

Whitehorse, Yukon

Wednesday, November 28, 2007 -- 1:00 p.m.

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

Prayers

DAILY ROUTINE

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

Tributes.

TRIBUTES

In recognition of Jon Rudolph and Mammoth Tusk Gold

Hon. Mr. Lang: I rise today to pay tribute to Jon Rudolph and Mammoth Tusk Gold for striking a commemorative Yukon gold rush coin that truly exemplifies Yukon's placer miners as world-class environmental stewards and being socio-economically responsible. The gold used to produce this coin is 100-percent Yukon gold and comes from Jon Rudolph's Ross mining operation located here in the Klondike.

Since the famous Klondike Gold Rush of 1896, gold has played a significant role in our Yukon history. From the early gold rush days to the modern responsible mining practices of present day, the discovery of gold in the Klondike continues to be a cornerstone of the Yukon's economy, as well as adding exciting historical and scientific value to Yukon.

Important fossil discoveries, such as the woolly mammoth dating back 40,000 years, have been uncovered by the placer mining industry and preserved through cooperative efforts between the industry and the scientific community.

Through the minting of this coin, Jon Rudolph and Mammoth Tusk Gold are demonstrating to the world that Yukon has distinguished itself as a place where successful mining operations are also responsible mining operations; that Yukon is a place where mines continually demonstrate environmental stewardship by taking every step to minimize or avoid entirely environmental impacts; that Yukon is a place where mining communities work in a spirit of open planning and extensive consultation, promoting respect for cultural integrity and a willingness to work with all Yukoners to ensure a positive legacy for future generations; moreover, that Yukon gold will be known for and sought out for its environmental, social and cooperative integrity.

I wish to commend Jon Rudolph and Mammoth Tusk Gold for striking this commemorative Yukon gold rush coin using .999 pure Klondike gold. This coin symbolizes the continuance of our golden past into a very bright future.

At this moment, I'd like to introduce Jon Rudolph and his assistant Brooke MacLean.

Applause

Speaker: Are there any further tributes?

Introduction of visitors.

Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Hart: I have for tabling a legislative return in answer to an oral question by the Member for Vuntut Gwitchin on Wednesday, November 21.

Hon. Mr. Kenyon: I have for tabling today the annual report for the year ended March 31, 2007 for the Yukon Housing Corporation.

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

Are there any reports of committees?

Are there any petitions?

Are there any bills to be introduced?

Are there any notices of motion?

NOTICES OF MOTION

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

THAT this House urges the Government of Yukon to continue providing a geoscience base for industry that is second to none in Canada and to develop the biophysical land classification and mapping projects that will have benefits for land use planners, wildlife forest managers, mining companies, renewable resource councils, the agriculture industry and the many federal, territorial and First Nation government agencies that have to make land use and resource management decisions.

Mr. Mitchell: I rise today to give notice of the following motion:

THAT this House urges the Yukon government to immediately address the chronically long wait times for Yukoners awaiting services of an orthopaedic surgeon in order that

(1) patients will be able to return to work sooner and thus lessen personal financial burden;

(2) patients will spend less time at home awaiting a procedure and will result in less stress to family members; and

(3) patients will lessen the likelihood of other health related issues as a result of prolonged periods of stress and inactivity.

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

THAT this House urges the Yukon Party government to make the results of community water testing available on-line.

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

THAT this House calls upon the minister responsible for Yukon Liquor Corporation to advise his officials that serving free samples of alcoholic beverages in its sales outlets is not appropriate in a government building accessible to the public, that it conveys an inappropriate message that driving a motor vehicle after consuming alcohol is acceptable, and that the practice should be discontinued immediately.

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

THAT this House urges the Yukon government to research and develop a policy on a guaranteed annual income, as recommended by the Royal Commission on the Status of Women,

the Macdonald Commission, the National Council of Welfare, the Special Senate Committee on Poverty and the federal working paper on social security, that would:

- (1) be a simple, non-taxable basic income available to all adults;
- (2) be recoverable through the personal income tax system for those earning over a certain amount;
- (3) eliminate or significantly reduce the social assistance system;
- (4) simplify administration and reduce administrative costs;
- (5) maintain consumer demand in the face of unemployment, part-time employment and inadequate wages;
- (6) deal with long-term structural unemployment, underemployment and the demand for a flexible workforce; and
- (7) stimulate the growth of a variety of useful non-market work such as literary and artistic pursuits, volunteer service work, study and research, which will benefit society immensely in the long term.

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

QUESTION PERIOD

Question re: Internal government audit

Mr. Mitchell: I have a few questions for the Acting Minister of Finance.

Recently, the government's internal auditor investigated how this government hands out money. What he found was not pretty. The report on the audited contributions gives this government a scathing report card on its inept financial management. The audit said, "We found that there were wide-ranging deficiencies in the management practices and controls governing contributions." This report is dated January 2007. How long has this government been sitting on this report?

Hon. Ms. Taylor: Mr. Speaker, as members opposite know full well, through the internal audit office housed with the Executive Council Office, routine audits are performed on a number of different functions within the Government of Yukon. The contribution agreements were certainly one of the most recent audits. Since that time, Government of Yukon officials have been working collectively and very hard to act on many of the recommendations made.

Mr. Mitchell: Well, I don't believe I heard an answer to the very specific question. The report was dated January 2007. It only recently appeared on the government Web site. This acting Finance minister had good reasons to not want to talk about this particular internal audit. The report goes on to say, "Until the government addresses these issues, contribution programs and projects will continue to have persistent control problems, leading to the possibility of conflicting initiatives, the possibility of overfunding and an ongoing risk of using public funds inefficiently and ineffectively."

When was this report actually released by the audit team and when was Cabinet informed of it?

Hon. Ms. Taylor: Well, Mr. Speaker, this Government of Yukon has absolutely nothing to hide. In fact, we have been fully transparent. We fully disclosed the details, as have been provided, on the Government of Yukon Web site.

As I mentioned, through the internal audit, a function housed within the Executive Council Office, Government of Yukon does provide a number of routine audits. It is our attempt, and certainly our effort, to make more transparency and more disclosure available through the Government of Yukon daily operations.

I'll certainly commend the good work of the officials within the Executive Council Office who do provide very good recommendations, and very thorough advice. The Government of Yukon has been following up on many of the recommendations. In fact, many of those recommendations have been put into place. Some of them are always ongoing as well.

So again, the government continues to do its good job, being fully accountable, fully transparent with respect to taxpayers' dollars, and we continue to adhere to the Auditor General of Canada's good words as well.

Mr. Mitchell: Well, Mr. Speaker, in the interest of being fully accountable and fully transparent, the report is dated January 2007. I don't recall it being transparently anywhere in January, February or March of 2007.

Mr. Speaker, this government is currently being investigated by the Auditor General, and now we have this, an internal audit, a recently completed internal investigation by officials.

Mr. Speaker, we'd like to congratulate the officials responsible. Yukon owes them a lot.

This report covers only five departments. However, the report makes it very clear that it is no better in the rest of government. Let me again quote: "In other words, we believe that had our work been done in those other departments, the audit results would have been essentially the same." This is a terrible indictment of financial incompetence, Mr. Speaker. Yukoners have the right to know how many months this government sat on this report and failed to disclose it while having the audacity to portray itself as financial stalwarts. Who knew, and when did they find out?

Hon. Ms. Taylor: The Government of Yukon has posted the full report in its entirety on the Government of Yukon Web site for all the public to view. They can look at what recommendations were made and what the findings were. I guess I'm at a bit of a loss in terms of whether or not the Government of Yukon has been hiding information. In fact, the information is there at the member opposite's fingertips. This is part of routine business and day-to-day operations. Through the Executive Council Office, we have an internal audit office that is responsible for providing routine audits on a number of different operational matters. In fact, the contribution agreement is but one of a number of different audits that have been done. It provides more clarity to the Government of Yukon about how we do administer programs and deliver services to the many NGOs that do a lot of great work on behalf of Yukoners. We are adhering to the recommendations made, and we take great

pride in being able to deliver sound fiscal management as has been backed up by the Auditor General of Canada.

Question re: Internal government audit

Mr. Mitchell: Let's see if we can make this clearer for the Acting Minister of Finance. According to her apparent definition of "transparency", I look forward in November of 2008 to seeing a report that's labelled "December 2007". The report on the audited contributions is a very comprehensive report. On page 48, it says: "One of these organizations was advanced over \$100,000 without justification and authority under section 30 of the *Financial Administration Act*. Payments for the other two projects were approved by officers who did not have the appropriate spending authority under section 29 of the *Financial Administration Act*."

The government's own auditor says this government is not following the act, Mr. Speaker. What do laws mean if governments can go willy-nilly around ignoring them? What does the acting minister propose to do regarding these apparent violations of the *Financial Administration Act*?

Hon. Ms. Taylor: Well, Mr. Speaker, that is exactly why we have asked the internal audit to provide us with a review of these particular agreements. That is exactly what we have done. We have been forthcoming with the request. In fact, as a result of those findings, as a result of those recommendations, we have been following up. It is part of doing good governance in this territory. It is taking a look, taking an independent perspective on what we're doing right and what we're not doing right. In fact, it is an opportunity to go back and to take a look and see how we can better define the delivery of services and programs that we provide on behalf of Yukoners.

We are certainly very proud of the work that the internal audit provides on a day-in and day-out basis. In fact, we've actually increased resources to that particular function in the Government of Yukon. Government of Yukon has been fully forthcoming with information -- very cooperative. In turn, we are acting on many of those recommendations -- all of those recommendations. Some have already been followed up on. Some are certainly underway. Again, we continue to abide by those recommendations.

Mr. Mitchell: Well, Mr. Speaker, this government is so proud of the work that they hid it for most of the year. Allow me to be very clear here, Mr. Speaker. I'm talking about the "a" word -- accountability. Many Yukoners voted for this government because they were led to believe that they would be frugal with Yukoners' money. They were led to believe that a conservative government would watch over their hard-earned tax dollars. Now, under investigation from two sources, this government has lost any semblance of financial credibility. Will the acting minister now take responsibility and admit to Yukoners that this government has mismanaged the finances of this territory?

Hon. Ms. Taylor: I challenge the Leader of the Official Opposition to table the correspondence that he has on hand with respect to any Auditor General of Canada or any government demanding an investigation of our finances. It is in fact a review. I will just put on the record that it is a review, not an investigation.

Mr. Mitchell: Well, Mr. Speaker, I challenge the minister to read the report, because it is pretty scathing. It is the wrong answer. I can open this report to almost any page and find a condemnation of the actions of this government. On page 48, again, four of eight contribution agreements showed no reporting requirements of any kind. The recipient of another project did not meet the reporting requirements of the contribution agreement, yet the project was fully funded. It's unbelievable. Nobody is minding the shop.

This government must take responsibility. An internal audit has found that the *Financial Administration Act* was not followed. What does the minister plan to do about it?

Hon. Ms. Taylor: Well, certainly unlike the members opposite, we in the Government of Yukon take great pride in the many non-government organizations that provide services on behalf of the Government of Yukon. I refer to our museums, arts organizations, health service providers and so forth. I certainly take great pride in the work they provide.

The particular audit the member is referring to brings up a lot of great recommendations. It is certainly a reflection on the work that is provided -- very important work -- on behalf of Yukoners. A number of recommendations have been made.

Again, for the member opposite, I can't put this any more simply in terms of explaining to him that in fact the work on those recommendations is fully underway. Many of those recommendations have been undertaken already. This is a routine part of doing good governance. It reflects on our practices and policies. These policies and practices have been in effect long before the Yukon Party took office. They were undertakings by the Liberal government and the government prior to them.

Unlike the Liberal government, we are taking action to improve the delivery of services.

Question re: Anti-poverty strategy

Mr. Hardy: Now, about an hour ago -- a little longer than that -- the Minister of Health and Social Services announced his proposals for changing the Yukon social assistance program. To be more accurate, he announced some of the proposals; however, we're still waiting to see what the basic social assistance rates will be -- that's a question that has been asked time and time again -- as well as how much the food allowance will increase. We've been asking that for many, many years.

Now, there is a significant change promised in how much employment income a social assistance recipient can keep. Also, the three-month waiting period on the earned income exemption will be eliminated. We on this side say that those are good changes.

However, since a consultation period is still planned, I have a suggestion I hope the minister will consider. Will the minister direct his department to immediately stop treating the national child benefit supplement as income, so that single mothers and other parents on social assistance can put this money toward food, clothes and other necessities?

Hon. Mr. Cathers: I thank the Leader of the Third Party for his comments about the program. Certainly, as he indicated, I'm very pleased that today we announced the results of the review of the social assistance program, which involved many hours of work by officials in the Department of Health

and Social Services. Again, I'd like to thank them for the many, many hours invested into not only addressing and determining the Yukon's experience with our caseload -- determining the challenges facing people who receive assistance through our program -- but, in fact, in reviewing every Canadian jurisdiction to determine what the best practices are to come up with what we believe is the best structure in the country to not only provide adequate rates, but to assist people in entering the workforce by creating an incentive that helps them get into the workforce and helps them build personal resources.

In answer to the member's questions specifically about the national child benefit supplement, that also is a matter that would require consultation with First Nations. I would point out that the member has raised this in the past, but I would urge him to review many of the annual reports of the NCBS program nationally and understand that, in fact, the NCBS was deliberately established to be a benefit that applied to low-income people but was clawed back. In fact, it was income for social assistance.

Mr. Hardy: Another measure that would go a long way toward reducing the number of Yukon families living below the poverty line is something the NDP caucus has already put forward as a motion. It's a simple step that wouldn't cost the government anything and would directly address the plight of the working poor, and that's a very big area of employment out there. It's also consistent with the signals that the minister is giving about helping people get off social assistance. Unfortunately, we have no idea how long it will be before the minister's new proposals will take effect, and we need to do something to help the working poor right now. So will the minister support an immediate increase in the Yukon's minimum wage to \$10 per hour, indexed to the cost of living, as a practical measure to help Yukon people move beyond their reliance on social assistance?

Hon. Mr. Cathers: Mr. Speaker, I appreciate the member's suggestion, but the member should be aware that, in fact, a couple of years ago -- I can't recall the exact time, and it's not directed through my department -- there was an increase to the minimum wage rate, and I believe it is now indexed to the consumer price index. This is also a matter that is set up for review by an independent board, the Employment Standards Board, which they do periodically. I would hope that the member, in standing up here on many occasions and supporting public involvement in boards, would allow those boards to do their work and encourage the government to work with them, rather than simply making pronouncements without even talking to them about this.

I will point out that the structure is "proposed", because we have an obligation to consult with First Nations and Indian and Northern Affairs Canada. First Nations citizens are, of course, paid through the social assistance program of Indian and Northern Affairs Canada, which uses the same rates as ours; therefore, we do have a legal obligation to consult with them. I have indicated, as I mentioned during the press conference this morning, to both the Grand Chief in a phone call, and to all First Nation chiefs in the Yukon, that we would certainly appreciate it if they have any ability to expedite their considera-

tion. The Yukon government believes we have proposed a good structure, and we'd like to implement that as quickly as possible.

Mr. Hardy: Sometimes you have to walk out the door and talk to the people who are being affected, not just have boards and committees to hide behind or other levels of government that you can delay action on -- but actually go down on the streets and talk to people who are the working poor and find out what they really need.

Yukon families who are struggling to make ends meet have waited a long time for the government to act -- by that, I mean governments of all political stripes. Finally we have something in the works that can help, and I recognize that, but I would encourage the minister to expand his thinking on this. Social assistance in any form is not the most effective or economical way to alleviate poverty and ensure that all citizens can enjoy a healthy and productive lifestyle.

A few moments ago, I tabled a motion calling on the government to explore the idea of a guaranteed annual income. Will the minister direct his officials or boards or committees -- whatever he wants -- to begin researching and developing a guaranteed annual income strategy for the Yukon?

Hon. Mr. Cathers: What we have done is to take this a step further, based on what we believe is better economic and social policy in this area. The announcement made today, as I indicated, has five key recommendations flowing from the work done by department officials that we look to incorporate into our reform of the social assistance structure. Those include the increase already announced, to increase the childcare subsidy for low-income families, effective this coming December 1, as that will assist those who are in the workforce to remain in the workforce and continue to build their resources. We have also announced in the changes today the creation of a disabled persons assistance program, specifically for those severely disabled, within the social assistance structure. Also, there is an increase to the social assistance rates, particularly for food to reflect the market basket cost of food. Most important, there is the change to what's referred to as the earned income exemption, which will provide an increased incentive to assist people in entering the workforce from social assistance and assist them in remaining there. It is capped at the three-year period but will provide them the ability to take credit, to receive \$2 out of every \$4 earned, rather than \$1 out of \$4, which was the previous structure. This will assist them in entering the workforce and lower the social assistance rolls.

Question re: Workers' Compensation Health and Safety Board employer assessment rates

Mr. Cardiff: According to the Workers' Compensation Health and Safety Board Web site, as of this morning, 1,818 workers have been injured on the job so far this year. At that rate, the injury tally could easily reach or exceed last year's record of 1,984 injuries. That's more than 13 workers for every 100 in the workforce. Considering that many employers are filing late injury reports, the number could be even higher. How much of the recent increase in Workers' Compensation Health and Safety Board premiums is a direct result of that high injury rate, and what does the minister think the average

premium could be reduced by, across the board, if we reduced injury rates by even 50 percent?

Hon. Mr. Cathers: The questions the member is asking are very operational in nature. They would be better asked of the chair and the president when they appear in the Assembly this fall. These are operational matters. The minister does not deal with these matters on an operational basis, although of course they are reported to me as they are disclosed to all members of the Assembly and the general public.

In terms of predicting this, I'm pleased, however, that the member has recognized that cost increases are, in large part, due to the increase in injuries. Programs such as the CHOICES program, which Workers' Compensation Health and Safety Board administration is implementing, are aimed at reducing workplace injuries and ultimately reducing rates. Injuries are not good news and high rates are not good news. Everyone recognizes that. The key factor is working together to address those and to lower those.

Mr. Cardiff: So the minister has no opinion on that matter obviously. Speaking of good news and bad news, last week's increase in premiums had both bad news and good news. The good news is that some industries such as air services and outfitting have actually seen their rates fall. The bad news is that diamond drilling, exploration and mining have seen their rates go up substantially. With the current boom in mining activity, it's clear that some major improvements are needed to make this sector a safer place for people to work. We also know that a lot of the workers that are getting injured out there are young people as well.

One industry that wasn't even mentioned is the Yukon's largest single employer, and that's the Government of Yukon. Where is the Government of Yukon in the equation? Is it considered a good employer or a bad employer in terms of its workplace safety record?

Related to that, what is the government's record in terms of reporting injuries within the required three-day period?

Hon. Mr. Cathers: The government, as any employer, is obliged to report within the three-day period. In fact, as the member noted, the administration of the Workers' Compensation Health and Safety Board has made it clear that they are going to be getting stricter with those who fail to honour the obligations under the act. In answer to the member's question -- again he's getting into very operational matters in nature. He's welcome to, and I encourage him to ask these questions of the representatives --

Some Hon. Member: (Inaudible)

Hon. Mr. Cathers: Is the member interested in hearing the responsible answer or would he just like to heckle?

Some Hon. Member: (Inaudible)

Hon. Mr. Cathers: When the representatives of the board come in here, members of will have the opportunity to ask those questions and I encourage them to do so.

Mr. Cardiff: The minister doesn't know whether the government is reporting on time. Late reporting is one of the factors that drive up premiums, Mr. Speaker. So we'd like to know how often Yukon government departments and agencies are delinquent in filing their injury reports.

On the question of employer track records, I recognize that the public disclosure of the name of employers with bad safety records is a controversial subject. But the minister is the one who is responsible for the act and the regulations and he can't shrug this one off.

However, I believe that prospective employees, especially experienced young workers, have a right to know what they are getting into. If publishing the names of employers who chronically put their workers at risk will prevent even one serious injury or death, surely it is worth considering.

The minister is responsible for the act and the regulations. What discussions has the minister had with the chair of Workers' Compensation Health and Safety Board about developing a policy or guidelines or putting it in the act or regulations on when public disclosure should be used?

Hon. Mr. Cathers: In discussing this matter with stakeholders, it has been indicated through the feedback I received from both the employers and the representatives of labour that they didn't think this would be a positive step at this point in time. I recognize the member's concern, and I recognize the eagerness of members to continue participating in the discussion. I am answering the questions. The member should not encourage the minister to micromanage what is set up as an arm's-length entity. The structure of the *Workers' Compensation Act* very specifically sets that board and that body aside as separate from government. It has links, but is managed in trust by a board that is appointed for that purpose.

Their obligations to report to the Legislative Assembly are done through the annual report, but Cabinet's control and involvement is related to the act, the regulations and the appointment of members to the board of directors. We do not deal with operational matters, nor should we, according to the structure, spirit, intent and clear clauses of the act.

Question re: Internal government audit

Mr. McRobb: Mr. Speaker, it is report card time for this Yukon Party government, and I wish to review some of the grades in that report card. There are 30 of them, ranging from A to D. An A was defined as very good, but that's where the discussion ends, because the government didn't get one single A. In fact, most grades of the 30 were either C or D, including nine Ds. The audit defined a D as "seriously deficient". That is straight from the audit. A D designates extreme urgency and, as the audit defines it, immediate corrective action is required and should be given a high priority so that risk will be mitigated.

The Yukon public deserves better. What will this government do to ensure Yukoners that it will take immediate corrective action toward respecting the public purse?

Hon. Ms. Taylor: Without really referencing which particular review the member opposite is referring to, as I mentioned earlier in my remarks, we, the Government of Yukon, do perform day-to-day reviews of our operations, delivery of programs and services. Certainly, as I mentioned earlier today, the internal audit office housed in the Executive Council Office does provide that work. It certainly provides advice, a series of recommendations, and certainly we as the Government of Yukon do our utmost to live up to those recommendations.

Certainly it is our task to reflect upon the work done and to do our utmost to improve those services as delivered.

So our government has been fully transparent and has fully provided details in terms of what reviews have taken place. Of course, we do seek the advice of the Auditor General of Canada on an annual basis, from which we provide due diligence, and we do provide good governance by adhering to those recommendations, as well.

Mr. McRobb: Well, Mr. Speaker, the minister said she did not know which report I was referring to, and I'll send her over a copy of the summary department scorecard now.

The audit defined the meaning of each grade. C means many significant control deficiencies exist -- not a few, not some, but many deficiencies.

The audit added that identified deficiencies should be promptly corrected. There is no reason to have any confidence in this government's ability to correct this situation. Just yesterday, the Minister of Energy, Mines and Resources was unable to identify any corrective action taken since the Auditor General's investigation from a year ago on how this government failed to follow its own procedures with respect to construction projects, which resulted in massive cost overruns. What will be done to correct these shortcomings, or will the government remain in denial?

Hon. Ms. Taylor: Well, certainly, unlike members opposite, we do reflect upon our procedures, policies, legislative mechanisms, and our relationships between the Government of Yukon and third parties, as well, in terms of delivering services on behalf of the Government of Yukon.

As I mentioned, the audit of the contributions is but one audit that has been provided by the Government of Yukon over the last number of years. And, in fact, it has been our government that has actually increased resources to this particular office, housed in the Executive Council Office, so that they are actually able to do their work, certainly thoroughly. They do a great job, and I commend them for that.

As a good government that provides itself upon strong fiscal management, part of that is to review what we do as a government. We have certainly worked to meet those recommendations, some of which have already been done, and some of which are already underway. But that is part of good governance. If we were not to review those policies and procedures, that would not be good government.

Mr. McRobb: Well, there are lots of questions that remain on this issue. One of them is: why wasn't the government more up front with the information -- making it open to the public as soon as the report came out? The report is dated January 2007. The spring sitting started three months later -- in April -- yet we on this side weren't aware of the report because it was hidden in the government.

It only became available on the Web site in the past few days -- perhaps even yesterday. We were not aware of this report. The government hid the report.

Can the minister tell us when the report was put on-line on the government Web site, and will she undertake to put the next report on-line immediately upon its availability?

Hon. Ms. Taylor: As you can appreciate, Mr. Speaker, I'm not a Web administrator in the Government of Yukon.

Some Hon. Member: (Inaudible)

Speaker's statement

Speaker: Order please. Honourable members, please give the minister a chance to answer the questions you have so succinctly asked. The minister has the floor.

Hon. Ms. Taylor: Thank you, Mr. Speaker.

That is not my job, and I can't reflect upon the actual date as to when this was posted. It's very clear: this government has been open and transparent. We have fully disclosed the report. It's up on the Government of Yukon Web site. You only have to take a look at it, Mr. Speaker. Obviously it's very good that members of the opposition have taken the time to actually discover the report.

All those reports are fully disclosed on the Government of Yukon Web site. We are fully transparent, unlike the members opposite. We do provide good, sound fiscal management. I just referred to five consecutive clean bills of financial health provided by the Auditor General of Canada.

If one really wants to take a look at good, sound fiscal management, we only have to look at not doing what the previous Liberal government did with the Mayo-Dawson transmission line. It was blown completely out of proportion, and we continue to deal with that financial fiasco of well over \$30 million. When we talk about fiscal management, I look at qualified audits and look to the previous Liberal government.

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

ORDERS OF THE DAY

OPPOSITION PRIVATE MEMBERS' BUSINESS

BILLS OTHER THAN GOVERNMENT BILLS

Bill No. 104 -- *continued*

Clerk: Bill No. 104, standing in the name of Mr. Hardy.

Speaker: On May 9 of this year, Bill No. 104, entitled *Smoke-free Places Act*, standing in the name of the Leader of the Third Party, received second reading and was referred to Committee of the Whole. Committee of the Whole considered Bill No. 104 and reported progress on it.

Yesterday, pursuant to Standing Order 14.2(2), the third party designated Bill No. 104 as the first item of business today. In order that Committee of the Whole may continue consideration of Bill No. 104, I shall now leave the Chair and the House shall resolve into Committee of the Whole.

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

Bill No. 104 -- continued

Chair: When Committee of the Whole reported progress on Bill No. 104, Mr. Cathers had the floor.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair: Order please. Committee of the Whole will now come to order. The matter before the Committee is Bill No. 104, *Smoke-free Places Act*.

Hon. Mr. Cathers: In rising to speak to this bill, I want to once again thank the Member for Whitehorse Centre for his work in putting together this private member's bill to express his perspective and his views on legislation restricting smoking in public places.

As I indicated before, the government will be following the commitments made in the spring and following the tabling of the report of the all-party committee. We do appreciate the work that was done in Bill No. 104. However, as the Member for Whitehorse Centre is aware, in receiving the member's bill we took the very rare step of establishing an all-party committee to go out and tour the Yukon Territory and engage in hearings and genuine discussions with Yukoners in all Yukon communities.

The members of the committee were me as chair, the Member for McIntyre-Takhini as the representative of the third party, representing the NDP caucus, and the Member for Vuntut Gwitchin on behalf of the Official Opposition Liberal caucus. I want to thank those two members for the work that they did in this. It certainly is a challenge to put aside partisan views when we are engaging in public discussions on an issue of great importance. I appreciate the efforts that both of those members made, and I think that we were successful, generally, in having a very good tour. There were very open discussions with Yukoners on the topic and full discussion of the details -- aided and assisted by the Canadian Cancer Society and by officials from the Department of Health and Social Services providing technical advice.

I want to note what the committee heard from Yukoners as was indicated in the report we tabled -- I believe it would have been last week. If members read the report, they will see that it was very clear that the majority of Yukoners who responded on the topic were in favour of the basic spirit and intent of Bill No. 104. There were a significant number of concerns with the text.

There was one area in particular that jumped out at the very first public meeting, which was a meeting held in the Village of Mayo. That was the issue of enforcement. Section 5 of Bill No. 104, based on the experience that the City of Whitehorse had with its bylaw, would not be lawful. For us to put that in place and simply stand up and support Bill No. 104, as I believe the member is requesting today, would be putting in place a legislative requirement that has already failed the test in a Yukon court of law. That would not be appropriate. In fact, as chair of the committee, I supported, it's fair to say, with other

members of the committee -- indicated in all the public discussions at every meeting that clearly that section, which had been found in the Whitehorse court case not to be lawful, would not be something we could implement. That section of the act would have to be changed.

The member, in bringing forward Bill No. 104 once again for debate, has not changed that part. That would not respect the commitment that we made to Yukoners nor would it respect the decision made by the Yukon court.

The committee made six recommendations. We were not able to agree on the form of legislation, whether it should be an amended version of Bill No. 104 or whether it should be as a government bill. I think it is fair to say again that we agreed, as we unanimously recommended -- the committee being, to my understanding, the first time that it has ever been done in the Yukon: an all-party committee composed of three members.

Some Hon. Member: (Inaudible)

Hon. Mr. Cathers: Second? Certainly the only time that a committee composed of three members requiring unanimous agreement has gone out on a tour of the territory, and we did this in the interest of dealing with this very important matter in a non-partisan manner. It crosses all party lines.

I want to thank the Member for Whitehorse Centre, the leader of the NDP, for bringing forward Bill No. 104. It is a very useful draft for discussion. As I indicated in providing the government's position on this by virtue of the motion that I tabled earlier in this sitting, the government's intention is to honour the recommendations of the all-party committee and to draft a piece of legislation and table that piece of legislation reflecting the basic spirit and intent of Bill No. 104 and reflecting, of course, what we heard from Yukoners. The majority that responded to the committee, both at public meetings and through questionnaires, were strongly supportive of implementing legislation banning smoking in public places.

There were areas where Yukoners suggested changes be made to the draft bill, and there were areas where the committee had recommendations, and some of the elements of the six recommendations are not encompassed in Bill No. 104.

Recommendation 1 was that the Legislative Assembly pass legislation banning smoking in public places, either as a private member's bill or as a government bill. Of course, we will be respecting that by drafting government legislation based upon that.

The second recommendation was that implementation of the legislation occur as soon as possible after the legislation's passage and that this implementation occur either in the spring or fall -- not during peak tourist season or in the winter. Of course, the member's bill, Bill No. 104, proposes the bill take force and effect in the month of June. Based on what we heard from Yukoners and based on the committee's unanimous agreement, that implementation date would need to be changed. The feedback we heard from Yukoners did vary, depending on the community, but it distilled down to doing it prior to June -- which, of course, is a very busy month for businesses that depend on the tourist trade -- or perhaps in April, or in October or November. The committee recommended not citing a specific

month, but agreed that it occur either during the spring or the fall.

So, again, a change needs to be made to Bill No. 104.

I know the Member for Whitehorse Centre is very eager to see legislation passed for this purpose, and I agree with the desire to move forward quickly in this area. In fact, that is what we heard from the majority of Yukoners who responded. It should be noted that there were those who were opposed to this legislation but, by and large, the majority of responses to the questionnaires were in favour. There were 177 people who filled out a questionnaire, both on-line and at public meetings. In some cases, certain owners of bars in two particular communities encouraged their patrons to fill out these questionnaires.

There were 177 questionnaires filled out; 103 out of 177 respondents to the questionnaires supported anti-smoking legislation, legislation banning smoking in public places. Those numbers distilled down to 58 percent in favour, 41 percent opposed. Significantly, it should be noted that: from the 42 respondents in Whitehorse, 37 were in favour with five opposed; in the community of Haines Junction, which was one of the areas where this was somewhat of a split issue, there were 48 responses, 17 in favour and 31 opposed; in the community of the City of Dawson, there were 51 respondents, 17 in favour and 34 opposed. In the cases of both Dawson City and Haines Junction, my understanding is that does reflect patrons of certain bars that would be affected by that. We appreciate all those individuals taking the time to provide their input.

Those individuals are reflecting something that would have an impact on their lives and on their pastimes. While not minimizing that, the Legislature does need to determine the best course in moving forward, considering the fact that there is not 100-percent agreement on this issue and there never will be.

But my belief -- and I would hope it is the belief of members of all parties -- is that ultimately we should be reflecting to the best extent possible what Yukoners want us to do, reflecting the will of the majority while ensuring that reasonable steps are taken to consider the opinion and certainly impacts to those who are in the minority on this issue.

But it was very clear from the responses that the majority were in favour of this type of legislation. In the results also from the public meetings, we saw very clearly that in most communities where public meetings were held -- with the exception of the communities of Haines Junction and Faro -- the majority of people who attended indicated support for the legislation, whereas in the community of Faro and in the community of Haines Junction, they were fairly evenly split on the issue at the public meeting.

We also received a number of written submissions from members of the public and from groups including the Canadian Cancer Society, the Clean Air Coalition of B.C., Physicians for a Smoke-Free Canada, the Village of Mayo, Yukon Federation of Labour and the Yukon Lung Association.

I turn to another recommendation -- recommendation 3 -- that the legislation provide for regulations that would allow the banning of candy cigarettes and other confectionary products. Again this was unanimously agreed to by all three members of

the committee. It is not encompassed in the current draft of Bill No. 104.

I recognize the desire of the Member for Whitehorse Centre to move forward quickly and see legislation passed, but it's also important to get the legislation right. It's important that we have legislation that reflects what Yukoners told us and reflects this unique process. From my point of view, it has been a very valuable one in terms of a Yukon concept and a Yukon manner of dealing with things in a democratic, non-partisan manner.

It was sparked and initiated by a private member's bill, Bill No. 104, tabled by the Member for Whitehorse Centre. The government took the rare step of forming an all-party committee, with equal representation from every party, that went out and listened to Yukoners and unanimously agreed on six recommendations. Again, I want to make it very clear that it's government's intention to honour the recommendations of the all-party committee and the views and concerns we heard from Yukoners. We will build on that and reflect the work and effort that the Member for Whitehorse Centre put into Bill No. 104, which will be the starting point for the drafting of government legislation, because there are valuable parts in it.

It is in a legislative format that is not identical in some of the basic legal drafting to what Yukon legal drafters use, and that is something that the Department of Justice would change to ensure that it meets with the standard format, but in many areas it would not, in any way, alter the policy effect of the legislation's proposals.

Bill No. 104 provides the ability for regulations to be passed restricting the advertising of tobacco products, but the legislation itself does not fulfill recommendation 5 of the committee, which is, "THAT legislation ban the display and advertising of tobacco products in retail stores, and that there be a phase-in period of one year to allow for compliance."

Of course there was a sixth recommendation, "THAT the legislation allow for regulations to restrict any areas of tobacco promotion or advertising which fall within territorial jurisdiction."

The one recommendation that I did not mention, of course, was number 4. The committee was not able to agree on the definition of "a public place"; there was some difference of opinion. The committee did agree that there be no exception made for bars, mom and pop operations, or temporary facilities such as special occasion tents.

I believe that I am running out of my allotted time here, Mr. Chair. In closing I want to again thank the Member for Whitehorse Centre and note that we appreciate that, in trying to reflect the views that he holds on behalf of constituents and supporters of his party, he put forward a very detailed and substantive proposal, rather than simply complaining about the government or acting in a manner that was non-constructive. He acted very constructively by putting in place a very substantive proposal -- that being Bill No. 104.

The committee agreed, following the tour of Yukon, that the basic spirit and intent of Bill No. 104 is valid. As I indicated, the government's intent is to draft legislation reflecting the spirit and intent of Bill No. 104, reflecting what we heard from Yukoners and fulfilling the recommendations of the all-

party committee. We intend to do so in the spring sitting of the Legislature. The implementation date may in fact be a month earlier than the member had proposed in his bill, as the possible options are either May or October of 2008. It would be our hope that that legislation would take force and effect in May 2008.

Mr. Hardy: I appreciate the comments from the member opposite in regard to identifying the fact that the NDP has worked very hard to bring forward a bill that's fairly comprehensive and that what also led out of that, of course, was the Select Committee on Anti-Smoking Legislation. That wasn't an overly unanimous decision to have a select committee of politicians go out. However, in the end, I believe all members rose to the occasion and decided that something like this was important.

I believe this was the second time this has happened. I'll give just a tiny bit of history. I believe the first time it happened was around land claims during which a select committee went out and tested the opinions and viewpoints of the Yukon public, came back and reported on them. We have done it before, we've done it again and we have the report before us in that regard.

However, it's only one part of what we're trying to do here. This report is not the end-all and should not be what is the final judgement on whether Bill No. 104 moves forward, is amended and enacted, or whether the government has the right to take all the work that has been done, all the discussions we've had in here, and go off in a closed room and write their own bill now. Bill No. 104 has been out and viewed by the public.

Is the new bill that the member opposite is proposing going to go back out to the public? Because this is the bill that went to the public and was discussed by the public. If we're placing such great value on public participation and we take the bill that we are proposing to allow them to discuss and come back in the Legislative Assembly, scrap it and say we're going to write a new one, then we're not listening to the people. That report makes it very, very clear -- get on with it. This is what we discussed.

This is what we discussed -- the changes we want to see in it and, in almost all cases, they strengthen it; they don't weaken it. That's what the NDP's position has been from the beginning -- if you bring forward an amendment, we will wholly welcome it, as long as it strengthens the bill, not weaken it.

So the opportunity from the sponsors of the bill is that we offer this bill with open arms. Bring forward your amendments. If you feel strongly -- if the people in here have amendments to the bill they want to bring forward, do it. That's what we do with every bill. There is not a bill out there that has not been amended -- that I know of.

We will do this continuously, as long as we're elected members. There is no such thing as a perfect bill. Show me one. You will not get consensus around that. At this present time, we are discussing amendments to bills. The government has tabled bills to be amended, and we will vote on them. That's exactly where we're at with this one.

We have a bill before us right now, Bill No. 104. We have the ability to pass this bill and meet the wishes of the Yukon

people with amendments brought forward by the Yukon Party, as well as the Official Opposition, and do the work we are asked to do. And we would be doing it around a bill that has been presented to the public. It would be a shame to have this bill defeated because the government does not want an opposition bill before it.

We have come so far. We have come so far, in my view, on how we work together in here with a bill like this. People did put aside partisan politics to have the select committee. People did go out and listen to the public and didn't cast judgement on it -- at least, I hope not.

Then, they brought forward the report. Nowhere in that report does it say to get rid of Bill No. 104.

I'm going to very quickly address a couple of concerns the member opposite had. An interesting thing is that they can all be addressed right now if the members opposite would bring forward amendments. We could then debate them and move forward on this bill.

The committee's first recommendation is that the Legislative Assembly pass legislation banning smoking in public places. That recommendation is before us right now, Bill No. 104. It's just reinforcing what we have in front of us.

Recommendation 2 is that implementation of legislation occur as soon as possible after the legislation's passage, and that this implementation occur either in the spring or the fall, not in peak tourist season or in the winter. That's totally possible if we pass this bill right now. It will be a lot more difficult if the government has to go off and write their own bill, come back and face debate in the Legislative Assembly without the public input that Bill No. 104 got and possibly amendments to their bill. We on this side will probably not be invited to participate in that process. I haven't heard the minister indicate if we would be part of that process of drafting a new bill with the Yukon Party logo on it.

Recommendation 3 is that the legislation provide for regulations that would allow the banning of candy cigarettes and other confectionary products. Those are regulations. That's an amendment, that's something that can be put in after when you're drafting up the regulations. We have legislation before us; it's not a problem at all. I think the members opposite know it.

Recommendation 4 is that with respect to the definition of a public place, which remains to be defined -- I'm not sure what that statement actually means because it is defined in Bill No. 104 -- there be no exceptions made for bars, mom-and-pop operations or temporary facilities, such as special occasion tents. That's already included in Bill No. 104 but, if the members of the Legislative Assembly feel it needs to be defined more specifically, bring forward the amendment; we will put it in, we will welcome it.

Recommendation 5 is that legislation ban the display and advertising of tobacco products in retail stores and that there be a phase-in period of one year to allow for compliance. The allowance for compliance is new. Bring the amendment forward and we will debate it on the floor in front of the public. I only see two amendments so far and they are very minor and ones that we accept.

Recommendation 6 is that legislation allow for regulations to restrict any areas of tobacco advertising or promotion that fall within territorial jurisdiction. It's already there. If anything, the recommendations that came from the Select Committee on Anti-smoking Legislation — the select committee — support Bill No. 104. The input we got from the public supports Bill No. 104. That's what they were basing their discussions around. The input was significant in the sense that it was very much in favour of moving forward on this as soon as possible.

There has been resistance. This debate around the smoking bylaw goes back to way before this bill was brought forward. At that time, the Minister of Health and Social Services resisted it. He felt it was not necessary. He felt that individual establishments and municipalities could make that decision themselves. I am glad to see that he has come a long way in that regard. I think that it was a wonderful exercise for him. I know it was for my colleague, who represented the NDP, and I believe that the colleague from the Liberal Party also found it to be a wonderful exercise to hear from the people directly. It opened their eyes.

I know that there was a certain degree of trepidation around the fact that this bill was going to be shot down by the public. What happened was just the opposite. The public is ready for it. The public has discussed it. The public has passed judgement on it. It is up to us to move forward on it. That's why I am disappointed. I think we came so far in having a select, non-partisan committee. I think that was a huge step for this Legislative Assembly and one about which we can all be very proud. Then we get to the final point of moving forward on a bill -- like we would move forward on a government-sponsored bill, even though it's faulty and we have concerns -- moving forward on an opposition bill, we could have taken that final step in working together. But instead, partisan politics has reared its ugly head again.

Now, there were other concerns raised. I don't know if they're still the concerns of the Official Opposition. I know some are legitimate. I think they pointed out some good concerns that could be amended very simply or added to, to strengthen this bill. Some I felt weakened the bill. Those could be debated, if they still stand by those. However, that's what we do here: we would debate them and vote on them, make the changes necessary and have this legislation proclaimed and start the implementation process, the regulation process. In the springtime -- not in the tourist season, but in the springtime -- we could pass this.

Is it going to happen? Obviously not. Why? A very simple question: why? What does it really come down to? Everybody I've talked to out there -- the public, people, have said it comes down to politics. This government couldn't make that final step. Partisan politics is back again, alive and well. And regrettably, the people suffer.

This bill was brought in to save lives, and it does. There is no question about it. It was brought in to bring us up to speed with the rest of Canada as well. It was brought in because it's the will of the people. Now we're going to trash all that work because of a simple little thing: gamesmanship.

I had a promise from a member opposite, a prominent member, that there would be no gamesmanship around this. That's what we have before us again. We're debating a bill. We're not debating personal preferences here. We're debating what people want and need, what the workers need for protection and health, what the children need to deal with a substance product that kills. I can list a multitude of statistics that prove that, but we've already done that. We're just so far behind everyone else in protecting our people, the people of the Yukon.

All these written submissions that were sent to the anti-smoking select committee were very good, and there are even other recommendations in there.

I would like to know where everybody stands on smoking in cars with children. I would like to know where everybody stands on raising the taxes on tobacco products. Those are just two examples. I would like to see amendments brought forward on those -- that strengthen this bill. I would like to see debate that strengthens this bill so we can vote on it at the end of the day and send a message out to the people that we heard them, that we're listening to them and that we're acting in accordance with what they directed us to do, instead of this.

So it's quite disappointing to find that all this work, all this effort, is being put aside now so the government can do its own thing and basically ignore the participation of other elected members -- because that's what will happen, unless the government is going to stand up today and say that, no, it's going to be an open process, that all members will draft this bill, just as the public was allowed to have input on this bill.

But the simple thing is to let us make some amendments that reflect the concerns of each person in here, as well as the public. Let's make those amendments. They're not big amendments. They'd be welcomed by the sponsor of the bill and the NDP on this side as long as they strengthen the bill. Let's move forward.

The government would be tasked with implementing it and drafting the regulations as well. At the end of the day, we would be able to stand together on this, but as I see it now, the divide has been created again. The divide has been created again, and we're playing politics in a way that I don't like. I thought we could rise above the politics that we participate in; we should be doing this together and we had a chance. That's the saddest part for me. I know we can't win in this Legislative Assembly today. The government has the majority; they will shut this down; they've already decided over there to shut this down. We know why they're doing it, but it's for all the wrong reasons in the end.

So, if that's the case, let's move into line by line. Let's forget this general debate, because it's going to go nowhere. The government has already made the decision. Shut it down. Let's vote on it. Let's bring the amendments forward; let's do something, but let's not waste time. Let's not just sit here and waste the public's time and money. I know somebody will take offence to me using those words, but you know what? I know where the government is going with this. Prove me wrong so I have to apologize. I'll happily apologize. Otherwise, don't waste my time and don't waste the public's, because that's what the government is going to be doing here.

Hon. Mr. Cathers: I appreciate the concerns of the Member for Whitehorse Centre. I am frankly disappointed with the approach he is taking on this. I'll give him the benefit of the doubt that perhaps he's so much in the habit of being suspicious of others that he can't recognize when efforts are being made to work together.

The member said that this is about the party logo. Mr. Speaker, if the question is party logo -- the government has indicated that we'll put the stamp of all parties on this legislation. Government legislation that will be drafted will be due directly to the work done by the Member for Whitehorse Centre as an individual member of this Assembly and as leader of his party tabling a piece of legislation. Without him doing so, we would not have gone out on the public tour. There would not have been anything to discuss. There would not have been a piece of draft legislation.

Bill No. 104 was discussed. There were many concerns with the clauses, but the committee very clearly, from the start, agreed to focus the discussion on the plain language of policy changes that were proposed. People glaze over when they look at legislation. People did look at the legislation and there were specific concerns, but the member should recognize -- as I'm sure the Member for McIntyre-Takhini informed him -- that most of the discussion surrounded the policy implications.

Questions were listed on the Web site. There were the questions that were brought up for discussion at every meeting. The committee drafted five main questions, which have some sub-questions to them. They were posted on the Web site. First and foremost, "Do you agree that territorial legislation should be implemented to restrict or ban smoking in public places?" Yes or no. That was one of the plain-language questions.

Second, "If you agree that territorial anti-smoking legislation should be implemented, should such legislation ban smoking in: (a) all public facilities, including outdoor patios on restaurants and bars; (b) all enclosed public facilities; (c) only in public facilities which allow minors; (d) in temporary facilities, such as tents for special occasions."

The third question: "If territorial legislation is implemented to ban smoking in public places, should establishments where the owner are the only workers, and have no employees, be considered 'public places' where smoking is not permitted?"

The fourth question: "Should territorial legislation ban display and advertisement of tobacco products in retail stores?"

The fifth question is with regard to the effective date: "If the Yukon Legislature passes legislation banning smoking in public places, should the legislation take effect (a) as soon as possible; (b) after one year; (c) after two years."

I know the member feels very personally attached to the bill as drafted. I understand that. I understand that he and some of his staff must have taken a significant amount of time to come up with that suggestion. I appreciate that. We felt it was a worthwhile suggestion. We felt that in principle there was value to the bill as presented. Otherwise we would not have gone out on the road and taken my time, the time of two other members of this Assembly and those who filled in for them, the time of officials of Health and Social Services, the time of staff of the Canadian Cancer Society and of Physicians for a Smoke-

Free Canada, and we would not have expended taxpayers' money on this.

I want to emphasize to members opposite that if we had reached a foregone conclusion, I would not have spent my time going on something that was a sham. This was a genuine effort by me and, I'm sure, the Member for Vuntut Gwitchin and the Member for McIntyre-Takhini to have a discussion with Yukoners, talk about their concerns, seek their feedback through a questionnaire and discuss their concerns, issues and suggestions at a public meeting. We need to listen to that. That is what government committed to in the spring and that is what we are committed to following through on.

If the member is concerned about whose party logo or stamp is on it, the government couldn't care less who takes the credit for this. If we can put the Member for Whitehorse Centre's name on the government legislation, as they do in the United States, we would be happy to do so. This is not about credit. It's not about who takes the credit for this. It is about coming up with the best legislation for Yukoners, reflecting not only the work and effort of the Member for Whitehorse Centre, but also the democratic process and public process that was engaged in by one member of each party.

My concern, my interest from the start on this, and I think it's fair to say that of other members of the government, was in ensuring we came up with legislation at the end of the day, if this change was to occur, if we determined that Yukoners wanted legislation banning or restricting smoking in public places. The opportunity was provided, Yukoners came out and, in fact, the turnout was not as large as we thought it would be, but the effort was made by all members who engaged in that process and by staff to go out, to advertise it through the auspices of the Legislative Assembly Office, to provide the opportunity on-line for those who might have missed a meeting, and to listen, based upon that.

Again, I want to emphasize, if it's about credit, I'd be happy to stick a big picture of the Member for Whitehorse Centre on the government legislation, if we could do so in this Assembly. It's not about who gets the credit; it's about having the best legislation. I want to point out to the Member for Whitehorse Centre that his own colleague noted on several occasions -- and, referring to my notes, I see an example here from the City of Dawson, where the Member for McIntyre-Takhini noted that it was important to note that the bill would be scrutinized by the Justice department before it becomes law and added that amendments may be needed.

Mr. Chair, I would also note another note from the community of Carmacks, where the Member for McIntyre-Takhini said it was unlikely the bill would pass in its current form and noted that the legislation mirrors that of Nova Scotia and would likely be further adapted to meet the needs of Yukoners. That's exactly what we're trying to do in terms of, if the member is suggesting we propose amendments today -- as I indicated to the Member for McIntyre-Takhini when the committee was compiling its final report and the member proposed that, and as I indicated to the NDP's House leader, the Member for Mount Lorne -- the government respected the process we committed to. We did not predetermine what the amendments would be

prior to going out and listening to Yukoners. We did not waste the resources of the Department of Justice, the legal drafters and the taxpayers' money in doing a detailed legal review of every clause of the proposed legislation prior to finding out whether Yukoners even supported the policy intent of that clause of the legislation.

Once that is dealt with, there is a need for a detailed review of the legislation by the Department of Justice to see what has gone on in other jurisdictions -- in court cases and in legislation -- to ensure that we don't put something in place that has been found to be contrary to the *Charter of Rights and Freedoms* in a different jurisdiction. These are the types of things the Department of Justice has to do and needs to do.

In the past, I know members have said, "Well, Justice did review it in the spring." One legal drafter in the Department of Justice did a very cursory review of the legislation without investing the time to review every other jurisdiction. He identified what he saw as being the likely issues with the legislation as drafted. We appreciate that work, but the member should not confuse a preliminary review with a detailed review and doing the research work involved in finding out what court cases have taken place in other jurisdictions.

I remind the member that it had specifically been noted at every single public meeting held by the all-party committee -- beginning in the community of Mayo and concluding in the community of Whitehorse -- that section 5 of Bill No. 104 -- based on the experience of Whitehorse with its bylaw in court -- had been found not to be lawful and that an owner or manager of an establishment could be compelled to report, but not compelled to enforce the legislation. Therefore, the Legislature certainly would not implement Bill No. 104 in its current form based on that experience. All members agreed with that.

Typically, at most of the meetings, I, as chair of the committee, was the one expressing that point, but the other members were frequently nodding and certainly were not voicing disagreement, as all members had the opportunity to voice their concerns and opinions at any point during that committee. We made it clear from the start that -- though I was chair of the committee and was generally responsible for recognizing members of the public and thanking them for their comments and making clear some of the things that had been identified regarding the technical elements -- each and every member was free to jump in with their concerns at any time, and certainly if they disagreed with any statement that I as chair of the committee made.

So again, all three members recognized that section 5 of Bill No. 104 could not be implemented, based on the fact that similar legislation in the case of the City of Whitehorse's bylaw had been found not to be lawful by Yukon courts.

I emphasize to the member that the government waited for the all-party committee to conclude its report prior to deciding what policy changes we would make, what lines would need to be changed in Bill No. 104. We respected the process we committed to and we did not waste the resources of the Department of Justice on speculative legal drafting or amendments prior to the committee concluding its work. Justice has not gone through Bill No. 104 with a fine-tooth comb. Justice

has not begun the drafting to make those changes. The policy direction has followed the committee's report last week and that process is just beginning, but legal drafting has not begun.

Therefore, we are not prepared to make amendments to Bill No. 104 today, because drafting needs to be done, review needs to be done, and the government is committed to listening to what Yukoners said and to reflecting -- again I state this -- the spirit and intent of Bill No. 104, accepting the recommendations of the all-party committee and listening to what we heard from Yukoners.

As far as public disclosure, the member has asked if Yukoners will have an opportunity to view government legislation before it's passed -- absolutely. I'm happy to make that commitment that we'll make it available. We want Yukoners to have input in this legislation. We want this, at the end of this, to be clearly seen by most members of the community. Certainly some do not agree with it and never will, but we want most Yukoners to recognize that this is intended to be, to the best extent possible, their legislation, a non-partisan initiative and reflective of what they want and what they asked us to do.

The member asked about the question. He asked if the government was prepared to raise taxes for tobacco. I appreciate the member's suggestion. I recognize the point that has been made with regard to tobacco taxes and recognize the argument that has been made. However, in 2006 the Yukon Party ran on a platform entitled, *Building Yukon's Future Together: A Clear Vision for a Bright Future*. This is the second time that most members of the Yukon Party caucus, the government caucus, have been elected and it is the second time we ran on a platform that included to not increase taxes.

Our platform document says, on page 19, in the second commitment under promoting small business trade and investment, no tax increases. We did not say no tax increases except potentially tobacco. We said no tax increases. This government keeps its commitments. I'm committed to keeping the commitments that I made to Yukoners. We are committed to keeping the commitments that we made in the platform we ran on and we did not leave any wiggle room or question about whether or not we would raise certain taxes. We said no tax increases, and I would point out that this is not a small thing within the platform. This is something that our party is well known for -- our commitment not to raise taxes. We will keep that commitment. We will honour the commitment that we made in the 2006 election platform.

Mr. Chair, the member also mentioned the issue of smoking in cars with children. I would point out that that suggestion was brought to the floor in public discussions partway through the public tour. It was not mentioned at the first several meetings. It was raised partway through -- in my recollection -- and it certainly was the most controversial of the changes that were discussed. Also, as I've indicated to the other members of the committee, the government has real concern over how far this going from a civil liberties standpoint. It is very clear that many Yukoners feel that it is one step too far into their personal dwellings, into their personal areas.

I recognize the concerns related to that. I recognize the concerns of protecting the safety of children. We also recognize

the need to have some balance in that area. It's very clear from the tour that it is certainly not an issue where there is clear consensus in the public. There are very strong supporters and there are very strong opponents to that type of provision. Considering it is such a controversial provision, I note that it was not one of the questions asked by the committee on the Web site, so there has not been the same level of public input as there was on so many other elements of the committee's report.

Noting a specific comment that was made by one individual in the community of Mayo to the question with regard to imposing any prohibitions on smoking in vehicles, the individual said this might be going too far and asked, "What else can you impose in my private vehicle?" This is something I have heard from a number of Yukoners on these areas. I know that at least one member of the committee has a different view on that issue, but I can tell very clearly that my sense of what Yukoners felt on that is that there was no clear consensus. There were many who were strongly opposed to such a prohibition. There were real questions about enforcement. There is almost a certainty that any such provision would result in a court case being taken all the way to the Supreme Court of Canada on the issue of *Charter* rights, and those court cases, of course, do not come cheap. That would probably cost at least half a million dollars to engage in that process. In fact, I would note that the first province or territory to implement such a provision jurisdiction-wide will almost certainly face a court case in the Supreme Court of Canada with the opposing side funded by the deep pockets of big tobacco.

Again, I want to emphasize that the government's objective in this was to ensure that any legislation that was implemented reflected the desire of Yukoners. From my perspective, there is clearly no consensus on the issue of smoking in cars. We would rather see legislation put in place that is supported, enforceable and manageable. As the Member for Whitehorse Centre noted, legislation can be amended down the road by a future Legislative Assembly if, in fact, it becomes clear that such a provision is something Yukon citizens want. Again, my focus and concern is reflecting what Yukon citizens want.

I believe I have a few seconds left, so I look forward to further comments from members opposite.

Mr. Inverarity: I think, first of all, I would like to thank the all-party committee on this anti-smoking legislation for all their hard work and the consultation process. I think that the time they devoted to touring the Yukon and consulting the public on the legislative options that are available for banning smoking in public places should be commended. I know it took them away from their family and friends -- and hunting -- for an extended period of time. I think they committed much of their time to the community consultation process and they made sure that they listened to Yukoners on this important issue of non-smoking.

I would like to also thank all the Yukoners who took part in the process. They submitted their comments, concerns and ideas. As members know, on a personal note, I attended as a substitute committee member in four locations: beautiful Watson Lake, Marsh Lake, beautiful Carcross and Old Crow, the highlight of my trip. It was my first extended stay in Old Crow.

The individuals from the Vuntut Gwitchin riding certainly took care of us while we were there.

I think I'd also at this point like to thank those people -- the unsung heroes who attended all the meetings -- who don't get the recognition that they normally get with regard to the work of the Legislative Assembly. In particular, I'd like to thank the Deputy Clerk for her time attending a lot of the sessions. I think perhaps the Clerk attended a couple, too, if I'm not mistaken. Certainly the majority of the effort was put in by the Deputy Clerk. I guess on a personal note, this was sort of her first road trip in the Yukon, and as such it was an interesting trip for her. I was happy to spend some hours in vehicles driving around the Yukon. Thank you very much. I appreciate that.

I would like to comment on what I heard when attending the meetings that I did go to on behalf of the Member for Vuntut Gwitchin. Primarily, four prominent themes emerged from the meetings that I did attend. First of all -- and this is not in any particular order -- I think we would all agree that there was definite support for non-smoking legislation. Virtually everywhere that I attended, it seemed to be a fairly consistent approach. Most people wanted to see some territory-wide legislation regarding non-smoking. I noticed on a couple of occasions there were individuals who stood up and, while they were not smokers themselves or they were born-again non-smokers, they clearly came out in favour of the legislation. Some did express some concern, just on the negative side, that they felt that if there was an issue with the legislation, it was an infringement of personal rights and freedoms. That argument was actually put forward by more non-smokers than smokers, so I thought it was an interesting point of view.

The second item is that when the legislation is introduced, it should apply to everybody equally. I think that's an important thing. We saw within the City of Whitehorse, when they tried to introduce the non-smoking legislation there, the issue around staging it in over time was a difficult thing to deal with. Clearly, introducing it over a staged period of time brought dissension within some portions of the community. The one comment that came out within this was that if it were going to come in all at once and apply to everybody equally, that the legislation perhaps not be introduced during the tourist season but either before or after. I think it's important that we take that into consideration.

The third item that came up within the context of the hearings that I sat in on was that the current bill had many flaws and that it should be rewritten. This particular item, I know, is a sensitive one today here in the House, but I think it's important that all the items be looked at within the bill, scrutinized by a legal team of people who have some in-depth knowledge of how to write these pieces of legislation so we are not confronted with legal action at some point down the road.

That actually dovetails into my fourth point, which is: do it once, do it right. This is certainly the feeling that I got in attending these sessions in the four communities that I did go to.

The consultation process was much-needed and it was appreciated by all of the communities. Smoking is a huge area of concern for all Yukoners. This was made even more apparent by comments heard in all these community consultation meet-

ings. We all recognize the impacts of smoking on communities -- the health impacts of smoking, not only from being a smoker, but also from second-hand smoke as well. Then, of course, there are the financial impacts, particularly impacts on the health care system. We know that cancer caused by smoking has a significant impact, and if we were able to even eliminate smoking as a cause for cancer, we would see significant reductions in our overall health care costs. It's important for us to recognize that.

There are many recognized health problems, directly and indirectly, caused by smoking, as I've mentioned. Yukoners have stepped forward and presented many concerns that they have about smoking in public places. From these consultations, it's apparent that Yukoners are ready for a ban on smoking but they are not ready for this particular anti-smoking legislation. The public wants anti-smoking legislation sooner than later, but they also want it done right, not just fast. Yukoners felt this specific legislation was flawed and they have more questions about this legislation than answers.

I think I agree with Yukoners' point of view -- that we need anti-smoking legislation, but we need to not only strengthen it, we need to do it right. If it means another few months to get that done right, then I think it's important that we take that time to look at it.

I also think that the member opposite made some comments regarding having the Leader of the Third Party introduce the bill perhaps in the spring session. I think the member was serious in his point of view in suggesting this as a possibility. I would like to say that I think it's not a bad idea. If the legislation is done by the government and is all laid out and we know that if it passes the muster of the legal people in the Justice department, then it might be worthwhile looking at having the Leader of the Third Party table the motion or bring forward a new bill in the spring sitting. Not only would it have to be introduced, I believe, in the early part of the sitting -- the first five days -- it would also be under the control of the member as to when he brings it forward in the House for debate in the spring sitting. As it has been brought forward by the government in terms of their ability and skill in drafting legislation, it should pass easily and readily in the spring sitting. I think it has merit to be considered, and I think we should also look at that.

In summing up my comments -- I don't want to speak long on this particular bill -- I think we do need to respect what we have heard in the community consultations. I think we need to respect all the committee members who have sat down and agreed on the points that have been brought forward by the member opposite today, and I think it's time that we moved on and turned this over to the professional staff in the Department of Justice to actually bring forward the draft legislation in the spring sitting.

Thank you very much.

Hon. Mr. Cathers: I would also like to thank the Member for Porter Creek South. I was remiss before in not thanking him and the Member for Mount Lorne for substituting for the members for Vuntut Gwitchin and McIntyre-Takhini respectively at hearings of the committee. Of course, again, I would like to thank all the technical support staff, both from the

Canadian Cancer Society and Health and Social Services, and the Clerk and Deputy Clerk of the Legislative Assembly for organizing the entire process.

I was also remiss in my earlier comments when I failed to mention that, in the community of Teslin, the public hearings showed that the community was split on that issue. Two people attended the meeting. One was in favour and one was opposed.

The Select Committee on Anti-Smoking Legislation scheduled public hearings in 17 communities across the territory. Another thing I would like to take the opportunity to note is that we received some feedback about the name of the committee, both through public meetings where we normally answered questions, and through written questionnaires. Some people felt that "anti-smoking" in the title was not a positive term. The committee was named in the motion establishing the committee; therefore, there was no discretion by the committee on what it chose to call itself. The all-party committee scheduled hearings in all 17 communities. The hearings took place in September and October in 14 of the communities. In the case of three of the communities, no one attended, so the meetings were not called to order.

In 79 percent of the communities in which public hearings were held, the majority of people who spoke before the committee expressed support for the legislation. That was 11 out of 14 communities. In the remaining three communities -- Faro, Haines Junction and Teslin -- the opinions were fairly evenly split.

As I noted, the responses in some of the questionnaires were different. The City of Dawson had a strong turnout in terms of written questionnaires opposed to the legislation as well as a submission from the owner of one of the local bars who made very clear his strong opposition to the legislation. In the community of Haines Junction, again, we had a strong outpouring of questionnaires opposing the legislation. Overall, as I indicated, the majority of respondents did support implementation of the legislation and the majority of people at the public hearings did support the legislation.

I would encourage members, if they have not read through the report, to do so. Note that some of the questions that I outlined early have been asked. There was a variety of opinion on those parts. In some cases, it was fairly evenly split and there was no clear consensus. In other areas there was a very clear consensus.

For example, it was very clear where the majority of those who responded to a questionnaire felt that legislation banning smoking in public places should apply to all enclosed public facilities -- 51 percent of respondents supported it, 31 percent opposed it, and where the numbers do not add up to 100 percent is reflective of the fact that it is the percentage of total questionnaires received and that not all people who filled out a questionnaire replied to that question.

On the issue of whether the legislation should apply to outdoor patios on restaurants and bars, the issue was split: 44 percent were in favour of such a restriction and 43 percent opposed -- a difference of two written responses on that issue.

Again, at public hearings the response was somewhat similar. There were those in favour and there were those opposed. It

is an issue on which the Legislative Assembly will have to make a decision on. The committee did not reach concurrence on that issue but it will have to be discussed in the future because it was fairly evenly split on that issue.

Again, on the issue of whether legislation banning smoking in public places should apply only in facilities that don't allow minors, i.e., bars, of the respondents, 53 percent of questionnaires opposed only applying that restriction to bars and 25 percent were in favour. So, in that case, a clear response indicated that 53 percent were in favour of applying the restrictions in bars as well. On the issue of temporary facilities such as tents for special occasions, the response was slightly stronger in favour of that, 45 percent to 39 percent. But at the public hearings, my recollection on that is that the majority was in favour of putting in place that type of restriction.

Now, Mr. Chair, again, a key part of this -- in terms of implementation -- that we heard from Yukoners was that we get it right, and I'd like to thank the Member for Porter Creek South for his urging that we get the legislation right and not worry about which session it is passed in, whether it's spring or fall. As I've indicated, the legislative drafting simply has not been done to reflect what Yukoners told us and allow us to pass the legislation in this fall sitting.

As far as what form the legislation takes, whether it's a private member's bill or government legislation, the primary reason for having it be a government piece of legislation acting on the committee's report, rather than extensively amending Bill 104 in areas such as section 5 and in areas that need to reflect just minor wording differences between the style of legislative drafting of Yukon versus Nova Scotia, is that all takes time in Committee of the Whole, and it would certainly monopolize the third party's share of opposition Wednesdays in the spring sitting, if it were to be dealt with in that context.

Now, theoretically, it could be done, but it would take a lot of unnecessary time. It would also not be as easy in that format to do as I indicated we will do, make legislation available to the public prior to it being tabled in the Assembly.

One thing was that people in communities -- I believe one lady referred to it specifically as a "feedback loop" -- wanted to know what we had done, based upon what they told us. With the legislation we want to clearly demonstrate what was done, based on what the public told us, what was done, based on the committee's recommendations, and what was done, based on the individual concerns and suggestions made by people, that may reflect a change or necessitate a change to a small area.

At the end of the day, not everyone will agree with every clause in the legislation, because we've heard very clearly from Yukoners that there is not uniformity and unanimous agreement on even the principles of this. It was clear, however, that the majority supported the basic principle and concept of banning smoking in public places. As I indicated right from the start, this being a significant shift in society, the government's interest is in ensuring that the Legislature act based upon what Yukoners want, not on a decision made just within this Assembly or made in any one of our offices based upon theory. We went through this public process in a non-partisan manner to provide Yukoners with the opportunity for input; to provide

them with the opportunity to discuss with a representative of each party the issues involved and to make suggestions; to deal, as much as possible, with this significant shift in the policies and restrictions and to make a report at the end of the day, which the committee did.

I note as well that the committee very specifically stated in its recommendations that the legislation be either a private's member's bill or a government bill. The reasons for having it a government bill are simply the mechanics of getting it dealt with; it's simpler; it's easier to get the French translation done and it's easier to make it available to the public prior to it being tabled in the Assembly in the spring.

So again, as I indicated to members, from my perspective and that of the government, this is not about credit or partisanship. This is about, to the greatest extent possible, having a non-partisan process that began with the input of one member who, as a private member, tabled a piece of draft legislation. That draft legislation was taken out for discussion. There were changes recommended by Yukoners; there were changes the committee recommended; there is a need for Justice do a detailed review of the final piece and go through it with a fine-tooth comb -- as I believe the Member for McIntyre-Takhini put it -- to ensure that the legislation meets with all the legal requirements and we're not putting in place a piece of legislation that will immediately be the subject of a failing court challenge.

Again, the idea here is to get it right; the hope is that we can have a piece of legislation tabled and passed in the spring sitting of the Legislature and that the implementation date may be a month sooner than the Member for Whitehorse Centre proposed in his legislation.

Some of the feedback we heard from Yukoners -- individual feedback in this case -- included valuable suggestions that need to be looked at, questioning to what extent legal review had been done to ensure we don't have nuisance lawsuits related to the subject matter, the issue of private vehicles and the applicability to that, as well as to what extent that may conflict with the *Charter of Rights and Freedoms*. Again, as I indicated, that was an issue where there seemed to be split public opinion -- and very intense on both sides, by the way. There was also the need to review and ensure how it impacts federal legislation and those areas, and that is another area that was mentioned in the committee's report.

The sixth recommendation noted that the legislation should allow for regulations to restrict any areas of tobacco promotion or advertising falling within territorial jurisdiction because some areas of advertising are territorial jurisdiction and some are federal, and the committee had not taken the time and did not have the technical expertise to look into which specific areas that might or might not apply to, beyond the issue of display within retail stores, which had come up during the public tour.

The committee did reach unanimous agreement that any other areas that might fall within territorial jurisdiction should be enabled within the act to create regulations that restrict that advertising.

Again, in dealing with this bill, one thing I want to note, since the member had some concern about it, is the issue of who is taking credit for it. As I look through my personal notes from the tour, I note a number of occasions where members of the public attending the meeting congratulated all members. They thanked the NDP and the Member for Whitehorse Centre, as leader of that party, for bringing forward the draft bill. They thanked the members of the Yukon Party government caucus and the Official Opposition Liberals for engaging in this process in a non-partisan nature. I am sure that's grammatically correct.

It was very clear that people recognized that this was not a partisan initiative. It was not a one-party affair. It had begun with the work and suggestion of the Member for Whitehorse Centre and all parties had agreed to move forward with this in public discussions to attempt to deal with this issue in a non-partisan manner, with the sole aim of having the best legislation possible for Yukoners based on what Yukoners told us.

Now, Mr. Chair, we heard a wide variety of opinions from those who adamantly opposed any legislation, those who felt that it should be under municipal jurisdiction and be left to each community to make up its mind, and those who felt that the Legislature should take the step of not only banning smoking, but restricting it in all areas -- I think someone mentioned -- anywhere visible to anyone in public. So there were certainly very dramatic extremes on this issue.

I appreciate the comments on behalf of the government and -- I think it's probably fair to say -- on behalf of the committee. I appreciate all who came forward, all who expressed their views, and all who brought forth their concerns and questions from their personal perspective and came out to talk to the committee and took the time out of their lives to do so.

But, ultimately, from the extremes at both ends, the middle is somewhere in-between. We did hear the majority of support on this topic.

Some Hon. Member: (Inaudible)

Hon. Mr. Cathers: Apparently I'm being heckled. I demonstrated my point and I'm being heckled from the right and from the left here.

In conclusion, I understand I'm short on time here and I would again encourage all members to move forward from today, recognize that the government needs to do drafting, based on what we heard from Yukoners. That drafting has not been completed; that work has not been done; today is not the day to pass this legislation.

The legislation needs amendments before it can be passed. I would hope we can move forward in as collegial a manner as possible from this, toward a day in the spring when we can pass legislation that reflects the spirit and intent of Bill No. 104 but, most important, reflects what the committee heard from Yukoners, what the committee agreed to, and put in place a piece of legislation that is good for Yukoners and will not be the victim of an unsuccessful court case immediately upon its inception, and will not create undue hardship in areas such as the display of tobacco products, through the steps recommended in the committee's recommendation that there be a phase-in period to

allow businesses to face the cost and details of complying with that provision the committee proposed, adding to legislation.

So with that being said, Mr. Chair, I look forward to hearing comments from members opposite and their input in this and would encourage all to agree that we move beyond today and move toward a day in the spring sitting when we can pass a good piece of legislation for Yukon citizens that reflects what they told us. The credit at that point will be due to all members of the Assembly and, of course, significantly to the Member for Whitehorse Centre for bringing forward a private member's bill that sparked this process in the first place.

Hon. Ms. Horne: First of all, I'd like to thank the Leader of the New Democratic Party for bringing this issue forward for consideration in the public realm. I appreciate their interest in finding ways to promote healthy living. I have recently quit smoking myself because I believe our youth learn by our example. I find the contrast between the two opposition parties compelling. On one hand, we have the New Democrats who both criticize and at least offer solutions to our problems. I appreciate that they have not just complained and criticized, but they have put forward a reasonable option. On the other hand -- well, I won't go there.

While I support the intent of Bill No. 104, I also believe we must be cautious. Mr. Chair, I believe that crafting legislation is a very serious business and we need to think carefully about the laws we pass and the laws we amend. On laws such as the one before us that have such far-reaching impacts, we need to ensure that Yukoners are consulted and that their views are taken seriously. I think that consultations have to be meaningful. I would like to reflect for a few minutes on the consultations that have taken place. In looking at the Web site, I see that the select committee visited 17 communities and held meetings in 14 of them. One of the communities to which the committee travelled but did not call a meeting to order was Ross River, which, as all members know, is in my riding. I reiterate: not one citizen attended.

I'm given to understand that people who did wish to attend this meeting to express their concerns were unaware of the meeting details. I would also suggest that, in all my communities, my constituents were out harvesting their winter supplies. Others were busy working in camps, and I'm sure that everyone in this Assembly appreciates that many of my constituents earn a paycheque by working in the resource sectors. I question how realistic it was to hold a meeting at 1:00 p.m. in the afternoon. My constituents have reported to me that they were against this change and I want them to have a chance to voice their opinion in my constituency.

The committee held meetings in the other two communities in my riding -- namely Teslin and Faro. The meeting in Teslin, also held at 1:00 p.m., did not have a high turnout. Actually, two citizens attended. Again, this was due in part to many people being unaware of the meeting and the timing. My constituents have spoken to me about their concerns. The meeting in Faro attracted 12 people and they initially voiced their concern to me that they were vehemently opposed to this. Again, I want them to have their say.

I can tell you from my visits to the community that this issue interested a great deal, many more than 12 people. However, I see this meeting was held again on a Friday evening at 7:00 p.m., when it was more convenient for people's schedules and when it was inconvenient for people to attend.

In reviewing the report, the committee indicates that the sentiment of communities in my riding, based on those who spoke to the proposal, was balanced between those for and those against. While I appreciate that the number of people who turned out for these meetings may not have been as high as some members in this Assembly would like, the fact remains that those who did turn up deserve to have their views taken seriously.

If people take time out of their day to come to a public meeting and express their concerns, I think it is only fair and reasonable to take their position seriously. I would add that going on a tour of the territory to perform public consultation, only to then ignore the comments, is both a waste of people's time and their tax dollar. If their comments are dismissed without consideration, then this Assembly is going to have tremendous difficulty going forward getting people to come out to these events in the future. Why would someone give up a Friday night to go talk at a public meeting, if no one is really listening?

I am told that speaking in public is one of the things that people fear the most, and I am one of them. What that tells me is that it took a great deal of courage for those people who spoke out.

During my community visits this summer, my constituents raised this matter with me. Some of my constituents have developed their own solutions that address the concerns of both the smokers and the non-smokers. For example, one of the places I stayed has both a lounge and a restaurant. The staff would serve meals in both rooms. People who wanted a smoke-free meal would eat in the restaurant side, while those who wanted to enjoy a cigarette sat in the lounge. The lounge had fans in the windows to draw the air from the restaurant through the lounge and out the window. It seemed to make sense and it seemed to work. The community did not seem to be deeply divided on this approach. In fact, what I saw was a community that was finding ways to ensure that the wants of both groups were addressed.

So I take seriously, as an MLA, the concerns my constituents raised. In fact I am committed to see that their concerns are reflected in the bill as it goes forward, so my concern is that the bill that goes forward reflects the opinions and views of those we consulted and those we did not. I really question if the bill before us today has incorporated the concerns of all our citizens. I also wonder if this bill reflects the benefits of having departmental officials review and critique it.

I know that I appreciate the advice I receive from my department when it comes to discussing both the concepts and details of proposed legislation.

Extensively amending a bill on the floor of the House is not the best way to craft legislation. Let me be clear: I think that this bill needs a great deal more work before it is ready to go forward, although I support the concept.

Hon. Mr. Cathers: I would like to thank all the members who have spoken to this today. I would also like to again thank the Member for Whitehorse Centre -- the Leader of the NDP -- for bringing forward this private member's bill, which reflects what he believes should be implemented. Again, I would like to thank the other two members of the all-party committee, the Member for Vuntut Gwitchin and the Member for McIntyre-Takhini, and the others who filled in, the Member for Porter Creek South and the Member for Mount Lorne, respectively. Also I would like to thank the officials from my department and the staff of the Legislative Assembly Office and the technical staff of the Canadian Cancer Society and Physicians for a Smoke-Free Canada.

I think we've made it very clear that the government respects the spirit and intent of Bill No. 104, but does intend to reflect the recommendations of the all-party committee and what we heard from Yukoners in the final piece of legislation. I don't think that there is much point in spending more time this afternoon on this. We have indicated that we are not prepared to pass legislation now. We don't believe it's ready. With that in mind, Mr. Chair, I move that we report progress.

Chair: Mr. Cathers has moved that we report progress. Are members agreed?

Motion agreed to

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

Chair: Mr. Cathers has moved 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. 104, entitled *Smoke-free Places Act*, and directed me to report progress.

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.

OPPOSITION PRIVATE MEMBERS' BUSINESS

BILLS OTHER THAN GOVERNMENT BILLS

Bill No. 106: Second Reading

Clerk: Second reading, Bill No. 106, standing in the name of Mr. McRobb.

Mr. McRobb: I move that Bill No. 106, entitled *Net Metering Act*, be now read a second time.

Speaker: It has been moved by the Member for Kluane that Bill No. 106, entitled *Net Metering Act*, be now read a second time.

Mr. McRobb: I'm pleased to rise in support of the *Net Metering Act* at second reading today. This Bill No. 106 was introduced nearly a month ago, on October 31, so all members have had the opportunity to consider it well in advance of today's discussion.

The implementation of this legislation would encourage more Yukoners to develop clean, renewable energy, thereby decreasing potential greenhouse gas emissions caused by other forms of electrical generation.

The net benefits of this bill are substantially greater than the bill itself, in that its text is concise by legislative standards. Although moderate in length, it would, we believe, lead to a major change in the level of green power being generated in the Yukon.

The new law would permit net metering to allow customers with homes, farms or businesses to generate their own power from renewable energy sources, such as wind, hydro and solar power, and to receive a credit for excess electricity returned to the grid. This law would provide an incentive for small generators to produce green power by allowing them to receive a financial credit for excess electricity produced.

Given the reality of climate change, we believe it is time to reward those who want to help lower our carbon dioxide emissions by allowing them to help increase the supply of clean green energy in the territory.

With net metering, customers would use their own renewable energy generation to offset their consumption within a billing period. When these customers generate electricity in excess of their demand and when net power could be used to displace diesel-generated power, the surplus could be sold back to the grid for a credit on their next bill. At the end of the billing period, the customer would receive a credit for excess power returned to the grid and would pay only for the net amount of power consumed in addition to the monthly service charge. This approach to net metering would provide some Yukoners with the opportunity to substantially reduce their power bills while providing the territory with new, valuable, sustainable green energy supply.

This new green supply could help offset the need to develop other supply options in the future. It could help to avoid damming another river or lake in our territory. It could help avoid developing a coal-fired plant. It could help avoid having to buy and operate diesel generators. Simply put, it would provide an opportunity for Yukoners to have greater control over how their power is produced and, moreover, help to preserve parts of our territory's wilderness and air quality.

The new law would require distributors to permit net metering for all eligible projects that produce up to 500 kilowatts in capacity. That's one-half a megawatt. To put this in perspective, diesel generators used by the territory's main generator of electricity, Yukon Energy Corporation, are commonly several times larger in size. Projects that produce electricity from clean sources such as hydro, wind, solar and farm biomass are all eligible. This new law would help us promote a more diverse and sustainable supply of electricity. I hope it will receive the support of the other parties.

Before closing, I would like to put on the record certain information with respect to how net metering is dealt with in other jurisdictions.

At the moment, few Canadian utilities offer their customers the option of connecting renewable energy generators to the grid; but that is changing. The convergence of environmental issues, political pressure for utility restructuring, and the wider availability of viable household-scale, renewable energy generating equipment, such as new technology or more cost-effective solar panels and wind turbines can only mean one thing -- net metering will eventually come to a utility near you.

Net metering has been available for more than two years now to customers of B.C. Hydro, Manitoba Hydro and to at least one marketer in Ontario where the provincial government passed a regulation introducing province-wide net metering by January 26, 2006.

To ensure standards of quality for power returned to the grid, a utility customer who wants to become a supplier of electricity must meet certain technical, legal and contractual requirements. These will vary according to where you live. Let's take a look at what is being done with respect to net metering in other Canadian jurisdictions.

In the province to the south, B.C. Hydro has made net metering available since April 2005. Manitoba Hydro provides for net metering. At the moment, customers are required to purchase a bidirectional meter, but Manitoba Hydro is working on selecting a suitable alternative and a formal net metering policy is expected to be in place by now. Hydro One in Ontario provides the option for customers to become involved in net metering. So does Waterloo North. So does Hydro Ottawa. So does Toronto Hydro and Hydro Quebec.

In New Brunswick the New Brunswick Power has proposed net metering and it's under development in Newfoundland and Labrador. Nova Scotia Power has announced net metering to be introduced. Net metering is planned for Prince Edward Island. As mentioned, net metering is becoming available in many Canadian jurisdictions. It is currently available in more than 30 states within the United States.

I recall a Yukon Utilities Board hearing about 15 years ago when the concept of net metering was discussed. At the time, the utility companies argued against it. One of the arguments advanced related to standards of power quality and how technology was lacking at that time. Well, things have changed considerably. For instance, there is a company located in Vancouver, B.C. that specializes in the manufacture of devices that ensure quality standards are attained.

One might question the feasibility of purchasing expensive solar panels that might produce a limited return on investment. As mentioned, new technology is significantly reducing the cost of solar panels and their applicability to a range of installations. Similar technology is emerging in other areas of green power. This is the wave of the future. People want to participate in the fight against climate change and this bill would provide them with an option to do exactly that while decreasing their own electrical bills. Again, I look forward to the support of all members on this piece of legislation.

Hon. Mr. Lang: I'll speak to Bill No. 106, *Net Metering Act*. It was interesting doing the research on the *Net Metering Act* across Canada. On issues like this, the research is very, very important to make sure that, again, if we're going to do something in the Yukon, we do it right and Yukoners do benefit from it.

To look back on the energy file, we look at the situation that arose five years ago when this government took office and the situation that we found ourselves in as a government -- not only a government, but as a manager of a corporation -- with the Mayo-Dawson line. There were economic ramifications of some of the political decisions that were made by the Liberal government of the day. That is the kind of situation we certainly don't want to repeat. We don't want to weaken the corporation with bad decision-making. Those decisions that were made at the time were, of course, in hindsight. The Member for Kluane was in a different party at the time. I remember reading in *Hansard* the demands that he made. He agreed; he demanded a public inquiry into the Liberals' management of that file and the high-level political interference that was done, influencing decisions made in the corporation that had ramifications to that corporation.

When we look at the *Net Metering Act* -- it was interesting when we read about the *Net Metering Act* -- what is important is who does it, how it is accomplished and whether or not legislation is required. What is net metering? Net metering measures the quantity of electricity used against the quantity of electricity generated, resulting in a net total from which one's bill is calculated. Net metering is not for reducing the electrical bill from the utility and not for selling a net amount of electricity to the grid.

In Ontario, to become a net metering client, one must enter into a net metering connection agreement with Hydro One and get confirmation from them that all the equipment is approved.

This feature is standard for all utilities that offer net metering. In other words, Mr. Speaker, there is a process. And again, I remind the members opposite, it's very clear -- net metering is not for reducing your electrical bill from the utility and not for selling a net amount of electricity to the grid. So that is very clear.

In Ontario, there is a cost to doing this, and there is a cost to the individual. In Ontario, you work with Hydro One, and you have to get an agreement between the two parties and, from there, make sure your equipment is approved. This feature, I guess, is standard throughout Canada.

Now, let's look at another concept out there. Independent power producers, IPPs, are similar to net metering electrical producers -- okay, so they're similar. Independent power producers have constructed the electrical generating capacity to supply power to their larger business, with surplus being sold to the main grid. In other words, it's another contract involving power. Some independent power producers have developed the electrical generation specifically for sale to the main grid. In other words, investments are made independent, and there is access to the main grid. So again, those are independent power producers.

To sell generated electricity -- again, I'll use the Province of Ontario -- in Ontario, as would be the case for independent power producers, a generator's licence must be obtained from the Ontario Energy Board. Again, all equipment must be inspected and approved before connection is permitted. This feature is standard for all utilities that receive power from independent producers.

So if we're looking at net metering, net metering is to reduce your electrical bill from the utility, not to sell a net amount of electricity to the grid. That's where the difference is.

Net metering was initiated to promote the use of renewable forms of energy. Some of the types of renewable energy used by residential and small commercial or industrial consumers are wind generation, biomass, cogeneration systems, small hydro generators, and those are examples of small operators where this net metering could take place.

Net metering is the process of registering the energy delivered to be used by the electricity consumer minus the energy transferred back into the electrical grid by the consumer's renewable or conventional energy source. This is usually achieved by using various types of meters. If the meter used for a net metering application is a single-phase mechanical meter or an electrical meter with a single-net register, these meters typically measure in the forward direction and accumulate energy on the register when the consumer uses more energy than they are producing. However, many of these meters will also measure in the reverse direction through the deduction of energy from the register when the consumer produces more energy than they use and the resulting energy flows back into the grid.

The net consumption is the amount registered by the meter and represents, at any specific moment in time, the net quantity of electricity supplied to the consumers by the contractor. Again, it's another process; it's another avenue of managing power and encouraging renewable energy in our community.

Net metering clients are usually restricted to set amounts of capacity. For example, B.C. has a limit of 50 kilowatts or less, Nova Scotia has a limit of 100 kilowatts or less, while Ontario has a limit of 500 kilowatts or less. Net metering clients have a limit placed on their electrical credits. Any surplus credits in some jurisdictions are not paid for.

Electricity credits earned by net metering clients have time limits set on them -- usually one year. If they are not used in that time, in some jurisdictions they are lost. At the end of the year, B.C. Hydro credits the client's account for the surplus electricity or pays the client out at a rate of 5.4 cents per kilowatt hour. Surplus credits earned from the Ontario hydro authority are lost. In other words, if you don't balance off your account in the Province of Ontario, it is just neutralized or it goes back to zero at the beginning of the year; in B.C., there is a form of payment for any excess power.

Now, let's look at who does this. Well, there are more than 40 U.S. states that have a net metering program. The United Kingdom, Great Britain, is reluctant to do it because of the complications paying and refunding the value-added tax that is payable on electricity. Pilot projects are underway in some areas.

Now if you move into Europe, let's take the country of Germany. Germany has adopted an extreme form of net metering to boost renewable energy use. Customers get paid for any electricity they generate from renewable energy on their premises. Okay? So Germany is definitely ahead of Great Britain.

The actual electricity being generated is counted on a separate meter, not just as the surplus they feed back; the actual electricity being generated is counted on a separate meter so they have a different meter system, not just the surplus they feed back to the grid for the power. So, in other words, it is one meter instead of two and, for the power generated, roughly three times the market value per kilowatt for residential customers is paid. So in other words there is an incentive in Germany to do this.

In Canada, net metering programs are expanding. They are offered by Hydro One -- that of course is in the Province of Ontario; Toronto Hydro, which is independent of Hydro One; B.C. Hydro, Manitoba Hydro, Hydro-Québec and Nova Scotia Power. As of mid-2005, net metering programs were being proposed or developed by Waterloo North Hydro, Hydro Ottawa -- again independent -- Énergie N.B. Power, Newfoundland and Labrador Hydro Corporation, and Maritime Electric.

Little advancement has been made on these projects. In other words, it's just in the consideration stages.

There are significant variations in their design from one jurisdiction to another. A net metering program will usually specify the following parameters: electricity price -- specifies the price per kilowatt hour at which you will buy electricity from the grid after your stored electricity has been subtracted from your electricity use. In other words, you enter into an agreement on the electricity price. Then, of course, you have your netting period, which specifies the period over which the net energy between generator and grid is calculated, and the interval for netting and billing energy can range from months to annual. I commented on that up front.

Dispositions of excess generation -- this determines who owns the excess electricity you store on the grid but do not use within your netting period. Most utilities assume ownership of this excess, but some allow you to carry over a certain amount of your excess stored electricity into your next netting period. So an agreement has to be made on who owns the power that you generate.

Interconnection methods -- this specifies what standard may apply to connect the system and the types of meters required. In other words, you have to set up a system of metering, determine what meters are required and the cost of that.

Now, how is it accomplished? Well, let's look at Alberta legislation. There was a Motion 510, called *Net Metering of Electricity*, brought forward on November 21, 2005 by Mr. Richard Marz, Progressive Conservative MLA for Olds-Didsbury-Three Hills. The motion was debated and carried that day. No legislation or regulatory action seems to have been taken on that motion. So Alberta hasn't moved forward with it, but they did pass the motion in the year 2005.

In the British Columbia *Utilities Commission Act*, part 3, section 22, "Person generating electricity for own use" deals with net metering. People wishing to provide net metering elec-

tricity to B.C. Hydro must file an application. They must then reach a contract with B.C. Hydro and before connecting to the grid, they must get a letter from B.C. Hydro confirming that connection requirements have been met.

So again, it sounds to me like a process that could become very complicated. If you want to provide the metering electricity to B.C. Hydro, you must file an application -- so there's paperwork -- and they must reach a contract with B.C. Hydro -- and that could take some time -- and, before connecting to the grid, they must get a letter from B.C. Hydro confirming that the connection requirements have been met. So, B.C. has a fairly complicated and timely process, I imagine. To be fair, I've never been in that process, but I have been in other processes and again, it sounds to me like there is a bit of weight to anything that would move forward in British Columbia.

Now let's get to Manitoba. The member opposite talked about Manitoba. Manitoba offered net metering to its customers from 1983 to 2003; however, the participation rate was low, and Manitoba Hydro discontinued their net metering program.

Manitoba Hydro has had a program in place since 1989. As of 2000, there were only two net metering sites in the province, a one kilovolt wind turbine and a small wood-waste plant located at a pulpmill. There does not appear to have been any additional installation since the year 2000. So in other words, the Province of Manitoba went to work with the member opposite's idea, and didn't get any uptake. So again, without numbers and without the mechanism and the buy-in from the community, this, as in the Province of Manitoba, would come to naught.

Maritime Electrical in P.E.I. is reluctant to embrace net metering, with the exception of wind energy. And to be fair, Prince Edward Island has really been in the forefront of wind generation. I believe that probably 30 to 55 percent -- somewhere in that range -- of the power generated and used in the Province of P.E.I. is generated by wind. It is a compliment to that province that it worked with that technology, but obviously they're in the right location, because without a supply of consistent wind, it's hard to justify wind turbines.

In the territory, we had a very capable individual, Doug Craig, who is no longer with us, working very, very hard on conceptual plans regarding wind viability in the territory. In Old Crow alone, Mr. Speaker, Yukon Energy did two or three proposed wind projects because of the location of Old Crow and the cost of generating its energy, which grows every year. I imagine that if wind were viable, it would have been a very big asset for that remote community.

Yukon Energy put in pilot wind apparatus on the river. I was there at one point when they were installing some mechanism on the river and then they went and did some work on Crow Mountain. But over a period of time, the consensus was that there wasn't the wind and it wasn't a viable option for a place like Old Crow. When we look at a province like Prince Edward Island and where it's located for wind potential, it's the way of the future for a place like that. What they have done in their net metering is sort of concentrate on wind energy, because through the many years of studies they've done and the extensive work on wind turbines, they have come up with the

wind turbine concept. It does work. Again, the net metering only covers wind energy.

The *Renewable Energy Act*, in chapter R-12.1, section 11, contains a bonus for small-scale developers, as well as putting in place net metering for renewable energy. This will allow small-scale wind energy producers -- for example, a farm with a single turbine -- to sell excess electricity at the same price they buy it. The government has set a price guarantee of 7.75 cents a kilowatt hour to make investment in wind energy on Prince Edward Island more attractive. The same restriction on up to 100 kilowatts and on application contracts and approved installations applies.

In other words, what they have done is they have taken the resources, and the net metering is based on wind energy alone. Really, if we look at it -- they are also selling the power back -- they are actually independent power producers, in actual essence.

So that is what the Province of Prince Edward Island is doing at the moment. And then if we looked at New Brunswick power, Mr. Speaker, they have been supportive of renewable energy sources being allowed to generate electricity in net meter fashion. New Brunswick has the Falls Brook Centre demonstration site, which generates electricity from solar and wind generators.

Use of renewable energy sources with net metering capacity up to 100 kW was approved as a regulation in 2006-58 under the *Electricity Act*, Order in Council 2006-274 filed on July 27, 2006. So New Brunswick Power just recently, in the last couple of years, has come out with this process which obviously involves this Falls Brook Centre demonstration site, which generates electricity from solar and wind generation, which is I would imagine -- I've never been there, Mr. Speaker, but it is a research centre I imagine on solar and wind generating capacity for the province and the use of renewable energy sources with net metering capacity up to 100 kW -- so they have limits there, and of course it was approved. So there is in New Brunswick an appetite for that kind of research and that kind of capacity for the citizens of that province.

In Nova Scotia -- the Nova Scotia Utility and Review Board passed net metering service under regulation 3.6, effective June 1, 2005. People wishing to become a net metering client of Nova Scotia Power must file an application with their address and installation and wiring drawings of their plant. They must apply for a wiring permit and have their installation inspected and approved prior to reaching a contract with Nova Scotia Power. So it seems to be another form of application obligation and it has nothing in there to say about the amount in Nova Scotia or what the benefits would be -- whether it is a financial package or whether it is credits or how that process works for net metering.

It seems to be an encouraging communication that people wishing to become net metering clients of Nova Scotia Power -- again, if they're wishing to do that -- must file an application. I guess you get that from the power corporation. And, of course, why wouldn't you have your address and insulated wiring drawings on there? It doesn't say in that process who is responsible for making the drawings, Mr. Speaker. There is a

bit of professionalism there that must be in demand. I mean, you couldn't get, say, the Minister of Justice to do the wiring plan. I think there would be a question. I could do it in my capacity, I guess. I'm not making light of what Nova Scotia has. It seems pretty vague, and with vagueness comes a process that really doesn't turn out the product you need at the end of the day.

And then, of course, back to Ontario -- the *Ontario Energy Board Act, 1998* passed Ontario Regulation 541/05, entitled *Net Metering*, on October 24, 2005. Net metering clients must apply to the appropriate distribution authority. So that means there are different distribution authorities in the Province of Ontario. Obviously, by what I read previously -- when looking at Toronto Power -- of course, Ontario does have the population that would certainly demand different organizations throughout the province, whether it's in rural Ontario or the cities of Toronto, Waterloo, Ottawa -- all these people who generate power and sell power have different situations that arise.

The authority you have to contact is one of the authorities that sells power to the consumers. And, of course, we have to reach a contract with it and can only add electricity to the system with approved equipment. Again, I look at Nova Scotia and how vague that province is. To be fair, I guess I could dig a little deeper in Nova Scotia, and I might find that some of this stuff has been addressed. I could spend a little more time and look at the system there.

Ontario obviously has professionalism; they have a system that says the equipment has to be approved, which is probably by an approved electrical company or they would have individuals who work inside their hydro who would have the capacity and training to go out and improve this equipment. In Ontario, if you were to look at how their net metering works -- if you looked at the surplus -- they work on a credit system. If you do have credits, Ontario Hydro consumes those credits at the end of the year. Credits can't be carried over from one year to another.

From an individual's point of view, the crediting system is a good system, but if you were going to be serious about them, there should be some form of negotiated price for these credits so the individual gets some recognition of producing power. I guess the argument from the hydro company's point of view is they cover quite a bit of the costs of this in the sense that they acquire the power, they sell the power and they average out the power bill. By this, these individuals are doing a little bit for the environment, because this is invariably a renewable resource form of production, so there is that to take into consideration.

It is interesting that there is such a diversified form of this kind of management of power across Canada.

If you were to look at B.C. Hydro, Mr. Chair, they passed a regulation called the rates and conditions of application of -- it was effective on April 1, 2006, chapter 2, section 6, domestic rates, and chapter 3, section 5, generation rates for small power. Both sections of the regulations are called "net metering option for customer generators". Clients who wish to do net metering must make an application to Hydro Quebec and sign an inter-

connection contract with the company. There is a fee of \$400 for inspection of net metering customer generating facilities, and I imagine, again, that the \$400 would cover any cost the individuals had for an inspection, and I guess the metering process would be handled by individuals, corporations or companies that would do that kind of work in the Province of Quebec. So again, there is a process. Again, you have to apply and you have to sign a contract. What does the interconnect contract mean? What happens if you don't? You know, there are all sorts of obligations on your side and also on the corporation's side because, again, there is work to be done by the corporation. Don't minimize what work there is for the corporation to manage things like this.

Now, on the other side of the ledger, it is the corporate part of society. These hydro corporations are usually owned by the taxpayers of these jurisdictions, and good corporate citizenship means that we all work together reduce and produce power in a user-friendly way. I think the concept of doing this kind of thing is very commendable, because at the end of the day, as the member opposite was saying, there were issues.

In a large community like Ontario, there are demands on power that grow by the day. What is the process to create that new dam the member opposite was talking about in a jurisdiction like Manitoba? Manitoba is one of the largest hydro producers in Canada. They work on conceptual dams all the time. What we have to be conscious of is that there are a lot of ideas out there in the hands of individuals that could mitigate some of these questions in a small way. As we get more and more people involved, it solves some of the daily issues in our growing consumption of power. Of course, all of this power is being generated by an environmentally friendly process.

If we were to look at our jurisdiction, obviously Manitoba had some issues with numbers and obviously there is a process here. If we were to look at this bill, we could take a look at all of these different jurisdictions and what works and what doesn't. Obviously, if an individual jurisdiction were going to do this, how would we mitigate some of the questions on applications or installation, or some of the huge questions on credit or some form of payment? When do the credits run out? How do people bank credits? People need to be educated on how to read the meter. When does the meter get read? Of course, this is all done by individuals, either the individual producer or the corporation that is obliged to work with individuals and buy the energy from them.

If you were to look at what we do as a community, understanding that at the moment over 90-some percent of our customer base is on hydro -- this government is moving ahead with the first stage of the Carmacks-Pelly extension, which will bring Pelly Crossing on to hydro and will encompass the Minto mine. With those kinds of decisions, that alone will eliminate 24,000 tonnes of emissions a year.

With that extension, we're also looking at the partnership between government, the Yukon Energy Corporation and the mining company to put that capital investment on the ground. The mining company is coming forward with their share of investment. They've committed a total of \$7 million to the line from Carmacks to Pelly and the total cost of the line from

Minto Landing to the mine site, which would be realistic. The community of Pelly will benefit from having the diesel plants eliminated and will go on hydro.

I think it would be premature to think that this *Net Metering Act*, Bill No. 106, which we're speaking to this afternoon, would be the be-all and end-all of power management in the territory.

I guess you would charge the Yukon Energy Corporation to do this because they have the expertise on the ground -- and it would be a waste of time to go forward with this act if there are no customers, if nobody is interested in this.

For us to go to all the work to set up the legislation and regulations just to have it fall on its face -- those are things that are not productive.

Now, this appears to have happened in Manitoba. The member opposite stood up and talked about Manitoba. Manitoba has been working with it since 1989 -- from 1989 to 2003 -- but it terminated the program due to getting only two clients. So a big province like Manitoba, with their population, only acquired two clients that were interested in this proposal.

Again, I talk about the Yukon, and we only have 33,000 to 34,000 individuals in the territory. Of course, that number base is half the size of Brandon, Manitoba. That's only one community in Manitoba. This bill, Bill No. 106, could be another thing that we would possibly put in place and then find out that we didn't do our homework, we didn't go out and garner any public support or any public input on the need for this. We could find out that we went to a lot of work that was very unnecessary and put another bill in place that really is redundant.

Now, I'm not saying that independent power producers, IPPs, are not a viable thing. I think as we go through the organization of energy in the territory, eventually it is natural that individuals would be allowed to produce power and sell power. That is very clear-cut. If you produce excess power, you sell it and you get paid for it. There are agreements between yourself and the corporation on the amount of money they pay for that power and, again, there is an obligation for the producer at that point to produce the power that they contracted to sell to the Energy Corporation.

The Energy Corporation will be selling it, in turn, to customers who will become dependent on these producers. This Bill No. 106 is an idea that has some merits, but any bill we bring in the House here, we have to critique it and bring it into perspective considering our population base and what the feasibility is of this actually becoming a reality if you were to look out there in the territory today.

I did a little bit of homework. There's probably one individual at the moment who is capable of doing something like that. So, how would we look at our client base over a five- or 10-year basis? There is interest; there's always conversation about generating hydro.

Let's take a little community like Swift River or a community like Mile 710 -- Rancheria. They produce their own hydro. The lodge produces its own hydro and they run the establishment with their own hydro. Now, that was a capital investment put in by the owners of the lodge, I think about 15 years ago. I could be wrong about that, Mr. Chair. Time goes by so fast.

But anyway, that was an investment that was made by those individuals and today they still have issues with spring and fall and managing the ice and doing the things that they do on a bigger scale here in our hydro project. But the individuals at Mile 710 get their power from hydro on a daily basis. I think their capital investment to put that hydro plant in place at the time -- now that was 15 years ago -- was \$500,000 to \$750,000.

To be fair, the individual who did it had a brother who was a line contractor from down south. He actually brought his crew up and they did all the line work. That would have cost you or me probably another \$200,000. The individual was available and he did the work that is still there today. It has been successful.

Look at Swift River. It has a lodge. There is a Highways shop and some accommodation there. I think Yukon Electrical supplies diesel power to the community. Are there options for that community to get off diesel? Getting off diesel would certainly benefit a community like that, as well benefit the environment. I imagine that the generation of power there does emit carbon dioxide as well as other things into the atmosphere.

The options for those people, due to the lack of a grid in the area, are limited by whom they would sell their power to and who would get the credit. All the stuff that we're talking about today wouldn't bear any fruit. At the end of the day, it is interesting to talk about how we as a community can rally around modern technology and solve some of the issues that we see out there in the outlying areas.

We can go north and look at options for independent power producers once we get the grids in place with the tie-in from Faro to Dawson and Mayo -- especially when we open up the mining community at Minto. Western Copper is going through the permitting process to hopefully jumpstart their proposals for next year. All those people would become customers on that grid, understanding that there's only so much excess power being produced by Yukon Energy.

With its expansion from Carmacks to Pelly, it's going to acquire two basic customers: one is Pelly Crossing and one is the mine. But as we move on from there to Stewart and then do the extensive work on the hydro that should have been done by the government when they put the Mayo-Dawson line in -- but we will bring that up to standard and tie in the Mayo hydro plant. Of course, they're committed at that point to look at the Mayo dam, to modernize it and build up its capacity to produce more hydro -- that's just a modernization tool -- and to also look at our dam here in Whitehorse to see what we can do to modernize it and make it a bit more efficient.

Of course, the commitment this government made and has resourced is certainly the third wheel in Aishihik, which will be upgraded. That's going to take us into a situation where the diesel plants we run here on a regular basis when we're short of power -- that would eliminate a lot of the need for that kind of generation.

There is all sorts of work to be done by the Yukon Energy Corporation. The Yukon Energy Corporation has to look at not only what has happened in the past -- in other words, we have to get through the court case created by the decisions made by the Liberal government when they were in power five years

ago. When we talk about those decisions in the House, the final court cases have not been completed. There is still some grey area on who owes what, for what. It consumes a lot of time in the Yukon Energy Corporation that could be spent more wisely doing something else, but it is an obligation we acquired five years ago when we became government. We acquired the responsibility to resolve the issues created by the government of the day when they made the decision to put the Mayo-Dawson line in place.

The Mayo-Dawson line -- if you were to look at some of the background on that. The government of day, the Liberal government, did an overview -- B.C. Hydro did an overview that costs the ratepayers of the Yukon a quarter of a million dollars on the concept of moving power from Mayo to Dawson. They came up with recommendations. Those recommendations were very clear on how -- if in fact the government of the day was going to do it -- it would be done or how they should do it to make it efficient and price conscious and all the things that B.C. Hydro does on a daily and monthly basis. They answer to their ratepayers.

What happened was that the government of day made a decision and they went against almost 100 percent, Mr. Speaker, of the recommendations of B.C. Hydro. Then they, the government of day, instructed the Energy Corporation that this should not go in front of the Utilities Board, and so it went, with no second sober thoughts at the Utilities Board on supplying investments like this, right to construction.

We are still paying for those decisions, Mr. Chair. So when we make these decisions -- and the government of the day makes these decisions. The reason we have the Utilities Board is so we can have second sober thoughts -- independent thoughts -- on large decisions. Also, when we hire a company like B.C. Hydro to do an overview, I think it is very telling that after we spend \$250,000, we just set it aside and go exactly against everything that was recommended by that report.

So, as we sit here today talking about net metering and all of the other issues, I think it is interesting conversation, Mr. Speaker. It obviously has mixed review across this great country of ours.

It didn't work in Manitoba. It seemed very cumbersome in Ontario. Nova Scotia is sort of grey on it. It doesn't seem to have any kind of teeth to it. It's like they must apply for a wiring permit and have their installations inspected -- so it just seems to me there must be more to it than that. The New Brunswick power thing seems to be a touchy-feely thing that has sort of a research centre involved in it, trying to work with solar and wind generation. But one that I am impressed with is Prince Edward Island, because one thing they did was to focus on what they do well and that is generating power from the wind. I would say that, out of all of Canada, they are probably the most successful.

Of course, by reading through this and looking at the merits of what other jurisdictions do, we can improve our jurisdiction. As I look at our small area, and I take a look at numbers, I go out and think, well, who would use this? First of all, who is capable of taking advantage of this now? So, I'd do a little research there and find out there might be one individual. Who

could grow into this? It's not just a matter of the bill. There are all sorts of questions to be asked and, of course, questions to be answered. How would we meter this? What would the cost of the meters be? Who would foot the bill for the meter? Who owns the power? Would we work with credits so we average this thing out over a year, or would there be a bonus at the end of the year? All of these things would have to be monitored.

We have to be very careful of the burdens we place, whether it's the independent company, Yukon Electrical Company Limited or Yukon Energy Corporation, on what they have to do to make something like this work. It seems to me there is some obligation for us, if we put a bill in here and we pass it and we charge people with doing things. I'm sure nobody in this House is going to be involved hands-on making sure that this thing goes forward.

If we are going to insist on the meters, the wiring and the billing process, we have to charge the companies with hiring the individuals to oversee this, understanding that we are also looking at the numbers. It would cost as much to man a station or fulfill that kind of expertise for one customer as it would for 100 or 200.

The member opposite brought up Manitoba as an example. They offered this net metering, but they have two customers. There is a wood-waste plant located at a pulpmill and they have a 1 kV wind turbine in another location. The great Province of Manitoba, with all the work they did -- and it was obviously a lot of work, because they have the wiring, credits and all the stuff that it appears is needed to put net metering in place. Manitoba found it can't create the interest in the process.

I think it is premature for us as a jurisdiction. As the individual who is responsible for the Yukon Energy Corporation, I think they have been assigned many tasks today. What we want to do is concentrate on getting customers, so that we can get our application in and get our consumer power bills down, and that money would go into consumers' pockets.

We want to work on rationalizing what we do. We have two corporations here that produce and sell power: Yukon Energy Corporation and Yukon Electrical Company Limited.

So is there any rationalization there to be done? Are there any savings for the consumer by defining what each corporation does? I think so.

As we grow as a corporation and as we acquire these customers and these customer bases, this gives us the flexibility to look at all sorts of benefits for the consumer. If we were to look at the independent power process, it's not complicated. It's a business transaction between two corporations: the individual that produces the power and the utility that buys it and then merchandises it. It's pretty simple. It's not a complicated meter thing. It's not a complicated licensing process. It's not a complicated policing system. They just have a system that says you put so much power in the line and we give you a cheque at the end of the month. That's how it works.

There are no credits. We don't credit the individual. There is no monitoring of the credits. There are no lawsuits at the end of the day about the credits. This is very straightforward. As our population grows and as we expand our grids -- which, again, is very important. We as a government are putting a \$10-

million investment into Yukon Energy Corporation for the expansion between Carmacks and Stewart -- \$10 million of taxpayers' money to put that infrastructure in place. That's \$10 million less that the corporation has to find, and that's an asset that's owned by the corporation.

Now, the mining company put in \$7 million into the Carmacks-Pelly line. That's an investment. So they already have \$17 million in place.

With the Utilities Board going through the process -- and one thing this government did learn, of all the things we've been through in the last five years, was to do the opposite of what the Liberal government did with their transmission line.

First of all, don't make a political decision; make a business decision. There's no point in putting a power line in place that has no customers. It doesn't work. Then take the proposal and put it in front of the Yukon Utilities Board -- the corporation did that -- and get some sober second thoughts on how this thing will proceed and if, in fact, it's viable.

The Utilities Board is manned by Yukoners but they have access to experts they hire on a regular basis on a contract to come in and critique these kinds of things. Again, that was one more step the Liberal government missed. They instructed the corporation not to go near the Yukon Utilities Board. One thing they did understand is that when they had a bad deal, they didn't want it critiqued by the Utilities Board. That would have been the end of their Mayo-Dawson line.

Another thing this government won't do is hire expertise, like B.C. Hydro, on feasibility studies and ignore the whole study, then stand up in the House and say we've had an overview from B.C. Hydro, and then neglect to tell the House that we didn't follow the recommendations at all. We're not going to do that. We made a business decision; the corporation made a business decision. We plugged in the Utilities Board to make their decision. They went in front of YESAB to make their decision.

We went looking for investors and customers. The mining community stepped up to the plate and said it was a good investment for them and they would resource it for \$7 million. There's money invested in the infrastructure for all Yukoners of \$7 million.

Then we, as a responsible government, said that this is great for Yukon. We came up to the plate and matched it with \$10 million. That put the onus on the corporation to come up with the rest of the money.

As far as the *Net Metering Act* goes, we have spent quite a bit of time on this here this afternoon. I think it falls short of what we're looking at today. If down the road we see this as an environmentally friendly process, which I don't deny, and if there is also a corporate decision by the company that this is feasible, and if we have a way of crediting or paying the producers -- however, I would say that if you look at the *Net Metering Act* and read through all these extensive overviews from all these other jurisdictions, it seems to me -- and I am a layman in this -- to be very spotty. Depending on where you are at with a province or territory, I would say that the most successful users of this would be Prince Edward Island.

Dr. Doug Craig, who was a big part of our community for many years and a tremendous individual and Yukoner, was the advocate for the Haeckel Hill wind generation. It was very close to him. Alternative power was Doug's expertise. He certainly had the credentials to talk about it at all levels.

But again, I think that what we should look at, once an individual gets through all the issues that are there with the Yukon Energy Corporation -- most of all tasking them to go to work and get the lawsuit behind us so we can concentrate on going forward, then looking at the Carmacks to Pelly extension -- and then we're committed, Mr. Speaker, to look very aggressively at Pelly to Stewart -- and then redo the line they put between Mayo and Dawson, which was another issue and another recommendation by BC Hydro that the Liberal government ignored -- it's too small.

So we have to go to work and re-line. Depending on what happens in the Dawson area, we might get away with that small line. In fact, we will have to re-engineer the line between Stewart Crossing and Mayo so that we can manage that hydro potential from the Mayo dam.

Again, as I remind members in the House, I think there should be a conversation -- certainly knowing that we have two corporations in the territory: we have Yukon Electrical, which has been a corporate citizen here for over 100 years, and Yukon Energy and Yukon Development -- having overlapping responsibilities. I think what we should do is rationalize those kinds of responsibilities.

At that point, I can see where Yukon Energy would produce the energy and Yukon Electrical -- in a perfect world -- would be the manager of the power after it is produced and sold to the general public.

If you were to look at the energy map in the territory, Mayo, Dawson, Keno City and Faro are covered by the Yukon Energy Corporation. They do billing; they sell the power; they do all of the on-ground work in those areas. Then we're looking at Yukon Electrical in Whitehorse here. Again, it supplies power to the consumer and also produces power with the hydro in McIntyre Creek.

Then we're looking at the remote sites, like Watson Lake, Swift River and Old Crow. These sites generate power and they sell power. What we have to do is look at a go-forward plan on how the electrical company and Yukon Energy Corporation can work together, for the benefit of all Yukoners, and define responsibility in the energy business in the territory.

So, if you were to look at options -- and, of course, on the *Net Metering Act*, I argue the point that it's premature. I think more work has to be done on the proposal in the sense that I would like to see more success in other jurisdictions out there. Also, if in fact we did rationalize power and we went into an independent power producers act allowing individuals or corporations to produce power and sell it to the hydro companies, I think that would be more clear-cut and more businesslike than having this *Net Metering Act*, which seems to me to be a hodgepodge of many different programs in different regions. It looks to me like it hasn't had the success.

I think the important part about this is that the success has not been there. If you were to look at these other jurisdictions,

the success was not there. I'm not sure if it was because the acts or bills were put together to succeed or not. British Columbia seems to have a very cumbersome set of standards that I'm not sure the average guy would be able to get through. I mean, you're dealing with B.C. Hydro, you're dealing with contracts, you're dealing with the connection clauses, and you're dealing with getting letters from B.C. Hydro to accept that and confirm that, and then there is this grey area about how you get your credits.

I'm not quite sure that individuals in British Columbia will put the time into a thing like this. This is a very extensive obligation for individuals. I'm not sure the average individual is prepared to put the time in to get the infrastructure together, to do these kinds of things and find out that in fact B.C. Hydro owns the power. That's very clear; they own the power that you produce. At the end of the year, you have a big, knock-down fight on the credits. That would be an interesting negotiation. Did you have credits? Did you not have credits?

Anybody in this House who looks at their electric bill understands that the average individual really has to dig down in their electric bill to be able to make sense of it. You know what you pay. You have all these lines listing the amounts of money. This would be just one more line on your bill. Now, I'm not saying that there isn't merit from an environmental point of view.

I was talking about Rancheria. I lived around there, and I know the individual very well. There were so many naysayers. Highly professional individuals in the hydro business told that individual that it was not possible; it was impractical; it was not bright and that they would not benefit from that investment. The individual went to work and today, after being harangued by these individuals, has access to hydro power. I would say that's probably the reason that lodge is still open. The independently owned lodges that run their own diesel units on a 24-hour basis -- the cost must be astronomical for those individuals.

Again, I say to the House that Bill No. 106, the *Net Metering Act*, is premature. I think that the overview I have in front of me from all these different jurisdictions shows that it's very spotty. It's based on population numbers, so that there is access to individuals to produce this power. It's also based on the viability of these projects.

We have done an extensive Yukon study on wind generation. I am again talking about individuals like Dr. Doug Craig and other individuals who did a very good overview of the potential for wind generation. I talked about a place like Old Crow being very remote and dependent on fossil fuels. Yukon Energy did an extensive overview of that and it was proven not to be viable.

If we look at solar panels, they are a great technology that has grown in the last 20 years to be, in some areas, economically feasible. I remember many years ago that, if one was in the solar power business, between the plates and the batteries, it was a horrendous cost. Now, with technology and with more use of that science and technology, one can now take advantage of that in remote areas. Individuals in trapping and other forms of work have certainly done that.

Again, the *Net Metering Act* says that if we look at the proposal that the member put in front of us today and what I have extensively talked about today, it doesn't have any track record of success.

That, to me, makes me a skeptic. My job as part of the government is not to make decisions on skeptical ideas but on individual ideas that will work for Yukoners. This overview --

Some Hon. Member: (Inaudible)

Hon. Mr. Lang: I'm sorry, Member for McIntyre-Takhini?

Some Hon. Member: (Inaudible)

Hon. Mr. Lang: This overview I'm doing today is -- I appreciate the Member for Kluane putting it forward and I think it's an idea that has been tried in different jurisdictions. I appreciate any conversation we can have here on ideas.

What happened to the Member for Kluane is that he didn't do the homework necessary to bring something like this forward, to have any merit to it, so that it is a viable option for consumers and producers of power in the territory.

After I've gone through this, whether you're looking at Germany -- and it's quite a thing in Germany. They have different meters and have roughly three times the market price, so there's an incentive. Residential customers are paid. There is the generation from renewable energy and all that. By the way, they have something we don't have: they have 80 million customers. They also have an energy crunch. They don't have the access to energy that Canada or our great territory has. They have to manage their energy.

I'm not saying that's a bad thing and I'm not belittling this bill at all. I think probably, in a place like Germany, the incentive there with this net metering act -- they have roughly three times the market price. So you get paid three times the market price for producing this power. That's a good incentive because, in fact, over time, if you were to look at that program, you would probably pay for your capital investment in a very short period of time. One thing about power, if you can produce power consistently -- and the Member for Kluane will understand that -- once you get the apparatus or the mechanism in place, it is a thing that produces power 24 hours a day. So our hydro power in Aishihik and other places is producing revenue for Yukoners on a daily basis.

So what we have here is a net metering proposal and, if you look at this, Mr. Speaker, it is very vague on the responsibility of the producer. I guess in a bigger jurisdiction you could look at not needing the power. In other words, if you produce it, fine, and if you don't, fine. I think what our jurisdiction needs is to modernize the system that we have in place to maximize our hydro potential. In other words, we don't have to build new dams, Mr. Speaker.

We have to modernize our turbines here in Whitehorse so we can maximize our power there, manage our water better.

Look at Aishihik with the third wheel -- most of the construction for that development is in place today. The investment is just another turbine. The water licence is in place, so all of the mechanisms are in place and all we have to do is put the investment on the ground.

By the way, Mr. Speaker, I'm not sure the Member for Kluane understands that is another investment made by the Government of Yukon for the benefit of energy for the territory. That is going to make an opportunity for Yukoners not to have that diesel operation that we have on the side of the Yukon River.

Another thing that I would like to see, eventually, is our backup power to be moved away from the populated areas.

That goes for Dawson City, Whitehorse and Mayo. The plant in Dawson City should be moved out to the Callison area. Why is it right in downtown Dawson City? But those were decisions made many years ago. Our government is going to look at working with the Yukon Energy Corporation to manage those kinds of decisions.

We have here, next to our hydro, those diesel plants, and it makes sense logistically. But I know that for you, Mr. Speaker, living in Riverdale, and the other member living in Riverdale, the conversation always comes up about those plants. When they are needed for backup, all of a sudden the corporation kicks them into operation -- and I know because I lived in Riverdale -- and all of a sudden you have this sound, this interference in your life that you're not used to. So there is that question.

Plus, by the way, there is an environmental --

Some Hon. Member: (Inaudible)

Hon. Mr. Lang: I appreciate the humour from the opposite side.

But from the environmental point of view, we do have an issue with those diesel plants being in this valley, on this river bottom, when they could be somewhere else and do the same kind of work without interfering with the population of Whitehorse on an emergency basis.

I appreciate the Member for Kluane and his interest in energy and also his expertise in the field, and he contributed quite a bit this afternoon to his bill. I don't make jest with the Member for Kluane. I mean, this is what this House is about -- bringing things forward, discussing options for Yukoners.

I just want to put on the floor here today that in the research I did over a period of a couple of days, I found less than stellar results. Again, those are the kinds of decisions --

Some Hon. Member: (Inaudible)

Hon. Mr. Lang: Okay, thank you, Mr. Speaker, and to the members opposite for allowing me to speak on this very important issue.

Going back to the Member for Kluane and the merits of a bill like this, I look at the homework I did. With respect to the member opposite's argument about Manitoba, the facts I read showed it was not successful. I always worry about duplicating other jurisdictions when we don't take into consideration the fact that we don't have a population base to support some of these ideas. We have a small population of 34,000 people.

Another issue we have is that the 34,000 people are dispersed around a very large land mass. I agree with the member opposite that we have to be very conscious of our rural areas and the management of power generation. Again, I go back to Old Crow. We have to sit down and look at the management of that power. The member here in the House was asking how we

could do that. Watson Lake is a prime example. They generate diesel power, but the diesel power heats the school and the community complex. So those kinds of things can benefit the community.

I think what happens is that we sit here in Whitehorse and we lose sight of the responsibility of the --

Some Hon. Member: (Inaudible)

Hon. Mr. Lang: Thank you to the Member for Kluane. I'll put that in my scrapbook of memorable occasions. But anyway, I've got a few more words to say. I hope the members opposite are taking notes, because there'll be an exam on this.

There is an urgency to look at these rural areas -- and we are committed to do that. How do we manage our energy in a very economical way? Of course, you can look at Watson Lake which has the advantage of the diesel plants and then it acquires heat from the generators to heat those two structures. This *Net Metering Act* isn't going to manage what communities like Watson Lake do with the excess heat. The member from Old Crow suggested that should that community get a recreation complex or a building structure, it should be designed around getting heat from that generator. Everybody is aware of what it costs us to fill up our car with gas and what it costs to heat our houses. It doesn't seem to be going down. It's not a net metering act we need; we need to manage our energy; we need a modern assessment of how we can maximize our hydro use and how we can move forward with the grid through the central Yukon. In a perfect world -- and eventually it will be left up to another government -- we would be looking at the options of tying in with B.C.?

Understanding that what happened in the last couple of days -- there have been some decisions to discontinue that power line to Bob Quinn Lake. It was a decision made by B.C. Hydro because their partner, NovaGold Resources Inc., has decided to take another look at the expansion of their property in the Dease Lake area. So, those are things that happen. B.C. Hydro made a business decision, like we did on the expansion from Carmacks to Pelly. Hopefully, we won't repeat what the Liberal government did on the Mayo-Dawson line, and we certainly won't. As long as I am responsible for the corporation, I will keep a very close eye on what happens on the investment we're prepared to make on that line.

When we look at this act that the member opposite brought forward -- I don't like to repeat myself, but at the end of the day it takes a lot of homework to do things like this. Certainly we don't come into the House here and recommend bills just for the sake of recommending bills. What we have to do is do our homework out there and see if there is a demand or appetite for this.

When you look at different jurisdictions, it seems to me to be very complicated in some and there is no uptake in others. The only success story out there is Prince Edward Island with their wind turbines. It's interesting to see what they did. They restricted it to wind turbines. So they didn't look at biomass; they didn't look at solar. They said, "We'll do this program if, in fact, you buy into what our program is, and our program is wind turbines."

By the way -- and the member opposite makes light of that -- it has been very successful on Prince Edward Island. They don't have the resources we do. They don't have the water, but they do have wind and they took advantage of that. Today, as I said, almost 50 percent of their power is produced by wind turbines.

So again, the opportunity in our territory, with its large land mass, could be that we have options. We have options for solar heat, Mr. Speaker, and we have people working on solar heat throughout the Yukon. We have better batteries today than we had 20 years ago for storing power and converting power. We have more user-friendly small generators. A generator today isn't the same monster that it was 20 years ago as far as consuming fuel and also admitting CO₂ into the air. We have modernized those from a point of view of people utilizing them in trapline situations or remote areas.

What this government is prepared to look at and work with the Energy Corporation on -- and I remind everybody, Mr. Speaker, that we have a very capable group of individuals running the Yukon Development Corporation and Yukon Energy Corporation. So those kinds of things are in good hands and we have a very active Utilities Board, which has just gone through a very extensive review of any of that proposal.

Also, the Yukon Energy Corporation has put out the 20-year plan, which was an obligation put forward by the Utilities Board. They wanted to see some kind of vision from the corporation. That has been done.

The member opposite was worried about a \$2-million upgrade to the plant in Faro. That was all part of an investment that was put in front of the Utilities Board -- and that is care and maintenance -- and that was approved. That will be another part of the infrastructure for backup that we will work with because of the size of our grid and all the other things that come along it. It is very extensive grid process that we're putting together. We're always going to need backup power. Backup power is going to be very important, Mr. Speaker -- and where that backup power is situated.

I, for one, am advocating that, as we move forward and get more resources, we look at moving these diesel backup plants to a central area that isn't populated. That will certainly make living in Riverdale a bit better. On a personal note, when they kicked in the generators one winter, I didn't know what it was. That was many years ago. I just knew that it was loud. Of course, over time, it just becomes part of our lives and we live through it. However, now that we are becoming more environmentally concerned, I am not sure if having that size of an operation in that location is wise.

If one were going to invest or put a business plan together to install something like that, it wouldn't be where it is at now. As our city population grows and more people become aware of the environment, that kind of thing would not be condoned in a populated area.

This government is looking at many options. I find it interesting that we would be talking this afternoon about the *Net Metering Act* when there are so many other issues we could talk about on the energy side of the ledger and what this government's plans are. However, it did let me expand into other

things that the Yukon Energy Corporation is doing and also how we, as a government, see the options, whether it is the *Net Metering Act* or the independent power producers. All of those things are options. When we look at what's happening in our world today and what's happening in other jurisdictions, it is very important that we look at all aspects of what we do in the House.

I would remind everyone in the House today that our decisions have to be based on area and population. Are these projects viable if, in fact, we don't have the uptake or the population to work with these decisions?

When we were elected again for the second time as government, one of our mandates was to manage the power component of government. We put a very qualified team together to work on the board of directors and the management arm of the Yukon Energy Corporation and Yukon Development Corporation on their business plans and, with the expertise that they have there, how they could see us in the next five to 10 years and what the outcome would be of the rationalization with Yukon Electrical. Again, I went through that. That's very important. That's important because of what I said here today, that rationalizing what both corporations do would be part of a discussion that could bear some fruit and clear the facts of overlapping responsibilities and responsibilities in the outlying areas that Yukon Electrical and Yukon Energy Corporation have. Then, of course, there is our responsibility as shareholders of Yukon Energy Corporation and Yukon Development Corporation and how we perceive the corporation will move forward.

We certainly want to get a larger consumer base and with that will come lower rates. We would like one of the corporations to move forward on a GRA. I'm optimistic they will request one in the new year and that would be another decision we encourage them to make. We as a government don't have the capacity to order the corporation to apply for a GRA. It has to be a corporate decision or a Yukon Electrical decision, but we do encourage them to do that and will work with them on whatever their decision is. The last GRA was done in 1996. I think it's time that we had one.

We're looking at Minto mine coming on-line. That's going to be a customer that will reflect a bottom line of \$4 million.

We've got Pelly Crossing coming on-line. That's going to generate more revenues for the corporation. I encourage the corporation to return those revenues to the shareholders. The shareholders are you and me and all the taxpayers in the Yukon. As far as working --

Some Hon. Member: Point of order.

Point of order

Speaker: Order please. The Member for Mount Lorne, on a point of order.

Mr. Cardiff: Mr. Speaker, I would like to rise on a point of order. The point is that Standing Order 19(c) states that a member shall be called to order by the Speaker if that member persists in needless repetition or raises matters that have been decided during the current session.

The member opposite has raised several issues during the past approximately 90 minutes while speaking to this bill. He has talked about customer bases, Prince Edward Island and the

Carmacks to Stewart line several times. In my opinion, there has been an awful lot of repetition. I think we could expedite the business of the House if we didn't do that.

Speaker: The Member for Lake Laberge, on the point of order.

Hon. Mr. Cathers: On the point of order, Mr. Speaker, I would suggest that this appears to be merely a dispute among members. The Member for Mount Lorne believes that the Minister of Energy, Mines and Resources is bringing up certain points that, I would point out, have been brought up in a different context when making different points.

The Member for Mount Lorne feels that it is needless repetition. The Minister for Energy, Mines and Resources feels that he is simply making the picture clearer and tying the dots together. I think this is a dispute among members.

Speaker: The Member for Kluane, on the point of order.

Mr. McRobb: On the point of order, Mr. Speaker, Standing Order 19(c), which points to prohibiting a member from persisting in needless repetition, I believe has been raised before in this House. It may have been struck down for lack of precedent; however, I think what we have seen here this afternoon is more than worthy of setting a precedent.

Speaker: Does anyone else want to get involved in this?

Speaker's ruling

Speaker: On the point of order, I appreciate all members' input into this quandary. From the Chair's perspective, there is no point of order in terms of this simply being a dispute among members; however, the Chair has given a lot of latitude here today for members to speak to this specific private member's bill, Bill No. 106. I would ask members to continue to focus on Bill No. 106.

Thank you.

The Minister of Energy, Mines and Resources has the floor.

Hon. Mr. Lang: I thank the members opposite for their input on this. I understand that it's a discussion on the floor here, and it certainly merits discussion. But if you were to look at the *Net Metering Act*, the act is an energy issue and certainly needs some background because, without the background, are we going to do our homework? Are we just going to take this at face value? Are we actually going to come up with a bill here that would work for Yukoners?

I think what we have to do is define what we're doing internally in the energy component of our society and where to best spend our time and where we would get our best results.

I guess what I'm saying to the members opposite is that the *Net Metering Act* has merit -- it certainly does in some locations. But I think that if we were going to do something, I would look at independent power producers, and that would come in time, as we move forward with managing the Yukon Energy Corporation.

Again, it's so important, before we do something like this, that we rationalize what we do to manage our energy and also to maximize our hydro. That's what this government has been

doing. You know, if you were to read about net metering, it is one of the many terms used by wind energy systems operators, utilities and regulatory organizations to describe a system of measuring with meters the amount of electricity energy that is supplied by the utility to the wind turbine operator and, conversely, the amount of electricity that is supplied by the wind turbine operator to the utility.

Other popular terms are net energy billing and energy banking, Mr. Speaker. So that is what we're talking about.

In closing, Mr. Speaker, I think it is not the right time for this act and I certainly look forward to discussing energy questions down the road as we move into the management of the power issues in the Yukon.

Motion to adjourn debate

Hon. Mr. Lang: I look at the clock and move that the debate on Bill No. 106 be now adjourned.

Speaker: It has been moved that the debate on Bill No. 106 be now adjourned. Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Cathers: Agree.

Hon. Mr. Kenyon: Agree.

Hon. Mr. Rouble: Agree.

Hon. Mr. Lang: Agree.

Hon. Ms. Horne: Agree.

Hon. Mr. Hart: Agree.

Mr. Nordick: Agree.

Mr. Mitchell: Disagree.

Mr. McRobb: Disagree.

Mr. Elias: Disagree.

Mr. Fairclough: Disagree.

Mr. Inverarity: Disagree.

Mr. Cardiff: Disagree.

Mr. Edzerza: Disagree.

Clerk: Mr. Speaker, the results are seven yea and seven nay.

Speaker: Generally, the Speaker votes to continue debate, so I vote in favour of continuing debate and against the motion. However, the time being 5:30 p.m., the House now stands adjourned until 1:00 p.m. tomorrow.

Motion to adjourn debate negated

The House adjourned at 5:31 p.m.

The following Sessional Paper was tabled November 28, 2007:

07-1-45

Yukon Housing Corporation Annual Report for the year ended March 31, 2007 (Kenyon)

The following Legislative Return was tabled November 28, 2007:

07-1-2

Water well upgrade in Old Crow (Hart)
Oral; *Hansard*, pgs. 1700 -1701