to the closest place.

There isn’t a medevac plane station in Mayo, so we’re actually — the cost of the medevac could actually increase, and what we’d end up with is medical staff from Whitehorse traveling to Mayo and then to Dawson, and then they’d be coming back to Whitehorse. Are there going to be situations where we end up with staff who are from outside, from other communities — if there’s a medevac from Dawson, the plane flies to Dawson and gets the patient. If there are no staff here in Whitehorse to accompany the medevac, and we’ve got staff from Dawson coming from Dawson with the patient who’s being medevac’d, how do they get back to Dawson City, other than by using the medevac?

Mr. MacGillivray: I think the concept that we’ve been working under with regard to hospitals in both Watson and Dawson is that patients from those communities would be the best candidates — or from those regions — to return to those communities.

Either they wouldn’t leave the community — they would receive the service that they need in their hometown and then they’d be discharged and they’d be able to go home or they’d be able to return to their communities sooner than they would if they had to remain in Whitehorse until they were fully recuperated from whatever it is, the acute need that they had to be in hospital.

The intent is to — and we did do this when we previously had moved patients from Whitehorse to Watson Lake — we had endeavoured to try to find suitable patients from that community to go home sooner. The intent is not to necessarily medevac patients from Whitehorse to those communities.

What we do envision though is that, other than medevacs, there is an awful lot of cost associated with medical travel and we are hoping that there’s going to be some reduction and some savings as a result of that. It’s very difficult to estimate what those cost savings could be, but that is one of the assumptions that we’ve made with implementing these programs in those communities.

Mr. Cardiff: I thank the president for the answer.

It’s in the Yukon Health Care Review, page 21 and it’s in the summary of the recommendations. What it says is: under Institutional Governance Structures: “Changes in institutional governance structures should only be considered if it is determined to be highly likely that the change will lead to both an improvement in the alignment in the delivery of health care services, and improved cost efficiency and effectiveness in the service delivery.”

Then in (b), under Other Services, it says, “In the future, the government should consider the transfer of other services and facilities to Yukon Hospital Corporation if it can be demonstrated that the transfer will lead to both an improvement…”

Again, so it has to be demonstrated. There has to be some documentation; there has to be a study that shows that the transfer of these services and facilities is going to lead to an improvement and improved cost efficiency for effectiveness in the service delivery.

Are those studies available?

Mr. Tuton: There are no studies to my knowledge. There are a number of anticipated benefits associated with transferring both Watson Lake to the corporation and Dawson hospital to the corporation. I would be very happy, in the interest of time, to share those benefits with the member in a written form.

Mr. Cardiff: I believe that the chair of the corporation already outlined those previously. I guess what I am looking for is, one of the things that this government insists on is business plans and doing the due diligence — doing the actual paper work, the studies, talking to people, doing an analysis. Unfortunately, if that work has been done, it hasn’t been shared with the Hospital Corporation because you don’t have any knowledge of it. It hasn’t been shared with the opposition, and I don’t believe it has been shared. I will say again, it is not that I’m against or the New Democrat caucus is against health care facilities in rural Yukon; quite the contrary, we want to see good health care services delivered in rural Yukon. We think that’s important.

We are just questioning whether or not the due diligence and whether or not all of the studies to prove that what’s actually being done has actually been proven — that the benefits are there. That said, I’ll put my glasses back on, and I’d like to thank the witnesses for appearing here today and hope that this becomes an annual occurrence here in the Legislative Assembly. The only thing that I might add is that I think, with all the questions that could be asked, more time could be considered.
I’d like to end by asking one other question, which I still don’t believe I got an answer to, and that is about staffing levels — nurse staffing levels in Dawson City. What is expected to be the staffing level and the requirements?

Do we have predicted O&M costs to operate the hospital in Dawson City?

Mr. MacGillivray: We are in earlier stages with the Dawson project than we are with the Watson Lake project, obviously, given that we have already had the program transferred to us in Watson Lake. We have not yet finalized the nursing model that will be used in Dawson City. There are a couple of options available to us. We recognize that this is going to be a small facility though. We are looking at a fairly small complement of nurses. We obviously need to have, at minimum, two people on staff at night and that is going to drive some of the model that we’ve put in place. Final decisions on that model have not been made yet and they will be made over the coming months. We are building that hospital facility, though, in a manner that will provide us enough flexibility that we can accommodate the model that we do choose.

Hon. Mr. Hart: On behalf of Committee of the Whole, I would like to thank Craig Tuton, chair of the Yukon Hospital Corporation, Joe MacGillivray, chief executive officer of the Yukon Hospital Corporation, and Nick Leenders, chief financial officer of the Yukon Hospital Corporation, for appearing as witnesses today.

Chair: Thank you, Mr. Hart. The witnesses are now excused. Seeing the time, the Chair will rise and report progress.

Witnesses excused

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair’s report

Mr. Nordick: Committee of the Whole has considered Bill No. 18, entitled Third Appropriation Act, 2009-10, and directed me to report progress on it. Also, pursuant to Motion No. 1021, Craig Tuton, chair of the Yukon Hospital Corporation, Joe MacGillivray, chief executive officer of the Yukon Hospital Corporation, and Nick Leenders, chief financial officer of the Yukon Hospital Corporation, appeared as witnesses before Committee of the Whole from 3:30 p.m. to 5:30 p.m.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried. The time being 5:30 p.m., this House now stands adjourned until 1:00 p.m. Monday.

The House adjourned at 5:32 p.m.

The following Sessional Paper was tabled April 15, 2010:

10-1-153

The following documents were filed April 15, 2010:

10-1-143
Takhini Hotsprings rezoning application: concerns and opinions of residents of the Hotsprings Road Local Area Planning district (Cathers)

10-1-144
Takhini Hotsprings rezoning: letter (dated November 6, 2008) to Hon., Archie Lang, Minister of Community Services from Erik Val, Local Resident and Community Spokesperson (Cathers)