

**Yukon Legislative Assembly
Whitehorse, Yukon
Monday, November 8, 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.

Tributes.

TRIBUTES

In recognition of 2010 Yukon Farmer of the Year, Alice Boland

Hon. Mr. Rouble: I rise today to pay tribute to Yukon's 2010 Farmer of the Year. This year's praiseworthy recipient is Alice Boland of Carmacks. Alice exemplifies commitment and passion for agriculture through her work at the Little Salmon-Carmacks First Nation farming venture.

The Little Salmon-Carmacks First Nation farming venture started as a market garden pilot project with approved community self-sufficiency in mind. The project now includes a community root cellar, greenhouse operation and has conducted field trials of potatoes and other root vegetables.

After 11 years of dedication to this highly valued community project, Alice now manages the community greenhouse, including production and sales. Through Alice's efforts, the people of Carmacks are able to enjoy locally grown produce while supporting a community business and providing for local employment. As part of the community, the greenhouse also provides training opportunities, education in gardening and composting, as well as donations of fresh produce to elders, single parents and diabetics in the community.

Alice's success at producing food for her community has led to overwhelming community support for the Little Salmon-Carmacks gardens and greenhouse. As one nominator wrote, "If farming was an Olympic sport, Alice would have a gold medal."

The contribution that Alice makes, along with all of Yukon's farmers, is one that all of us reap through access to local products and healthy foods produced right here in our communities. Thank you, Mr. Speaker.

Mr. Fairclough: I rise today on behalf of the Liberal caucus and the NDP caucus to pay tribute to Alice Boland, the award winner for the Farmer of the Year, and I would like to congratulate her for all her hard work.

Alice has worked with the Little Salmon-Carmacks First Nation in their greenhouse and gardening program. She started — and admits to this — knowing very little about gardening.

Since then, she has talked and worked with many local people in the community with a background in gardening and farming. My how things have changed over a few short years. She has brought an awareness to the community of the impor-

ance of having fresh vegetables, and to this day, Mr. Speaker, the First Nation elders have greenhouses that they plant and grow vegetables in. It has become a wide and big and important issue with the community.

Mr. Speaker, Alice is a cancer survivor, and during her time working in the gardening department, she has gone through this whole process and has felt that even the gardening and greenhouse work that she does has helped her through it. She has worked hard, and the community is proud of her. We all love her, and this is very much a success story — a very fine one. I'd like to congratulate Alice also. Keep up the good work. The community is proud of you.

Speaker: Are there any further tributes?

Introduction of visitors.

Returns or documents for tabling.

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Lang: I have for tabling the Queen's Printer Agency annual report for 2009-10.

Hon. Mr. Hart: I have for tabling the 2009-10 Yukon Health and Social Services Council annual report.

Mr. Fairclough: I have for tabling a *Minority Report on Whistle-blower Protection*.

Mr. Cardiff: I have for tabling a document entitled *Minority Report on Whistle-blower Protection, November 2010*.

Hon. Mr. Lang: I have for tabling the Fleet Vehicle Agency annual report for 2009-10.

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

Are there any reports of committees?

Are there any petitions?

PETITIONS

Petition No. 14

Mr. Cathers: I rise today to table a petition signed by over 80 residents of the Hot Springs Road, a number of other constituents and myself. The petition reads as follows:

To the Yukon Legislative Assembly: this petition of the undersigned shows:

THAT residents of the Hot Springs Road area have been very accommodating to Takhini Hot Springs Limited but are concerned by the proposed development of condominiums. When the Local Area Plan and Area Development Regulations were developed, residents agreed to give the corporation its own zoning class (CMT), including a special provision that allowed the owners to proceed with a "cohousing" project that would have seen several owners' families living together. After repeated assurances about the nature of their plans, residents agreed to a special provision in the zoning regulations to allow for this specific activity. We are disturbed by the corporation's

attempt to use this provision for an entirely different purpose (condo development) that may be financially lucrative, but would be devastating to the character of the neighbourhood and have a dramatic negative impact on nearby property owners. The special provision states “Landowners of several properties zoned Commercial Mixed Use/Tourist Accommodation may be able to consolidate the residential development potential of these properties in a single lot...” It does not state that they SHALL be allowed to do so. Similar provisions do not exist in other zoning regulations — and as the reason this provision was created no longer exists, it should be eliminated.

THEREFORE, the undersigned ask the Yukon Legislative Assembly to support our request for an amendment to the Hot Springs Road Local Area Plan and the Hot Springs Road Area Development Regulations that eliminates the unique opportunity for owners of properties zoned “Commercial Mixed Use/Tourist Accommodation — CMT” to apply to consolidate the residential development potential of properties zoned “CMT” in a single lot. Further, we ask the Assembly to support us in opposing any reduction of the minimum lot size for properties zoned “CMT”.

Speaker: Are there any further petitions?
Are there any bills to be introduced?
Notices of motion.

NOTICES OF MOTION

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

THAT this House urges the Yukon government to extend the position of Ombudsman and Privacy Commissioner from half time to full-time, as has been recommended several times by incumbents in the position, in order to:

- (1) respond adequately to the public’s demands for service;
- (2) allow the position sufficient time to find creative solutions to problems in the public service;
- (3) give the public access to records in a more timely manner;
- (4) prevent the unauthorized collection, use, and disclosure of personal information that may not be brought to the attention of the position due to work overload; and
- (5) allow the position adequate time to educate the public about this important service.

Speaker: Are there any further notices of motion?
Statements by ministers.
This then brings us to Question Period.

QUESTION PERIOD

Question re: Fiscal management

Mr. Mitchell: For six years, this government operated on a pay-as-you-go basis. Projects were budgeted far ahead of time, and they were completed and paid for with cash.

Now that there is an election looming, things have changed. Now every project must happen before the writ is dropped, even if that means every penny must be borrowed. The Premier lobbied for an increase in the territory’s borrowing limit just 18 months ago. He had that limit more than doubled

to \$300 million. Ever since, he has been spending as fast as he can to reach that new limit. Yukoners will be paying interest on the Premier’s spending spree for the next 30 years, long after he has left office. How much is the Premier’s legacy going to cost Yukoners?

Hon. Mr. Fentie: Let’s look into some of the initiatives and the programs and service, that the government is investing in — and the Liberal leader calls this a spending spree. Does the Liberal leader not understand that Yukoners — citizens in Dawson City and the surrounding area, Watson Lake and surrounding area, are not the type of citizens who should be able to receive emergency services 24 hours a day? Is that what the Liberal leader is saying? Outpatient services, such as clinics, IV antibiotics, et cetera — they’re not citizens that should receive that? Stabilization, observation and monitoring with inpatient beds, convalescence care, some respite care, some palliative care, acute medical detoxification, acute mental health intervention and other care, as required, First Nation health program, an inpatient and outpatient laboratory, medical imaging, inpatient pharmacy, dietetic counselling, therapies — is this the Liberal leader who purports to represent an alternative to the Yukon Party government, who opposes Yukoners’ access to those services? This is not a spending spree — it’s an investment in Yukon’s health care needs.

Mr. Mitchell: Yukoners know there are many worthwhile projects they would like to see, but they also know they cannot afford to have them all at once. Let’s add up the numbers for this Premier’s spending spree.

There’s \$100 million for Mayo B and other Yukon Development Corporation borrowing. Even with the federal government paying for half of Mayo B, the Premier still had to borrow every penny of Yukon’s contribution. There’s \$67 million for the new nurses residence and hospitals — again, every penny borrowed. Plus there’s another \$50 million needed for the Whitehorse General Hospital emergency room. The Premier has already spent down the savings account, so every penny of this will have to be borrowed too.

Will the Premier admit that this spending spree has reached more than a quarter of a billion dollars?

Hon. Mr. Fentie: You know, Mr. Speaker, the Liberal leader is playing very fast and loose with the facts and the financial position of the Yukon Territory. The Liberal leader says that any further expenditure would have to be borrowed. Does the Liberal leader not ever look at the budget documents, at the multi-year fiscal plan that has been tabled for the member’s own observations? Is that the conclusion he draws? Multi-year capital plans show explicitly the estimates for future capital projects.

How does the member justify this? The Yukon is one of only two jurisdictions in Canada that doesn’t have to borrow to finance future operations. It has, as duly noted in the auditor’s opinion, the financial assets to finance future operations. That’s a far cry from when we were debt servicing the cost of wages for Yukon employees and programs and services for Yukoners. We are investing in Yukon’s future and we are building Yukon’s future, and we continue to maintain a savings account for that future.

Speaker's statement

Speaker: Before the honourable leader asks his next question, from the terminology, Hon. Premier, of “fast and loose”, the implication could be that the Leader of the Official Opposition is doing something wrong. The terminology will lead to discord so, honourable members, try to stay away from those types of terminology.

The Leader of the Official Opposition has the floor, please.

Mr. Mitchell: Well, I won't use the terminology that the Premier has used, but I will say that he has just had the borrowing limit increased from \$138 million to \$300 million and he has wasted no time running up the credit cards. It has certainly been fast; we won't go to the second term.

All this debt, old and new and newly necessary, under the Premier's leadership will total almost \$270 million. At the same time, he has spent down the savings account by 80 per cent and now makes a habit of running deficits. There's only one way the Premier knows how to fix these problems: borrow more money.

Will the Premier be lobbying the federal government for yet another increase to the credit limit?

Hon. Mr. Fentie: Obviously no. We are a jurisdiction in this country that can actually finance future operations with existing fiscal assets. We'll not be lobbying the federal government for any increase in our borrowing limit. That's certainly happening in other jurisdictions in the country and we can understand why. There are only two jurisdictions that aren't in a net debt position — Yukon and Alberta — and that takes a lot of hard work and sound fiscal management to be able to get into that fiscal position.

Mr. Speaker, the member is wrong in his assertions. Our debt limit as it is today — at \$300 million — has not been exceeded; in fact, it has not been reached.

Question re: WCB overdraft charges

Mr. Fairclough: Mr. Speaker, according to the latest annual report of the Workers' Compensation Board, the corporation was forced to pay overdraft charges in 2009 because it didn't have money in the bank to cover operating expenses. The annual report says, and I quote again: “The board has access to the Government of Yukon's overall line of credit facility with its banker...In 2009, the Fund paid \$16,598 of interest on the overdraft.”

Now the board can't access this line of credit without asking permission from the government because it's the government's line of credit. Who approved WCB using the government's line of credit? Was it the minister? Was it the entire Cabinet? Or did this happen in the corner office?

Hon. Mr. Hart: For the member opposite, he will have an opportunity to ask the CEO of Workers' Compensation Health and Safety Board that exact question here this afternoon. He can get his response from her directly, as well as the board of directors who utilize that overdraft facility.

Mr. Fairclough: Well, we will be asking them questions, Mr. Speaker, but we want to know who approved this process.

The Yukon Party has been very critical of previous governments' overdraft charges and now they're doing the same thing. Last year, according to Workers' Compensation Health and Safety Board's annual report, they paid almost \$17,000 in overdraft charges. The corporation used the government's line of credit and had to pay \$17,000 in interest when it went into overdraft in 2009. The minister is responsible. Workers' Compensation Health and Safety Board cannot use the government's line of credit without permission, and that's where the minister comes in. Was this decision made by the minister alone or was it approved by the entire Cabinet?

Hon. Mr. Hart: For the member opposite, again, I will let the CEO from Workers' Compensation Health and Safety Board respond to the member opposite directly when she gets her opportunity this afternoon. She will provide the extenuating circumstances as to why that money was borrowed and just how and why it was needed for the Workers' Compensation Health and Safety Board to advance.

Mr. Fairclough: They have to ask for permission, and the minister seems to be hiding behind the board here. The Premier has been very critical of past governments using lines of credits, and we know this government is doing exactly the same thing — “Do as I say and not as I do.”

Workers' Compensation Health and Safety Board is paying interest on a line of credit — \$17,000 last year alone, and who knows how much this year? This money could have been used to help injured workers; instead, it went to paying overdraft charges.

Why is Workers' Compensation Health and Safety Board in a position where it is being forced to pay overdraft charges? The minister approved this decision. Why can't he provide an explanation to the public?

Hon. Mr. Hart: The Workers' Compensation Health and Safety Board has a substantial amount of investment and actually provides assistance for all the injured workers and the premiums to be paid for those. It is well in excess of the funds that are due to the injured workers.

In regard to the member opposite's question of providing funds, the Workers' Compensation Health and Safety Board already has sufficient funds on hand with which to provide funding to injured workers.

Also, the Workers' Compensation Health and Safety Board has a substantial amount of investment that is incurred, which they operate through annuity, which they deal with directly.

Those investments, depending upon where they're structured, allow Workers' Compensation Health and Safety Board to maintain their process and get their investment returns back. If the member opposite will recall, a substantial amount of investment was provided and gained back from the losses of the previous year.

Question re: Climate change

Mr. Cardiff: The Cancun round of negotiations on a global agreement to reduce carbon emissions is scheduled to kick off at the end of this month. There is a virtual consensus that we must prevent a global temperature rise of two degrees to stave off a major environmental catastrophe, but the possi-

mism leading up to Cancun is palpable. Given recent U.S. election results, we can't expect much from the world's second largest polluter, and given Harper government's unwillingness to move on the climate change file without a U.S. deal means that Canada could be repeat winner of the "Fossil of the Year" award. In the absence of leadership at a national level, we need leadership at a local level. What is the Yukon's official position at Cancun, and how prepared is the Yukon to meet the long-term challenges of climate change?

Hon. Mr. Edzerza: The Climate Change Secretariat and Yukon government departments are actively involved in addressing the top climate change priorities for the territory as identified in the *Climate Change Action Plan*.

Mr. Cardiff: That was not very well done, to me. Climate change is just one of the major challenges that Yukon and all of humanity face. The issues of peak oil and depletion of other resources and the inherent flaws in our financial and economic system — these, with climate change, are the major planetary challenges we face. Our energies must be focused on how we meet these challenges and make the transition and build resilient communities that have a future. This is our challenge over the next 10, 20 or 50 years and yet our political system is fixated on the short term — the next scandal, the next project, the next budget, the next election.

When will the Premier change his political focus to think more long term and be better equipped to respond to these major challenges?

Hon. Mr. Edzerza: The Yukon is concerned about climate change, as are all other countries across the world. The Yukon government is committed to working with all its partners to effectively respond to a changing climate by developing and implementing both immediate and long-term solutions, such as the Tombstone Interpretive Centre that was opened in the spring of 2010 and is the first Yukon government building to be built to LEED standards, including high energy efficiency. The Yukon has secured \$585,000 in federal funding to undertake adaptation projects across the Yukon. Those are just a couple examples that show the Yukon is doing something and what it can with regard to climate change.

Mr. Cardiff: Well, there's no value in pointing fingers and there's no value in boasting when all governments around the world are guilty of carrying on like it's business as usual. These challenges are really difficult to wrap one's head around, but it's clear that humanity needs a massive retooling if we're going to have a future. The undertaking can seem overwhelming. This isn't productive, after all. The journey of a thousand miles begins with a single step. The *Climate Change Action Plan* is a single step, but we're asking, what's the next step? I have a suggestion. There's a non-partisan, ad hoc citizens group looking at these interrelated issues. They held a meeting called "Training for Transitions", and it looked at the long-term planning and communities' need to be resilient and have a future. It's about the economy and the environment. Will the Government of Yukon support these citizens and be an active participant —

Speaker: Thank you. Minister responsible, please.

Hon. Mr. Edzerza: All the luxuries of the world that the population is so intent on having and living by do come at a cost. Manufacturing of vehicles — manufacturing of all things that are in common use every day, comes at a cost. So, yes, there is a problem with climate, with all the pollution that goes into the air and what it contributes to climate change.

In the Yukon, the fourth annual Youth Engagement Forum on Climate Change was successfully hosted in 2010. The 150 units under construction are planned for 2010 by the Yukon Housing Corporation and are being built to the SuperGreen home standards. \$300,000 has been budgeted by the Department of Highways and Public Works for energy management in Yukon government buildings, including lighting and retrofits to reduce electricity use. So the Yukon government is actively trying to address issues of climate change within the territory.

Question re: Lake Laberge zoning

Mr. Cathers: Local area planning and zoning is supposed to reflect the needs of communities and, in the Minister of Energy, Mines and Resources' own words, "provide certainty of use". When government is slow in responding to communities, it causes problems.

Zoning regulations for the Deep Creek area have been in draft form for a long time, and many of my constituents are becoming frustrated by the delay. Early this year, the minister received a petition signed by 29 residents of Deep Creek, asking for their draft zoning regulations to be approved, and both he and I have heard from other residents who want to see these regulations approved.

Will the minister please tell me when he expects the Deep Creek zoning regulations will be approved?

Hon. Mr. Rouble: Mr. Speaker, the Deep Creek zoning regulations are going through the appropriate process, as are the other issues related to land planning and land use under the purview of the Department of Energy, Mines and Resources. Additional land planning exercises are going on and being planned for the community of Sunnydale outside of Dawson. There are land use plans underway in the community of Marsh Lake and others. The one the member is referring to has gone a considerable way through the process. I expect to be in a position to make an announcement on this in the near future.

Mr. Cathers: Mr. Speaker, I appreciate that the minister actually gave some information in his response. The local area planning requests are of great interest to the citizens of the area and they do affect people's lives.

South Fox Lake is another area. The first public meeting to develop a local area plan for the Fox Lake area was to be held some time ago. A meeting has not yet been held and no indication has been given when one will take place. On September 22, the minister said he would send me a letter with specific dates for development of the Fox Lake local area plan. That was almost seven weeks ago and I'm still waiting for a letter.

Will the Minister of Energy, Mines and Resources please tell me when my constituents can expect development of a Fox Lake local area plan to begin?

Hon. Mr. Rouble: Mr. Speaker, the Department of Energy, Mines and Resources is working on a number of dif-

ferent local area plans throughout the territory. We have a responsibility to look at the land use planning issues across the entire territory. Once we do have a date set for the next series of meetings for the Fox Lake area, I will send the member opposite a letter outlining what those dates are. But the dates, as of yet, have not been set.

Mr. Cathers: I would encourage the minister to make sure those dates are set.

Mr. Speaker, people waiting for government to deal with local area plans and zoning issues in their area recognize that there are other areas that have work to be done. But they don't want to hear a list of work in other areas — the to-do list. They don't want to hear platitudes. They do want to hear some timelines and some answers.

It had been practice in the past and I hope that the minister is returning to that — that ministers for the past seven years — me, the Member for Porter Creek Centre, the Member for Riverdale South — all disclosed timelines for zoning initiatives and made those available to the public.

Will the Minister of Energy, Mines and Resources commit to reinstating that practice of announcing timelines for both these initiatives as soon as possible?

Hon. Mr. Rouble: In 2010 we're completing the West Dawson/Sunnydale local area plan, establishing the Marsh Lake and Carcross local area plan as we are obligated to do under the self-government agreements. We're exploring a local area plan initiative on Teslin Lake between the Village of Teslin and Johnsons Crossing. In future years, we are monitoring and considering and looking at the self-government agreement obligations and the development pressures in the areas of Tagish, Fish Lake, Shallow Bay, Fox Lake, Klondike Valley, the Haines Junction and Mayo peripheries and Mount Lorne.

Question re: Sisters in Spirit initiative funding

Mr. Fairclough: The Justice minister is aware of the high rates of violence against aboriginal women, particularly in the north. She has praised the Sisters in Spirit initiative for its groundbreaking work regarding missing and murdered aboriginal women.

The minister's federal colleagues have let the funding for Sisters in Spirit lapse. There is no more money for the research and database work that brought national attention to this important issue. The Justice minister has spoken strongly in favour of the group's work. Her government has facilitated Yukon women's groups' participation in Sisters in Spirit's research including extending timeframes and resources. Has she lobbied her federal conservative colleagues to reinstate the Sisters in Spirit's funding?

Hon. Ms. Horne: Yes, the Yukon government is very concerned with violence against women in the Yukon and, indeed, we support the Sisters in Spirit campaign. I would like to report that I have written a letter in support the Sisters in Spirit campaign across Canada to the federal minister.

Mr. Fairclough: The minister had a great deal to say about violence against women. She has spoken in favour of the Sisters in Spirit initiative; she said that it was very dear to her heart. The minister's federal colleagues have let the initiative's

funding run out. They offered a smaller, temporary amount and unfortunately that money comes with strings attached.

This funding does not allow for research or policy work — that is, the research into individual cases, which has been the focus of the initiative and has brought national attention to the issue.

What are the results of the minister's efforts to lobby the federal government, and can she tell us what the commitments of the federal government are?

Hon. Ms. Horne: I would like to remind the member opposite that there was a motion in this House to support the Sisters in Spirit, which was passed unanimously earlier in this sitting. We have not had enough time to get a response from the federal minister on this cause.

I'd like to reiterate something we have said many times in this House and reiterate what the Premier expressed earlier this fall, which is that this government abhors violence against women in any form. We stand behind all the women's groups in Yukon; we support them in their endeavours; we have to all try together. It is every one of us individually who is responsible for violence against women, not the federal minister alone, not the minister in charge of the Women's Directorate, nor the women's groups in Yukon. It is each and every one of us. It is our responsibility equally to end violence against women. We cannot do it by letters. We have to do it with our hearts.

Mr. Fairclough: The Member for Klondike brought forward a motion supporting its work. The government has extended resources to allow Yukon participation in the initiatives research and database. The group's important work cannot continue without reinstating full federal funding. This funding must allow for research, database and policy work that has made the Sisters in Spirit effective. This funding is necessary for Yukon women's groups' research into missing and murdered women in our communities to be effective.

The Sisters in Spirit need the minister's continued support and I'm glad to hear her say she has written a letter, but we need this to be a priority and we need to know the results of the lobby that's taking place with the federal government. So, can she tell us approximately what the timelines are for getting federal funding reinstated for the Sisters in Spirit campaign?

Hon. Ms. Horne: We have not had time for a response from the federal minister, but I just want to reiterate that violence is not acceptable. It is no longer acceptable in society in Yukon and we have to make it a priority.

As the minister responsible for the Women's Directorate, and as a First Nation elder, I have seen what happens to my First Nation sisters — what happens to them in our communities — and violence against women is very far-reaching. It is devastating to our small, close-knit communities. Of course, I will make announcements on any programming and support we have in violence against women. Again, I challenge the members opposite to take this personally: be a mentor, be a leader — end violence against women.

Question re: Kwanlin Dun child welfare

Mr. Mitchell: Mr. Speaker, last month an unfortunate incident took place involving a breakdown of communication between the Kwanlin Dun First Nation and the Yukon Depart-

ment of Health and Social Services. This led to the Chief of the Kwanlin Dun First Nation banning government social workers from KDFN lands. This ban is still in effect. This is a serious issue and will result in future dilemmas if not handled properly.

What is the Yukon Party government doing to remedy this situation and to ensure that situations like this do not happen again?

Hon. Mr. Hart: I appreciate the concern from the member opposite, but I want to keep this issue as much as possible in the context of child protection, rather than polarized debate between the government and the First Nation, or even in the House here.

Almost 20 years ago, the aboriginal justice inquiry in Manitoba examined the issue of child abuse in aboriginal communities. Although all cultural groups have prohibitions against sexual abuse and violence against children, adherence to those rules appears to have broken down. The situation facing aboriginal children on reserves was particularly worrisome. The reasons for this breakdown are many and complex. We don't need to debate them here, but we do need to acknowledge that those reasons have their roots in misguided and, in some cases, morally repugnant actions taken by governments in the earlier years of our country's beginnings.

We know life is lived forward, though we understand it by looking backward. However, looking backward can sometimes paralyze us and blind us to future possibilities. We are trying very hard to commence a problem-solving dialogue with the leadership of the Kwanlin Dun around this issue, fully understanding its starting point, their history, their frustrations and their concerns.

However, at the centre of this debate we cannot fail to remember that the children and their welfare must remain the focus of our concern.

Mr. Mitchell: I can concur with the minister — the safety of our children is paramount. We cannot continue to place children at risk because of matters of politics, nor can we risk the safety of government workers whose job it is to follow the direction laid out by the minister responsible for their department.

But this is an issue that requires leadership so I would like to ask what kind of direct action this Yukon Party government is taking on this very important issue. Has the minister or the Premier met with the Chief of Kwanlin Dun First Nation about this matter, and if not, why not?

Hon. Mr. Hart: The new *Child and Family Services Act* gives us broad parameters within which to address the concerns of the First Nations — not just Kwanlin Dun, but all Yukon First Nations. Perhaps nowhere in the country is there such a wide latitude for the participation of First Nation people in the management and care of children at risk. I have been briefed in general terms on the number of cases where the involvement, advice and direction of the First Nations' concerns are evident, and virtually every stage of the process. We can do more, but that depends on open, free and respectful discourse.

In 1996, the Royal Commission on Aboriginal Peoples addressed the issue of abuse among First Nation communities. They set out several principles which I think are worth repeat-

ing: do not stereotype all aboriginal peoples as violent; make sure assistance is readily available for those at risk; do not make social or cultural excuses for violent actions; attend to the safety and human rights of the vulnerable; do not imagine that family violence can be addressed as a single problem; and root out the inequity and racism that feed violence in many forms.

These are the principles that we intend to guide us in our relationship with all First Nations. We are confident that we can move forward in the partnership and with the leadership at the Kwanlin Dun. After all, we have a common interest: the care of the children — our most precious resource. Regardless of the culture or the ethnic background, they are indeed the future of our territory.

Mr. Mitchell: I think we and the minister are on the same page here, but on October 27, the Health minister said, quote: "that negotiations are being undertaken," and that they, quote, "anticipate being able to work forward on this issue." But last week, the Chief of Kwanlin Dun First Nation told media that, quote: "Right now, there's no recognition by the government of KDFN's interests or authority."

These comments, coupled with the fact that the ban on Yukon government workers to the Kwanlin Dun is still in effect, indicates a continued breakdown in communication. So, my question for the Health minister is this: if negotiations are going as well as he claims, then why is the KDFN chief saying the opposite?

Hon. Mr. Hart: For the member opposite, on several occasions our officials have met with the Kwanlin Dun First Nation on this very particular issue to ensure that we can come together and have a specific cross-dialogue among the two governments to ensure, again, the safety of the children in question. That is our utmost responsibility.

As a government, we are there to look after the children and we anticipate that it is also the intent of the First Nation.

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

ORDERS OF THE DAY

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Mr. Nordick): Order please. Committee of the Whole will now come to order. Do members wish a brief recess before we continue?

All Hon. Members: Agreed.

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

Recess

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

Motion re appearance of witnesses

Committee of the Whole Motion No. 17

Hon. Mr. Hart: I move

THAT Mark Pike, chair of the Yukon Workers' Compensation Health and Safety Board, and Valerie Royle, president and chief executive officer of the Yukon Workers' Compensation Health and Safety Board, appear as witnesses in Committee of the Whole on Monday, November 8, 2010, from 3:30 p.m. until 5:30 p.m., to discuss matters related to the Yukon Workers' Compensation Health and Safety Board.

Chair: It has been moved by Mr. Hart

THAT Mark Pike, chair of the Yukon Workers' Compensation Health and Safety Board, and Valerie Royle, president and chief executive officer of the Yukon Workers' Compensation Health and Safety Board, appear as witnesses in Committee of the Whole on Monday, November 8, 2010, from 3:30 p.m. until 5:30 p.m., to discuss matters related to the Yukon Workers' Compensation Health and Safety Board.

Hon. Mr. Hart: It is my pleasure to rise to debate this motion that is basically a requirement of allowing the Workers' Compensation Health and Safety Board to appear in the House as witnesses and enable members of the opposition to provide questions to same and to receive a response from the chief executive officer and chair.

Mr. Fairclough: We, of course, will be supporting this motion. We've been asking government to bring forward WCB as witnesses in the Legislature. I'm glad that the government does recognize that it is a requirement because the Government House Leader didn't know this at the time, and we will be asking questions of the witnesses here this afternoon.

Mr. Cardiff: We're in support of the Workers' Compensation Health and Safety Board officials appearing in the Legislature today and look forward to asking them questions. Thank you.

Chair: Is there any further debate on the motion?
Committee of the Whole Motion No. 17 agreed to

Bill No. 22: *Second Appropriation Act, 2010-11* — continued

Chair: Committee of the Whole will now proceed with Department of Energy, Mines and Resources.

Department of Energy, Mines and Resources

Hon. Mr. Rouble: It's my honour and my pleasure to rise today to debate the Department of Energy, Mines and Resources supplementary budget. I see the members in the Official Opposition — the Liberal Party — are up to their usual standard of being accommodating in allowing us an opportunity to bring officials in as is the custom.

I am pleased to introduce the 2010-11 supplementary estimate for the Department of Energy, Mines and Resources. We have seen a recent resurgence of mining in Yukon and currently we have over 600 Yukoners employed directly by our new hardrock mines in the territory. The budget before us

builds upon the efforts of the department to date and I will detail the number of them.

For this supplementary budget, the Department of Energy, Mines and Resources requests an overall \$1.4-million reduction of operation and maintenance expenditures and an increase of \$156,000 for capital expenditures.

Energy, Mines and Resources continues to contribute to Yukon government's goal of building a strong and diversified economy that will benefit all Yukoners by improving our investment climate, encouraging private sector investment and growth in the resource sector, providing regulatory certainty, and partnering with First Nation governments.

Energy, Mines and Resources is working to meet this goal with a range of initiatives across a number of different resource areas. It has been said that the Department of Education has a responsibility to prepare Yukoners for Yukon opportunities. In the Department of Energy, Mines and Resources, we see a responsibility of providing opportunities for Yukoners.

One of the key areas supporting diversification of Yukon's economy is mineral exploration and development. While it is difficult to fully assess the impacts of any one specific economic sector, it is clear that Yukon's growing mining industry is providing tangible benefits to the lives of many Yukoners.

As I said, currently, over 600 Yukoners are employed directly by new hardrock mines in the territory. Hundreds more are working in placer mining operations and mineral exploration projects throughout the Yukon.

The preliminary estimates for exploration expenditures for this year are in the \$150-million range. Also, mine development and exploration are supporting a wide range of supply and support services and employing hundreds of people across the territory.

There are five laboratories now established in Whitehorse that provide sample preparation, with many exploration programs across Yukon. In addition to year-round staff, these five businesses provide well-paying jobs for dozens of university students and seasonal staff during their peak exploration season.

With regard to some of the specific mining operations, Capstone Mining has been in commercial production for almost three years now with great success. Capstone currently has 142 employees at its Minto copper-gold mine, with one-third of these employees living in Yukon. In addition to direct employment, Capstone is working to ensure that benefits flow to the local community. Capstone has a cooperation agreement with the Selkirk First Nation to provide fiscal employment and contracting opportunities. In fact, the flow-through of royalties to the Government of Yukon and to the Selkirk First Nation was recently announced. Also, the acceptance of Capstone's contribution of \$1.6 million to the Selkirk First Nation for an early childhood development centre was allowed and recognized as a community economic development expense. It's important to see how these local businesses are having an impact on the communities they're in, and it's great to see that they are not only living up to the contractual responsibilities, but living up to the social responsibilities these responsible employers and businesses have.

Another specific example is Alexco Resources, which is commencing production of silver concentrates at their Bellekeno mine, located within the Keno Hill silver district. The mine and mill operations will employ approximately 120 people and are expected to directly invest more than \$25 million annually for labour, materials and supplies in Yukon. That's in addition to the cleanup and restoration work they are doing in this area, which is a long-standing issue with the federal government, with Yukon and with local citizens in the area.

The Wolverine mine of Yukon Zinc is slated to begin production of zinc, lead, copper, gold and silver concentrates this year. The development of this mine over the last two years has cost approximately \$250 million, by far the largest capital project in the Yukon. The mine will employ over 200 people directly and many more in trucking and service and supply.

While these current projects are providing tangible economic benefits for Yukon today, the Government of Yukon is also working to ensure these benefits will continue in the long term.

A number of other projects are underway, laying the foundation for a vigorous and diverse mining sector that provides long-term economic benefit for Yukon. I'm sure that members are aware of the extreme amount of interest that has happened in the White Gold area. The White Gold staking rush has given a significant boost to exploration activity this year and to the north Yukon economy. More than 8,000 quartz claims have been staked in and around the White Gold property.

Two other large mining projects, the Eagle Gold project of Victoria Gold and the Howard's Pass project of Selwyn Chihong Mining Ltd. are expected to enter the environmental assessment process in the next few months. These will join the Mactung project of North American Tungsten Corporation Ltd. that is currently with the Yukon Environmental and Socio-economic Assessment Board for assessment.

It's very encouraging to see the amount of interest, the intention and the commitment that several of these companies have put into the territory. We've recently seen the Victoria Gold people open up a storefront office on Fourth Avenue — clearly an indication of their commitment to the territory. I also understand that they have acquired a 200-man camp in preparation of their operations and that they are working very diligently right now on moving forward toward the permitting process.

We have also heard a considerable amount of information and interest expressed in the Selwyn-Chihong project. The Selwyn project is currently moving forward on a \$30-million advanced exploration program, which includes underground development and the sampling of high-grade areas of the deposit. Clearly, Yukon's mineral sector is having a positive economic impact on our territory and contributing to the quality of life of all Yukoners.

I'll go into some of the specifics regarding the budget on the operation and maintenance side of things. For this supplementary estimate, Energy, Mines and Resources' operations and maintenance expenditures are \$1.4 million less than the 2010-11 vote, bringing the revised 2010-11 budget to \$72.3 million.

In addition to reflecting the adjustments necessary to apply the collective agreement and manager salary increases, Energy, Mines and Resources' O&M expenditures include some significant departmental initiatives.

The \$571,000 O&M increase in sustainable resources includes a \$237,000 revote of funding for the Agriculture branch in anticipation of increased expenditures this year as implementation continues on the Canada-Yukon Growing Forward policy agreement. With the Growing Forward program fully underway, project funding has been allocated in several areas, such as agri-environmental initiatives, food safety, northern innovation and market agricultural development.

Providing up to \$987,000 per year on a 60:40, federal/territorial cost-shared basis, Growing Forward provides the means to implementing programs and initiatives that will support the development of a profitable and sustainable Yukon agricultural industry.

Mr. Chair, over the weekend, I had the opportunity to attend the annual Yukon agricultural banquet and it was a very positive event, one featuring locally produced food. I must say that with the number of young and innovative farmers, I think we are in good stead for the future as this is definitely a growing industry.

One example of Growing Forward's flexibilities to address unique Yukon opportunities is demonstrated by the program's recent support to develop community garden projects in both Dawson City and Old Crow.

I'm sure the Member for Vuntut Gwitchin will be interested to hear about that initiative going on in his community.

Over the past year, growing forward funding has been used to support the Fireweed community farmers market on the Whitehorse waterfront and has been used to develop market opportunities for farmers in the Klondike. Individual farm operators have accessed funding to make food-safety and environmental upgrades, including efficiency improvements to irrigation systems, water-quality improvements, fencing to improve grazing of livestock and fencing to protect crops from predation by wildlife.

These initiatives ensure that the agriculture sector contributes to society's priorities and becomes proactive in managing risks. Also within the sustainable resource operation and maintenance budget is an additional \$97,000 allocation for the Forest Management branch. This allocation enabled the Forest Management branch to host a unique two-day conference on northern bioenergy at the end of May. Delivered in partnership with the Government of the Northwest Territories and the Canadian Northern Economic Development Agency, the conference provided northern residents with information on bioenergy and highlighted bioenergy opportunities and potential solutions for the north.

Energy use in the north is a tremendously significant issue. In Yukon alone, we spend over \$25 million every year to heat our homes and other buildings. Most of this goes to buying imported fossil fuels.

A number of our communities still rely on diesel generators to provide electricity, a situation common for many communities north of 60. Fossil fuels are a non-renewable resource

that significantly contributes to emissions, in addition to being subject to volatile prices and increasing costs.

There are compelling reasons for Yukon and other jurisdictions in the north to continue to explore the potential to diversify our energy sources by developing bioenergy. This conference was a great opportunity to examine how the north can reap the many benefits of bioenergy.

The largest O&M adjustment for Energy, Mines and Resources within this supplementary budget is a \$2.15-million reduction for the Oil and Gas and Mineral Resource divisions.

This overall reduction includes a \$3.5-million budget adjustment for the Assessment and Abandoned Mines branch which is offset by some new, unique initiatives in other areas. The \$3.5-million reduction for the budget of Assessment and Abandoned Mines is required to reflect the removal of unused contingency funds from the annual budget. It is important to note that this is a budget adjustment based on an approved work plan; the assessment and abandoned mines branch continues to work with the Government of Canada and affected Yukon First Nations to develop and implement cost-effective approaches that address historical liabilities — the Faro mine complex, Mount Nansen and Clinton Creek sites.

Business and employment opportunities are made available to Yukoners through care and maintenance activities at all sites. These activities are funded by Canada and are necessary to deliver Yukon government's responsibility to protect the environment and human health and safety. Quarterly newsletters, community visits, and website updates have been established to provide local communities with accessible and timely information on the ongoing status of care and maintenance activities.

An \$11.5-million early-remediation project was implemented at the Faro mine complex earlier this year. Work to cover the Grum sulphide cell was necessary to maintain the site and immediately address potential environmental risks at the site. This ensures ongoing protection of human health and the environment, over both the short and long terms. It also provides significant training, employment and business opportunities for affected Yukon First Nations and Yukoners.

Work on the preliminary project description for the final closure and remediation plan has been completed and reviewed by an independent peer-review panel. This allows work to begin on the next phase — development of the detailed project proposal for submission to the regulatory authorities. Closure and remediation of the Faro mine complex is not the only initiative being led by Energy, Mines and Resources to support the residents of Faro.

This budget also reflects an allocation of \$654,000 for an initiative with the Town of Faro to remove a number of derelict buildings in Faro earlier this year. The demolition project created employment opportunities and a number of benefits for the residents of Faro.

Prior to the demolition, the Town of Faro oversaw salvaging operations where local businesses and private interests were able to retrieve intact, reusable materials. The project improved community aesthetics and removed significant health and

safety hazards. It also allowed the Town of Faro to use one of the reclaimed sites to build a new and much needed gas station.

Another addition to this Oil and Gas and Mineral Resources O&M budget is funding to support the Yukon Geological Survey as part of Natural Resources Canada's geo mapping for energy and minerals program.

The \$220,000 allocated in this budget is funding for field work for the coast belt project in southwest Yukon. The purpose of the coast belt project is to examine the geological relationships and assess the mineral potential of three significant geological features between southern Kluane Lake and Aishihik Lake.

Further supporting efforts to improve scientific understanding of Yukon's physical environment, is the Yukon Geological Survey's partnership with the Yukon College's Northern Research Institute.

As a first step in climate change adaptation planning, the institute has provide \$150,000 to the Yukon Geological Survey to identify the landscape features that are vulnerable to climate change in Pelly Crossing and Mayo. The Yukon Geological Survey will produce community scale surficial geology maps and corresponding reports to facilitate community development, planning and climate-related adaptation scenarios. This initiative also supports the Yukon government's commitments under the *Climate Change Action Plan*. Clearly, there's a significant amount of work going on in the department's operation and maintenance budget. I'd like to get into the capital budget, but I see that my time here has just about expired. I would like to provide additional information to the Assembly.

Mr. McRobb: I'd like to steer the minister away from his prepared speech, because our time is very limited here this afternoon. We're going to be breaking from Committee of the Whole in less than an hour in advance of Workers' Compensation Health and Safety Board officials appearing. So, I'm hoping we can have some constructive dialogue on the issue the Official Opposition believes is important and request some cooperation from the minister. He can give his speech tomorrow or perhaps some other time.

He mentioned bioenergy and related some accomplishments of the department. I want to focus on this particular topic.

District heating is a potential way for the territory to reduce its dependence on imported fossil fuels, build local industry and reduce energy consumption. This has been recognized for well over a decade by governments in this territory. District heating could be a part of the larger area referred to as "community energy management". This has some history in terms of undertakings of previous governments. I was led to believe this undertaking was still ongoing and was embedded within processes of this Yukon Party government.

Now, the minister may stand up and point the finger at the City of Whitehorse, but we know the Yukon government was fully involved in the planning for this large subdivision. There are other subdivisions that are being planned as well, and thank heavens for that because we know — now it's on record — there won't be any more lots released in 2011, and the lots for residents that are expected to be released in 2012 will come so

late in the year that it won't be until the 2013 building season that people can start to build their houses.

It just seems there's a whole opportunity here that's being missed. I'm not pointing the finger at anybody, but if the minister believes it's not within his jurisdiction, I would like to remind him that the Department of Energy, Mines and Resources is involved in the creation of new subdivisions, as is the Department of Community Services.

The minister, as he knows, has an Energy branch. The government released its energy strategy nearly two years ago. This department is intrinsically involved in this district heating initiative that I spoke of this afternoon.

In addition, some of his officials sit on the interdepartmental steering committee on energy matters, and one would expect this matter of district heating to be of relevant importance to this group and certainly worthy of recent discussion.

I don't want to make politics of this matter. I know the minister sees that this is brought forward in a constructive manner and in all sincerity. It just strikes me as unfortunate that, here's the territory and the capital city about to construct the largest subdivision in history by the name of Whistle Bend, and it will be without a district heating component. It just seems like a tremendous opportunity lost.

Mr. Chair, just going back to what previous governments did in developing this energy policy and identifying these opportunities, this was carried forward through an implementation plan, through the previous governments to this one. I was always led to believe it was on the radar screen of this government, and that this government was acting to continue to implement the goals of this undertaking.

Now we see opportunities lost. In addition to this major subdivision, there is plenty of building construction currently going on within our borders. There's the expensive new replacement for the Whitehorse Correctional Centre; there are new multi-residential, social housing units, thanks to federal funding; there are new rural hospitals and several other buildings.

I'm just wondering how many of these construction projects incorporated a district heating component into them. As a matter of fact, Yukon College has an existing district heating system.

The article, I believe, in the *Yukon News* about a year ago, was quite interesting; it speculated on why the system wasn't up and operating. But we all know there have been plans to enhance that system and to extend that system into other parts of the Takhini subdivision. Mr. Chair, here we have a big, expensive new building to replace the old Correctional Centre and it begs the question: why isn't this connected to a district heating system? There are other government buildings in the vicinity, as we know, including the old Whitehorse Correctional Centre, which the minister admitted last week will not be demolished as originally planned.

I think the minister understands the gist of my question. It just seems there's a lot of potential where the territory could be doing more with respect to these opportunities involving district heating.

As we all know, Mr. Chair, this can be seen as part of climate change initiatives. We just heard earlier today this issue being raised and the importance for government to actually do something to implement programs that effectively reduce the CO₂ emissions in our territory. Well, district heating is one of the obvious methods to do this.

Now the minister might ask, well, how is district heating integrated into subdivision planning or new construction planning? Well, I could put on the record something that might be useful in that respect. Discussions I had about a dozen years ago with the former deputy minister of the Cabinet Commission on Energy basically resulted in some specific suggestion as to how this would be carried out and I'll just put that on the record.

Once the policy directive was given down through the chain of command in the department, or departments as the case may be, it would be up to everyone involved in the planning process from the building inspectors to the building planners, to the subdivision planners — everybody would have basically a checklist. One of the boxes on that checklist would reference district heating opportunities.

Such a procedure would allow the opportunity for consideration of district heating to take place pretty much in every development. Well, did that checklist occur with respect to Whistle Bend? Did it occur with respect to these other major capital projects that are underway? Or did it fall between the cracks? That's a good question. That's one of the questions that I would like the minister to answer. To validate all this, I had the benefit of meeting with a group recently that is trying to develop a local industry in the territory that will certainly be related to this whole area. I would presume that the minister has met with the same party. Again, I don't want to make politics of this. I'm bringing forward a legitimate issue and I'm hoping the minister recognizes that.

I have heard it said where this very type of checklist integration in the planning process has been lost; it is gone; it doesn't take place and this is quite a concern. This is a concern, because this government led me to believe that it was incorporating this, it was part of the planning process — the internal protocols and everything else — and we didn't hear any announcements to the contrary, but now we find out that these checklists aren't happening.

So, again, I want the minister to update us on this particular issue, and also I want to speak to the solution, which is quite obvious: why doesn't this government, within the time it has left in its term, make sure this policy direction is passed on to everybody involved in the planning, inspections, construction and development of subdivisions and buildings to ensure that an opportunity for a district heating system is considered at the time plans are made?

That's the way it should be; that's the way I thought it was going to be. I certainly hope the minister's answer isn't something to the effect of: "Well, that's the way it is now. It's just that each of these projects was determined not to be feasible for district heating."

Well, Mr. Chair, this brings up the next phase of this discussion, and that is implementation. In order to implement a

policy directive such as this, it takes the backing of the government in power to ensure that proper resources are allocated. It is very likely they might require more money up front to build a district heating system, but we know the return will be there in the long run, because it will reduce energy costs immediately on an ongoing basis in terms of operation and maintenance expenditures. It will also encourage local industry, such as the group I'm sure the minister has also met with. It will reduce CO₂ emissions and be part of what the Yukon government can achieve toward combating CO₂ emissions, reducing CO₂ emissions and combating climate change.

So, Mr. Chair, I've spoken quite a bit on this. I'm going to give the minister an opportunity to respond to these questions. Hopefully we can have some constructive dialogue on record with the limited time we have left.

Hon. Mr. Rouble: Mr. Chair, it's always interesting when the government is chastised for giving 20-minute answers, especially after they come from 20-minute questions.

I appreciate the Member for Kluane's invitation to enter into a constructive dialogue, and I appreciate his comments on this issue. The question was rather far-ranging, ranging from biomass energy through to district heating, through to lot development, through to capital construction projects. It ranged from the *Climate Change Action Plan* through to the *Energy Strategy*. So I will attempt to be succinct in my comments here today.

The member is quite right. The Department of Energy, Mines and Resources is intrinsically involved in a number of different issues through Energy, Mines and Resources' involvement with land planning, through its involvement in energy, through its involvement in forestry and through its involvement in mining. It is certainly intrinsically involved in a multitude of facets of not only Yukon's economy, but also the other necessary pieces of infrastructure to maintain our healthy communities and to maintain our quality of life.

We do a considerable amount of work on the mineral side of things. In my brief introduction I discussed a bit about that. We also work with considerable efforts on the forestry side of things, and the forestry side of things does touch on a number of different aspects. We do recognize that, in Yukon, healthy forests contribute to healthy communities, and we look not only at the forest as an incredible natural, beautiful resource and a contributing factor to wildlife for and to our quality of life, but we also look at the natural resource that we have there with the trees.

We have seen a number of different initiatives in the territory in the past from things like sawmills, or saw logs, or logs for construction, and now there is a considerable change of view in the forestry industry. They're not just looking at the forest as a renewable resource for a certain amount of cubic metres suitable for milled dimensional lumber, but there's also the examination of a forest area for its biomass or energy potential. So, rather than looking at a particular hectare and suggesting that so many metres of saw logs or so many cubic metres of dimensional lumber created, our foresters are also looking at how many joules of energy would be present in that biomass. The objective of looking at it as a biomass then taps into

the energy side of things. The Department of Energy, Mines and Resources has also spent a great deal of effort working and participating in the energy strategy for Yukon.

In that area, we've looked at a multitude of different energy sources available for the territory. I mentioned in my brief introductory comments that Yukon was importing approximately \$25 million a year in oil, gas and propane. We need to look at how we can reduce our reliance on Outside energy sources and tap into the energy sources that we have here in the territory. By tapping into the energy sources here in the territory, we're looking at not only bringing Yukon's oil and gas to market — to southern markets — but also looking at our oil and gas as a fuel to serve local markets and then ultimately to serve local energy needs. We're also looking at the renewable energy resources that we have, especially along the lines of biomass. This fits in with the renewable energy strategy. Yes, the climate change action plan and the energy strategy are intrinsically intertwined. We certainly work in relationship with these issues.

As I've mentioned in previous debates in this Assembly regarding the strong working relationship the Department of Education has with Health and Social Services and Justice, we're seeing that same pattern of interdepartmental work happening within the Department of Energy, Mines and Resources, the Department of Environment and also with Highways and Public Works.

The member opposite has raised the issue of biomass energy and what we're doing on that issue. We as a government have a couple of different responsibilities here. We have a responsibility as a regulator to ensure we have the appropriate regulatory framework, not only to manage the harvesting of the resource, but also the installation of these types of facilities and then to manage the overall burning or emission control of these.

We have a role as a supporter of the industry, and that happens very much in the department's Energy Solutions Centre, where the Energy Solutions Centre can be a proponent for biomass energy. We've seen that with the recent biomass conference, where the Energy Solutions Centre is working with industry and consumers to raise awareness about this issue, and also to test the feasibility of some of these variety of different solutions.

Also, Mr. Chair, the Government of Yukon, especially through Highways and Public Works, can be a consumer of these energy projects or products. We're seeing that with some recent examples such as the Correctional Centre and its associated buildings. The Minister of Justice has gone into great detail about the new facility, its forward vision, its increased capacity and the increased work to address many of the holistic needs, not only of the people incarcerated there, but also the greater needs of the community. The Correctional Centre is seeing the installation of a biomass fuel-pellet boiler that will serve much of the heating needs of that facility.

The Minister of Highways and Public Works can certainly describe other projects throughout the territory that are benefiting from this approach. One that I am very aware of is the construction of the new F.H. Collins Secondary School.

In this particular case, I know that the engineers are looking at a wide variety of heating systems ranging from open source or closed-loop geothermal heat pumps, to looking at biomass boilers, whether those are in the purpose of chip or in pellet form. Indeed, Highways and Public Works as a consumer, the Energy Solutions Centre as a promoter, and Energy, Mines and Resources in general, will certainly work with a multitude of different people on these issues and there is some issue about chips versus pellets and that type of thing.

The Member for Kluane has mentioned a meeting with a group — actually I've met with a number of groups that were interested in biomass energy and its supply. This ranges from discussions that I've had with the forest resource group. I've had a very preliminary discussion with the Yukon Conservation Society and I've invited them to participate in more discussions about Yukon's energy future. I've also had a couple of discussions with other proponents of biomass energy and people who are looking at entering the biomass energy business.

They are building business cases, looking at the institutional supply of these types of boilers to the individual residential use of these types of pellet boilers or other biomass boilers. We have to remember that having a woodstove in your home or a wood boiler is a type of biomass heating. We're continuing to look at that and continuing to put in place appropriate regulatory processes, and I can touch a bit on that with our forestry regulations.

There is a significant amount of work that we're doing from the regulatory perspective, a promotional perspective and a consumption perspective. The member has asked about what we are doing for district heating. I agree that this is an area that has a lot of opportunity. In fact, most of the time when government is faced with an issue, the usual question is, "Well, why didn't you do this 10 years ago?" That's often a question that every department on every issue has faced, but we have to go through the issues when we're faced with them, when our partners in these processes feel the time is right, when the priorities in other areas have been addressed and when we can recognize and reallocate resources to address the emerging priorities.

With specific regard to district heating, we are working with the City of Whitehorse on a pre-feasibility study on a district heating system in the downtown core of Whitehorse. This is working with an engineering firm, working with the Property Management Agency, and working with the City of Whitehorse to explore options. In addition to wood being used as a fuel source, it has also been suggested that we examine geothermal opportunities. We're looking at bioenergy heating system conversion studies and undertaking feasibility studies to evaluate the technical, economic and environmental feasibility of converting several institutional buildings within Whitehorse from diesel fuel heating systems to bioenergy systems. I would suggest that my colleague from Highways and Public Works can add more about that.

I will touch on that for a moment though, and confirm for you and others that the Government of Yukon is looking at the lifecycle costs associated with operating buildings, looking at the capital cost involved in installing some alternate forms of

heating systems and looking at the total cost to operate these systems over different lifespans and taking a good, solid look at how we can reduce the full lifecycle cost of a building. This usually requires a significantly increased capital cost, and we know the opposition's uptake on this. They seem to perceive that, when we put additional investments in on the front end, they characterize it as a very expensive building, as the Member for Kluane just did when he referenced the new Correctional Centre.

It does a disservice to the whole process when members in the opposition characterize it as being a very expensive building, but then don't always recognize that there are investments being made at the front end that will significantly reduce the long-term or lifecycle costs of the building. It's particularly frustrating to enter into a political debate where members take a very short and narrow view of looking at a project and complain about its specific upfront costs and then later complain that we haven't given enough consideration to the long-term issues. But I digress; I guess that's just the way opposition parties operate.

There are additional bioenergy projects being undertaken. There is one with Dawson City that's looking at the efficiency and efficacy of using waste wood products from a local lumber mill to provide heat energy for the municipality's domestic water system to prevent freezing, and within a district energy system to provide space heating for a number of buildings connected to the town's waste treatment plant. This is being partnered with the City of Dawson and the Yukon government's Property Management division.

It was certainly recognized in Dawson that when the power grids were connected to the Dawson-Mayo power line, it was fully energized and the diesel engines were turned off, there was an impact on that community in that we did not have that waste heat. It wasn't being wasted, but rather, it was being utilized to heat the water that flowed through the pipes to be delivered to the homes in Dawson City.

Again, that's one of those intrinsic, interconnected characteristics of energy throughout the territory. We certainly recognize that, especially in hindsight, turning off those diesel generators had other impacts on the community. We're looking now at ways of addressing those.

In addition, the member opposite mentioned the issue of new subdivisions and we certainly look at those as an opportunity to meet the needs of our constituencies. We're seeing an increased demand for residential lots here in Whitehorse and throughout the territory. That is certainly a good problem to have, and we are responding proactively by working with the City of Whitehorse in particular. The member opposite is aware of the MOU that was established a number of years ago to work together to address the city's need for more residential lots. I'm sure the member recognizes that the engineering and construction standards for these new developments are specified by the City of Whitehorse.

But we in the Government of Yukon will look through all facets of this department for ways to support the City of Whitehorse. Whether it's with engineering prowess, or with advice from the Energy Solutions Centre, or advice through other

working groups that we can establish, we will continue to be very involved in this and to look forward to the long-term growth in the City of Whitehorse and look at how we can appropriately manage and help individuals with their energy costs for reducing our reliance on imported fossil fuels, for maximizing the potentials for local businesses, for looking at ways to minimize our impact on the environment and, ultimately, how to keep people warm through the winter.

There are a significant number of other initiatives in this budget through the capital budget. There are a number of different initiatives that I would like to pass on to the member opposite.

I appreciate his comments about wanting to ask specific questions; however, it has been my experience in the Assembly that, when we go through the breakdown of the budget — which is what we're here to discuss — it often addresses many of the questions before they're even asked.

Moving into capital allocations, the supplementary estimate increases Energy, Mines and Resources' capital expenditures by \$156,000. There are a number of key initiatives within this proposed allocation. This budget includes a \$119,000 allocation for Corporate Services to support two important initiatives in support of this government's management of Yukon's natural resources. The first initiative is a \$74,000 allocation for the development of a forestry information system — this is in keeping with our discussion — required to support the Yukon's new *Forest Resources Act* and related regulations.

I see by your hand gesture, Mr. Chair, that my time has expired. I look forward to having another opportunity to put on the record the different breakdowns of the department's capital budget.

Mr. McRobb: A 20-minute speech and no answers to the simple questions.

I'm going to be very brief so I'll be guaranteed one or two minutes before the break to respond, in case the minister gives another 20-minute speech.

It's simply not enough for the Government of Yukon to point at one project every year or two and hold it up on a pedestal and say, "Look at the good things we're doing for district heating." That's not enough, Mr. Chair. The government needs to incorporate it right into the planning process, starting from the bottom, right to the top, and that's obviously not being done.

The minister indicated that he has met with several groups about district heating — forest resources group, Yukon Conservation Society, other proponents. I'll jump to a conclusion — all of these groups and proponents are urging the Yukon government to do more with respect to the implementation of district heating into its planning process.

So I'll repeat the questions for the minister: why is district heating falling between the cracks and what can be done to fix this as soon as possible?

Hon. Mr. Rouble: The short answer for that is that it has not. The Government of Yukon — the Department of Energy, Mines and Resources is looking at a number of different options and ideas for biomass energy generation and consumption. District heating is certainly one of those areas that is re-

ceiving a lot of attention and research. Right now, through our energy strategy, we have made a commitment to decrease consumption of renewable energy by 20 percent by the year 2020. We are taking steps to go in that direction.

With the introduction of the Yukon bioenergy strategy, we will, and we are, promoting wood-burning systems that are modern, reliable, convenient, efficient and clean. We're including standards to strictly control air emissions. Our strategy is accommodating a variety of fuels, including cordwood, chips, pellets, and will promote sustainable forest management and local wood harvesting. These are all interrelated issues.

We know that if people are going to live in the north, which we all do, we will need energy through the winter. We need energy to keep our homes and our businesses warm. Now we have to take a look at how we're going to do that.

We can continue to import foreign or outside-of-Yukon produced oil and gas or outside-of-Yukon biomass, but that is not the direction we want to go in. We want to see a decrease in reliance on these foreign sources and in order to do that, we will work through a variety of different processes including the forestry strategy, the energy strategy, and the *Climate Change Action Plan* strategy. As I said, we'll promote wood burning systems that are modern, reliable, convenient, efficient and clean. As a consumer of energy, the Government of Yukon will look at these alternatives for its buildings, whether this is new construction — for example, the Correctional Centre — or whether it's looking at retrofitting other structures. Additionally, we're looking at expanding other sources of energy through the territory.

One significant energy project that is underway right now is the Mayo B expansion and, seeing this expansion of hydroelectric energy. We certainly continue to look at diversified energy sources, and they all have their pros and their cons.

I've tried to be constructive here. We're looking at situations about sustainable resource use and using local wood-fuel harvesting that we'll need to manage over the long term. We need to look at air emissions. We need, as a consumer, to look at the cost of conversions. We have to take into consideration public acceptance, and additionally we have to look at the different competing industry interests. There are a number of different groups that are interested in this and we're continuing — we the territorial government — through a wide variety of facets. Whether it is Energy, Mines and Resources, Highways and Public Works or Economic Development, we'll continue to work with a wide range of groups in order to address this industry and the opportunities that we have for all Yukoners.

As we've certainly noted, these are inter-related issues, not the least of which is the forest resources regulations and the legislation this government passed.

The *Forest Resources Act* will come into effect on January 31, 2011, and we were very pleased to announce recently that the Government of Yukon has approved the forest resources regulations. The forest resources regulations reflect and support the *Forest Resources Act* in meeting the twin objectives of forest stewardship and a successful forest sector. The regulations support planning that considers all forest users, including opportunities for First Nations and public input on the manage-

ment of forest resources. The regulations also provide the forest industry with more secure tenure opportunities and a transparent and fair allocation process.

The *Forest Resources Act* and regulations will guide the responsible and sustainable management of Forest Resources for the years to come. The forestry information system will provide an important central collection area for electronic information related to forest tenure under the *Forest Resources Act*.

In addition to tracking forest licences and permits, the system will also provide important guidance to forest management branch staff to ensure all appropriate procedural steps are followed, such as providing timely responses to applicants and timely referrals to Yukon First Nations. Under Energy, Mines and Resources, Sustainable Resources division, there are two allocations in support of the Government of Yukon's joint land project with Teslin Tlingit Council.

Building on the success of last year's Little Teslin Lake recreational property sale, the Land Management branch is partnering with the Teslin Tlingit Council to oversee the development of land planning initiatives in the Teslin area. Three projects that are currently underway include Sawmill Road country residential, Morley Bay planning and development and Teslin Lake north local area plan.

With the guidance of the joint steering committee, this partnership establishes a positive precedent for addressing the demands for developed land in an orderly and collaborative manner. Out of an overall project cost of \$600,000, this budget includes \$205,000 is allocated to the Sawmill Road for final planning survey and design work. The project is funded under the northern strategy fund.

\$132,000 is budgeted for completing the roadwork necessary to provide access to the Little Teslin Lake properties. I'm proud that this successful partnership with the Teslin Tlingit Council has resulted in the joint development of recreational lots on both public and settlement lands. This project has set the stage for similar projects, providing the opportunity for more planned land development throughout the Yukon.

Overall, this supplementary budget reflects progress on the government's goal of building a strong and diversified natural resource economy. Energy, Mines and Resources continues to contribute to the Yukon government's goal of building a strong and diversified economy that will benefit all Yukoners. Yukon's mineral sector is providing tangible economic benefits to our territory and directly contributing to the quality of life of all Yukoners. We are clearly seeing the results of our efforts to partner with Yukon First Nation governments, improve Yukon's investment climate, encourage private sector investment and provide regulatory certainty.

Mr. Chair, I thank you for the opportunity to put some more comments on the record regarding the capital budget expenditures out of the budget that we're here to debate.

The member opposite has asked some ongoing questions about district heating and the biomass energy. I provided those answers to the member opposite, and if he has other questions regarding the Department of Energy, Mines and Resources, I

would certainly appreciate an opportunity to continue to address them today.

Mr. McRobb: The minister just said he answered the questions. I was listening intently to the minister's speech, but I did not hear an answer to the questions. When some of these groups out there receive the transcript, I'm sure they will validate this observation because there was no answer to the questions.

This is a serious issue. This is one that goes beyond partisan lines. This is a matter we can all be doing in this Assembly on behalf of the people who elect us to represent them. This is something the government should be doing. I believe it's fair to say that all parties recognize that. Now, I am not challenging the minister and trying to embarrass him on this matter. I'm just merely trying to establish why it is that district heating has fallen between the cracks. That's all and I haven't heard the minister address that issue, so will he once again answer that question. What is the problem? Why is district heating not being considered on every project the government is involved in? That's a very simple question.

On the second question, still no answer. What can be done as soon as possible to fix this? We can go on arguing or debating or conversing for hours about this, but we need, as a starting point, to get answers to these questions. I believe the minister and I share common ground on this, as we should. We both are holding this up saying this is a good thing. Well, if it's so good then why isn't it being done? That is the ultimate question.

The minister went on to suggest if this was incorporated into the new replacement Correctional Centre, the opposition would have just criticized it all the more. Au contraire, Mr. Chair — not the case. This would have been a separate project altogether from the building. It could have been an expansion of the existing system from Yukon College; the building could have been a primary customer of a new district heating system.

There's a lot of construction going on in Takhini these days. There's a new subdivision being built in Takhini North; there are other buildings going up and condominiums; road reconstruction which, by the way, would greatly facilitate a buried district heating line. But is it going to happen when some future government comes in and has to dig up new pavement and new road to do this? This should be part of the planning process, and that's the essence of my line of questioning. Why isn't it?

I was assured a dozen years ago this was going to be an important part of the government's planning process. It was going to be embedded within the procedures government followed with respect to the design and planning of new buildings and subdivisions, but in these examples, it's not. The minister hasn't countered that point so this discussion is continuing. The minister hasn't answered the questions. Again, why is it falling between the cracks and what can be done to fix this as soon as possible?

Hon. Mr. Rouble: The short answer is that the government is making significant progress on these issues. The government is certainly looking at the issue of district heating. The member opposite heard me mention a few moments ago

the project with the City of Whitehorse. He heard me mention the project with Dawson City. I should also mention the cogeneration project with Watson Lake and working with the municipality and Federation of Canadian Municipalities to assess the feasibility of expanding the current cogeneration system to use otherwise wasted heat from the generation plant to heat more building space. There are projects being undertaken. There is being work done in these areas.

This is part of the cogent energy strategy that has been established. Mr. Chair, the pieces are in place. The structures have been identified, starting with the *Climate Change Action Plan* and what that calls for, followed by the *Energy Strategy for Yukon*, followed by the actions of the government — its design processes, its ongoing relationship, dialogue and ongoing work with Yukon's municipalities.

Mr. Chair, there is significant progress being made on these issues. District heating is a part of that. It's a part of biomass heating. Biomass heating is a part of the overall energy strategy. Just to refresh the member opposite's memory, the strategy focuses on four priorities for energy in Yukon. First and foremost is conserving energy and using it more efficiently. I think we can all agree that should be the number one priority — to be conservative with our energy, to use it responsibly and not to liberally waste it away to increase the supply and use of renewable energy.

We're seeing that now with upgrades to the Aishihik facility and with the work on the Mayo B facility. We're seeing that with some of the other projects that the Energy Corporation is exploring. Meeting our current and future electricity needs is also a priority — that means looking forward and looking at future demands for energy. It has also been part of the government's and the Energy Corporation's strategy of tying grids together, of looking at how we can balance the needs throughout our entire grid, and also looking at how we can expand our energy borders in the most appropriate manner with our neighbours to the south. Also, the energy strategy focuses on responsible oil and gas development — another important characteristic of the energy strategy.

Within the energy and conservation side of things, we want to increase energy efficiency by 20 percent by the year 2020 by encouraging energy-efficient buildings — not only Government of Yukon buildings, but also private sector buildings and residential buildings. We do this by supporting energy auditing training courses, by supporting home repair financial assistance — whether it's through the Energy Solutions Centre or through Yukon Housing Corporation — also by supporting building SuperGreen and near zero homes and supporting their development, and the Department of Energy, Mines and Resources' good energy program, which provides rebates for energy efficient products.

On the renewable energy side of things, it's our desire to see an increase in renewable energy supply by 20 percent by the year 2020 and to expand renewable energy projects, such as district heating in Watson Lake and Whitehorse. I've outlined in significant detail some of the district heating projects going on in these jurisdictions. We're looking at recovering waste heat from diesel in Old Crow.

We're looking at solar panels and wood-heating systems for institutional buildings. I detailed that for the member opposite. I would encourage him to discuss with the Minister of Highways and Public Works some of the specific construction projects that are going on in the territory. I know that the Minister of Highways and Public Works has a very long list of projects underway in the territory. It's part of our responsible approach to addressing the needs that Yukoners have and to responsibly build the infrastructure that's necessary in the territory, and yes, to make the necessarily large capital investments into these projects in order to address the full issue of their life-cycle energy consumption. We want to reduce that and we recognize that often requires increased capital expenditures.

We're also demonstrating renewable energy projects in communities that are off the grid. Also, with the energy strategy, we're looking at the issue of electricity and funding for infrastructure projects such as extending the grid from Pelly Crossing to Stewart Crossing, upgrading the Mayo dam and Mayo B, the third turbine at the Aishihik dam, looking at new policies to facilitate independent power production and net metering and demand-side management programs.

Yes, once we get into much greater detail about some of these biomass projects, I'm sure there will be a significant relationship of independent power production and the supply of energy and the issue of biofuels. I would expect that those types of things will continue to emerge and come on stream.

We are certainly taking a lot of steps in the oil and gas area. We've gone into many of those details in the past. I won't go into those today because we are short on time. The member opposite has asked what we are doing to support this industry, and I've provided him with significant information.

We've looked at changing the *Forestry Act* and the forestry regulations to ensure that we have a responsible supply of timber.

We are working with our energy strategy; we're working on independent power production. Highways and Public Works and builders of new buildings are putting in place these types of wood boilers. Whether they're pellet or chip — those kinds of questions will continue to be answered as the process unfolds. We're taking a responsible approach to this and we're working with a multitude of partners as the Member for Kluane has outlined.

Given the time and the need to bring in our witnesses from the Yukon Workers' Compensation Health and Safety Board, I move that we report progress.

Chair: It has been moved by Mr. Rouble that Committee of the Whole report progress.

Motion agreed to

Chair: Pursuant to section 102 of the *Workers' Compensation Act* and Committee of the Whole Motion No. 17, the Committee will receive witnesses from the Yukon Workers' Compensation Health and Safety Board. 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.

Appearance of witnesses

Chair: Pursuant to section 102 of the *Workers' Compensation Act* and Committee of the Whole Motion No. 17, adopted on this day, Committee of the Whole will now receive witnesses from the Yukon Workers' Compensation Health and Safety Board. I would ask all members to remember to refer their remarks through the Chair when addressing the witnesses, and I would also ask the witnesses to refer their answers through the Chair, when responding to members of the Committee.

Mr. Hart, do you have an opening comment or introduction?

Hon. Mr. Hart: Witnesses appearing before the Committee of the Whole today are Mark Pike, chair of the Workers' Compensation Health and Safety Board, and Valerie Royle, president and chief executive officer of the Yukon Workers' Compensation Health and Safety Board.

Chair: Thank you. Would the witnesses like to make an opening statement or opening remark?

Ms. Royle: No.

Chair: Then we'll continue with debate.

Mr. Fairclough: I guess we're going right into this. I thank the witnesses for coming here today and appearing before the Legislature. We've been asking of government when this was going to take place. It is close to the last days of the sitting and I thank both of you for coming here today. Hopefully, we can get some clarity to some of the issues that we brought up in Question Period and also some clarity into the annual report that has been produced.

I know that the witnesses no doubt have been listening to Question Period and to the issues that we brought up.

I asked the government about — I think it was section 10 of the annual report where it said that Workers' Compensation Health and Safety Board had to access the government's line of credit. I don't have it in front of me right now. How does WCB get permission to do this? It's not your line of credit; it's the government's line of credit. How does WCB access the government's line of credit, and what permission does WCB need to access this government's line of credit?

Ms. Royle: We access the government's line of credit through an agreement with the Yukon government that has been in place for a number of years, and I sign on behalf of the Yukon Workers' Compensation Health and Safety Board with the Deputy Minister of Finance.

Mr. Fairclough: Is there a heads-up to government that this is what WCB is going to be doing — that they're actually asking to access the government's line of credit? Is there a heads-up to the Finance minister, for example, that the DM of Finance is signing off? What happens there? This is pretty important stuff. It's accessing their line of credit, and I'm just wondering how involved the Department of Finance is on this. I appreciate that there is an agreement in place — that should be in place — and has been used in the past.

Ms. Royle: We do access the line of credit through the terms of that signed agreement between ourselves and the

Department of Finance, which includes the terms of the amount that we can go into overdraft, the interest rate on that and any kind of reporting requirements that we have to the government. We use the line of credit when it's important for us for cash management. So, as you're probably aware, employers under the *Workers' Compensation Act* report by February 28. That means they don't pay until March or April.

So for the first several months of the year, we are in a situation where we need cash. We can either access our investment revenues or we can access the line of credit. If you recall, in 2008-09, they certainly were not the times to access our investment revenues and sell at a low position in the market, so we accessed the line of credit to pay injured workers and so on because it was a much cheaper way of financing the operations of the business until our assessment revenue starts to come in, starting in March and April of the year. Then we have less reliance on the fund. So how we do that is determined through the terms of that agreement.

Mr. Fairclough: So it's not that Workers' Compensation Health and Safety Board doesn't have the money to do it. It's there. It is an investment, and you're waiting for the return on the investment and it's cheaper to access the line of credit than to cash in the investment before its due date — its maturity. Is that correct?

Ms. Royle: It is and it isn't. It depends on the situation. Normally, we can access our investments and sell at a reasonable point in time; however, in 2008-09, we were in unusual positions. Half of our investments are in equities which we could buy or sell at any time. However, we're certainly not going to sell them at a multi-million dollar loss when we can access a line of credit that enables us to operate with the cash flow that we need. We bring in over \$20 million in assessment revenue. We have a healthy investment fund. Our issue is with cash flow at the beginning of the year through employer assessments where employers start to pay in March and April. We're not in any cash situation; we don't have any cash problems; it really is a cash-management issue at the beginning of each year and then it cycles through. By the end of the next year, we're usually in a better position. If we need to access our investment funds, we can, as long as we're not taking a loss at the time that we need to access those.

Mr. Fairclough: Exactly, Mr. Chair. The witness said that the borrowing of money was at a decent rate. What was the rate and how much money did WCB access through the line of credit?

Ms. Royle: As you can see in Note 10 of our financial statement, we paid just about \$17,000 in interest in 2009 and, at the end of 2008, we were at a \$4.5-million negative cash position. On average, we were about \$2 million, so \$17,000 in interest would be a very attractive rate that we have with the government. That's outlined in the terms of our agreement with the Department of Finance.

Mr. Fairclough: How often is Workers' Compensation Health and Safety Board updating the Minister of Finance in regard to this? Do any updates happen at all or is it all through the annual report?

Ms. Royle: Our updates are to the Department of Finance through the terms of our agreement, so there's an ongoing monitoring of that line of credit and how we use it. Then obviously we report to the public, to our stakeholders, about how much interest charges we would have incurred through our annual report.

Mr. Fairclough: I thank the witnesses for those answers. I'll ask her other questions later on, but I want to go through some of the annual report and see if I can get some clarity to it.

From page 2 and the message from the board, the board's ultimate goal is to see Yukon with the lowest average assessment rates possible, given the level of benefits and services we provide and the size of our system. Yukon currently has the highest average assessment rate in the country. Workers' Compensation Health and Safety Board compares its assessment rates to other jurisdictions on an annual basis. How long has the Yukon had the highest average assessment rate in the country?

Ms. Royle: The Yukon, after we removed what was called the rate subsidies, which were the investment revenues that were used to lower assessment rates — when those subsidies were fully removed in 2007, we began with higher assessment rates than other jurisdictions. However, I'd like to point out that our 2011 assessment rates have been released and our average rate has been reduced from \$2.95 per \$100, to \$2.49 per \$100, and that puts us in a position of no longer being the highest average assessment rate in Canada.

Mr. Fairclough: That was my next question. We recognize that efforts have gone into lowering the assessment rates and the ongoing work to ensure workers' compensation benefits are provided appropriately. Administration costs are still a concern, but all things being equal, we can expect to see the average assessment rate drop to the point where Yukon is not the highest — and the answer to that was that we are falling below and we're not the highest any more. Is that for the year 2009 and what can we expect for 2010?

Ms. Royle: As I mentioned, the \$2.49 rate is for 2011. We announce our rates the year in advance. So, for 2010, we had reduced the rate from \$3.00 to \$2.95 and for 2011, it's going down to \$2.49. One of the qualifiers in the message from the board was that we need to look at our assessment rate relative to our benefit level and relative to our other costs. So we have been able in that \$2.49 to reduce our administration portion of that from \$1.15 to \$1.10. We keep on working on that piece; however, we do not — or I will not — sacrifice the quality of services to employers and workers in order to have that administrative cost come down. There's a balance between how much we need to spend to provide the services to workers and employers, and administrative efficiency. We need to balance both of those things, not one at the expense of the other.

Mr. Fairclough: I thank the witness for that answer. Continuing on determining the administration costs and due diligence, it says in the report that recognizing that employers pay for the compensation system, the board is practicing due diligence to ensure that administrative expenses are necessary, reasonable, and kept on budget. As part of that process, employers made it clear that they wanted to see a redistribution of

administration expenses based on which employers use the services the most. Can the witness provide some examples of what is meant by "due diligence" with this respect?

Ms. Royle: Our administration budget is based on our business plan, so we develop a business plan each year looking at the services that we need to provide and the demands that are out there with respect to mitigating our risks and providing benefits to injured workers and services to workplaces. Based on that business plan, we then look at our budget to enable us to do that. So the budget is directly tied to the development of our business plan based on the board's strategic direction.

We manage our budget; we look at variances; we look at efficiencies. In fact, in 2010, every staff member at the board was involved in an administrative efficiency review. We have looked at ways to cut costs, where appropriate, while not sacrificing services to workers or employers. Further to that, we are now working on our 2011 budget and have continued to work on our administrative costs with respect to our full-time equivalency counts. We've reduced those full-time equivalencies by 4.5 positions for 2011, and I'm very confident that we can still maintain our levels of service. We've done that through attrition; we've done that through combining positions. So we're not negatively affecting the staff that provides the services, but being efficient without sacrificing service.

Mr. Fairclough: WCB has 69 industry categories for rate-setting purposes, and there are big differences across these industries in terms of how much administrative support is required. Now, within each of the industries, there are significant differences between the individual employers. Are individual employers within the industry category paying the same share for administration expenses?

Ms. Royle: Within our rate-setting system — and we just changed this for the 2010 rate setting — we charge every industry a base amount of administration to cover common costs, regardless of the size of the industry or the number of claims they have. After that base, our administrative costs are distributed proportionately across industries, depending on their claims cost history.

So employers who have a higher cost and higher rates pay a higher share of the administrative costs, because they're going to have more costs related to claims, claims administration and return-to-work planning. As well, they typically take more of our time from an occupational health and safety perspective.

So common costs would include the cost of assessment services because, regardless of size or industry, the costs for us to provide those services would be the same. Different industries pay different amounts of administration, depending on their claims cost. All industries pay a base.

Within industries, each employer pays a share of that administration, dependent upon their payroll. So employers with larger payrolls pay a higher dollar value to the board. So in that regard, they pay more toward administration but they pay proportionately the same, because it's a percentage of their payroll they would pay as a small employer.

Mr. Fairclough: I'd like to move on to another section in regard to prudent investing. Following their prudent approach to investment, it says in their annual report that the

board is pleased to report a positive return on investment of almost 14 percent in 2009.

This means that WCB is fully funded and the operating surplus in 2009 was just over \$20 million — \$20.3 million versus a deficit of \$18.3 million in 2008. There were two major contributing factors to this surplus: a strong investment on returns and a substantial decrease in claims costs. I want to go through this just so that everything is clear.

On page 38, it says of the stabilization reserve: a funding deficiency exists when the reserve balance is below its target level. There was a funding deficiency of \$3.67 million as at December 31, 2009, and in 2008 it was just over \$24.65 million. The amount of deficiency is determined as the difference between the reserve balance and its target level.

In the event this reserve falls below the lower threshold of operating range — which was \$7.79 million on December 31, 2009, and in 2008, \$7.456 million — the following steps will be taken: any amount in excess of the target level in the adverse events reserve will be transferred to the stabilization reserve up to the target level if possible, and any remaining deficiency will be replenished up to the target level by a special assessment premium surcharge based on the established schedule as outlined in the funding policy.

Now, in 2009, a premium surcharge was included in the assessment rate as required by the funding policy. Now, there are a number of different funds that are affected by the funding policy and the stabilization reserve had a funding deficiency of \$3.6 million in 2009. A premium surcharge was added to the assessment rates to recover this deficiency. What was the effect of the assessment rates and how much did they go up as a result of this premium surcharge?

Ms. Royle: In fact, our rates for 2010, set in 2009, went down by five cents because we were already seeing some of the claims cost decreases coming through so the addition to the stabilization reserve was actually offset by claims cost decreases, so our rate actually went down five cents as opposed to up.

2010 is not over yet, but our assessment revenue currently is quite strong. We're above where we thought we would be at the end of the year, and our investments currently are very reasonable, and we hope that they'll come out at the end of the year in a strong position as well. It certainly won't be 13.9 percent as it was in 2009, but that was a major market correction. By the end of this year, we'll certainly be in good shape and are confident that the \$2.49 for next year will cover off all of our stabilization reserve requirements. Actually, we don't have any for 2011 because they're already picked up in 2010 based on that 2009 premium surcharge. So all our reserves are funded as of right now.

Mr. Fairclough: The question was: how much did they go up as a result of the premium surcharge?

Ms. Royle: I'll have to get that number for you; I can't recall off the top of my head when we set those rates in 2009 what the surcharge was. I do know the final result was a five-percent decrease overall. So I can get that and get back to the committee.

Mr. Fairclough: It's good to have clarity to this.

Under the section, Adverse Events Reserve, there was also a statement that a premium surcharge was included in the assessment rate, as required by the funding policy. Was this in addition to the stabilization reserve? How much was that surcharge?

Ms. Royle: Yes, it would be in addition. Again, the exact amounts in that 2009 rate — I will have to get back to you.

Mr. Fairclough: Were there any other reserve funds that were deficient in 2009? The witness said she would forward the information to me regarding the total premium surcharges added to the assessment rates in 2009, but were there any other reserve funds that were deficient in 2009?

Ms. Royle: The board only has two reserve funds: one for stabilization to keep the rates fairly stable in the event of market corrections, and the other is the adverse events reserve, as you mentioned, for catastrophic claim events. So we only have those two reserves. So there are no others that would be deficient.

Mr. Fairclough: I'd like to continue, Mr. Chair, on the investigations unit, which has also contributed to an improving financial picture by saving the system just over \$4 million in 2009 — that's straight out of the annual report. Also, on page 35, when you look at the benefits liability, it says, "As a result of work performed by the Investigations Unit during the year ended December 31, 2009, the board closed eight claims files." "The present value for the future savings on these claims is estimated to be \$4 million and is reflected in the benefits liability."

On page 2, we're given the message that the WCB investigations unit saved the system \$4 million in 2009. I'm not trying to be picky but, under note 12, the benefits liability, this figure is further explained as estimated monies that would have been paid over the entire life of the ineligible claims, had they not been closed.

We recognize that the overall benefits liability would be adjusted by this estimate, but WCB didn't actually save \$4 million in 2009 because eight ineligible claims were closed.

This figure represents the total of the entire lifespan of those eight claims, had they been paid out instead of closed. If the analysis is correct, the question is then, how much did the investigations unit directly save in 2009 and how much money was actually saved or recovered in the 2009 reporting period?

Ms. Royle: I would have to go back and look at what the cash savings were in the current year; however, we do have to hold those amounts in our benefit liability, as you mentioned. Yes, there were savings; that benefit liability was reduced in 2009 as a result of the future cost savings of those claims. Cash in 2009 — I can get the figure for you. The bigger dollar savings is by reducing the benefit liability, not having to hold so much money for future payments.

Mr. Fairclough: It's unclear why the reporting is done the way it is, but the amount of money is for the entire lifespan of those eight claims. It says we have a savings of \$4 million, which — it's not \$4 million in 2009; it's for the entire lifespan of these claims. It just doesn't make sense. It is not clear how we have a savings in 2009 when the savings would have been

through the entire lifespan of the claims. They're ended in 2009. There is no more. I just want some clarity on it. For anybody reading this report, it makes it look like we have a savings, but those expenditures are just not there.

Mr. Pike: I'm going to speak like an accountant a little bit here. This was before my time as the chair, but in accounting terms, the financial statements show the liability. If you look at the benefits liability on the financial statement, that's the liability that we will pay those claimants over their entire lifetime. That's not just a liability for this year. When a claim gets closed, that liability gets reduced, so in fact, that liability was reduced by \$4 million in the current year.

I don't know whether or not I'm answering your question directly, but in fact, that liability includes the entire lifespan over which we'll have to pay those people.

Mr. Fairclough: I don't think I fully understand it yet. We have people who are ineligible for claims; you're not pursuing money coming back — that could be somebody who is getting Workers' Compensation Health and Safety Board money and working out of the territory and so on. I'll take the explanation forward and maybe if I read it through *Hansard* I'll understand a bit better. I thank the witnesses for their answers to the question.

Further to the investigation unit results, the role of the investigation unit is to hold accountable all people involved to the compensation process. In 2009, a second investigator was added to the investigation unit. "A number of investigations were concluded in 2009 — most involved claims for compensation and one involved a Yukon employer that was found not registered with YWCHSB and in arrears on assessment premiums...The successful investigations resulted in a savings in 2009 of just over \$4 million to the compensation system. This figure combined with the results of investigations from 2007 and 2008 brings total savings to YWCHSB of \$6.5 million. There are currently more than 20 files that are awaiting investigation."

As just mentioned, the investigation unit is endeavouring to reduce the costs of claims, benefits and liabilities and therefore, reduce assessment rates. To that end, we certainly appreciate the efforts of those involved. As previously mentioned, though, the savings are being quoted here as \$4 million in 2009 and \$6.5 million combined in the years 2007 through to 2009. It represents an overall estimated saving against the total benefits liability.

Now these figures do not represent the actual savings for the years they are reported in, as was previously mentioned. How much actual savings were realized over the past three years since the investigation unit came on-line? I have another question after that.

Ms. Royle: Well, as mentioned, the savings of \$6.5 million — and maybe to expand further to help facilitate the understanding here — when a worker is injured and goes on long-term wage loss, we estimate the full future life of their claim and that estimation becomes the benefit liability. We hold today money for every injured worker in our system until they become disentitled, so when a worker is found to not be entitled to that long-term wage loss, the savings are actual dol-

lar savings that come right off that benefit liability, because we do put the money away into an investment fund or a savings account as you would have it for those workers. If you're looking at cash, maybe I can give you an estimate. If each of those workers was at the maximum, they'd probably be getting \$50,000 cash a year from us, so if eight are closed, that's \$400,000 cash in that year. We do realize the savings because we can reduce that liability. We do put the money away for those workers and we have saved \$6.5 million from that benefit liability.

Mr. Fairclough: The board has also determined it is not cost effective to collect some of these funds and therefore decided to write off \$1.6 million of the amount paid to workers in these cases.

Can we be provided with further detail regarding this write-off? How does Workers' Compensation Health and Safety Board decide that it's not worth pursuing repayment, and does this clear the books? Are there further amounts to be written off and how much?

Mr. Pike: Well, with respect to the — I assume — again, I'm talking about before my time here — that in conjunction with the CEO and our legal counsel, we look at the individuals and determine whether there's any hope of getting a repayment — you know, the old saying, "You can't get blood from a stone." If there's nothing there to pursue, we'd be throwing good money after bad. Whether amounts are collectible or whether there are any further amounts would sort of be a year-by-year evaluation. If the investigators were to determine there is another claim that can be closed, the board would have to look at whether there is any hope of getting back some of the money that may have been paid that shouldn't have been. But again, that would be case by case. It really is — you know, I'm a small businessman — like getting blood from a stone. If the money is spent and there are no resources there, the board's just taking the practical choice in saying let's just write it off and get on with life.

Mr. Fairclough: The cost of pursuing this is much higher than what we would get back.

"As at December 31, 2009, management has identified a total of twenty claims of which ten are currently under review by the Investigation Unit. The outcome of the investigations is not determinable at this time and therefore, the potential future effect of these claims is not reflected in the benefits liability."

Can this be further explained? Ten claims are active; 10 claims are identified, but not active?

Ms. Royle: We do have two investigative resources, and you can imagine that these are not decisions or investigations that we take lightly, so in order to close a claim of a worker who has been previously determined to be entitled to long-term benefits, we do an exhaustive investigation over a period of time to make sure that our facts are straight. That takes those two resources. We prioritize those claims, depending on the amount of money that we're talking about; if we have a worker who has a benefit reserve of a million dollars then we'll be looking at that investigation before we have a worker who has a reserve of a hundred thousand dollars, so we prioritize the work.

We only have two people. These are often, to date, claims where the worker lives outside the territory so that requires coordination with investigation bodies outside the territory. It requires travelling to those locations to get information, affidavits, video evidence, what have you, so we can only do so many at a time. We prioritize them. As we noted, 20 at the end of 2009 had been identified. Ten are actively being worked on, and that probably is the capacity of those investigators who also have other duties as well with respect to investigation of OH&S fatalities as an example. Right now we have the 10 that are prioritized and they are the 10 where we feel we have the best opportunity to see some return on.

Mr. Fairclough: Mr. Chair, I thank the witnesses for that answer.

In 2008, it took an average of 24 days before a claim decision was reached, and in 2009, decisions on claims were reached in about 14 days. This sounds like a substantial improvement in operations and a big step forward in administrative efficiency. How do these stats compare to other jurisdictions across Canada? Are there comparative numbers?

Ms. Royle: They do stack up very, very well. It is one of the key statistical measures that the Association of Workers' Compensation Health and Safety Boards keeps track of. We're among the best in Canada.

I would have to have those in front of me to make sure we are the best in Canada on that result, but we're among the best at 14 days. It's a good indicator; 14 days is good because it's typically the cycle that workers receive their paycheque on a regular basis. Most people get paid every two weeks, or semi-monthly, so 14 days is a good target for us and we're quite happy to be at that level. That's kind of the ideal in our world, where we'd like to stay.

Mr. Fairclough: I may have missed this, but how does it compare against other jurisdictions across Canada?

Ms. Royle: As I said, I know that we're among the best in Canada on that indicator. I don't have those in front of me. I can verify that for you but, if we're not the best, we're pretty close to the best on that front.

Mr. Fairclough: I'm going through a lot of these questions fairly quickly and I appreciate the answers from the witnesses. On page 2 of the annual report, the deadliest year in recent memory: "Unfortunately, 2009 was one of the deadliest years in recent memory for worker fatalities. Four workplace fatalities were investigated by our Occupational Health and Safety Division. Three fatalities resulted in accepted claims. The fourth death was a sole proprietor who did not have optional coverage under the Workers' Compensation Act at the time of his death."

Now, of course, we extend our sincere condolences to the family and friends. We appreciate the sensitivity of this issue, but need to ask if anything specific within WCB has been changed in response to these unfortunate events, and is WCB doing anything specifically about this issue?

Ms. Royle: Obviously, we also take each fatality very seriously and do a thorough investigation of each one. We have been much more assertive in our zero-tolerance policy since these fatalities. There is zero tolerance for personal protective

equipment infractions, there is zero tolerance for machine-guarding infractions, there is zero tolerance for machine-maintenance infractions. In fact, some of these came directly from these fatalities, which were all very preventable.

We certainly have changed our approach. We work with employers and workplaces to improve health and safety and so on, but where there are these infractions there is zero tolerance because we believe that we can save lives by doing that. Definitely we've changed our approach as a result of looking at fatalities, and we're trying to prevent each and every one because zero is the only acceptable number on this indicator.

Mr. Fairclough: I appreciate the answer coming again from the witnesses from the WCB.

I know that this is talked about quite a bit in the workplace, and as we get busier in years to come with increased mining and so on in the territory, we might in fact be faced with more. So anything we can do to make changes to reduce those numbers is what we're all after. So I thank the witness for that.

I do have more questions. I'll ask just one more, and then I'll turn it over to the Leader of the Third Party. I didn't get an answer — or, I didn't get this out of the witness during my opening line of questioning, but we had just over \$20 million in investments and the year before that we lost some \$18 million. What can we expect this year, and are things looking a lot better in the years to come?

Ms. Royle: In 2008, we did see an investment loss, and that's a loss based on the market value of the investments at December 31.

Because we were able to cash manage and not cash those investments, we were able to ride out the financial crisis and, in fact, see a 13.9 percent return in 2009. So what that meant was we recovered our position and more within a one-year span. I think that certainly stands up well to other pension funds' performance in that regard.

This year, we're on track for just beating the benchmark in the markets, barely, but that's what we're looking for. We need to beat the market benchmark. Where it's going to be at the end of the year — your guess is probably as good as mine. If things stay on track, then we should see good investment returns. We have healthy assessment revenue. Our claims costs are on track for our targets, so we're expecting to have a good year. But until the markets close on December 31, we won't know for sure.

Mr. Fairclough: I thank the witness for that. I just wanted to ask one quick question, back to the \$1.6 million that was written off. How much of that was recovered? How much of that money was recovered for these ineligible claims? Then I'll just pass it over to the Third Party. I'd like to thank the witnesses for appearing before us today.

Ms. Royle: When we wrote off the \$1.6 million, none of that would be recoverable because we wrote it off. What we have to look at is, when we close a claim, we close it on a go-forward basis. If we're going to go back retroactively, we have to look at — was it three years ago that this worker was able to do more than he or she said that they were able to do? And that's very difficult to determine. We have a couple of cases where we have pursued legal action where it was warranted,

where there were assets, so those are still ongoing in the collections process. Also, we have the appeals process that we're dealing with on some of those claims, but when we wrote off the \$1.6 million, we didn't collect any of it.

Mr. Fairclough: I would like to thank the witnesses for being here today. I might have made a mistake a couple of times by saying "minister", so I apologize for that and I'll just turn it over to the Member for Mount Lorne.

Mr. Cardiff: I, too, would like to welcome the witnesses here today and congratulate the new chair on his appointment to the board and wish him well. It's a very important part for workers and employers, I believe. It's a very important component of the relationship between workers and employers, because in a lot of ways it's a partnership and everybody has to do their part. The Workers' Compensation Health and Safety Board administers that relationship. There's a whole bunch of history behind the principles of workers' compensation. I don't want to delve into that, and I don't want to scare the chair off. I appreciate the questions he has answered and his expertise.

What I'd like to begin with, because the chair is new, is asking the new chair at Workers' Compensation Health and Safety Board about his philosophy around that partnership between workers and employers.

There has been a historic working together, and we've seen some great gains here in the territory for both employers and workers around safety and reduced claims costs and reduced assessment costs. So I'd just like to ask for the philosophy around those partnerships, if that would be possible.

Mr. Pike: My interest in becoming the chair is exactly as you've espoused here — that the workers' compensation system is incredibly important to the system of commerce, not only in the territory, but everywhere. My interest is to make sure that the system works for employees and employers. The board, as you're probably aware, is combined of representatives from both of those groups. In order for that to happen, the groups have to work together and collectively come up with the recommendations that we as the board are going to put forth and ask the CEO to go out there and implement.

On a personal level, I run a small business, and I'm an employer. My family, my spouse, my children — they're working and they're employees. I understand how important it is for that system to work and how important the safety aspect of that system is. As was mentioned earlier, the thought of getting the phone call that somebody was hurt badly while working sends a shiver down my spine. So that's really where I'm coming from.

I want to thank the House for going so easy on me, with my extensive two days of experience as chair. I do want to thank Valerie for getting me through this and, really, my appreciation to the employees at the board and to the outgoing chair, Mr. Tuton, who have put a process and a board in place that made it interesting and practical for me to come on board.

Mr. Cardiff: I thank the witness for the answer and, like I said, I wish him well. I think he values this as much as most people in the Yukon do. I'm going to try not to be too repetitive in the questioning that has already taken place by the Member for Mayo-Tatchun, but I do have some questions that

may seem a little repetitious. But I might be looking for a little bit different information from what was provided so far.

I'm going to start with the investigations unit because it's pretty fresh — the questions that were asked and the answers that were provided. Part of the savings, I guess — or the reason for the financial position of the board currently is that substantial reduction in claims cost. Part of that, I hope, is due to safer workplaces, but part of it is also attributed to the investigations.

The investigators can look into a variety of things, whether it's how the board is doing its job, the employers, the workers, and look for ways for cost savings for the system.

A number of investigations were concluded in 2009. Most of them — it was my understanding — involve claims for compensation. As mentioned earlier, one involved an employer that wasn't registered. I would like to know how many files are currently open that are under investigation and how long does it usually take? Is it a two-week investigation? I imagine it's different from one investigation to the other, but how long do some of these investigations take? Is it a year, two years, or could it go on for a longer period of time?

Ms. Royle: Our investigations vary on a case-by-case basis, but they typically are four to six months. There's very little that's so blatantly easy to deal with in a couple of weeks. Typically that's not the time frame that we're dealing with. Some go on longer than that, but on average, four to six months. We need to be sure that the facts are the facts and we double-check them and verify them in several different ways, from speaking to employers, for example, or contractors and so on, to video surveillance, talking to the worker, bringing them in and hearing their side of the story.

It's not something we take lightly and four to six months would probably be a good average.

Mr. Cardiff: I'm going to go back to that question. I'm wondering how many files are currently open and under investigation?

Ms. Royle: We run, at any given point in time, 10 that are under investigation. As one closes, another one goes on to the list. So typically the workload of the investigators at any given point in time is 10.

Mr. Cardiff: The other piece of this is, with long-term claims like claims where people are on some form of — it may not be full disability, but it could be a permanent disability — have the investigators worked through all of the existing backlog of claims or are there still more to work through?

Ms. Royle: The investigators are still working through. We have very few current claims that get moved to investigation. The majority is still the claims from many years ago — typically, of those who are not living in the Yukon. So, it seems out of sight, out of mind tends to be the issue and people kind of drift into a situation where they've recovered but don't tell us.

Mr. Cardiff: What I'd like to know now is how many claims are there yet to be looked at. Do we have that figure?

Ms. Royle: As noted in the financial statements, there are an additional 10 on the waiting list. That may have grown; I didn't check with the guys, but we typically have a waiting list. The thing is that we started with the claims that would have the

biggest cost impact. So, as we move through, we're going to need to do more and more investigations to get the same financial result. So we don't expect that over time we're going to have two investigators permanently. They're fully aware of that. We have one permanent position and one temporary. We think that for 2011 and perhaps 2012, we'll still have the full caseload. Most workers now are going back to work. We have the best return-to-work rates in the country and people are going back to work. People who go back to work are not going to be the subject of a future investigation.

Mr. Cardiff: Is it the intention to investigate all long-term claims?

Ms. Royle: No, we do not intend to investigate all long-term claims. There would have to be a reason for an investigation, and a valid reason verifiable. Either one of our staff members has identified something or a health care provider or sometimes it's a disgruntled family member, for example, who may call, but there's always a reason for our investigations. We do not go on witch hunts for people with no reason.

No, we will not be investigating all long-term claims. We do ask on an annual basis for those long-term claimants to see a physician and provide an ongoing medical report, and also provide wage verification to ensure we know what their income is, but we don't investigate all long-term claims.

Mr. Cardiff: As the witnesses can imagine, I understand the purpose behind the investigations unit and I'm glad we're doing what we're doing but, in my job, a lot of the time I seem to get the complaints from people who aren't happy about this. I'm trying to explore and get an explanation so that I can either go back to them and say, "Look, this is the way it is," or find a way to work with them and the board to resolve some issues.

I have a list of questions here. The witness already said that most of these were looking backwards, so I'm not sure whether or not these questions would necessarily apply, but how many workers that are applying for compensation have been denied as a result of the investigations unit?

Ms. Royle: That's an interesting question. I know that our investigators will sometimes assist our adjudicators in doing research, providing information and so on for the adjudicative process. I don't know of any where the worker was denied based on an investigation, but I would have to go back and verify whether or not there were any. Not to my knowledge.

Mr. Cardiff: Do you have any idea how many workers — it could be short-term or long-term claims — have either had their claims terminated or reduced as a result of investigations? What's the total so far?

Ms. Royle: Thank you. I'm going to have to go back and add them up. I know the total savings was \$6.5 million. How many workers that would be — I'll have to get back to the House.

Mr. Cardiff: I know in the annual report it talked about eight, but I'm wondering where we're at in total. The information I've received from individuals who have been through this process and what I have heard is that — I'm going to ask this question first: what recourse does a claimant have

who has been denied benefits or been cut off as a result of an investigation? Do they have a right to appeal that decision?

Ms. Royle: If a worker had been receiving benefits and then benefits were terminated because of an investigation, those workers do have a right to an appeal; in fact, it's an expedited right. They do not go through the internal appeal process; they can go directly to the Workers' Compensation Appeal Tribunal to have their case heard. A worker — on a claim for compensation — would go through the regular internal appeal and then the appeal tribunal process. So there are appeal mechanisms in place for those workers.

Mr. Cardiff: If someone was on long-term disability and they went to the appeal tribunal, do they have to totally get all the medical evidence and everything about their disability or why they were on it? Does that all have to be provided all over again, or is the evidence that was the basis for their original claim still valid?

Ms. Royle: The appeal tribunal will look at the evidence they deem appropriate. We provide them with the full file. So the file will include all of the original documentation as to why that injured worker received benefits in the first place. It will also include the results of the investigation findings and then the resulting decision. So all that information is provided to the appeal tribunal, and then they would take that evidence and weigh it as they will. It's their prerogative as to how they deal with their evidence — but we provide the full file.

Mr. Cardiff: Where is the decision made? After an investigation is completed, where does the information go and who actually makes the decision to either cut them off or deny them benefits?

Ms. Royle: We have a number of decision-makers at the board. So depending on the complexity of the situation, it could go to a case manager. In some cases, our director of claims has been the decision-maker on these files where they are extremely complex, with many years of evidence and investigation results and so on. So it varies, but one of our staff members makes the decision, not the investigators. The investigators produce the findings. They are not decision-makers. They are collectors of fact. That then goes to our decision-maker for a decision.

Mr. Cardiff: What guides the actions of the investigators? Is it the policy of the board on fraud and investigations, or is there a code of conduct and terms of reference? I know some people mentioned video surveillance. I understand the reason for doing that, but there are certain ethical boundaries you have to maintain in order to protect people's privacy, obviously. What guides the investigations unit?

Ms. Royle: Our investigations unit is obviously guided by the policy on investigations. They are also guided by our legal counsel, who ensures the investigations are done in a legal manner. Both of our investigators have backgrounds in law enforcement and are fully aware of the legalities around video surveillance.

With regard to that particular method of information gathering, before any video surveillance is authorized, the investigators bring the business case to me and a committee I arrange,

so we can review the facts to determine how the surveillance will be done and whether or not it's appropriate.

Video surveillance is not an automatic on every case and it is taken very seriously. When we're going to take that action we have a full business case and a full outline of the investigation surveillance plan that ultimately I approve.

Mr. Cardiff: I'd like to thank the witnesses for the information provided and look forward to receiving whatever else can be provided at a later date in this area.

I'd like to ask some questions specifically about the workers' advocate office. The cost of the workers' advocate office is paid for by the board, and hence it is paid for by the assessments of employers. I'm just wondering whether or not members of the board ever meet with the workers' advocate, or whether the CEO meets with the workers' advocate, and what the nature of the discussions would be if they were meeting.

Ms. Royle: The board of directors does meet with the workers' advocate office, usually three times a year — at least once around the budget discussions, and perhaps twice on that piece. That's a legislative requirement to develop the budget in conjunction with the Department of Justice. So that's a collaborative process to look at the budget.

The advocate also comes in periodically to review their progress, to identify any backlogs or any issues, and the board's interest is obviously to make sure that the services are being provided to workers and employers from a governance perspective. We have fiduciary responsibility when we pay that money out to the department. Even though the Department of Justice does operate the workers' advocate office at arm's length, we want to make sure that things are flowing smoothly because it does impact our ability to serve our clients as well.

Mr. Cardiff: Has the board received any proposals to administer the services of the workers' advocate office?

Ms. Royle: Yes, we have.

Mr. Cardiff: That'll do. Can the witnesses tell me whether there are any cost savings associated with such a proposal and would they actually consider a proposal like that?

Ms. Royle: Well, as I mentioned before, the workers' advocate office is enshrined in the *Workers' Compensation Act* and, as such, there are provisions in that act. For example, the Minister of Justice provides the budget through the compensation fund, the workers' advocate office and any deputies must be public servants — so there are provisions already in the legislation. The most recent proposal that was received did not have any figures attached to it; however, it did allude to significant cost-saving to run the office from a different group that would be outside of government.

The board's position is that that would require legislative amendment and it would be the will of this House to do something around that; however, we will work with whoever provides those services. It's in the interest of workers to have an advocacy avenue for them to help with this complex system, and whoever the House determines is the best to provide that, we will work with as we have done in the past and we will do in the future.

Mr. Cardiff: I would thank the witnesses for those answers. I know there was recently a fairly high-profile settle-

ment in court. The government was involved and there were fines that were paid and it didn't seem appropriate that the government pay the fines to itself, which I can support. From my perspective, I thought it would be appropriate that some of those funds at least go toward a permanent memorial to injured workers. I'm just wondering what role the board would consider it would play in a permanent memorial — whether or not funds from Workers' Compensation Health and Safety Board could be made available for a permanent memorial and what the role of Workers' Compensation Health and Safety Board would be in that.

Ms. Royle: In the court case, we recommended to the prosecution, actually, that the monies be paid for a permanent workers memorial, so we certainly support that. The judge decided otherwise and directed the funds to the Northern Safety Network Yukon, which we also support. It's the judge's prerogative to do that. I was glad to see the fines were not put back into government general revenue, quite frankly, because I think that would be problematic.

With respect to the workers memorial, the board was heavily involved in developing the prototype that is housed here in the Yukon government offices, in working with the Federation of Labour to develop the Day of Mourning campaign, which looks at collecting funds to erect that. We have put in significant financial contributions so far in moving toward that.

It would be a decision of the board of directors to determine if there were additional funds to put into that. It hasn't been discussed in the last couple of years; that's not to say it couldn't be, but that would definitely be a decision of the board of directors to determine to what further extent they would be willing to contribute to a permanent injured worker memorial.

Mr. Cardiff: I thank the witnesses for that answer. While we're on the topic of fines, I would first like to say thank you very, very much for deciding to take the step of reporting violations of people who are the problem, whether it be employers or whether it be workers. I think that is a step forward and I think it was the right decision — it's something I've advocated for, for a long time — because you can see where some of the problems are.

But I have another question around the fines that are levied under that. Do those fines go into general revenue? The government was found at fault in those reports and fines were levied. Did they go into general revenue as well, or do they get diverted somewhere else?

Ms. Royle: When we administer the fines directly by the board, they're actually called an "administrative penalty." Those administrative penalties go to the Workers' Compensation Board. By legislation, they have to offset the cost of assessments in the industries in which the fines were levied; so that's what happens. Those funds don't go into general revenue. The difference is when there is a judicial decision. Those fines may go back to general revenue, but not administrative penalties.

Mr. Cardiff: Great. Thank you very much. I'm pleased to know that.

We were all very saddened this year to learn of the two — well, in the last while we've had two fatalities in the mining

industry and I think, somewhere along the line, somebody's got to pick up the game because this is tragic. Both individuals were young, so there is a certain responsibility and an onus on the part of the employer to ensure that appropriate steps are being taken.

The witness mentioned earlier about the investigators not just investigating claims but investigating incidents as well. It's nothing against any one particular person or one particular position, but I know that there have been calls. I know the Federation of Labour called in the paper for a special prosecutor to review the files and there is federal legislation that covers this. I think the argument is that — I know the board has lawyers and legal counsel but they're not criminal lawyers, really. They're family or corporate law kind of lawyers.

It's not the Territorial Court that necessarily enforces the Criminal Code of Canada; it's the Crown prosecutors who are going to prosecute something under the Criminal Code. It is a Criminal Code offence but it needs to be investigated, so it either needs a special prosecutor to review those files or the RCMP have to be called in. I know there are arguments that you have to be there right at the beginning. I don't necessarily think that's true because a lot of times you find out a lot of things afterward and I think there's some value to that.

When people's lives have been cut short, especially in the case of deaths, there are valid reasons for doing this. I'm wondering if the witnesses can tell me why that hasn't happened in these two instances. I think it would have been good if it had. Is the board considering a policy around this to ensure this does happen, just as a matter of course, because it doesn't hurt, in my mind.

I think it's better to err on the right side and to do the investigation and have it all reviewed by Crown counsel because they have the knowledge and the ability to determine whether or not there was criminal negligence and whether or not there was corporate responsibility if it's because of decisions that were made at a higher level. There is all kinds of background available on this and I've spent some time reading it over the weekend. I don't want to get into too much detail about it but I think that it is important. I'd be interested in the comments and whether or not the board would consider a policy that would just make it a matter of course where this happens in the event of a serious injury, a death or something that was fairly obvious.

Ms. Royle: Perhaps I should outline what currently happens in these cases. When there is a death at a work site, the RCMP actually owns that scene.

They do their investigation and we may be there at the time or we may not. We do have an agreement with the RCMP around these matters. Then when they're satisfied with the situation, they turn it over to us, so the RCMP would identify should they feel there is any criminal activity. As we go through our investigation, should we feel that anything appears, then we would contact the RCMP and turn it back to them because, as the member said, these would be prosecuted not by the territorial Department of Justice but by Public Prosecution Service of Canada. We've talked with that group and they've assured us that they would bring in expertise because they

don't have anyone locally who has experience in dealing with these particular sections of the *Criminal Code of Canada* here in the territory, but that they can access resources across Canada, if need be, to review those things.

That's what we currently do; we take them all very seriously. It's not in our legal mandate to prosecute under the *Criminal Code* so we do have to hand it over to the proper authorities and we do work hand in hand with the RCMP on these cases. We have our legal counsel, we have review by Justice and if there's any smell, or any hint, of criminal negligence — which is a pretty high standard — it gets turned back over to the RCMP.

That's how we deal with it right now. It's a matter of course; it's how we do business; and if we see anything that resembles negligence from a criminal perspective, it does get handed back to the RCMP.

Mr. Cardiff: So it's not necessarily a matter of policy that an incident like that would get screened automatically; it's up to the RCMP to do that. Maybe the witnesses aren't the appropriate people, but I'm wondering what assurance we have that the investigators from the RCMP who are doing that have the expertise to investigate workplace incidents, for starters. How far is it actually taken? Part of it is about policy, to me. It's about what the company's policies are around what can take place in the workplace or how work plans are carried out, in some instances. In this case, I think WCB has more expertise than the RCMP — I don't know — especially when it comes around mining. I'm looking for some assurance that the expertise is there to ensure that it's being investigated thoroughly with full knowledge.

Ms. Royle: I think for sure you need to talk to the RCMP around the qualifications of their investigators with regard to workplace criminal negligence issues. From our perspective, what we've seen with the RCMP we've worked with — as an example, in the last fatality — the lead investigator for the RCMP was on-site immediately and they had the resources there to deal with the issue. Obviously, if you want to talk to them a little bit further, that's the prerogative of the House, I assume. We're satisfied with that.

With respect to workplace policies, that is part of what we do as an investigation. We don't just look at the physical scene; we look at the health and safety management system the employer had in place — was it adequate? Did it meet the health and safety requirements? Was it reasonable for that workplace? That is in our area of expertise and we do review those things as a matter of course. It's not just whether a rock fell on someone — it's why that was allowed to happen. What was in place to prevent it and what should have been in place to prevent it? Those are the types of things that we consider.

Criminal negligence is not under our legislative mandate. When we see that, we would turn that over to the RCMP, as I said earlier. It is a very high standard to meet and it's certainly something that we would immediately turn over to the appropriate authorities to determine. But we do look at policies, we look at a hierarchy of authority — who had responsibility for the various pieces of the health and safety management system

— and we do go beyond the actual physical circumstances that led to the injury.

Mr. Cardiff: I thank the witness for the answer and I will definitely do some more reading and ask some more questions in this area, because I think it's important to the families of those people who have passed away on the jobsite — that they can feel some sense of justice being done.

Earlier, witnesses were talking about the fact that there's a zero tolerance for repeated infractions. I'd just like to follow up on that. What are the penalties? Are there more work site inspections? If a work site has a history of repeated infractions — is there more monitoring of those worksites than other worksites?

Ms. Royle: Clearly, we do place our resources into the higher risk areas, and repeat offenders are a high-risk area. Typically, our penalties — we did increase them this year — seem to be high enough to help avoid repeat infractions. However, they do occur and we do go back to those work sites. So we definitely have limited resources. We do target them to the higher risk industries and the higher risk employers and repeat infractions are definitely a high-risk area for us.

The penalties do go up as infractions increase. We also have the opportunity to look at prosecution if the administrative penalty system is not working.

Mr. Cardiff: Earlier there were references to the return-to-work program. I'm not sure if I found the right page in the annual report or not, but I thought I heard the CEO say it's improving — that more people are returning to work early. I'm wondering what the statistics are that show that over the last couple of years.

Ms. Royle: When we look at return-to-work outcomes nationally, we measure rates at 30, 60, 90, 180 and 360 days.

If you look at the AWCBC key statistical measures, Yukon has the best outcomes at every one of those measurements. We see the difference. We can see that almost 90 percent of injured workers are back to work within 90 days of their injury. Ninety days is the key time frame for us; it's a milestone in disability management; it's the time when we start to look at depression, drug use, less and less chance of returning to work. So for us, we're really at long-term at 90 days. We've been very successful in getting those outcomes to that level. They've been improving every year since 2008.

We also look at the percentage of workers who have lost-time injuries, who go beyond one year, because those are the workers who are likely going to end up in that long-term benefit pile. Just at the end of last month, we were almost at 99 percent of workers off their claim within one year. Very few are going on to vocational rehabilitation and even fewer are going on to long term. We believe that's the result of our focus on return to work, on recovery at the workplace. It's working; we're getting positive feedback on that from our staff, injured workers and employers. I think we're able to make positive differences in people's lives so that an injury does not have to turn into a disability. Disabilities tend to define people in ways that are not always positive, unfortunately. So that's an important focus for us, for our staff and for workplaces. We've seen

the improvement over the last three or four years, which has been absolutely amazing, and results in the claim costs decrease because of positive outcomes in return to work.

Mr. Cardiff: That's what I was wanting to hear. I'm kind of jumping around here a little bit. In the annual report, on page 11 it shows accepted claims by occupation category. Further along, it also has graphs that show accepted claims by event or exposure. The interesting thing is that the industry or the area where there are the most claims is within trades, transport, and equipment operators and related occupations. The next one down would be sales and service occupations. Actually, there's a correlation on page 15, in my mind anyway, around the accepted claims by event or exposure because these are the hazards that are in those industries, which is contact with objects and equipment, falls and bodily reaction or exertion.

Those are interesting statistics and I'm sure that they're used as part of how you determine what the assessments are for different industries, but how does it affect the message that Workers' Compensation Health and Safety Board and Occupational Health and Safety are trying to get out to workplaces and workers? It looks to me like that's where there needs to be some concentration on safety programs, certificate of recognition, and those types of programs. Is that guiding the organization in how they get that message out there?

Ms. Royle: Yes, we do look at the correlations between the industries and accepted claims, but not just the number of accepted claims. We also have to look at the cost of those claims — cost being an indicator of severity or future risk — so the combination of those two.

When we look at the industries where we're having the most injuries, as the member has pointed out, we look at programs like our zero tolerance around personal protective equipment, infractions, machine-guarding and machine maintenance being targeted as well. So, we do target, based on number and severity of claims. So we definitely use those programs.

You'll see the industries, like the trades, for example — we have put supporting funding into Northern Safety Network Yukon. We're very pleased to see not only the City of Whitehorse but Yukon government and upcoming Yukon Energy requiring COR for all their contractors and subcontractors. We believe that that has had a positive impact and we're hoping to see those numbers lower by the end of 2010. Our assessment rates for 2011 in fact reflect that.

One of the industries with the highest decrease is bridge construction and road-making, where the majority of the employers are COR-certified. They're the employers and the industries that are likely to have these types of injuries, and their rate went down 47 percent. We believe that's attributable to the focus on health and safety programs, through the COR program, as well as the efforts of our staff and our social marketing initiatives around those industries. So there is a correlation. We do use it in our work to guide our programs, and we believe it has been having a positive impact.

Mr. Cardiff: I thank the witness for that answer. Around COR certification, do we have figures for where we're

at and how many employers are COR-certified? I recognize that it took awhile for this to catch on and I have actually been able to participate, to some extent, in the program and it opens your eyes, which I think is what it's intended to do — open people's eyes to hazards in the workplace and to think about your safety and your coworkers' safety. But I'm just wondering what the statistics are as far as how many are certified, how many are working toward certification, and whether or not it's beginning to become the wave that we all hoped it would be.

Ms. Royle: The Northern Safety Network Yukon has provided statistics that we currently have 48 COR-certified companies, 11 small employer COR-certified companies, 16 COREL which is COR-equivalency companies — so companies who may have been COR-certified in a different jurisdiction and have come to Yukon to have an equivalency rating. There are 13 employers with temporary letters of certification. So those are employers who are in the process. They have their training completed; they have their health and safety program in place; they've done their own internal audit and they're waiting for an external audit. Perhaps they need to have an operating workplace to get that. So there are 13 of those. There are two out-of-territory temporary letters of certification. There are an additional 35 employers who are actively working toward COR or SECOR. There are currently two COR companies that are in the external audit process right now.

So we certainly have seen a huge increase in the number of employers who are involved in COR, as well as SECOR. I would also like to point out a new program that Northern Safety Network Yukon has developed. It's called "OPCOR" which is owner-operator COR. So this is for employers just themselves — their own worker is themselves. So there's a special program now designed for that group as well. We're really pleased with the SECOR program. We would love to see more employers, small employers engage in that particular aspect of COR. It's designed for small employers and is very easy to get involved. Just contact the Northern Safety Network Yukon and we can get even more employers into this program. We're also supporting it through our revised CHOICES program that we just released to the media last week. In that program in 2011, COR- or SECOR-certified companies will get a 10-percent assessment rebate automatically for being in the program. We're really hoping to continue the wave of COR certification, and having large employers like City of Whitehorse, Yukon government and Yukon Energy requiring COR for their contractors is a huge step toward making that happen.

Mr. Cardiff: I thank the witness for that answer. That's a lot of information. I was writing really fast and I think I got most of it. It is becoming what we had hoped it would be, I think.

With regard to institutional workplaces, I think the witness mentioned Yukon Energy in relation to requiring COR, but what about workplaces like government workplaces?

I'm thinking Yukon government Highways and Public Works, or it could be Energy, Mines and Resources or the Department of Environment, or it could be the City of Whitehorse or the municipality of Watson Lake. Is there uptake? I know there are government departments that have been working on

this for some time. I'm also interested in things like municipalities at the government level, where there are a lot of workers who are involved in a lot of different activities and jobs, some of which are in those areas we talked about earlier in the statistics around operating equipment.

Ms. Royle: Yes, it's a good point, because COR isn't just for construction. Because it was started by the Yukon Construction Safety Association, there may be a myth out there that's it's only for construction, when that isn't the case at all. As an organization, Yukon Workers' Compensation Health and Safety Board is COR-certified. We also have a division within Highways and Public Works that is COR-certified. Beyond that, I would have to look at that list of 48 to see who else is specifically on there, but COR is not just for construction. SE-COR is not just for construction.

I know there have been surveying companies through SE-COR. It truly is from an office environment to a heavy industrial environment. COR or SECOR are programs for all Yukon workplaces, so people should not be turned off because they're not in construction. It can be adapted to any industry.

Mr. Cardiff: There are probably lots of questions we could ask today. I only have a couple more for today, I believe. I'm not sure whether or not the witnesses can provide an answer to this question or not. I want to do this without mentioning any names. There was a fairly recent re-hearing, basically, of a case where benefits were denied to a surviving spouse and surviving daughter.

It was in the newspaper. The benefits were denied based on the findings, and it was sent back to the appeal tribunal. I'm just wondering whether or not there's a time frame for when that judgement on the re-hearing of that case will come forward and when that new judgement would be made public.

Ms. Royle: Of course, I can't comment on an individual case, but I can tell you that the Workers' Compensation Appeal Tribunal does have time limits in place with respect to when they need to get their decisions out. Certainly, if they cannot meet those time frames, they would have to advise the appellants that they are unable to and schedule an additional time frame. So they do have to report — I believe it's within 45 days, and I'm just making sure that I am correct. If they don't provide that, they do have to provide an extension and a reason for that extension. In any case, the decision should be out in a timely manner and, if not, the appellant should hear from the appeal tribunal as to why not.

Mr. Cardiff: I only have really a couple more questions, I guess. I know there has been a lot of work done around code of conduct for young workers, and I can tell they saw this one coming. We've talked about young workers somewhat today, but I'd like to go specifically to the heart of the matter, which was the legislation that was brought forward and the consultation that was done. I appreciate all the work that has gone into this, but I really would like to see — I guess it can never happen fast enough for me sometimes. I can get somewhat impatient, especially when I see young people being injured or being taken advantage of in the workplace — that's basically what it boils down to in a lot of cases.

So, while I recognize the progress that has been made, there were commitments made to draft minimum age restrictions and for changes to come forward in 2011 to the *Employment Standards Act* — maybe it would be in the regulations, I'm not sure. I'm just wondering what progress has been made in those areas. I think it's important because, just like the statistics in the annual report point out where the high-risk occupations are and what the events are that have led to those injuries, I'm pleased to see the claims by workers 25 years and older are actually going down since this became a bigger issue in the public eye and the government started taking it seriously and everybody started taking it a little more seriously.

So I'm buoyed by that, but the number is still too high. There were 112 people under 25 who were injured in the workplace in 2009. Those were the ones that were reported. I know there are penalties for not reporting, but it's the nature of young people to not want to do it because they know they're going to get into trouble for it and there can be repercussions. It's about what we can do to protect them. It's about those age limits in certain industries and that piece of legislation or changes to the regulations. I'm looking for that progress so we can bring that number down even more.

Ms. Royle: Clearly the issue of young worker safety is of paramount importance to the Yukon Workers' Compensation Health and Safety Board as well. We've been pleased to be working on this particular issue. In response to the report to the Legislative Assembly regarding Motion No. 542, we very quickly put into place a code of practice for the training, orientation and supervision of young and new workers, which came into effect on January 1 of this year.

Unfortunately, I feel that was too late for someone like Paul Wentzell, who was 20 years old when he died in October 2009. We know the urgency of this issue, so we never have to make that phone call to parents ever again. That code of practice came into place.

We are working on draft regulations. We've had a draft go to our prevention group, which has about 25 different industry and labour organizations working on this issue. They also all agreed to the paramouncy of young workers' safety. So that's based on the results of that consultation, as well as information from other jurisdictions. Those drafts are being done.

Under the *Occupational Health and Safety Act* and regulations, we will be dealing with the bona fide safety requirements around minimum ages. The prevention group has asked us to send a letter to the Employment Standards Board asking them to address the issues around some of the social areas. For example, if there's going to be a general minimum working age in the territory, that would be an employment standards issue. Similarly, the issue of whether school-age children should be limited in the number of hours that they work is an employment standards issue. So our prevention group has drafted a letter, and it will be sent shortly to the Employment Standards Board, urging them to address those issues under their legislation. So we are moving forward with that.

We'll also be asking as we go forward to make the code of practice a regulation — so to give it a little bit more teeth, if you will, for addressing issues in the workplaces. So instead of

a code, we'll be asking for a regulation. We do believe that we can move forward and still meet the time frame of January 1, 2012 implementation but, of course, that also depends on many factors.

But we will be ready with proposed regulations in the spring.

Mr. Cardiff: I'm going to thank the witnesses for their answers and for being so candid. I'm going to turn it back over to the Member for Mayo-Tatchun. The target date is January 2012; I thought it was 2011. Thank you very much.

Mr. Fairclough: I have one more question for our witnesses here. I apologize if it was partly answered. I want to go on to the government funding. "In 2005, the Government of Yukon approved the reinstatement of ongoing funding for the Mine Safety Program through an annual grant to the board. The Program, which was transferred to the board in 1993, provides mine rescue training and support services as well as mine safety inspection services. The funding is to be reviewed by the Government, at a minimum, every five years. The revenue is accounted for in Recoveries and other receipts in the period in which the related expenses are incurred (note 15)."

What has happened to this program? What about the staff and what is the status of the mine rescue station that used to be in place and are there any plans to reinstate it?

Ms. Royle: There are a number of questions there. The first one, around the agreement for mine safety — that is administered by the Department of Justice; we have an annual agreement with them so we've been receiving \$329,000 a year from the Department of Justice for mine rescue and training. We use that money to fund our chief mine safety officer, we provide funding to various organizations for mine rescue and we do maintain mine rescue equipment at the mine rescue station, which still exists on Range Road.

The signage has been removed from the building because our occupational health and safety regulations were changed and the responsibility for having mine rescue stations rests with the mines. Quite frankly, the only use of a mine rescue station on Range Road is if there's a mining disaster on Range Road, so the employers have to have the mine rescue stations at their mine and they do. We ensure that they have mine rescue stations, that they have mine rescue teams in place and that those teams are properly trained. They also all have agreements with each other for backup teams and, in some cases, have agreements with external mines for additional mine rescue services.

We do have mine rescue equipment on Range Road in the same location; we still own that building and it's still used for that purpose with respect to storage of mine equipment, but mine rescue stations are required to be at mine sites and they are.

Mr. Fairclough: I would like to thank the witnesses for appearing before us today and thank them for their answers. The many questions I had have been asked by the Member for Mount Lorne, so I would like to just move on and thank them for appearing before us today.

Hon. Mr. Hart: On behalf of the Committee of the Whole, I would like to thank Mark Pike, chair of the Yukon Workers' Compensation Health and Safety Board, and Valerie

Royle, the president and chief executive officer of the Workers' Compensation Health and Safety Board, for appearing as witnesses today.

Chair: Thank you also to the witnesses; you are excused.

Witnesses excused

Hon. Ms. Taylor: I move that Committee of the Whole report.

Chair: It has been moved by Ms. Taylor that Committee of the Whole report.

Motion agreed to

Hon. Ms. Taylor: I move that the Speaker do now resume the Chair.

Chair: It has been moved by Ms. Taylor that the Speaker do now resume the Chair.

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order. May the House have a report from the Chair of Committee of the Whole?

Chair's report

Mr. Nordick: Mr. Speaker, Committee of the Whole has considered Bill No. 22, entitled *Second Appropriation Act, 2010-11*, and directed me to report progress. Also, pursuant to section 102 of the *Workers' Compensation Act* and Committee of the Whole Motion No. 17, Mark Pike, chair of the Yukon Workers' Compensation Health and Safety Board, and Valerie Royle, president and chief executive officer of the Yukon Workers' Compensation Health and Safety Board, 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.

Hon. Ms. Taylor: I move that the House do now adjourn.

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

Motion agreed to

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

House adjourned at 5:28 p.m.

The following Sessional Paper was tabled November 8, 2010:

10-1-184

Yukon Health and Social Services Council 2009-2010 Annual Report (Hart)

The following documents were filed November 8, 2010:

10-1-165

Queen's Printer Agency 2009-2010 Annual Report (Lang)

10-1-166

Fleet Vehicle Agency 2009-2010 Annual Report (Lang)