



Standing Committee  
on  
Public Accounts

32<sup>nd</sup> Yukon Legislative Assembly

Fifth Report  
June 2010



**Standing Committee on Public Accounts**  
**32<sup>nd</sup> Yukon Legislative Assembly**  
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**ARTHUR MITCHELL, MLA**  
Copperbelt  
Chair

**STEVE NORDICK, MLA**  
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**HON. PATRICK ROUBLE, MLA**  
Southern Lakes

Floyd W. McCormick, Ph.D.  
Clerk to the Committee





# Yukon Legislative Assembly

Standing Committee on Public Accounts  
32<sup>nd</sup> Yukon Legislative Assembly

June 16, 2010

Hon. Ted Staffen  
Speaker  
Yukon Legislative Assembly

Dear Sir:

On behalf of the Members of the Standing Committee on Public Accounts, appointed by order of the Yukon Legislative Assembly, I have the honour to present the Committee's Fifth Report.

A handwritten signature in blue ink that reads "Arthur Mitchell". The signature is written in a cursive style.

Arthur Mitchell, MLA  
Chair



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## Preface

### **The Standing Committee on the Public Accounts**

Standing Order 45(3) of the Standing Orders of the Yukon Legislative Assembly says, "At the commencement of the first Session of each Legislature a Standing Committee on Public Accounts shall be appointed and the Public Accounts and all Reports of the Auditor General shall stand referred automatically and permanently to the said Committee as they become available."

Pursuant to Standing Order 45(3), the 32<sup>nd</sup> Yukon Legislative Assembly appointed the Standing Committee on Public Accounts on November 30, 2006. The members appointed were:

Arthur Mitchell  
Steve Nordick  
John Edzerza  
Hon. Glenn Hart  
Don Inverarity  
Hon. Marian Horne  
Hon. Patrick Rouble

The motion appointing the Committee also said, "THAT the said committee has the power to call for persons, papers and records and to sit during intersessional periods."

At its first meeting on December 14, 2006 the Committee elected Mr. Mitchell as its Chair and elected Mr. Nordick as Vice-Chair.

On November 3, 2009 the Legislative Assembly rescinded John Edzerza's appointment and Steve Cardiff was appointed to the committee.

### **This report**

On February 9, 2010 Sheila Fraser, FCA, Auditor General of Canada, released the report *Yukon Housing Corporation*. The report focused on "whether the Corporation is delivering its social housing, staff housing, and lending programs in accordance with its legislative mandate and its stated policies and procedures."<sup>1</sup>

On the same day Members of the Yukon Legislative Assembly had the opportunity to receive the report and ask questions of the Auditor General at an in-camera briefing in the Legislative Assembly chamber. The report became a public document the same day.

In preparation for the public hearing the Committee met on Tuesday, February 9 and Wednesday, February 10. Members discussed the report, and drafted questions for the

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<sup>1</sup> Report of the Auditor General of Canada to the Yukon Legislative Assembly—February 2010 (Yukon Housing Corporation), page 1.

witnesses appearing before the Committee. At a final meeting on the morning of Thursday, February 11 the committee members reviewed the final draft of the questions and distributed those questions amongst themselves.

The public hearing took place on February 11. The transcripts of that hearing are appended to this report.

Hon. Patrick Rouble participated in all meetings related to the committee's preparations for the public hearing and all meetings related to the preparation of this report. However, he was not available for the public hearing due to other commitments.

The Committee would like to thank Andrew Lennox, Assistant Auditor General for the Territorial Governments and Eric Hellsten, Principal, Office of the Auditor General (Vancouver office) for their assistance in preparing the Committee for the hearings.

The Committee would also like to thank the witnesses from the Yukon Housing Corporation, the Public Service Commission and the Department of Health and Social Services who appeared before it for their co-operation and their contribution to the public hearing process.



# Standing Committee on Public Accounts 32<sup>nd</sup> Yukon Legislative Assembly

## Fifth Report June 2010

### Introduction

1. On February 9, 2010 Sheila Fraser, FCA, the Auditor General of Canada (the Auditor General), issued an audit report entitled, *The Yukon Housing Corporation*. The purpose of the audit

was to determine whether the Corporation has adequately managed its Social Housing, Staff Housing, and various lending programs. We also reviewed whether the Corporation has appropriate processes for strategic planning (including risk management), governance, and performance measurement. The Social Housing and Staff Housing programs are considered “adequately managed” if

- they are being delivered in accordance with the Corporation's legislative mandate, policies, and procedures;
- housing assets are suitable in serving the changing needs of clients; and
- they are being adequately maintained.

The lending programs are considered adequately managed if they are being delivered in keeping with the Corporation's legislative mandate, policies, and procedures.<sup>1</sup>

2. The Auditor General concluded that the Yukon Housing Corporation (the Corporation) is generally managing its day-to-day operations well, but long-term strategic issues need attention. It was these long-term strategic issues that were the focus of the Auditor General's report and the public hearing conducted by the Yukon Legislative Assembly's Standing Committee on the Public Accounts (the Committee).

3. During the course of the audit the Auditor General found the following:

- The Yukon Housing Corporation has properly assessed applications for social housing using its rating system, in accordance with its policy. However, it has not carried out adequate analysis of the need for and supply of social housing in the

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<sup>1</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 8.

territory, particularly in Whitehorse. Further, the Corporation lacks integrated housing strategies, which increases the risk that new housing projects will not address the real needs in the Yukon. Many living in social housing units have more bedrooms than they need. At the same time, there is a shortage of one-bedroom units in Whitehorse, and applicants in the victims-of-violence priority group have waited up to fifteen months for housing. When planning the replacement of its housing stock, the Corporation needs to address the imbalance between the mix of housing in its portfolio and the kinds of units that are needed.

- A 2004 evaluation of the Social Housing Program found that the Corporation's housing units were generally in good condition and client satisfaction was high, but significant upgrades and replacements would be needed over the next ten years due to the age of the housing stock and to health and safety issues. The Corporation has determined that many of its units have aged beyond their expected lives and will have to be replaced. Funding under the federal Economic Action Plan will help to address this, but the large number of housing construction projects to be undertaken in the next two years presents significant risks that the Corporation will need to manage and mitigate.
- Until recently, there was little collaboration among the Corporation, the Public Service Commission, and individual departments to identify future needs for staff housing. The Corporation has recognized that many of its housing units for Government staff are aging and eventually will need to be replaced. However, it currently has no plans to build or acquire additional units. Although the waiting list for staff housing in communities is small, the lack of housing there for key personnel may undermine efforts to recruit and retain staff.
- The Corporation lacks an adequate risk management process. For example, it issued several loans to developers without proper identification and assessment of the risks and strategies to mitigate them. The deficiencies in risk management have led to increased financial exposure of the Corporation. In addition, the reporting of financial and program information to management was not timely, complete, or reliable.<sup>2</sup>

4. The Auditor General made 18 recommendations that the Corporation might use to usefully address these issues. These recommendations, and the Corporation's responses to them, are summarized on pages 34 to 39 of the Auditor General's report. As indicated in the Auditor General's report, the Corporation has accepted these recommendations.

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<sup>2</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 2-3.

### **The Corporate Governance Act**

5. The accountability of Yukon Government corporations to the Legislative Assembly is established in the *Corporate Governance Act*. According to the Act the “fundamental principles for the governance of government corporations” include

- (a) government corporations are institutions of government established to achieve governmental objectives in the public interest;
- (b) Ministers must be accountable to the Legislative Assembly for what government corporations do;
- (c) each government corporation and its officers and staff must be accountable through a Minister to the Legislative Assembly for what the government corporation does...

6. Pursuant to paragraph 1(3)(a) of the *Corporate Governance Act* the Yukon Housing Corporation is a “government corporation” for the purposes of the Act.<sup>3</sup>

### **The Standing Committee on the Public Accounts**

7. In his opening remarks at the public hearing the Committee Chair described the Committee’s role in the audit process: “The Public Accounts Committee is established by order of the Legislative Assembly. We are a non-partisan committee with a mandate to ensure economy, efficiency and effectiveness in public spending -- in other words, accountability for the use of public funds...Our task is not to challenge government policy but to examine its implementation. The results of our deliberations will be reported back to the Legislative Assembly.”<sup>4</sup>

8. The Committee accepts and endorses the recommendations made by the Auditor General in her report. The Committee’s report will not repeat in detail information contained in the Auditor General’s report, its recommendations or the Corporation’s responses to those recommendations. That detail can be found in the Auditor General’s report. Neither will this report attempt to summarize all the evidence given before the Committee at its public hearing, held February 11, 2010. The transcript of the public hearing is appended to this report. Instead, this report will focus on those issues that – in the opinion of the Committee – merit further comment.

9. The Committee is encouraged by the Corporation’s responses to the Auditor General’s observations and its acceptance of the report’s recommendations. Based on the responses contained in the report, and the evidence provided by witnesses during the public hearings, the Committee is satisfied that the Corporation has seriously considered the recommendations of the Auditor General. In some cases action to deal with the problems identified in the report has already been taken. In other cases action is being taken to comply with the Auditor General’s recommendations.

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<sup>3</sup> S.Y. 2002, c.2, s.4.

<sup>4</sup> Yukon Legislative Assembly, Standing Committee on Public Accounts (Transcript of the Public Hearing), February 11, 2010, page 1.

10. Nonetheless, the Committee believes that certain issues merit further comment.

**Financial accountability**

11. In assessing the Corporation's information systems the Auditor General "found serious transition problems when new information systems were implemented without proper planning, monitoring, and data testing. Old systems were not maintained while the new systems were still being tested for proper functioning."<sup>5</sup>

12. As an example the Auditor General noted that, "Between June and August 2008, hundreds of loan applications were processed. As the reporting of information to management on loan applications was weak, the faster than expected pace of lending was not adequately managed. To eliminate a possible funding shortfall, the Corporation stopped accepting any new applications for home ownership and home repair loans, and all program staff were instructed not to enter into any new agreements or contracts. In December 2008, a special warrant was approved that gave the Corporation an additional \$2.85 million to fund more applications."<sup>6</sup>

13. Also troubling for the Committee is the Auditor General's finding that during the period when the audit was conducted "the financial statements for the 2007-08 fiscal year still had not been finalized and the reporting deadline for last year's Annual Report had not been met."<sup>7</sup> In fact, the last annual report to be tabled in the Legislative Assembly was the report for the 2006-07 fiscal year, which was tabled on November 28, 2007.

14. As a result the Corporation is not in compliance with Section 23 of the *Housing Corporation Act* which says

The corporation shall annually, after the end of its financial year, prepare a report showing the revenues, expenditures and activities during its last financial year, together with

- (d) an audited financial statement; and
- (e) the report of the Auditor General referred to in section 22 for that financial year.

(2) The Minister shall table a copy of the report at the next ensuing session of the Legislative Assembly.<sup>8</sup>

15. During the public hearing the President of the Corporation told the Committee that the financial statements for 2007-08 were nearing completion, though he would not

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<sup>5</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 28.

<sup>6</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 28.

<sup>7</sup> Auditor General's report page 28.

<sup>8</sup> *R.S., c.87, s.20.*

give a date for their completion, given that previous deadlines had been missed. Work on the 2008-09 financial statements was to begin shortly after the public hearing.<sup>9</sup>

16. **Recommendation #1:** That the Yukon Housing Corporation provide the Minister responsible for the Corporation with the annual reports for 2007-2008 and 2008-2009 as soon as practicable once the financial statements for those fiscal years are complete and that the Minister table those reports in the Legislative Assembly on the first sitting day following his receipt of those reports.<sup>10</sup>

17. **Recommendation #2:** That the Yukon Housing Corporation and the Minister responsible for the Corporation ensure that section 23 of the *Housing Corporation Act* is complied with in the future.

18. As a result of its assessment of the Corporation's financial management the Auditor General recommended that "The Corporation should ensure that

- when new information systems are being implemented, [systems] developments are properly planned and monitored and the data entered is checked for accuracy;
- any system being replaced is maintained concurrently until the new system is functioning properly;
- its information systems report complete, timely, and reliable information; and
- financial statements and internal financial reports are completed on time."<sup>11</sup>

19. The Corporation agrees with the recommendation and has developed an implementation plan for filling vacant senior positions and hiring additional staff.

20. While the Committee is encouraged to see that a plan is in place it is concerned about the length of time its has taken to fill vacant positions. The President of the Corporation told the Committee

in the early part of 2008, the individual who had been in charge of our finance group for quite a number of years had retired and left the territory. As a result of various circumstances, we are still in the process of finalizing our competition. We've had very good individuals working in the meantime with our group at the finance end, but we are still just now in the process of finalizing our competition for a director of finance, systems and administration. We've had a couple of competitions but the last competition closed and screening has been completed."<sup>12</sup>

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<sup>9</sup> Yukon Legislative Assembly, Standing Committee on Public Accounts (Transcript of the Public Hearing), February 11, 2010, page 28.

<sup>10</sup> Hon. Jim Kenyon, Minister responsible for the Yukon Housing Corporation tabled the Corporation's 2007-08 annual report in the Legislative Assembly on May 20, 2010.

<sup>11</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 28-29.

<sup>12</sup> Yukon Legislative Assembly, Standing Committee on Public Accounts (Transcript of the Public Hearing), February 11, 2010, page 28.

21. The Corporation President did not provide any further explanation for the two-year gap between the departure of the person in charge of the finance group and the filling of senior financial positions.

### **Risk Management**

22. In Paragraph 83 of her report the Auditor General says the Corporation lacks a management framework that would ensure risks are “identified, measured, mitigated, monitored, and reported so they can be consistent with the nature of the business and ensure that the Corporation’s assets are safeguarded.” Instead, the Corporation “addresses risks in an informal and non-systematic manner.”<sup>12</sup>

23. The Corporation will be “(m)anaging the large number of housing construction projects being built in the next two years under the federal Economic Action Plan (and this) will be a priority for the Corporation, given the additional significant risks these projects entail.”<sup>13</sup> This makes the lack of a risk management framework particularly acute.

24. In paragraph 88 the Auditor General recommends

The Corporation should identify, assess, and rank the significant risks it faces, including the significant additional risks arising in the construction projects stemming from the funding under the federal Economic Action Plan. It should then develop specific strategies and action plans that clearly outline how it plans to mitigate those risks that it determines need to be addressed. In addition, the Financial and Risk Management Committee should monitor and report regularly to the Board of Directors on whether the Corporation is addressing risks appropriately and efficiently.<sup>14</sup>

25. The Committee notes that the Corporation has agreed with the with the Auditor General’s recommendation and has identified an implementation strategy for its response.

26. However, the Committee remains concerned that the plan is “recently introduced.”<sup>15</sup> This leaves open the question as to whether this plan will be of assistance in assessing the risk of more immediate projects, like those related with the Economic Action Plan.

### **Timelines for the implementation of recommendations**

27. In its *Implementation Plan 2010-2013* the Corporation addresses each of the recommendations made in the Auditor General’s report with a response, an implementation strategy and an update on the implementation strategy so far. The Committee appreciates that the Corporation has devoted time and effort to developing

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<sup>12</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 24.

<sup>13</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 25.

<sup>14</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 25.

<sup>15</sup> Yukon Housing Corporation, *Implementation Plan 2010-2013*, page 18.



this plan which, if it is successful, should help address the recommendations made in the Auditor General's report.

28. That being said, the Committee has some concerns about the implementation strategies. In some cases the 'milestones' by which progress can be measured are quite vague. For example, in paragraph 77 of her report the Auditor General recommends that the Corporation and the Department of Health and Social Services, "review the basis for establishing rent for the social housing units." As part of its response the Corporation says that, "Corporation staff met with staff of the Department of Health and Social Services for initial discussion on the primary issue" which it has identified. It goes on to say that it has "established clear identification of some of the issues which require further analysis" but does not say what they are.<sup>16</sup> The Committee appreciates that 'fleshing out' the implementation plan will be an on-going process but it appears, at least in this example, that more information could have been included in the implementation plan.

29. In some cases the initial steps in the implementation plan will not commence for some time. One example is the Corporation's response to the Auditor General's recommendation regarding the preparation of the Corporation's capital plan. The Corporation articulates an implementation strategy that does not begin until the spring of 2012.<sup>17</sup>

30. In other cases the timelines for completion of the implementation strategy are quite long. For example, in response to the Auditor General's recommendation regarding the completeness and accuracy of the applicant database for social housing the Corporation says it will take up to 24 months to complete the Applicant and Tenant Online Management System and ensure that the applicant database is complete and accurate.<sup>18</sup>

31. Similarly, the Corporation says it will take up to 24 months to "complete a review of policy issues regarding the *Government Employee Housing Plan Act*."<sup>19</sup> In response to a recommendation regarding the drafting of a strategic plan the Corporation believes this can be developed "within the next 24 to 36 months, for consideration by the Board of Directors."<sup>20</sup> In response to a recommendation regarding the use of the Corporation's integrated housing strategy the Corporation says it will use that strategy, "along with information from other sources, to determine the best approach to address the specific housing needs of Yukoners, within the fiscal framework of the Corporation." This, it says, will be done "(w)ithin 30 months."<sup>21</sup>

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<sup>16</sup> Yukon Housing Corporation, *Implementation Plan 2010-2013*, page 16.

<sup>17</sup> Yukon Housing Corporation, *Implementation Plan 2010-2013*, page 17.

<sup>18</sup> Yukon Housing Corporation, *Implementation Plan 2010-2013*, page 1.

<sup>19</sup> Yukon Housing Corporation, *Implementation Plan 2010-2013*, page 11.

<sup>20</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 20.

<sup>21</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 24.

32. During the public hearing the Corporation president told the Committee “what we have done throughout the responses is tried to give timelines that we felt were realistic and that we could achieve.”<sup>22</sup> He also indicated that the Corporation would make best efforts to implement recommendations more quickly than indicated in the implementation plan. Nonetheless, the Committee is mindful of the fact that these plans will have to be fully implemented and allowed to function for a time before they can be assessed. Given the timelines indicated in the *Implementation Plan 2010-2013* it will, in some cases, be three to four years before Yukoners will know if the Corporation’s plan is working.

### **Capacity Issues**

33. During the public hearing Corporation witnesses referred to capacity issues as factors that exacerbated the problems identified by the Auditor General. With regard to financial accounting and reporting systems the Corporation president indicated that additional staff had been hired to complete reports that had missed their deadlines.<sup>23</sup> The Corporation president also indicated that capacity issues were one factor that lead the corporation to the decision to terminate annual tenant satisfaction surveys.<sup>24</sup>

34. Matching an organization’s capacity to its operational requirements is not necessarily easily done. One approach would be to devote more resources to that organization. However, that may not be possible if resources are not available. It may also not be advisable to do this quickly, if that organization is not ready to accommodate more resources.

35. Another approach would be to re-draft that organization’s mandate to reduce it or make it more focused. This approach also has its pitfalls given that the organization may have already built up a client base that expects that certain services will be delivered.

36. In its 2004 report the Committee recommended “That the Cabinet, the Yukon Legislative Assembly and the heads of the entities examined in this report [one of which was the Yukon Housing Corporation] establish a process to evaluate mandates and consult with the Yukon public in doing so.”<sup>25</sup> This recommendation may be worth considering at this time.

### **Planning, Information Gathering and Evaluation**

37. In its 2004 report the Committee recommended “That the planning and accountability documents employed by the entities examined in this report [which

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<sup>22</sup> Yukon Legislative Assembly, Standing Committee on the Public Accounts, Transcript of the Public Hearing (February 11, 2010), page 6.

<sup>23</sup> Yukon Legislative Assembly, Standing Committee on the Public Accounts, Transcript of the Public Hearing (February 11, 2010), page 27.

<sup>24</sup> Yukon Legislative Assembly, Standing Committee on the Public Accounts, Transcript of the Public Hearing (February 11, 2010), page 5.

<sup>25</sup> Yukon Legislative Assembly, Standing Committee on the Public Accounts of the 31<sup>st</sup> Legislature, First Report, July 2004, page 9.

included the Yukon Housing Corporation] contain performance measures and expectations and that the plans be tabled in the Legislative Assembly annually.”<sup>26</sup>

38. In her report the Auditor General found that

the Corporation’s strategic goals and corporate objectives in the strategic plan are consistent with its mandate under the *Housing Corporation Act*, with the Government’s priorities, and with Canada Mortgage and Housing Corporation objectives under the federal Economic Action Plan. The Corporation has also linked its activities to the Government’s four stated objectives: achieved quality of life, economy, environmental protection, and good government.<sup>27</sup>

39. However, the Corporation’s current strategic plan, completed in 2007, still does not include “specific and measurable goals and objectives to achieve its legislative and public policy mandate.” Nor does it contain “performance indicators.”<sup>28</sup>

40. In Paragraph 67 the Auditor General recommends “The Corporation should include in its strategic plan specific and measurable goals and objectives to achieve its legislative and public policy mandate, analysis, and selection of alternative ways to achieve objectives, performance indicators and targets, expected quality and level of service to be provided to clients, identified risks, and its competitive strengths and weaknesses.”<sup>29</sup>

41. Once again the Corporation agrees with the recommendation and says it “will develop a draft Strategic Plan within the next 24 to 36 months for consideration by the Board of Directors.”<sup>30</sup>

42. The Committee believes that up to date, accurate information is essential for the Board and Corporation to make good decisions and is concerned that it may take up to three years to get a draft plan before the Board of Directors. The Committee would also reiterate the recommendation made in its 2004 report.

### **Alignment of Policy and Practice**

43. In Paragraph 44 of her report the Auditor General recommends, in part, the following: “The Corporation should comply with all of its loan policies and procedures...”<sup>31</sup> Likewise, in Paragraph 59 the Auditor General recommends, in part, “The Public Service Commission and the Corporation should comply with the Government’s Staff Accomodation Policy...”<sup>32</sup>

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<sup>26</sup> Yukon Legislative Assembly, Standing Committee on the Public Accounts of the 31<sup>st</sup> Legislature, First Report, July 2004, page 7.

<sup>27</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 20.

<sup>28</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 20.

<sup>29</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 20.

<sup>30</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 20.

<sup>31</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 15.

<sup>32</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 19.

44. The Corporation agreed with the recommendation contained in Paragraph 44. Likewise the Public Service Commission agreed with the recommendation in Paragraph 59.

45. The Corporation's response addresses the specific issue raised in Paragraph 44 and the Public Service Commission's response addresses the specific issue raised in Paragraph 59. However, the Committee has a more general concern about the lack of alignment between stated policies and practices. The Committee appreciates that practice often evolves in response to circumstance and that due process dictates that policies cannot be amended as quickly. Further, in some circumstances it may be that experimentation with certain practices may be necessary before individual policies can be changed. However, the Committee also believes it is good management practice to ensure that practice aligns with stated policy.

46. **Recommendation #3:** The Yukon Housing Corporation and/or the Board of Directors should review its policies annually to ensure that the Corporation's practices adhere to its stated policies. Changes in practice that deviate from stated policy should be formally authorized by changes in policy.

#### **The Government Employee Housing Plan Act**

47. Section 13 of the *Government Employee Housing Plan Act* says

13(1) The [Yukon Housing] corporation shall annually after the end of the financial year prepare and submit a report to the Minister respecting the administration of this Act not later than June 1 in each year.

(2) The annual report made by the corporation under this section shall be laid before the Legislative Assembly by the Minister within 15 days after the opening of the next regular session thereof or within five days if the Legislative Assembly is in session.<sup>33</sup>

48. It is unclear when such a report was last tabled in the Legislative Assembly.

49. Paragraph 61 of the Auditor General's report contains the following recommendation: "The Corporation should consult with the Government to consider either updating the *Government Employee Housing Plan Act* to reflect existing market values or eliminating the plan."<sup>34</sup>

50. **Recommendation #4:** The Yukon Housing Corporation should not take any action with regard to the annual report referred to in Section 13 of the *Government Employee Housing Plan Act* for the time being. If the consultations between the Corporation and the Government result in an updated plan the Corporation and the Minister responsible should comply with whatever reporting requirements are contained in the applicable act.

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<sup>33</sup> R.S., c.80, s.13.

<sup>34</sup> Auditor General of Canada, *Yukon Housing Corporation*, February 2010, page 19.

## **Conclusion**

51. The Committee would like to thank the Auditor General for her report.
52. The Committee would also like to thank the Corporation for its agreement with, and commitment to implement, the recommendations in the Auditor General's report.
53. Further, the Committee would like to thank the witnesses from the Yukon Housing Corporation, the Public Service Commission and the Department of Health and Social Services who appeared before the Committee at the public hearing held on February 11, 2010.
54. Consistent with section 5 of Management Board Directive #20/85 the Committee requests that the Yukon Housing Corporation respond to this report and that the Minister responsible for the Corporation table this response in the Legislative Assembly by the final sitting day of the 2010 Fall Sitting.
55. Finally, the Public Accounts Committee wishes to reiterate that the Committee may follow up on the implementation of the recommendations the Auditor General made in her report on the Yukon Housing Corporation. This follow-up may include holding a further public hearing.

## Summary of Recommendations

**Recommendation #1:** That the Yukon Housing Corporation provide the Minister responsible for the Corporation with the annual reports for 2007-2008 and 2008-2009 as soon as practicable once the financial statements for those fiscal years are complete and that the Minister table those reports in the Legislative Assembly on the first sitting day following his receipt of those reports.

**Recommendation #2:** That the Yukon Housing Corporation and the Minister responsible for the Corporation ensure that section 23 is complied with in the future.

**Recommendation #3:** The Yukon Housing Corporation and/or the Board of Directors should review its policies annually to ensure that the Corporation's practices adhere to its stated policies. Changes in practice that deviate from stated policy should be formally authorized by changes in policy.

**Recommendation #4:** The Yukon Housing Corporation should not take any action with regard to the annual report referred to in Section 13 of the *Government Employee Housing Plan Act* for the time being. If the consultations between the Corporation and the Government result in an updated plan the Corporation and the Minister responsible should comply with whatever reporting requirements are contained in the applicable act.