

**Yukon Legislative Assembly
Whitehorse, Yukon
Thursday, April 22, 2010 — 1:00 p.m.**

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

Prayers

DAILY ROUTINE

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

Are there any tributes?

TRIBUTES

In recognition of Earth Day

Hon. Mr. Edzerza: I rise today to pay tribute to Earth Day, which is observed on April 22 around the world. It has been 40 years since the very first Earth Day. The celebration of Mother Earth has spread to more than six million Canadians who join one billion people in over 170 countries in staging events and projects to address local environmental issues. Nearly every schoolchild in Canada takes part in an Earth Day activity.

Earth Day was founded by United States Senator Gaylord Nelson. During the 1960s, environmental issues were not even publicly considered. Senator Nelson was disturbed by this lack of concern and over many years he worked to bring the environment to the public and political conscience. In today's world it is difficult to not hear about climate change and our impact on the environment but Earth Day brings this issue to the forefront of our attention and reminds us of our own responsibilities and what each individual can do to help reduce our impact on our environment.

Earth Day is about enacting our respect for Mother Earth, who is a provider. All of the two- and four-legged animals that walk on Mother Earth, all of those that fly in the sky, those that swim in the water, and all of those that live and crawl under the earth must be respected. Earth Day reminds us of the importance of conservation of our planet's limited resources. Each of us can help by using the three Rs: reduce, reuse and recycle.

The Government of Yukon has taken action on climate change, which we know is affecting our environment. The government is now implementing the *Climate Change Action Plan*. We are working to reduce government's greenhouse gas emissions and help us to adapt our operations. The Yukon government is now implementing the *Solid Waste Action Plan*.

The Yukon Liquor Corporation has just eliminated single-use bags. By having customers bring their own bags or purchase a reusable one, liquor stores will eliminate 12 metric tonnes of paper from the waste stream each year.

Earth Day is observed by schools, by municipalities and by environmental organizations. I thank them for their creative ways. They educate, inspire and help us address environmental issues as families and as communities. Earth Day reminds us all that we are each capable of positive change.

Mr. Speaker, a famous chief called Chief White Cloud wrote:

"The Earth does not belong to man,
man belongs to the Earth.

This we know.

Man did not weave the web of life,
he is merely a strand in it.

Whatever he does to the web,
he does to himself.

All things are connected.

Whatever befalls the Earth,
befalls the children of the Earth."

I encourage all members to take positive action for the environment today and every day. Thank you, Mr. Speaker.

Mr. Elias: Mr. Speaker, I rise today on behalf of the Official Opposition to pay tribute to Earth Day on its 40th anniversary. April 22, Earth Day, is the most celebrated environmental event worldwide. The idea behind Earth Day is to honour the planet and all living things that inhabit it and to inspire awareness and appreciation for the Earth's environment.

In the Yukon we are very fortunate to live in a part of the world that is, in large part, untouched by major development. It is easy for us to enjoy our territory's wealth of waters, wildlife and untamed spaces, but with this gift comes a responsibility. With our wealth of natural areas, we have a responsibility to preserve some of them for future generations.

Many Yukoners have weighed in on what should happen in the Peel watershed, a vast area that is virtually untouched by human activity. The Peel planning commission has recommended significant environmental protection there, a view many Yukoners share. It is a view that my colleagues and I in the Liberal caucus share. It is a view shared by most of the governments that are parties to the plan. When it comes to the land uses in the Peel River watershed, I would say my hope is that 100 years from now Yukoners, our neighbours, and international citizens will look back and view our decisions as visionary and that they are thankful and proud that we avoided the commodification of the arteries within the Peel River watershed as the first order of business. Believe me when I say, Mr. Speaker, that this is no ordinary or mundane tract of land by any stretch of the imagination.

Many of our caucus members have taken the time out of their lives over the years to travel to the Peel area to view it and to absorb it for themselves. The Yukon Liberals recognize the paramountcy of the wilderness values in the Peel River watershed and we support the principles within the draft plan. It's a view that we hope will eventually be adopted by the Yukon government, which holds title to the land in the Peel and which has to date remained silent on this important environmental issue.

Closer to home for many Yukoners is McIntyre Creek, a vibrant wildlife corridor here in Whitehorse. Moose, coyotes, salmon and a range of other species occupy the creek. Students from elementary schools to the post-secondary college level explore the area and its ecological richness. Many families and recreational users, such as hikers, skiers, and bird watchers

enjoy its beauty and its accessibility. This is another gift we should preserve for future generations. Like the Peel, many Yukoners believe it should be protected. Like the Peel, we hope to soon see the Yukon government commit to its preservation. As I said and as many Yukoners experience as part of their daily lives, we are blessed with the wealth of landscapes, untouched by human activity and richly populated with local wildlife.

Unfortunately here in the Yukon, we are also feeling some of the most profound effects of global warming. Believe me, I know this first-hand. It is incumbent upon us to be leaders in climate change prevention and mitigation within Canada and internationally. When opportunities arise to collaborate with our international colleagues, we must seize those opportunities.

It is wrong to let the current federal Conservative government speak for us at events such as at Copenhagen. We hope the Yukon government will soon recognize its responsibilities and take leadership in this role. The damage is obvious when you look at the Earth today and the frequency and ferocity of the tsunamis, the floods, the hurricanes, the tornados, drought, devastating earthquakes, wind, ice and snowstorms, extreme heat waves, mud slides, disappearing glaciers and ice caps and, more recently, volcanoes. It is clear our Mother Earth is fighting back in a way that has not been recorded in human history. She's trying to cleanse herself from the damage we've caused.

As Yukoners, many of us receive our strength from our families, the mountains, our lands, the wildlife, our rivers and lakes and our clean air. Those are our monuments, Mr. Speaker. The effort to keep them all healthy is our heritage and legacy to future generations.

Every single living thing on this Earth expresses in its own way a willingness to live and a vitality to exist: the Arctic poppies that face and follow the sun daily during the summer months; fish that migrate thousands of miles to come and spawn and die in our great territory; birds that fly from thousands of miles to breed, moult and have their young. Larger mammals and predators flee to escape danger or stand and fight to protect their young, and we must respect that vitality to live.

I want to be able to look my great-grandchildren in the eye and say that we made decisions now in our time so they did not inherit an impoverished world and that we did everything that needed to be done to heal the broken ties between people and the natural world.

Of course, Earth Day is not just an opportunity to identify the work that still needs to be done. It's also an opportunity to acknowledge the work that is being done to reduce our environmental impact. We would like to recognize and thank all Yukoners who are responsible citizens and respectful of our environment and engage in environmentally friendly lifestyles and activities. We salute you all.

We also want to thank our youth and the many schoolchildren and schools throughout the Yukon that take part in Earth Day events. With our young people reminding us to take care of the Earth, there is hope for the future. We must all do our part to protect our shared home for the next generation and for generations to come. Thank you, Mr. Speaker.

Mr. Hardy: I speak on behalf of the NDP caucus to honour Earth Day — a day to reflect on our relationship to our lonely planet, the only source of life found to date in the entire known universe, at least from our perspective. One reflection is that the way we humans have managed our activities is extremely out of balance with the interest of our planet, its ecosystems and even ourselves ultimately. The question we need to ask is, 40 years ago was the first Earth Day and have we managed our time and activities well over 40 years? I think everybody can very easily say, no, we haven't. We have far more issues facing the planet, facing its very survival. It is clear we are stretching the capacity of the Earth to support us when we look at climate change, at species' extinction and at the perilous state of our oceans. Scientists have said we must stave off an increase of two degrees Celsius in average global temperature to avoid the tipping point of catastrophic climate change.

Will we do this? It is very hard to say. The debacle that was Copenhagen, the pushing of trade agreements, the inability to move quickly to a low-carbon economy all suggest to many of us that we prefer to live in denial.

Climate change is not an abstract concept. It already results in the death of over 300,000 people a year, mostly in the world's poorest countries. About 325 million people are being seriously affected with economic losses averaging \$125 billion a year, according to *The Anatomy of A Silent Crisis*, the first detailed look at climate change and human impacts. This report was released last fall by the Global Humanitarian Forum based in Geneva. It was noted that: "These deaths and losses are not just from the rise in severe weather events but mainly from the gradual environmental degradation due to climate change."

Kofi Annan, the former Secretary General of the United Nations and president of the forum, writes the following in this report: "People everywhere deserve to have leaders who find the courage to achieve a solution to this crisis." Unfortunately, Mr. Speaker, our current federal government was recently accused of muzzling climate change researchers, slashing their funding and closing their research stations.

The latest federal budget failed to provide any funding for Canada's main climate science initiative, the Canadian Foundation for Climate and Atmospheric Sciences. The foundation funds everything from global climate models to the melting of the polar icecap and the frequency of Arctic storms to droughts and water supplies. However, it will run out of money early this year and that is bad news, Mr. Speaker, but there is some hope; there is always hope; there needs to always be hope.

Today an international People's Convention on Climate Change is taking place in Bolivia. The world's people, tired of government inaction — governments all around the world — and their inability to recognize that our very survival is at stake here. The world's people are coming together to demand that change.

Here in the Yukon, we, too, must demand real change. We, too, must demand action. We, too, must do whatever we can to protect our earth, its precious biosystems and all living things that depend on them. Our challenge, Mr. Speaker, is this: can

we change? Will we change before change is forced on us? I believe we can; I believe we must for our future to be possible.

Speaker: Any further tributes?
Introduction of visitors.
Returns or documents for tabling.
Reports of committees.
Are there any petitions?
Are there any bills to be introduced?
Any notices of motion?

NOTICES OF MOTION

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

THAT this House urges the Government of Yukon to find the resources within the 2010-11 billion-dollar budget to fund the environmental studies originally planned for this summer in the Kluane region, including the sheep survey west of Sekulman Lake and the fish study at Kluane Lake, that have since been cancelled.

I further give notice of the following motion:

That this House urges the Government of Yukon to work with Parks Canada and all relevant agencies and governments to ensure the interests of Yukon are represented in dealing with the impacts resulting from the surging Tweedsmuir and Lowell glaciers within Kluane National Park.

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

THAT this House urges the Government of Canada, on Earth Day 2010, to continue funding Canada's main climate science initiative, the Canadian Foundation for Climate and Atmospheric Sciences, beyond early 2011, when its current funding runs out as:

- (1) it studies global climate models;
- (2) it studies the melting polar ice cap and frequency of Arctic storms; and
- (3) it studies droughts and water supplies.

Mr. Cathers: Mr. Speaker, I rise today to give notice of the following motion:

THAT this House urges the Yukon's Member of Parliament, Larry Bagnell, to unequivocally inform Liberal Leader Michael Ignatieff that he will represent the view of the overwhelming majority of his constituents by continuing to support Bill C-391, *An Act to amend the Criminal Code and the Firearms Act (repeal of long-gun registry)*, presented by the Member of Parliament for Portage-Lisgar, Candice Hooppner, and, if he is punished for doing so, it will be seen by Yukon citizens as a demonstration of blatant disrespect by the Liberal leader for Yukoners and the principles of representative democracy.

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

QUESTION PERIOD

Question re: Peel watershed land use plan

Mr. Elias: Mr. Speaker, today is Earth Day. We have heard tributes about the importance of living respectfully with the Earth and urging us to minimize the impacts of our human activities. Earth Day is a good day for Yukoners to receive some specifics about environmental protection here in the territory.

The Peel land use planning commission has recommended significant environmental protection in the Peel. Many Yukoners, as well as my colleagues in the Liberal caucus, feel the same way. Will the Environment minister choose today, Earth Day, to stand up for the Peel?

Hon. Mr. Rouble: I'd like to thank the member opposite for this opportunity to provide the government's position on the ongoing plan for the Peel watershed. We will work collaboratively with the affected First Nations to achieve a final plan that incorporates a variety of land use activities in a balanced manner within the Peel watershed, one that addresses the issues brought forward by the Gwich'in Tribal Council, the First Nation of Na Cho Nyäk Dun, Tr'ondëk Hwëch'in, Vuntut Gwitchin First Nation and the citizens of Yukon.

The Peel region has a significant cultural, heritage and economic value and all parties are committed to continued work to collaboratively enable the completion of the *Peel Watershed Regional Land Use Plan*. I've tabled the workplan for the member opposite but, if he would like, I can provide additional detail about the process the governments will follow and how this honours the *Umbrella Final Agreement* and the self-government agreements.

Mr. Elias: Well, apparently the Yukon Party Environment minister isn't going to stand up on his feet for the Peel today. It seems the government has already made up its mind on the Peel and Yukoners know it won't accept the commission's recommended plan. After all, the Premier tried to derail the process when he made that irate call to the Environment official and told him to gut his department's submission. The last Environment minister didn't do anything about the political interference or about the Premier's treatment of her officials, and the latest minister has made it clear to Yukoners that he won't get on his feet and stand up for the Peel either. Will the Minister of Environment finally admit that the government has rejected environmental protection in the Peel River watershed?

Hon. Mr. Rouble: For the member opposite, I would just like to share with him that the Department of Energy, Mines and Resources has a responsibility for land use planning throughout the territory and it is the Department of Energy, Mines and Resources, which is working with all of the other affected departments in the Government of Yukon — including Environment, Tourism and Culture, Community Services, and the Executive Council Office, just to name a couple — on continuing to develop the plan for the Peel regional land use plan.

Mr. Speaker, we will continue to work with the affected First Nations, as we have a responsibility to under chapter 11 of the self-government agreements. We have tabled the plan in the past as to how we will go forward and we will continue to work with our partners to implement that plan.

Mr. Elias: Let the record show, Mr. Speaker, that the Yukon Party government is allowing the Minister of Energy, Mines and Resources to take the lead on the Peel River watershed file, when in fact we are aware of documents — that there are two signatures always on those documents from the Minister of Environment and the Minister of EMR.

Yukoners want to hear from the Environment minister on the Peel. The Peel Watershed Planning Commission has recommended significant environmental protection of the Peel. Many Yukoners, including several of the other governments that are party to the plan, are committed to protection, but this government, which holds title to almost all the land in the Peel, won't stand in favour of any protection.

Why has the Environment minister closed his ears to the commission and to so many Yukoners and decided instead to take orders from his rediscovered Yukon Party colleagues?

Hon. Mr. Edzerza: Mr. Speaker, I would like to let the record show that the Member for Vuntut Gwitchin is suggesting that this government bypasses the UFA and just goes ahead and dictates what is going to happen in the Peel.

This government will not do that. This government has a letter of understanding with some of the First Nations and that will be honoured.

Question re: YESAB recommendations

Mr. Elias: I have another question for the Minister of Environment and it has to do with this government's approach to boards and committees that are charged with making recommendations that impact our environment. The Yukon Party approach can be summed up this way: ignore the recommendations you don't like. Here's an example. Recently the YESA Board recommended that a mining project in the City of Dawson not proceed because it will have significant adverse environmental and socio-economic effects. What did the Yukon Party government do? It ignored the recommendation and said the project should go ahead anyway. This is just one example, and there are many others, Mr. Speaker.

I also want to recognize the YESA Board today for reaching a significant milestone by reaching its 1,000th assessment in our territory, and I thank them for their good work.

My question is this: why did the Minister of Environment allow the YESAB recommendation on this project to be ignored?

Hon. Mr. Rouble: I, too, would like to congratulate the YESA Board, their district offices and their many board members and employees for completing 1,000 assessments.

That is a significant milestone and certainly highlights the value and the importance of the Yukon Environmental and Socio-economic Assessment Board. It also speaks very strongly to the wisdom of Yukon First Nations for ensuring that such a board was put in place to assess projects as they came forward throughout the territory.

It is very important that we have a uniform assessment process across the territory to review projects and to provide assessment for the various activities that may take place throughout the Yukon Territory. The Government of Yukon works very closely with YESAB. Our officials have a very strong relationship with them and there are very few situations,

of those 1,000 different cases we have heard from, where there have been different approaches taken.

Mr. Elias: The evidence will speak for itself. The Yukon Party government pays lip service to how it works with boards and committees that are mandated to protect our environment in this territory. It says it respects the recommendations and then it turns around and rejects the recommendations it doesn't like. It respects YESAB until YESAB is on the wrong side of an issue, and then the government ignores its recommendations and does what it wants anyway.

Here is another example — the Laberge Renewable Resources Council asked the Minister of Environment to make some changes to protect the Dall sheep population on Pilot Mountain. These proposals were supported by the Ta'an Kwäch'an and the Yukon Fish and Wildlife Management Board as well. You know what, Mr. Speaker? They were rejected by the Environment minister. Can the Minister of Environment tell the House why these recommendations were not followed?

Hon. Mr. Edzerza: I would have to say to the member opposite that at this point in time I am not fully aware of those recommendations that came for Dall sheep in the Lake Laberge area. However, I do know that I have been actively in the process of arranging a meeting to discuss the wildlife in the surrounding area of Whitehorse, which includes all of the area around Lake Laberge.

Mr. Elias: The Environment minister should provide some leadership to Yukoners or get out of the way — again. Many of these boards are set up under the *Umbrella Final Agreement* and many of them share a common goal of ensuring our environment is considered when decisions are made. Another thing they share in common is having their recommendations ignored by this Yukon Party government.

We know the Premier ran the Department of Environment from his corner office. We know the previous minister was often out of the loop. We know the new minister can't seem to find his voice either. We know the government has no intention of respecting the recommendations of the Peel land use planning commission. When is the new minister going to start working with these boards and committees instead of disregarding their recommendations?

Hon. Mr. Edzerza: I do take somewhat of an offence to the personal approach that the Member for Vuntut Gwitchin consistently takes on the floor of the Legislative Assembly. However, I won't stoop to that level. I will stay at the level where I can at least demonstrate respect to the opposition members. To answer the member opposite, I intend to work in conjunction and collaboration with all the boards.

Question re: Fiscal management

Mr. Hardy: Now we're halfway through the sitting and I want to review the sitting so far. At the start, the government introduced the biggest budget in Yukon's history. The Yukon people discovered this government's approach to fiscal responsibility — make big promises, borrow big, spend big, and deny there's any problem out there. Its economic vision seems to consist of rushing big, expensive infrastructure pro-

jects that are not backed up by serious study and certainly not managed to derive maximum economic benefit.

The Yukon people were informed that the government had gone into deficit spending and that in order to finance its big promises, the Hospital Corporation and Energy Corporation would be going into serious long-term debt. After eight years in office, it has become clear that this government is tired and floundering, and it's reflected in the polls.

So how has this government gotten to this point in the sitting, and after eight years in power, that it's so bereft of long-term economic vision?

Hon. Mr. Rouble: One of the issues that really hasn't come up so far — this being the halfway point in the session — is the investment that this government is making in education, including the significant resources for the replacement of F.H. Collins. The member opposite has chastised this government for not having a vision and rushing into large projects. We have done a careful look at the academic needs of Yukoners; we have done a careful look at the secondary school requirements; we're involving our partners in this project. We can see the investment we're making in the future in the budget right now with a \$2.7-million investment going into the architectural design of F.H. Collins.

If the member opposite wants more examples of future-looking initiatives, of carefully planned out capital investments, I'm sure every member on this side of the Assembly can come up with a litany of them.

Mr. Hardy: I look for every member to stand up with these questions. This is Earth Day — let's review this government's record on environmental stewardship upon this the halfway point of the sitting. Here's this government's plan for the environment. It consists of five letters: Mayo B. Mayo B is another in a long line of extremely expensive, questionable big projects announced by this government, but Mayo B is not a substitute for having a vision of environmental stewardship. What have they done to get grid communities off dirty diesel? Absolutely nothing, Mr. Speaker, and how about this government's progress on setting aside land for parks conservation? Their mining minister filibusters the free-entry debate and their Environment minister, once a champion of McIntyre Creek, offers no support to preserving this area. How has this government got to this point in the sitting, and after eight years in power, that they are so lacking of ideas when it comes to protecting the environment?

Hon. Mr. Fentie: The member of the Third Party has just stated on the floor of the House that we have ignored off-grid communities and have left them to the dependence of diesel for their electrical needs. Let me remind the member that this government has already invested in infrastructure that has taken communities like Pelly Crossing off their dependence on diesel and put them on hydro. What did that do? Well, that provided an electrical source for that community that reduced thousands of tonnes of CO₂ emissions into our atmosphere, but the member also makes mention of borrowing. Mr. Speaker, let me point out to the member of the Third Party that this government, since coming into office, has paid off approximately 32 percent of debt that we inherited. What did the majority of

that debt consist of? Investments in things like the Watson Lake sawmill and another failed enterprise, which competed against private sector interests in the Yukon, Totem Oil.

What are our investments? Hydro and hospitals. We certainly believe that that is the wiser choice.

Mr. Hardy: Mr. Speaker, many communities are not part of any environmental plan by this government. During this sitting, the government has been exposed as rushing through big projects without much vision for the future. This tendency — rushing things without much vision or forethought — has extended to law-making as well. Look at the civil forfeiture legislation they tabled this spring. There was no consultation with the people. There are several concerns about the proposed laws in terms of civil rights. Yukon and municipal governments have raised concerns about the free-entry staking system, about how it values mineral staking over other values. There are land use conflicts in the Yukon, and the people want these issues addressed. What was the government's response? Nothing, Mr. Speaker. How has this government got to this point in this sitting, and after eight years in power, that they put so little thought into making progressive legislation that people really want?

Hon. Mr. Fentie: I guess I'll take that, Mr. Speaker, because it is what I call "a rambling of questions". This government, since coming into office, has actually resolved two outstanding issues in our environment — that being Fishing Branch and Tombstone. It is this government that concluded that process, implemented the boundaries of those protected areas, those parks, and actually developed implementation plans for those areas. It is this government that has created habitat protection areas. It is this government that has protected a large area in Old Crow Flats, Mr. Speaker. It is this government that has developed the north Yukon land use plan — the first ever in the history of this territory. Mr. Speaker, this is not a government that is old and tired. This is visionary government that, since coming into office, has actually, through their vision, through their hard work — by not being tired — developed a better future for the Yukon in the environment and health care and education, in the economy and in quality of life. Ask Yukoners today: are they worth more now than they were when we came into office in 2002? Yes, they are.

Question re: Health care costs

Mr. Hardy: Everybody knows we're greater in debt. Now what has been on display this sitting is a government that has lost its way. For the past week, we've asked about this government's vision of health in the Yukon, which is the biggest public expenditure a government makes, and the answer has been that, on the stewardship of our public health care system, they are flying blind.

This sitting, Yukoners have been informed by this government that their big-money promises to build hospital facilities will lead to long-term debt, increased O&M costs and annual interest payments. Yukoners have been informed that this government's direction is not backed up by any serious study, nor is it consistent with what Yukoners said in the *Yukon Health Care Review*. So how has this government got to this point in this sitting, and after eight years in power, that the

Yukon people are so worried and distrusting about the stewardship of our most important institution, our public health care system?

Speaker's statement

Speaker: Before the honourable member answers, just a reminder to the Leader of the Third Party that it is out of order to make comments pertaining to a previous question in a subsequent set of questions.

Minister of Health and Social Services, please.

Hon. Mr. Hart: I think the member opposite brings forth a good issue. The story for us on the government side is health care for Yukoners. That's the most important aspect for this government, looking after health care for all Yukoners.

I'd like to also bring up the fact that it's for all Yukoners, not just here in Whitehorse but also in our regional areas.

We have substantial programs in place. We have integrated programs that are working with all areas of health care — both in our communities and here in Whitehorse — to assist and provide health care for Yukoners. That is both in primary care, tertiary care, long-term care and continuing care, and we continue to work with all the stakeholders to improve those facilities and enhance those facilities for those in need.

Mr. Hardy: During this sitting, a social inclusion and poverty summit was held and it was great; that was a really positive thing and something the NDP advocated for in the last sitting. There was serious debate about poverty, social isolation and the interconnected nature of many social problems in the Yukon. But if we review this sitting, this government's vision on the social agenda has been lacking: a \$1-billion budget but no movement on land-based treatment and no serious vision to tackle our most profound issues, namely, alcohol abuse and its effect on families and communities. Mr. Speaker, it's a health issue; it's a justice issue; it's a financial issue; it's a people issue. So how has this government gotten to this point in this sitting, and after eight years in power, that it has made no significant progress on one of the most profound social problems in the Yukon, namely, alcohol abuse?

Hon. Mr. Hart: For the member opposite, with regard to his question, I might add: it's this government that has reopened the detox centre on behalf of those with addictions, providing that service. It wasn't this government that closed that facility down.

We have a substantial amount of programming available for those suffering with addictions. We are working with First Nations with regard to a land-based treatment centre. That's well underway, I might add. We're working with those individuals. There's also work being completed on the northern development process, and that fund is being done with the Kwanlin Dun process, and we are working with that.

We are looking and partnering with those individuals on developing a template that we can move around the Yukon and utilize it where the numbers come into play. We can use that facility in order to enhance and provide services for all Yukoners who require those services to meet the addictions in their particular community, and we are working on that.

Again, that's in conjunction with the Kwanlin Dun and other First Nations, so we can provide that to all citizens of the Yukon.

Mr. Hardy: I don't take any great pleasure in this exercise, but this is a job of opposition in our system that, through criticism and raising issues, we help to advance the public's business.

Standing here, or sitting here today, at the midway point of the sitting, I feel I must, as the expression goes, "Speak truth to power." This government has lost its way. It is disconnected from the people, and more and more, the people are questioning major decisions it makes and their implications for the future. There is still half the sitting left, which isn't much time, but the Premier could do a lot of bridge building by levelling and engaging with the Yukon people. So, will this Premier consider convening a social, economic and environmental council to give guidance to us, the people in this Legislative Assembly, for the future?

Hon. Mr. Fentie: That is exactly what the government has been doing all along. For seven years we've been engaging with Yukoners, with small business, with chambers of commerce, with other representative groups within our economy. We have been engaging with other governments. We have certainly been engaging with First Nations in continuing to build on measures that will close the gap of economic opportunity, social inclusion, education, housing, and clean drinking water for First Nations. Mr. Speaker, the government is doing exactly what the member for the Third Party is saying. But the member has also relayed to this House an initiative that is very stale-dated and goes back decades into history, and that is this aspect of creating a council for the Yukon economy and the environment.

Well, Mr. Speaker, the Yukon has progressed far beyond where we were in those days. The point is that the opposition is still dealing with the past. The Yukon Party government is building the future.

Question re: *Civil Forfeiture Act*

Mr. Inverarity: We would like the Minister of Justice to explain what she means by "public consultation". Yesterday we tabled a government news release from January 2006 announcing that public consultation will begin as the first step in developing SCAN legislation. Yesterday, the Minister of Justice responded by stating, and I quote: "SCAN went out to targeted consultation."

Mr. Speaker, that's not correct. According to the press release, there was full public consultation on SCAN. Yesterday, the Minister of Justice said the opposite. Will the minister now admit that there was, in fact, full public consultation on SCAN, unlike the proposed *Civil Forfeiture Act*?

Hon. Ms. Horne: What I can do is confirm that we have targeted consultation on the *Civil Forfeiture Act*. We have consulted with the RCMP and the other parties who are involved. We have targeted consultation and we are going forward with this bill in this House.

Mr. Inverarity: Well, Mr. Speaker, the minister didn't answer the questions. Obviously, there was public consultation. It should be obvious that targeted consultation is not the same

as public consultation. With respect to Bill No. 110, the *Yukon Energy Corporation Protection Act*, I would like to correct the comments made by the Minister of Justice yesterday. I have for filing a copy of a notice that was in the *Whitehorse Star* on October 9, 2009, seeking public input on Bill No. 110.

Mr. Speaker, the Official Opposition did get public feedback, and the bill was improved as a result of that feedback. The *Civil Forfeiture Act* may have the approval of the Justice minister, but it does not have the approval of all Yukoners. Will the Minister of Justice seek input from the Yukon public before she passes this legislation?

Hon. Ms. Horne: Mr. Speaker, as I've said before in this House, this legislation is very similar, no matter in which jurisdiction it is enacted. The various differences occur mainly in how the money is collected/allocated, and in the case of Alberta, the amounts are restricted because of the act. Yukon does not have that in the act.

It's open. So if someone is charged unfairly, they can get their funding back and sue the government. There are tested provisions in the act to protect uninvolved persons. The courts have also awarded costs to individuals whose cases have proceeded to court. We have gone out to targeted consultation. This is a good act, and I commend it to this House.

Mr. Inverarity: The Minister of Justice is not listening. Again, for the record, the legislation is good for Yukoners if it is developed and properly used, but it's dangerous unless there are proper safeguards in place.

Only two stakeholders so far have been questioned on it. I don't think that's enough. The Minister of Justice has no way of knowing if Yukoners will or will not accept this legislation because she hasn't asked them. We want this to work and we simply want the Minister of Justice to ask Yukoners the questions on how they think it might work. Hopefully she will listen to them.

Will the minister do the right thing and seek broad-ranging public input on this legislation?

Hon. Ms. Horne: The member opposite just asked if we are open to hearing suggestions on how to make this work better. Yes, we certainly are. We've asked for amendments. If the members opposite have amendments that they think would make it stronger or better, please come forward with them.

This is one more tool for our law enforcement to work with in Yukon. We don't want criminals to profit from crime — no. Do the members opposite?

Question re: *Civil Forfeiture Act*

Mr. Elias: Mr. Speaker, we need the Minister of Justice to explain herself to Yukoners. Just seconds ago, and yesterday in response to questions about the *Civil Forfeiture Act*, the Minister of Justice challenged the opposition parties to bring forward amendments to the bill. Mr. Speaker, this challenge by the Minister of Justice inherently suggests that the *Civil Forfeiture Act* is not ready to go, which is exactly what we've been saying on this side of the House for days. If the Minister of Justice is truly open to amendments to this bill, she must be aware of the flaws that need to be addressed.

Will the minister tell us exactly what aspects of the *Civil Forfeiture Act* she believes could be amended or improved?

Hon. Ms. Horne: Mr. Speaker, I really hesitate to get up and answer that. We are in the middle of debate on this bill. This is why we are debating it. Come forward with your amendments where you think it needs application of an amendment. Please come forward.

Mr. Elias: Mr. Speaker, the Minister of Justice has challenged the opposition to bring forward amendments in an effort to improve the *Civil Forfeiture Act*. This suggests that the act is not as good as it could be, which is what we in the opposition have been saying for days now.

Let the record show that we in the opposition proposed numerous amendments to the *Child and Youth Advocate Act* and the government rejected each and every one of them. The Minister of Justice knows the routine. This government does not support amendments proposed by the opposition. They are too hung up and worried about the perception of weakness. That was clearly demonstrated again yesterday. Can the minister please tell Yukoners what has changed since yesterday?

Hon. Ms. Horne: Mr. Speaker, I may be missing something here. I don't know what the member is talking about. We are open to suggestions for any amendments to this bill. It is truly unfortunate that again the member opposite is politicizing this bill and not coming forward with amendments that may make it stronger.

Mr. Elias: Mr. Speaker, what the Justice minister is missing is adequate public consultation that is going to affect the day-to-day lives of citizens in our territory — innocent citizens is what we're worried about.

The Minister of Justice challenged the opposition to propose amendments to the *Civil Forfeiture Act*, but history proves the Yukon Party government does not accept amendments from the opposition — they feel it makes them look weak. The Minister of Justice suggested a couple of amendments to the legislation will be okay to Yukoners. The minister doesn't know what Yukoners want in this respect because she hasn't asked Yukoners. The Minister of Justice is asking Yukoners to blindly accept their version of the civil forfeiture law.

Trust the government on this one, she says. But you know, Mr. Speaker? We're hearing that Yukoners want to make up their own mind on this act.

Will the minister change their course before it's too late? Will she get this legislation right before some innocent Yukoner gets hurt by it?

Hon. Ms. Horne: Mr. Speaker, you know, the only people who should fear this act going in are those who are profiting from crime. This is not put together by this government. This is enacted in eight different jurisdictions across Canada and it has been challenged in courts and it does stand up.

Again, I say that the only people who have to fear this act are those criminals who are profiting from crime.

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

ORDERS OF THE DAY

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Mr. Nordick): Order please. Committee of the Whole will now come to order.

The matter before the Committee is Bill No. 20, *First Appropriation Act, 2010-11*.

Do members wish 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.

Bill No. 20 — *First Appropriation Act, 2010-11*

Chair: The matter before the Committee is Bill No. 20, *First Appropriation Act, 2010-11*. We will now proceed with general debate.

Hon. Mr. Fentie: Mr. Chair, I am pleased to rise in Committee to present introductory remarks for the *First Appropriation Act, 2010-11*, which is more commonly referred to as the 2010-11 main estimates.

The budget speech to the Legislative Assembly on first reading outlined in great detail the highlights of this *First Appropriation Act, 2010-11*. Therefore, Mr. Chair, I will keep my comments here very brief, providing some summary observations on our financial position and highlighting some specific expenditures that will benefit all Yukoners. Mr. Chair, this again is a large budget, a significant investment of \$1,075,000,000 in Yukon, Yukoners and in Yukon's future.

While there are signs that the economic downturn experienced last year is turning around, our government is committed to providing a successive budget, strong on capital investment — in other words, targeting stimulus for our territory. We are doing this without mortgaging the future. To the contrary, we as a government have saved for the future in order to invest in the future.

The net financial resource position of the government is the most important indicator of the Yukon government's fiscal health. This indicator speaks to the future. The 2010-11 main estimates forecast our net financial resource position at year-end to be very healthy — some \$40 million.

While most provincial and territorial governments have net debt, meaning they owe more than they are currently capable of paying for, this is not the case here in the Yukon. We are projecting to have the cash and other financial assets to pay off all

our obligations and still have \$40 million left. This is indeed monies available for the future, looking into our multi-year forecast tabled with this budget.

Future years remain extremely positive with a net financial resource position remaining steady in the \$37-million to \$40-million range over the next four years.

Mr. Chair, this does provide a strong indication that we are living within our means — very important and I emphasize "living within our means". This forward-looking, very healthy financial position is what Yukoners can take great comfort in. Our government has continually maintained a healthy net financial resource position. This is significant, as it has allowed our government to be flexible in timing our investment decisions. Our very healthy net financial resource position — our savings account — has provided us opportunity to make significant capital investment choices while maintaining and enhancing service levels Yukoners have come to expect and indeed need.

Not only have we provided significant and immediate investments in this budget, our strong financial position affords us the flexibility to be responsive to emerging priorities and opportunities as they are presented here in the Yukon. So, Mr. Chair, I will now move on and provide the Committee with some investment highlights that are reflected in this budget.

The gross operation and maintenance expenditures total \$811.9 million, while the gross capital expenditures total \$263.5 million. Following last year's largest ever capital budget, the 2010-11 budget surpasses even that previous high as we continue to make significant infrastructure investments on behalf of Yukoners today and Yukoners of the future.

Focusing first on transportation-related projects — and I know our minister responsible for the Department of Highways and Public Works, and indeed other departments like Community Services, has a great deal to say in debate with his departments regarding infrastructure investment.

But on the transportation side, we are providing some \$54.4 million. This investment is for a number of very important projects. Projects initiated under the Building Canada account of \$21 million include: the Robert Campbell Highway, some \$13.6 million; the Atlin Road, some \$4.9 million; and another \$2.5 million for repainting of the Pelly Bridge. This is infrastructure that is very important for the Yukon, in terms of Yukoners and others accessing the many communities and areas we have in our territory.

This budget reflects a continuation of our Shakwak agreement, with another \$10 million identified for pavement construction and culvert remediation. In addition, our participation in Canada's infrastructure stimulus fund has leveraged federal dollars to provide for some \$7.2 million in various bridge and roadworks, including the Nordenskiöld bridge of some \$2.6 million, the Albert Creek bridge of some \$1.2 million, Deadman Creek bridge of \$1.2 million and \$1.6 million for the Top of the World Highway.

This budget provides for significant investments in buildings, both on the development side and on the maintenance side. In total, the capital budget includes \$91.2 million, specifically related to the construction and maintenance of our gov-

ernment-owned buildings. Of this total, just under \$78.6 million is dedicated to development or new construction. Specific projects include the Whitehorse Correctional Centre, which is some \$28 million in this budget; F.H. Collins school replacement is receiving \$2.7 million; and there's \$400,000 for the Erik Nielsen Whitehorse International Airport terminal expansion — a very important investment for our territory and the Erik Nielsen Whitehorse International Airport, which is maintaining our international standard.

Effective for the 2009-10 fiscal year, our government assigned an affordable housing initiative, which was sponsored by Canada. Mr. Chair, with just over \$36 million identified, the 2010-11 budget reflects the second year of this \$50-million investment. Important community projects include the replacement of the Korbo Apartments in Dawson City — that will be a \$7-million investment, Mr. Chair; replacement of seniors housing at 207 Alexander Street — that will be \$11.25 million; completion of the family-focused housing project in Riverdale — that, Mr. Chair, will be \$3.3 million; and a further \$1.5 million for each of the Watson Lake and Teslin seniors facilities. In addition, dollars have been leveraged under Canada's infrastructure programs, including the Arctic research infrastructure fund — Mr. Chair, some \$4.8 million to provide for construction of the H.S. Bostock Geological Core Library and also upgrades to various forestry research infrastructure; the knowledge infrastructure fund — some \$3.5 million to provide Yukon College campuses in Pelly Crossing and Dawson City; and the community adjustment fund — some \$1.045 million that will support the construction of the research facility for the Wildlife Preserve.

On the building maintenance side, this budget provides just over \$12.6 million. This represents work that can be readily taken on by small- to medium-sized contractors. Individual ministers will be more than pleased to address specifics during the course of their department debates.

Our government has been consistent in its approach to supporting the IT sector. Once again, this budget provides some \$6.5 million in core support for IT-related purchases. In addition, this budget includes \$852,000 for school-based information technology requirements. Another \$497,000 specific to systems is required under the New Horizons initiative and \$2 million is related to teleradiology. In total, the 2010-11 capital estimates includes \$11.3 million in IT-related investments.

My final comments on capital focus on our investment in municipal infrastructure. We are providing almost \$54 million. Planned projects include the Kwanlin Dun cultural centre — some \$10.3 million; the Champagne and Aishihik cultural centre — some \$6.6 million; Dawson City sewage treatment and district heating — some \$16.8 million; Carmacks sewage treatment — \$1.5 million; the Whitehorse waterfront — \$2 million; and another \$1.6 million for the Carcross waterfront.

In addition to these specific projects identified, our 2010-11 budget includes \$50 million for land development. As indicated within the multi-year project plan, which we tabled with the budget, our long-term plans call for an annual investment of some \$50 million in land development over the next four years.

Our investment in O&M-related initiatives is no less important than our capital investment on behalf of Yukoners. This is evidenced by our \$811.9 million in O&M expenditures within the budget.

However, there are a number of significant spending initiatives included in our O&M investments. There are too many to detail, so department debate with ministers will certainly provide those details, as the members opposite wish. To reiterate, as Minister of Finance, I am very pleased — as our government is — that we have been able to deliver an annual budget that ensures our net financial resources position remains positive and that Yukoners have a savings account for our future. I remind the members opposite that only two governments out of the 13 provinces and territories have the cash and other financial assets to pay off all their financial obligations. In other words, only two jurisdictions in the country have a net financial resource position versus a net debt position. These are Alberta and the Yukon.

Yukoners have done an exemplary job of managing their finances and are well-positioned for the future. There is no reckless spending, no going for broke and certainly no mortgaging the future. I think it's clear, and we are indeed very pleased with the efforts of our government to provide significant capital investments and deliver effective services and programs to all Yukoners while maintaining that very important healthy net financial position.

Now, Mr. Chair, much has been said over the last number of days in the sitting — such comments as I just said, “going for broke,” and the point of the government being “tired and lacking vision.” Well, I have just very briefly listed a small example — provided a small demonstration to the House — that not only are we not going for broke, but Mr. Chair, we have much on the table to be proud of. This is not the sign of being tired or the sign of lacking vision. Our expenditures contained within this budget for 2010-11 clearly demonstrate that the vision is alive and well, that the government is hard-working and committed. We have dedicated ourselves to continue to invest in Yukon today so Yukoners of the future can benefit from the efforts that we have brought forward.

Mr. Chair, there is much more to be said about this budget, but a more constructive debate can always occur when ministers are able to present to the House, to the public, the many benefits contained within their departmental budgets. It is, once again, the largest budget in the history of the Yukon Territory, and my, haven't we come a long way? From the days of the past where debt was a problem, where the bank account was empty, where we had little choice and few options available to invest in Yukon's future — my, haven't things changed, Mr. Chair. We as the Yukon Party government have over doubled the fiscal capacity of the Yukon. Our population is growing. Our economy is much more positive than it has been in the past. Much is transpiring that relates positively to the future. Mr. Chair, that is because the Yukon Party government is very hard-working, has a vision and manages the finances of the territory in accordance with ensuring that future generations will continue to be able to build the Yukon and its future.

Mr. Mitchell: I will thank the Premier for his introductory remarks, although I don't necessarily share his view on all matters. First of all, I'd like to thank the officials — some of whom are here with us today, of course — for all the work that they've done.

I would like to issue a bit of a warning to the officials that when we question and necessarily sometimes criticize the Premier's decisions or his interpretation of the budget or of fiscal reality, the Premier tends to try to deflect that on to the officials. I'll start at the beginning by saying that, while that is indeed unfortunate, it is his view, not ours, that these are the decisions of officials. We believe the spending decisions and the spending trajectory the Premier speaks of are the responsibility of the elected members who serve on the Executive Council and not those of the officials, whose role it is to carry out the direction provided and try as best as possible to present the numbers as they've been directed to for the spending the ministers have requested. Again, although I'm sure we'll hear it lots today, our issues are with the Finance minister, not the Finance officials.

The Premier once again talked about a record budget for spending of \$1.075 billion. It's even bigger than last year's main estimates. Of course, we see that, in fact, the revenue is again a record — the first time that the revenue has moved over the \$1-billion mark.

The Premier talked about not mortgaging the future. He talked about the projection of \$40 million in net financial resources at year-end, and he talked about no net debt. I will agree with at least one of the things the Premier said: although many people confuse it, indeed the Yukon is not in net debt to date. However, I'll disagree with some of the other explanations the Premier gave.

First of all, I'll point out that for at least the third year in a row — just looking at some of the pages from the budget speech and the financial summary — this government is going to spend more money than it takes in. The actuals for 2008-09 — the expenditures were slightly more than the revenue. The forecast — which are the most up-to-date numbers we have to work with for 2009-10 — was that this government has spent more than \$100 million more than it took in total revenue — that's territorial revenue, recoveries, transfers from Canada.

Total revenue was forecast in the budget speech as \$970,746,000, and total expenditures with the supplementary budget to date is now forecast as being \$1,084,062,000. That of course is part of what has led to the annual deficit for this past year that shows on the same page.

That same page from the financial summaries shows an annual surplus being forecast, or estimated, rather, for the current fiscal year in these estimates we're just starting to debate today of 2010-11. Where it says "annual surplus (deficit)", projected surplus for the current year is \$2,907,000 and, next to it, the forecast for the year just completed is now in brackets, it's (\$23,096,000) which, of course, on an annual basis, is an annual deficit.

It's quite plain on the page. That's why there's a line that says "annual surplus (deficit)", although the Premier seems to be constitutionally unable to ever admit it. But I will admit that

the current estimates are for a very small surplus of \$2.9 million for the current year.

I am sure the Premier will recognize that the number next to it in brackets for the year just completed, of \$23 million, is a negative figure; it is a deficit. On some of these same pages are the numbers that the Premier refers to of net financial resources at end of year. I just want to point out for the Premier, because he likes to talk about spending trajectories, that in the 2008-09 actual, the net financial resources at end of year were \$135,544,000. The 2009-10 main estimates — the budget, just as this is a budget last year that was tabled — was estimating that number, the net financial resources, to reduce to \$122,071,000. But in fact, now that we've had a couple of supplementary budgets, it was forecast to now be \$69,430,000 — just slightly over half of what it was a year earlier.

Now the Premier talks about the net financial resources at the end of this year being estimated at \$40,255,000, which he says is healthy net financial resources to have.

I would remind the Premier that, according to his own tabled documents, within that, there is some \$24 million. That's after the adjustment that has been made from \$36 million or \$35 million. There's some \$24 million within that of the restructured asset-backed commercial paper notes that are now in a new format and which the Premier has indicated he wouldn't want to sell — and I don't blame him because on the open market, people who have sold notes like the ones we hold, have gotten between 10 and 60 cents on the dollar for doing so. It would be difficult if we had to sell those on the open market as others have had to. Really, the money available to the Premier beyond money that is set aside to cover the liabilities that exist is some \$16 million — when you subtract the \$24 million from the \$40 million at the end of the year that we were just entering. That's not a lot of money. Perhaps the Premier can tell us how many days we would operate the Government of Yukon with that amount of money. It's not very many.

When we get to the end of the year, we will find that from 2008-09 to the end of this year, we will have reduced those net financial resources from \$135.5 million to \$40.255 million — \$24 million of which we can't really touch unless we want to take a hit on the value. Again, when it comes to trajectory, it's a trajectory that worries many Yukoners, and we're hearing from those Yukoners about that.

Mr. Chair, if we look further through the summaries that were in the budget speech, we see some other numbers. One is the subtotal of territorial revenue. That includes all the tax revenues from personal income tax, corporate income tax, property tax, grant in lieu, insurance premiums, fuel oil tax, tobacco and liquor taxes, et cetera, as well as liquor profit, investment income and other interests, licences and fees, and so on. All of the territorial or own-source revenue are estimated at \$113,738,000. That reflects 10.8 percent of all of the revenue that we would be looking at.

This number continues to go down. The actuals for 2008-09 were \$114,110,000, which was 12.9 percent of total revenue at that point being own-source. The estimate last year was for it to be \$109,548,000, which was 12.4 percent and, in fact, at the end of the day, the forecast is for it to be \$109,009,000, 11.2

percent. What has gone up, of course, is some of the other revenues that come in, but not the own-source revenue, affecting those percentages.

This year it's even down in dollar figures. The Premier used to say own-source revenue is going up in dollar figures, regardless of the percentages. The 2008-09 actuals were \$114,110,000 and this year they're estimated at \$113,738,000. So there is a disturbing trend and that trend is that, despite his assurances that he's not mortgaging the future, in fact this Premier, as Minister of Finance, continues to spend down the savings, to reduce the net financial resources and he continues to table budgets even with record revenues coming in.

Thanks to many of the federal infrastructure programs of over a billion dollars, he is still going to spend more than he took in. What are some of the results of that? Well, we've seen it. We now see that the Crown corporations are going to be borrowing ever-increasing amounts of money. We see that the Yukon Hospital Corporation has authorization from the Health minister to borrow \$67 million in order to fund the Watson Lake hospital, the Dawson City hospital, and the nurses and specialists residence across the river.

Yet, on top of that, the chair of the corporation, when he was in Thursday last, informed us in response to a question from the Member for Mount Lorne, that that's not the end of it. There are changes that are needed to Whitehorse General Hospital — in order to continue to provide the services it provides not just to Whitehorse residents, but to all Yukoners who make use of that facility, as the largest and most complete medical facility in the Yukon — of some \$45 million to \$50 million and that will require borrowing as well because this government doesn't have the money to advance. So there will be more borrowing.

We know that there's been a \$100-million authorization for borrowing by the Yukon Energy Corporation and Yukon Development Corporation. When this Premier says we're not in net debt, we soon will be if he keeps up at that rate. That is a concern for very many Yukoners.

I guess the question I would ask the Premier is this: does he not see the concern in continuing to spend more every year than he takes in, and does he plan to continue spending on this trajectory? It's a trajectory that concerned him deeply when he sat in opposition to former governments and talked about the spending trajectory and the largest budgets ever, but one that he has managed to dwarf by his own free-spending patterns. That would be something that Yukoners want to hear an answer to and they would like to hear a straight answer to — not a bunch of references to former governments, which we didn't sit with at the time — although we know many good things were done by former governments — but about his government, since he has now been in charge of it for some seven years plus.

If the Premier doesn't think that's a concern to Yukoners, then indeed, he needs to get out a little more often and hear from Yukoners, because I can tell him it's a vast and great concern to many, many Yukoners.

I think I'll just allow the Premier to answer those questions about the spending trajectory, about spending more money each year than we take in. The Premier has experience in the

business world; I think he knows you can't keep that up forever. We would like to know how long he plans on doing it for.

Hon. Mr. Fentie: First, Mr. Chair, I have to comment on the member's presentation with regard to officials and remind this member — the Leader of the Official Opposition — how the Leader of the Official Opposition actually suggested in this House that we would force Finance officials to put budget values in the budget they did not want to. This member has made statements in the House that are inconsistent with even the public accounts that are duly audited, Mr. Chair. I'm sure that the Finance officials are tuned in and listening to the member's statements.

All things considered, including our investments — longer term investments, mind you — in what was called asset-backed paper — investments that were being made for years and years by past governments.

I'm sure all people are genuinely interested in the Leader of the Official Opposition's statement, given the fact that the Leader of the Official Opposition has actually suggested we would cook the books.

Let me now delve into the issue of investments; the Leader of the Official Opposition calls it "spending". I want to bring the member back again to further statements the Leader of the Official Opposition made in the House. It's quite interesting that, today, it must be convenient for the Leader of the Official Opposition to suggest and accuse the government of going for broke and free spending when, not that long ago, the Leader of the Official Opposition in this House was making comments such as this: Yukon Party government has \$85 million in the bank; this money is growing mouldy in the pocket of the Premier; why isn't the Premier and the government investing in a number of interesting initiatives, Mr. Chair.

And, by the way, some of them are investments we are making and have been making, which were voted against by the Official Opposition and the members opposite. Here is one and this is a very good one. The member today says: "free spending, going for broke." The member yesterday said: "... urges the government to spend some of the \$85,000,000 it has in the bank to increase the annual grant for Yukon municipalities. Now what is interesting here is that that statement was made at a time when the government has already commenced investing in increasing the transfer to Yukon municipalities, and the Leader of the Official Opposition stood and voted against that investment. But, by the same token, he was calling for the government to spend down its financial position.

Here is another one, Mr. Chair. The Premier can dip into the \$85 million surplus and help these people right now, and it has to do with power lines. This budget announced a \$10 million power line, but nothing new for childcare, the member says. Well, we did invest in power lines — the member voted against that; we all know that. But the member also voted against a significant increase for childcare — for our daycare operators.

Yet at the same time, today the member says "wild spending; going for broke." The member yesterday was calling for the government to actually spend more money in an area we were already spending more money in, yet the member op-

posed that. I need not go on with this theme, Mr. Chair, other than to say that if the member truly has a position about possibly one day being the Finance minister, the member might want to be more consistent in his position. That's very important in managing the finances of the territory.

Now the member has taken issue with spending down our net financial position and has related that to the issue of revenues versus what we're spending. Surely the member knows that an investment in capital such as \$260 million plus is an investment in the future, like we would not build an F.H. Collins school this year — build another one next year and another one the year after. We would not reconstruct specific kilometers of the Robert Campbell Highway this year and then do the same reconstruction next year and the year after. So I'm just hoping the member understands that, in capital investments of today, those investments include use for the future, and indeed, our investments in the future.

Secondly, the member knows that there are sunsetted funds. These are funds that we are spending down. Of course, that will reduce the fiscal position of the Yukon, but they are funds that we negotiated with Canada. Now let me remind the member who, on many occasions, has said the Yukon is investing money due to the federal largesse. Now that we're spending down those funds, I wonder what the member thinks in terms of his point of view with regard to reducing our net financial position. Yes, of course that will happen, but if the member would look at the overall long-term plan, it shows the trajectory of spending. It shows the estimated financial position of government going outward to at least the year 2014, and it includes — to help the member opposite understand the budget and the fiscal position of Yukon — a long-range capital plan that shows the dollar values we would be expending or investing in further infrastructure into out-years.

I did hear one thing that gave rise to maybe a possible breakthrough in debate with the Leader of the Official Opposition on understanding the fiscal position of Yukon, and that is his comment on net debt, because it is a significant factor.

It's only Alberta and Yukon that do not have a net debt position but a net financial resource position. I think that's an important factor and allows us to invest today for the future.

Again, the member's concern about spending down the financial position — it was just today in the House that the Official Opposition was demanding that the government spend in areas of federal obligation, yet the member is concerned about the trajectory of expenditure. By the same token, the Official Opposition was demanding the government spend more and, in doing so, take on federal obligations. We're not going to subject Yukoners to that. The federal government has obligations and we expect them to meet those obligations. We're certainly not going to fill that void.

The member's issue about revenues — surely, the Leader of the Official Opposition recognizes that we've just come out of one of the worst global economic downturns in the history of the world, as far as statistics being kept. That should have some pressure on revenues for everyone — governments included. Of course, that has done a couple of things. It has reduced corporate tax revenues, because some of that is measured on the

national basis and we are experiencing the negative effect of that global economic downturn in this area — but so too in personal income such as investments and dividends. That income, given this global economic downturn, has created a negative impact on some of those earnings. So that, by the way, is shown in our budget. One of the indicators that we watch for — and it has to do with economic growth — is income tax. We have seen increases in that particular area of revenue but we also have to factor in now, going forward, the position we're in with our territorial funding formula, where we no longer return to Canada more than the dollar we have earned. We now retain 30 cents on every dollar we earn. That will continue to build our savings account going forward into the future.

The member said something about not admitting to the values in the budget and that had to do with the year-end of 2009-10. Well, what does the member think about the fact that we actually put it in a budget and presented it to the House? I think that's pretty open and accountable and demonstrates full transparency to the Yukon public. The member knows why that changed through the course of the year. The member called it "going for broke" and "free spending" when we took care of Yukoners' needs for H1N1. Yes, also the member called it "irresponsible spending" — irresponsible spending dealing with Yukoners' health care needs.

The member also called it "irresponsible spending" when we were investing in needed medical travel. Irresponsible spending? We don't think so, Mr. Chair. We believe that it is a very wise investment, and these are the challenges any government must meet on behalf of its public.

The member also continues to conveniently ignore the fact that a majority — a significant percentage of this change in the fiscal position for that year-end has to do with accounting issues that the Auditor General has required that we represent in our budget. That is a change from how we originally booked the Building Canada money

A year after the fact, the Auditor General has changed how that must be booked and we have done so. So it's not actual spending of money; it's just an accounting change overall.

Furthermore, "irresponsible spending" included experiential education for Old Crow. Now I know the Member for Vuntut Gwitchin is a staunch supporter of experiential education, or experiential learning, and I'm sure the member is very uncomfortable with his leader's position of "irresponsible spending" when we make those kinds of investments on behalf of the citizens of Old Crow. I could go on at great length, but I'm not sure if there's any purpose to that.

If the member wants me to answer a question in regard to trajectory of spending, the only thing I can say to the member is to look at the budget. It shows the trajectory of spending, not only for 2010-11 but for 2011-12 and 2012-13, and I think that reflects very clearly the trajectory of spending.

I think any government should always be concerned about its financial position, because if a government is not concerned about that position, then we get into scenarios and situations like we've had in the Yukon in the past, where, under a former Liberal government, we actually were in trouble because there was apparent lack of concern for managing the finances. I am

going to relate that to the member's big issue about debt. Does the member not recognize that we were actually paying for debt in making sure our employees' wages were being paid? Does the member not recognize the significant difference between the investments we are making through our corporations and that debt?

I mean, one could liken that to a household having to go borrow money to buy groceries. Mr. Chair, I think that is a significant issue because the Yukon Party government, through its corporations, is actually investing borrowed money from financial institutions in hospitals and in hydro infrastructure. That's quite a difference from borrowing money to buy groceries to feed the family.

All inclusive, I think the member has great issue with the success of the Yukon Party government, the fact that we have built up the fiscal position of the Yukon dramatically — well over double from when we came into office — the fact that we've created a net savings position for the Yukon; the fact that we are only one of two jurisdictions that have no net debt, but indeed a net financial resource position; the fact that we have invested hundreds of millions in infrastructure and, in doing so, stimulated the Yukon economy.

I think the member takes issue with all those things because I'm sure the member opposite would have wished he could have done all those things on behalf of the Yukon public. I think there is some area here that the member criticizes the government for because of that fact — because the member had wished if only he could have done this. But, unfortunately, the member didn't do this because he wasn't in the position to do this and Yukoners ensured that he wasn't in the position to do this.

Mr. Mitchell: Well, well, Mr. Chair, what an interesting soliloquy — not really an answer to the questions, but an interesting soliloquy.

I'll just point out to the Premier that he talked about the public accounts. Where is the opinion letter from the Auditor General for 2008-09 in the public accounts? That seems to have — it's not there, Mr. Chair. It seems to have gone missing in action, so we really can't get too excited about the public accounts from last year since the Auditor General hasn't signed off on them yet.

Now, Mr. Chair, regarding the recession, just a week or two ago, the Premier was telling this House that we had come through the recession untouched; we had hardly felt it in Yukon; nobody noticed it happened — virtually untouched. Now he's talking about reductions to the corporate income tax due to the recession. Which is it — untouched or reductions in tax? You can't have it both ways, Mr. Chair, although this Premier seems to want to.

Regarding the quotes that he enjoyed reading out, I'll warn this Premier that we have lots of quotes too. The Premier talks about how governments before him had invested in asset-backed paper. Well, let's look at some of the quotes from the Premier and his colleagues. The Hon. Premier, November 7, 2007, from *Hansard*: "The investments here have been made based on the litmus test. They are backed by the banks, and they have the highest rating in the marketplace.

The investments here have been made based on the litmus test. They are backed by the banks, and they have the highest rating in the marketplace ... The member is talking about loss. This is not a loss. We are making money in the millions."

Now we see that they're sitting at \$24 million on the books. There has been a writedown for lost or anticipated loss of some \$12 million to date. The Premier will argue it and say, "No, no, it's an interest rate adjustment." Well, when your interest rate adjustment takes away a third of your principal, it's a very heavy interest rate adjustment.

Here's another quote, November 8, 2007: "At the risk of being repetitive, Mr. Speaker, I'll repeat, but not verbatim: yes, it's backed by the assets. Yes, it is still reconfirmed for November 6, 2007, and has the highest investment rating. Yes, the banks have said they were providing guarantees to the investors." — Hon. Premier, November 8, 2007.

They're all singing the same tune. Here's another quote: "As I mentioned earlier, these investments are backed by the banks and also backed by assets, unlike other commercial papers." — Hon. Deputy Premier, November 19, 2007.

There are lots of quotes and, if the Premier wants to go down that road, I don't think he's going to enjoy it a bunch.

Let's have a couple more quotes, Mr. Chair. These quotes will be from the Government of Yukon's investment in asset-backed commercial paper, from the report of the Auditor General in February 2008. We have just heard how they were backed by the banks and they had the highest investment rating. What did the Auditor General say? Well, she said, in a section entitled, "Why it's important": "On 31 August 2007, the Government of Yukon had about \$215 million in investments. Yukon's *Financial Administration Act*, which governs all government spending, clearly limits the kinds of investments that the Government may make with public money. It is important that the Government be certain its investments meet the conditions set out in the Act."

"What we found: The asset-backed commercial paper in which the Government invested was not one of the three types of investment permitted by Yukon's *Financial Administration Act* — it was not guaranteed by the Government of Canada or any provincial government, was not issued or guaranteed by a bank, and was not issued by a company incorporated federally or provincially and given the highest rating by at least two recognized security rating institutions."

She went on to say, "Although there is no reference to liquidity agreements, we noted that the information memorandum for each trust included a clause stipulating that there was no guarantee of payment from the trustee or other parties specified in the memorandum."

She said, "In addition to the investments in question, we also found that the government has made prior investments in asset-backed commercial paper issued by trusts set up by both banks and non-banks, which also did not meet the conditions set out in the Act."

Those are all quotes too, Mr. Chair, and what did the Premier go on to say? Well, I don't have this quote in front of me, but we all heard it. What he went on to say in public was — about the Auditor General's opinion — he said, "That's her

opinion; we have others.” This would be the same Auditor General whom he is now citing as the reason why he couldn’t balance his budget last year. Now the Auditor General is his excuse; before the Auditor General was being criticized. It’s really best if the Premier doesn’t go down that path because I’ll trade quotes with him all afternoon and we can just carry on next Monday if he likes to keep going.

Mr. Chair, there was one thing that the Premier said that was as close as he has ever come to admitting what everybody else in Yukon knows and that is — he didn’t use the word “deficit”, but he said with regard to a question I asked that he doesn’t need to say it because it’s right there on the page in front of us. And so we will take that as a tacit admission, even though he couldn’t quite say the words, that he knows. It’s good that he knows, because it was concerning a lot of Yukoners if he couldn’t even understand it. But he now knows that in fact he did produce a deficit in the year just ended of some \$23 million. So I will thank the Premier for finally acknowledging that. If he doesn’t try and deny it again, we can move on.

Again, we would like to ask a lot of things of this Premier. We would like to know when we will see updated annual statements from the Housing Corporation, which hopefully would lead to the Auditor General, to whom the Premier is very fond of referring — the Auditor General signing off on last year’s books. That would be helpful. Excuse me; it’s now the two-years-ago books — 2008-09. But I would imagine that she’s not going to be able to give an opinion letter for the year just completed either until we catch up on that.

The Premier talks about not being in debt and investing in infrastructure for the future. Does the Premier not recognize that when the Crown corporations are authorized to borrow hundreds of millions of dollars, it creates new debt for Yukon that ultimately the government is responsible for? It’s being done with the authorization of the government. Hopefully he does understand that. Parking it in the Crown corporations doesn’t mean it’s not going to be part of our debt.

Perhaps now that the Premier has admitted to last year’s deficit, we can go on to see how he feels about the debt that’s now being incurred through the Crown corporations. Since the chair of the Hospital Corporation made reference to the need for \$45 million to \$50 million to address the undersized emergency room area and associated facilities at Whitehorse General Hospital, will the Premier be authorizing more debt to address that issue?

Hon. Mr. Fentie: I know the Leader of the Official Opposition really enjoys using the Auditor General’s statements and documents. I will comply for the Leader of the Official Opposition and respond with regard to asset-backed paper with statements by the Auditor General in the document known as “Notes to Consolidated Financial Statements of March 31, 2008”. Let me quote: “The government has accepted the audit opinion and had previously, in January 2008, issued a policy prohibiting further investments”. Now the member said that the government just said it was only the auditor’s opinion. This is written in the public accounts. The government has accepted the auditor’s opinion and had previously, in January 2008, issued a policy prohibiting future investments in asset-backed

paper. My goodness, Mr. Chair, this came from the Auditor General. I guess the member missed that part in the public accounts that he so often refers to.

The government had invested \$1.6 billion — this is in the public accounts. The government had invested \$1.7 billion in asset-backed paper since the fiscal year of 1989-90, with \$223 million invested in 2007-08.

I think the government has been fairly clear and consistent all along with the Leader of the Official Opposition. This is exactly the position we have presented to the House, to the member and to the public, which is the position as stated in our public accounts as notes to the consolidated financial statements from the Auditor General.

The Leader of the Official Opposition continues to infer that this investment has severely hampered the government’s fiscal capacity. Let me refer to more notes from the Auditor General in our consolidated financial statements, and I quote: “the government continues to maintain a strong cash position. Let me repeat: the government continues to maintain a strong cash position. The liquidity issues in the asset-backed paper market have not had an impact. Let me repeat: the liquidity issues in the asset-backed paper market have not had an impact on the government’s operations.

These are statements in the notes that are in our consolidated statements as reviewed by the Auditor General and in fact, the quotes I have given are statements by the Auditor General. I hope that clears the matter up for the Member for Copperbelt — the Leader of the Official Opposition — who is stuck in the past and we’re trying to unstick him.

Mr. Chair, now I want to move on to his statements and assertions about the budget. Let me remind the member that to be a Minister of Finance, the Minister of Finance must ensure that all matters are being calculated. So the member’s issues with last year’s budget and his fixation on one element of that budget do not present the financial picture of the Yukon. In fact, last year, we closed out the fiscal year with a net financial resource position of \$69 million. Now let me see if I can help the member by simplifying budgeting.

If the member were to do his income tax based on earnings and revenue that are taxable, if the member were to record with Canada Revenue Agency only a portion of his earnings and revenue, the member would be in big trouble with Canada Revenue Agency.

What the member is stating here with respect to the budget, as far as the Yukon government’s financial position, is exactly similar to the member not reporting his full earnings to Revenue Canada. The point of this exercise is to encourage the member that budgeting must include all factors, values and calculations that create the actual financial picture of the Yukon. I hope that has been helpful.

The member continues to suggest that these investments are problematic. Well, as of April 7, 2010, we had a cash position of \$246 million, Mr. Chair.

Surely the member recognizes the error of his ways in projecting this view, this opinion, of the member that the government is in fiscally. I’d like to know what jurisdiction of this size, representing some 34,000 people, can present that kind of

a cash position on any given day of the week. Now, we didn't get to that position by only calculating part of our budget, by only using part of the values and factors that create the fiscal position of the Yukon. We get there through our fiscal management of being all-inclusive, ensuring that we are not missing anything — not one thin dime, Mr. Chair.

So, that said, that has allowed us to do a number of things. It has allowed us to actually present to this House a \$1,075,000,000 budget. So, what does that allow us to do? Because we have calculated all values and factors of the Yukon government's fiscal position, we have been able to present that size of a budget that includes, when it comes to programs and services for the Yukon public, education, health care, social services, support for students, support for seniors such as the pioneer utility grant, income tax breaks.

The member is concerned about our spending and investment of money. Let me remind the member that through it all — because we used all the factors of budgeting — we have been able to put money back in Yukoners' pockets by adjusting some areas of our tax regime. It has also allowed us to invest this \$811.9 million in programs and services for Yukoners. You know, the member calls that "irresponsible", "going for broke" and whatever else the member views it to be. But I challenge the Leader of the Official Opposition to explain that to Yukoners who access our health care system, because of this \$811.9 million. Explain to them how they think — do they believe that this is wild, going-for-broke spending because they have a broken bone mended? Because their child has been delivered in a medical setting? That their loved ones are being taken care of in extended care? That they have access due to other, very difficult health care issues, to in other jurisdictions because we pay for medical travel and have access to medical professionals outside of our borders?

Explain that to all the students who go to school in the Yukon, and facilities that are certainly not playing second fiddle to any other jurisdiction, considering our size and making the same comparison. Explain that to those individuals who need help. Explain this term of "wild spending, going for broke" to individuals who are in our social system, who require assistance — whether it be through SA, housing, and the list goes on. Explain that to them. Mr. Chair, explain that to the seniors who are living in affordable housing — that we all recall how the members opposite — and this comes down to the actual facts of debate — we all recall how the members twisted and turned the issue of the Canada Winter Games to a point where they actually believed that a bid committee's proposal of an athletes village for some \$2.8 million was going to be sufficient to build an athletes village. We do in the wintertime at least need a roof and heat for individuals. But the fact of the matter is that we spent well in excess of that — invested well in excess of that bid committee's very premature calculation and estimate in seniors and student residences — wild, irresponsible spending.

\$263.5 million of capital investment in this year's budget — explain this to the people who travel the Robert Campbell Highway. Ask them if they think a further \$13.6 million in reconstruction of the Robert Campbell Highway is wild, irre-

sponsible spending, when those people have to drive on a road that is somewhat suspect.

Let us go on to these funds the member opposite considers to be largesse from the federal government. You know, because of our financial management, making sure we include all values and calculations and in our ability to work with our public service, the Yukon is one of the jurisdictions that is actually benefiting to a great degree from those federal stimulus funds — hardly wild, irresponsible spending; fairly wise and astute investments because we have a litany of projects that have been made eligible under a number of various federal infrastructure funds.

Of course, one of the biggies is the green infrastructure fund and the investment in Mayo B. Mr. Chair, our Energy Corporation, which is no different from any other public utility across the country, was borrowing money, as they all do. This government, since coming into office, has paid down 30 some percent of debt that we had inherited, so, Mr. Chair, once again, I think the member has a problem with that position and assertion.

You know, the Leader of the Official Opposition is now maintaining that the \$28 million for the Whitehorse Correctional Centre is irresponsible and wild, going-for-broke spending. A replacement for the F.H. Collins high school — \$2.7 million in this budget is wild, irresponsible, going-for-broke spending. The hundreds of thousands of dollars for this year that will complete the Erik Nielsen International Airport terminal expansion — that's wild and irresponsible.

The Korbo Apartments in Dawson City, some \$7 million — the people in Dawson City, even the Klondike, don't need those apartments — pretty wild and irresponsible. Seniors housing for Alexander Street, some \$11.25 million — those seniors don't need that; that would be irresponsible spending on their behalf. Seniors facilities in Watson Lake and Teslin, irresponsible spending; investment in knowledge and infrastructure — the member says that's irresponsible spending.

How about building maintenance? Surely the member has maintenance on his house, because that's an investment. Well, so too does the government on behalf of the Yukon public have assets in the form of buildings, and we are investing some \$12.6 million in maintenance on those assets on behalf of Yukoners. The government categorically will state that's a very wise investment in maintaining assets on behalf of Yukoners and managing those assets as we do, but the Leader of the Official Opposition claims \$12.6 million in this area is wild, irresponsible, going-for-broke spending.

I don't think I need to carry on with this theme much longer, because I think now that we have presented the facts as we have, beginning with the Auditor General statements about asset-backed paper and the other issues that I have forwarded to the member. He now sees that the member is mistaken and recognizes that. Taking one component of a budget and suggesting that that's the actual budget itself, as I said, is very similar to the member not claiming and submitting to Canada Revenue Agency the full scope of earnings and or revenue, because that would be taxable income and if that were not fully reported, the member would be in serious trouble with Canada

Revenue Agency, and it would cost a lot more money because of the penalties and interest levied.

I'm sure the member now sees the mistake made and we can get on with a constructive debate, instead of the member spinning his wheels on needless, useless information that isn't factual.

Some Hon. Member: (Inaudible)

INTRODUCTION OF VISITORS

Chair: Mr. Elias, on a point of order.

Mr. Elias: I'd ask that all members of the House join me in welcoming one of my constituents who in the gallery today, Lawrence Charlie.

Applause

Mr. Mitchell: I am going to ignore much of what the Premier just went through, because it was either personal attacks or largely political posturing, claiming that we've said this or that project is not worthy and calling each of them reckless spending. It is just a little word game and the Finance minister knows it.

What I won't ignore is that the Premier managed to once again criticize officials or, in this case, volunteers, because now I heard him criticizing the Canada Games bid committee — a volunteer group that worked tirelessly for years on behalf of Yukon to bring forward the Canada Games. What does the Premier say about this group who can't defend themselves? They are not here. He mocks them and talks about their estimate not being sufficient to heat the building or put a roof on it — shameful, Mr. Chair, that the Premier would take this opportunity to criticize a group of volunteers in that manner. He should apologize for doing so. The Premier says we're stuck in the past. This Premier is stuck in denial.

The Premier cited notes from the Auditor General — notes dated long after he famously said, "That's just her opinion." But he said it. He said it. So he knows that.

As far as talking about the sum total of investments over many years in asset-backed commercial paper, if we had ever had the opportunity to have a full examination of just what went on — a full public examination of that — if we had dug deep into the Auditor General's report and had some venue where we could call witnesses, we might have spoken to former Finance officials about asset-backed paper.

The Premier should know that the makeup of asset-backed commercial paper changed quite dramatically in the decade that just ended, starting in around 2001 or 2002 where asset-backed paper and the kind of investments that the Yukon government once invested in, once contained real assets — tangible assets that could be sold and reflected real value. Unfortunately, in the decade just completed, they changed dramatically. They became new, novel investments that were derivative-based, including CDOs and collateral debt swaps and other wonderful, imaginative investments that no one has been able to track down and determine where they ended.

As far as the billion dollars plus that were invested in them over the years, a good chunk of that was invested under this Premier's watch and with these new highly imaginative in-

vestment vehicles which, as we've said — the other interesting thing is that when the Premier talks about what happened over the years, I don't think the Premier is able to stand on his feet and refer to any other Finance minister who has had to take such a large writedown as what we've seen on the books to date, from \$36 million to \$24 million. When the Premier next stands on his feet, can he tell us of any other Finance minister over the last few decades who has had to see a 30- or 31-day investment restructured with a nine-year term?

The Premier is the only one who has had to explain that too, and he's pretty glib in explaining it.

He said it's just an extension of term. But we all know that when you invest something for a month at a time, that is supposed to be a short-term investment and one that you can get your hands on if you should need it, not an almost decade-long investment. The Premier didn't cite how that happened to any former Finance ministers. I don't recall that happening under his predecessors.

So when the Premier basically just stood up and said everybody was doing it and it has always been that way, that's not the case. The facts don't show that. They don't reflect that. They show that this is the Premier who was the Finance minister who had his hands slapped by the Auditor General of Canada. That's what they show. But the Premier is right. We can do this for days. He is not going to agree with me and I'm not going to agree with him. So I will move on to some other areas.

I will ask the Premier why he has moved from the tradition, since we're talking about this budget, of tabling the budget in the House first and explaining it and educating the public about it afterwards — which is largely the way his predecessors did it — to his practice in recent years, including this year, of giving speeches, putting out news announcements, providing real details from the budget in advance of us ever sitting in this Assembly and then putting the caveat on the bottom of the news releases that say, "subject to legislative approval". So it's okay to leak the budget in a series of announcements, as long as you put the caveat on there that says something like, "provided we eventually vote for it". That's a different approach.

Why does this Premier feel it's all right to deliver his budget speech to the Chamber of Commerce before he delivers it in this House? Maybe the Premier can talk about that and explain whether that's what his predecessors did, as well.

Hon. Mr. Fentie: Mr. Chair, the short answer would be that consistently the Official Opposition has been unable to actually debate a budget. In fact, we have approved in this House hundreds of millions of dollars of spending authority without one word of discussion. That is because the Official Opposition simply cannot bring itself to debate something as constructive and positive as the budgets the Yukon Party government has brought forward.

But there is also an issue here that is somewhat problematic, because it is about trying to have it both ways.

The Official Opposition continues to maintain that the government is not accountable, is not transparent and is secretive. And when the evidence shows that that's not the case and we actually go out and inform our public on what the govern-

ment's doing, then the Official Opposition has a problem with that. If the member ever becomes the Minister of Finance for the Yukon government, then the member can make his choices on how he wants to inform the public. But I can tell you that this Yukon Party government, being tremendously open, accountable and transparent, will use every means possible to inform its public. That is probably what results in our ability to be able to invest everywhere we possibly can and budgeting to assist Yukoners and to provide benefit to Yukoners, because we actually go out there, not only informing our public on what the government's doing, but listening to the public on what the public wants its government to do.

If you look at this budget before us today, there's a great deal of this budget that comes from that process. So the member may not agree with this, but the Yukon Party government believes that that is a very valid process that has merit.

It is important that the public is engaged and involved. If the member takes issue with those engagements with such groups as the chambers of commerce, with non-government organizations, with communities, with First Nation governments and with municipal governments, so be it. But informing the public and engaging the public is very important for any government, and that's what this government has consistently done.

Asset-backed paper — I have to again repeat for the member opposite, the member should actually understand that the public accounts and the statements and notes in them are very important, and that's what was presented to the member opposite.

Furthermore, writedowns and interest adjustments are somewhat different. The member said no other Finance minister — well, Quebec, Alberta, Ontario, the federal government — there are examples all over the place, and that's why the Auditor General's note expresses this as it's expressed in the public accounts.

But the member keeps correlating this with the government's fiscal position and capacity. So I have to repeat again: in light of the member's statements and references to the Auditor General and the public accounts and the notes therein, the government continues to maintain a strong cash position, though liquidity issues in the asset-backed paper market have not had an impact on the government's operations.

Mr. Mitchell: The Premier has selective hearing because I was, of course, referring to his predecessors as Finance ministers in Yukon, not Finance ministers elsewhere, when I talked about being cited by the Auditor General for breaking the *Financial Administration Act*, or having to take a large writedown. This is the Finance minister that has set the benchmark for that. I am disappointed that when the minister was last on his feet, he didn't take the opportunity to apologize to the volunteers from the Canada Winter Games Bid Committee for having besmirched their good name in mocking the hard work that they did. That is disappointing, but not really surprising. We've seen the pattern here, Mr. Chair.

Perhaps when the Premier talks about hundreds of millions of dollars in spending going without debate in this House, maybe the Premier is referring to the hundreds of millions of

dollars in special warrants that he makes use of every year, rather than recalling this House. I presume that's what he's talking about — the hundreds of millions of dollars in special warrants that this Premier seems to set a record with every year in terms of going there.

When the Premier says he's proud of communicating with the chambers, with First Nations, with members of the public — he should communicate with them. We're just talking about the order of communicating. But I'll provide some free advice to the Premier from the Member for McIntyre-Takhini who said, "I have some issues when the Chamber of Commerce knows about the budget before the MLAs do. Why? Why doesn't the government sit down with the opposition members? We all represent a constituency. There are eight in opposition over here. The government should have been talking to us and asking us what things are most wanted in our ridings." That was the Member for McIntyre-Takhini, the current Environment minister, on March 26, 2009, in this House. So there's some advice for the Premier from his colleague about consultation and how it should be done and with whom it should be done.

We've seen project overruns. This Finance minister talks about looking at the whole picture and the fiscal reality. Part of that picture was the some \$5 million spent on what the chair of the Hospital Corporation has referred to on their new website as the "half-completed shell" in Watson Lake. That was apparently done without proper foresight and planning. In fact, the studies that were done, were done after the fact — tens and tens of thousands of dollars. I think the number is up to \$198,000 — in studies that have been done just to try to figure out how to make use of the half-completed shell in the newly designed or planned hospital in Watson Lake. That's not a good use of Yukoners' fiscal resources — building something before you know it is what you want to build — building something that you then have to spend thousands and thousands of dollars converting into something different.

In fact, I think the Auditor General had something to say about that. I think she talked about that in her report, *Transportation Capital Program and Property Management — Department of Highways and Public Works* in February 2007. She talked about the planning approach of this government and just this government. It isn't referring to something that was started under a previous government; it's all this government. The Premier's not going to be able to talk about a predecessor on this one. In chapter 54 or paragraph 54 of the report just cited, she said, "The roles and responsibilities for project management staff and the client department were not clearly defined for the multi-level care facilities projects in Watson Lake and Dawson City. In September 2003, the Department received a work request from the Department of Health and Social Services to initiate a needs assessment, feasibility study, and functional program for a care facility in Watson Lake, and a review and update of a care facility in Dawson City. While the Department was supposed to manage the projects, the project manager was excluded from meetings between the design consultant and the client department." "The Department indicated that the roles, responsibilities, authority, and account-

ability of all parties in the process were not clearly defined. It was essentially participating after the fact, receiving information following meetings between the design consultant and the client department. In December 2004, the Department recommended that it decline the assignment for these two projects. In June 2005, the Minister of Highways and Public Works, on behalf of the Department, declined responsibility for the projects", end quote.

So when the Premier said, "Is this an example of reckless spending? Is this other project an example of reckless spending?" I would say that the way in which this government undertook to build the facility in Watson Lake — not knowing what kind of facility they needed, wanted or intended to have — according to the Auditor General was reckless spending. She cited the government for that. She also indicated that the government didn't have a space management plan to know how they would make use of their space that they rent.

She said, quote, paragraph 60, "Lack of adequate cost-benefit analysis. The Department is responsible for managing the government's overall investment in government-owned and leased office and warehouse space. However, we did not find an overall strategy for acquiring office space." That is the same Auditor General that the Premier wants to wrap himself in, in talking about the public accounts. So I don't think we really need to keep going this path. There are examples of reckless spending, and if the Premier wants, we can read them back and forth to each other.

Another question. The Premier has said that this is a result of requirements by the Auditor General. I believe it is a recommendation by the Auditor General to assure accountability and that is the quarterly payments to NGOs and municipalities. Now, on the one hand, the Premier sent all the municipalities a letter — or the government sent them a letter. I shouldn't say that the Premier did, because I don't know who signed the letter. The government sent a letter out to municipalities awhile back telling them that the way in which they receive their funding was going to change. Instead of receiving it at the beginning of the fiscal year, they would get it in quarterly installments. The municipalities were quite upset by that. They were upset by not only the loss of potential interest revenue that they depend on as part of their overall funding, but as a number of municipal leaders told me last weekend at the AYC meeting in Dawson City, the Premier would have heard them talking about that if he had bothered to go, but he didn't go to this one, just like he didn't go to the one the year before in Watson Lake.

The Premier could have heard the municipalities talking about the fact that it's also difficult for them because, as the Premier knows, we have a short construction season. We have to build when the weather is good in Yukon and, not having the money at once hampers their ability to fund and finance the projects during the time in which they can build them.

The Premier's government made an exemption for those municipalities this year. He made a different exemption or exception for the Hospital Corporation. They're going to get their money in quarterly installments but, as was explained the other day in this House, topped up to include the foregone interest. Is the Premier going to continue to make an exception or an ex-

emption for the municipalities, or is that just a one-year commitment that perhaps won't extend past the next election? Will he say that the Auditor General made him do it or will he explain that it's a recommendation he can choose to implement in the way that works best for municipalities.

Hon. Mr. Fentie: Well, in keeping with the theme, I'm very pleased that the Leader of the Official Opposition did clarify that the advice was free. One would certainly not want to pay for it.

I think the member knows full well what this issue is about because the government has expressed on numerous occasions what is at issue here. First off, the Auditor General has reported negatively in terms of front-end loading all fiscal year cash requirements for areas like municipal governments, NGOs and so on. Secondly, because of that negative reporting, we did an internal audit process. Thirdly, the federal government had struck a blue-ribbon panel to address these matters. The result of all of that is the fact that, in managing this particular area of finances, it is deemed that quarterly installments are appropriate approach. It does not mean that any NGO or municipal government would be cash-poor at any time with these quarterly installments. It does mean that if they needed more in a quarter of the fiscal year, it's based on requirement; they would receive that amount. It's called fiscal management, Mr. Chair.

Let's compare the Yukon government and how we deal with Canada. We don't receive all of our transfer at the start of the fiscal year. That's just the financial process that we're all dealing with. We have instituted that with NGOs, of course, but we have recognized that full-accrual accounting changes and other challenges from municipal governments are sometimes difficult for them and we have given exemptions, not just this year, but the past year also. With all that is of course the ever-increasing amount that we are transferring to municipal governments, which the member voted against. I think, in this budget for 2010-11, it's about an \$800,000 increase of fiscal transfer to municipal governments.

The member's issue about me not attending AYC — well, the government side has great confidence in its ministers, its ministers responsible in areas like this — its minister, that is, did an exemplary job, as always, in dealing with municipal governments.

The member opposite is making issue of this. Good for the member, the Leader of the Official Opposition, to go to AYC, but the Premier has engaged with municipal governments and unincorporated communities each and every year, with dozens and dozens of Yukoners and organizations, with First Nation governments. So this team that we have built here in the government, the Yukon Party team, is maximizing its capacity in engaging with Yukoners — whether they be government, non-government organizations, citizens, First Nation governments, First Nation citizens and otherwise — to the extent possible. That's why we create things like billion-dollar budgets. It's because of that engagement.

Full marks to the Leader of the Official Opposition for attending AYC. Full marks to our Minister of Community Services, who was well-received and got some very glowing

comments about his presence at the Association of Yukon Communities AGM.

Of course, the minister was very clear in his address to the municipal governments that we will continue to work on these challenges on behalf of the municipal governments, and work with them. Again, we are certainly making sure that we are taking care of the issues that we must take care of. I don't think there is much more I can say, Mr. Chair. The budget before us is one that I think demonstrates clearly fiscal management. It demonstrates we have a plan and a vision. It demonstrates how we are stimulating the Yukon economy for the benefit of Yukoners, how we're investing in projects and infrastructure today that will benefit Yukoners long into the future, how we are taking care of health care and education, and the list goes on. The sooner we get to debate the budget, the sooner we can convince the Official Opposition for the first time ever to vote for something good for Yukoners — the 2010-11 budget.

Mr. Mitchell: Well, Mr. Chair, I have voted for many things that are good for Yukon. Yesterday I voted for two amendments to a motion that would have been good for Yukon, such as including community justice committees in the motion — which, by the way, the opposition also voted for in the interest of Yukon. In fact, this Premier has often said, in citing how cooperative the opposition is, that there has been a record number of unanimously passed motions in this House — other examples of the opposition voting for the benefit of Yukon. I have voted for many bills over the past few years, if not the spending bills, that I thought were for the good of Yukon, and tried to vote for some by amending them. Just yesterday and today we've heard how interested the government is in amendments, although I can't really recall — maybe there has been one instance of an amendment to a bill, to an act, that has ever been agreed to by the side opposite. I don't think there has been two in the four years I've spent here. But we do vote for many things that are good for Yukon.

The Premier said that he's eager to get on to debating the budget. I would mention two things: (1) we are debating the budget. It's called general debate. The Premier doesn't spend much time in it, but that's debating the budget; and (2) we couldn't hardly move to the departments since the Government House Leader hasn't provided us with a list of the order in which departments will be called.

The Official Opposition House Leader is requesting that information so hopefully it will be forthcoming, but so far we don't have it, so we better stay in general debate for a little while longer so they can draw up that list.

Some Hon. Member: (Inaudible)

Mr. Mitchell: Yes, our House Leader has requested that we get it before the break. I can see that the Government House Leader is smiling, so I think she'll manage to arrange for that. That just can't be happiness at seeing our House Leader, but maybe it is.

We'll move to some other topics and see if we get answers to any of them, as opposed to political posturing. The budget for the Thomson Centre, Mr. Chair — we still have not been able to get an answer. The officials in the Department of Health couldn't really answer it, and now the Premier is here with his

senior officials. Where is the funding going to come from? We were told that it's not in the current budget, but of course it might be a reallocation later in the year. Where is the funding going to come from for the \$2 million that was provided as the estimate by the chair of the Hospital Corporation for the renovations required in order to reopen the first pod of 19 rooms?

We know that the chair of the corporation has indicated it has finally been established that the Hospital Corporation has ownership of the facility, but we are unclear as to where the funding is going to come from, so we'll just ask that. It's a very specific question, so perhaps the Premier could give us a very specific answer.

Hon. Mr. Fentie: Obviously, in sound fiscal management one makes sure — I know the member will take issue with this and disagree, of course. But to the extent possible, we want to understand exactly the scope of what we must invest in. Therefore, that means there's a lot of work to be done.

Now, the member said the asset belongs to the Hospital Corporation, and that is indeed the fact. It is their asset; it is their building. I don't understand, then, why the Leader of the Official Opposition didn't ask the witnesses who were here where they're at — the status of this particular facility.

The Minister of Health and Social Services has also made statements in the House, most recently today, about the fact that we're working with the Hospital Corporation on the matter. The member will just have to be patient and we will, in due course, be dealing with these things, Mr. Chair.

Mr. Mitchell: Well, first of all, Mr. Chair, telling us to be patient is not a very good answer when we ask questions in general debate. I suppose that could just be the stock answer. The Premier could stand up and say, "Be patient", and sit down. But people do want to know because that \$2 million represents two-thirds of the projected surplus for the current year, for example, and if it additional spending, we'd like to know. I thought that the chair was asked that question but if the Premier is certain that he wasn't — I know we had that along with many questions on our list of questions. You know, Mr. Chair, we just had the Hospital Corporation, which has been given responsibility for more and more — under the act, yes — here with his officials for two hours, one day in a fiscal year, and both the critic for the Third Party and I had to share that time. There were opening remarks made by the chair, so we had less than two hours. The chair was very lengthy in his responses and the total time for the Official Opposition was something under an hour.

So if we didn't ask that question, we'd hate to have to wait an entire year for the next opportunity, and that's why I'm asking it of the Premier. Is the Premier's response meant to say that 100 percent of the funding will be coming out of the budget of the Hospital Corporation? It will have nothing to do with any kind of contribution agreement or transfer from the Government of Yukon; it's not going to come from the Department of Health and Social Services; it's not going to be funding which he's ultimately responsible for as Finance minister — then we'll accept that and we'll know not to look for it here. I'll just ask for clarification. Is the Premier saying that it's

going to be self-funded by the Hospital Corporation out of existing contributions?

Hon. Mr. Fentie: The last time I looked, we have a contribution agreement with the Hospital Corporation and every dime of that the Official Opposition has voted against. Now that this issue has become such an important issue for the member opposite, the answer has been given. I'm sure if the question was asked by the witnesses, the answer was given. They haven't determined exactly how this is going to unfold and the cost therein. Of course, they're working on that, as everybody has been telling the member opposite. That's the best we can provide the member at this time.

As I said, if the member was patient, the member will see, when all is ready, what we're dealing with. That's basically the appropriate way to deal with these matters. Given the fact that the Hospital Corporation does own the asset, I'm sure they're diligently working on what this will take.

Mr. Mitchell: I know we're approaching a likely break time, but since we're on that topic, I'll remind the Premier of an earlier question I asked this afternoon regarding the \$45 million to \$50 million that was cited by the chair in his brief time here last Thursday. The chair said, "We've been saying that when the existing emergency room facility was built, it was too small to handle the needs of the day then and it certainly doesn't meet the needs of today. That is an area that we have been in discussion with government about, and it's an area that we have to recognize and we have to deal with."

"Quite frankly, prepare yourself, because the anticipated cost around that expansion — which could include laboratory, medical imaging and emergency room — is estimated to be between \$45 million and \$50 million. Those needs are evident today; they're needed today. That speaks to the numbers of dollars that are required within our health care system."

Since the chair said that is an area that we have been in discussion with government about, I'll ask the government leader, the Premier, where those discussions are at and what involvement the Government of Yukon will have, or whether the government is looking at expanding the previous borrowing authority of the Hospital Corporation, which was capped at \$67 million.

Hon. Mr. Fentie: We're in discussions all the time with the Hospital Corporation and with other health care facilities across the territory. I think we've been very clear in all information presented, including the health care review. It shows where this is going and, not unlike every government in the country, we're all dealing with those challenges.

The chair of the Hospital Corporation made mention of needs at the hospital and we are, by prioritizing what we need to do in the Yukon, addressing the health care challenges of the territory today and will continue to do so in the future.

Chair: Order please. 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. 20, *First Appropriation Act, 2010-11*. We will now continue with general debate.

Some Hon. Member: (Inaudible)

Mr. Mitchell: Clear? Oh, I didn't know things were so clear, but, I am sure we can have clarity eventually.

We'll try to get to some specific topics and if the minister can give us concise answers that are answers rather than political statements, then maybe we will clear it.

First of all, I do have a question. We've asked it before in Question Period, but Question Period is question period and not answer period, Mr. Chair, so maybe we'll do better in Committee. Regarding the Premier's budget speech — since we're talking about the budget — in the Budget Address, I know the Premier will recall the section regarding health care. The Premier said, "Yukoners want to see" — and there was a list — "A stronger emphasis on recruitment and retention of health care professionals," and a whole series of things, many of which Yukoners do want to see. Then at the end it said, "And some carefully planned private/user fee health care services."

Can the Premier explain what he meant when he said that? Because he previously said there wouldn't be any private health care and there wouldn't be any user fees and he believed in the public health care system. It's the top of page 5, Mr. Chair, for the Premier's benefit. We're just looking for a bit of a better explanation as to why that's in the budget speech.

Hon. Mr. Fentie: Actually, we've already answered that. It is a reflection of what Yukoners said during the process of the health care review. It's merely presenting — in the form of the budget speech — what Yukoners said. It says the *Yukon Health Care Review* final report was completed in September 2008 and contained 43 recommendations under the heading of "Action for Change". In that context, Yukoners wanted to see stronger emphasis on recruitment and retention of health care professionals; emphasis on integration of prevention, education and wellness programs; better long-term care, home care and community-based options — these are all things we're actually doing right now — more collaborative and alternative care options, and some carefully planned, private/user fee health care services. Well, that's what Yukoners said.

Well, that's what Yukoners said, but the government, notwithstanding all the things aforementioned that we are doing, has stated that we are not proceeding with user fees. And we are not privatizing health care — that, I think, has been pretty clear. So it's a reflection of what Yukoners have said, and I think we should be always very mindful of what Yukoners are saying when we conduct these kinds of processes.

Mr. Mitchell: Well, just to summarize then, the Premier started to say it was simply sort of an infomercial in the midst of his budget speech, summarizing some of the findings of the health care study. Normally, budget speeches reflect the intentions of government. Then he said — he started to read the list and he said, "All things, by the way, Mr. Chair, that we're doing." But when it came to the "some carefully planned private/user fee health care services," there was a disclaimer that "we're not going to do that." By the way, Mr. Chair, I don't believe it was a majority of Yukoners who wanted to see pri-

vate user fees; I think it was some percentage of Yukoners. So just to be clear, I'll ask that again.

Just to be clear, I'll ask again: is that part of that paragraph simply a summary of what Yukoners said in response to the study, and some Yukoners said that they would accept some fees, but it in no way indicates any intent of this Premier's government to implement that portion of those findings?

Hon. Mr. Fentie: There are actually 43 recommendations under the heading of "Actions for Change". So this is an excerpt of what transpired from the process. We are working already on recruitment and retention of health care professionals, and I think we all know that. But that type of process and effort requires fiscal resources and the Official Opposition voted against those. An emphasis on integration of prevention education and wellness programs — well, the member knows that even under the territorial health access fund, there have been investments in wellness programs. We have prevention and education programs now. Better long-term care — we've continued to invest in long-term care, including the opening of 12 more beds up at Copper Ridge.

We continue to invest in home care, which of course relates very much to community-based options. When we talk about community-based options, we're building two hospitals in communities.

More collaborative and alternative care options — when you look at what's going on in Watson Lake, for example, there will not only be a facility that will provide acute care, it will also house a clinic. I believe it will house community nursing. It will have training for doctors or medical professionals. It will even have an investment specific to First Nations and their health care needs. That is certainly somewhat integrated and collaborative in many ways and, as far as the issue of planned private user-fee health care services, the government again, and I repeat, said that we're not — and we've been clear on this — proceeding with developing user fees.

So it is a reflection of Yukoners and, because of that reflection of Yukoners, many of the things that they have brought forward we are indeed working on today.

Mr. Mitchell: We do appreciate the clarification; it just seemed a little unusual. I have read the studies and the survey results to which the Premier referred. Regarding this particular issue, what the findings were from the "*Taking the Pulse*" document, is that, "Over half of respondents disagree" — most quite strongly — "with the idea of reintroducing health care premiums," and the figure was "Strongly disagree and disagree" — 52 percent of Yukoners strongly disagreed or disagreed. It says most of that was in the "strongly disagree". Only 29 percent strongly agreed or agreed. That's why we were surprised to see it entering into the Premier's budget speech, so we'll hold the Premier to that commitment.

Moving on, staying on the health care theme, on the autism funding — it's a health area, but the Premier himself took part in the meeting with the parents of children — parents from the Autism Yukon, regarding the funding for autism programming and other programming for children with disabilities. The parents were quite concerned about not so much a cut, because I understand that the money remains in the budget, but how the

funding would be provided. Would it be provided for the parent-driven and designed programming, as it currently is, using a series of experts — some of whom were Outside experts and some of whom are residents here — versus hiring departmental employees? We certainly got a lot of correspondence about this. And can the Premier tell us whether there have been any additional decisions made on a go-forward basis beyond the commitment to leave it as it is for the current year?

Hon. Mr. Fentie: Actually it was presented in writing. I'm sure the opposition can delve into this in further detail with the Minister of Health and Social Services.

The government did indeed stop the hiring of FTEs within the Department of Health and Social Services for this area and is continuing working with families in a more family-oriented setting and dealing with contractors. I think there was a great deal of input from families in engaging these contractors, so we proceeded in that manner.

Mr. Mitchell: I don't have the letter from the Premier in front of me. Perhaps he does, and if so, he can check it. But I believe that the reference that we've heard was that there was a commitment to carry forward, as in the past, for the current fiscal year — that is 2010-11. What I'm asking the Premier is, can he update us on any decisions made beyond the current fiscal year? As the Premier says, the budget's a forward-looking document with a multi-year plan in it, so we want to know about the year after and the year after that.

Hon. Mr. Fentie: As I said, the Minister of Health and Social Services can probably provide the information in more detail. I've articulated exactly what we have done to date, and we are actually debating this year's budget, so I'm sure the minister and others are continuing to work on this issue in the best interest of families and children.

Mr. Mitchell: I'll move on. These questions are not necessarily in any particular order. They're just questions that I'd like to ask, although this one is in a health-related area.

We have heard quite a lot from members of the public, and on all sides of this issue, I might add, on the proposed mandatory testing act. I am wondering if the Premier can update us on whether there is any intention to bring this forward in the fall sitting. We were getting phone calls from members of the RCMP and members of Emergency Medical Services who seemed to believe that the act was actually coming forward in the spring sitting. They were calling us to tell us their views of wanting the act. We've heard from others who were opposed to the act, but in fact, what we told those people is we won't know until the first five days of the sitting whether that act is coming forward or not. Obviously, it did not come forward in this sitting, despite the fact that at least one of the RCMP members who phoned me was quite certain from something that he had been told that it would be coming forward.

Is the government thinking of bringing this forward in the fall sitting this year and, unlike Bill No. 82, *Civil Forfeiture Act*, will the government commit to going to public consultation with this legislation prior to tabling it?

Hon. Mr. Fentie: I agree with the Leader of the Official Opposition that it's not on this sitting's House business. The best I can say is that it's a work in progress; however, the

chief medical officer has, to my understanding, recently brought forward some guidelines to address, to some degree, this particular area.

Mr. Mitchell: I'll leave it at that. I am aware of the guidelines the chief medical officer has brought forward. Again, I'm looking for answers so that, when I get a phone call from a member of the public, I can provide information other than just say, "Phone the government." That's my duty as an MLA.

Can the Premier provide us with an update on the work that has been ongoing for the expansion of the secure customs area at the airport? For example, is Transport Canada happy with the work that has been done? Is it being accepted? Does the Premier have any information that he can provide?

Hon. Mr. Fentie: At the risk of being somewhat facetious, I would suggest to the member that if they are getting phone calls from Yukoners, you might want to refer them to the government — at least they'll get the correct information.

With that, the airport expansion has gone very well — very, very well. I know the minister responsible in this area is excited and anxious to get into debate on his department, because this is, again, another example of the multitude of successful projects that the Yukon government has undertaken on behalf of Yukoners, to their benefit.

Mr. Mitchell: Well, we will get on to departmental debate soon enough, but we never know whether we're going to get through all the departments. This is that one opportunity to speak to the conductor himself, the Premier, who has oversight for all departments, as the leader of government. We know that this Premier keeps a pretty close eye on all the departments, so that's why we're asking these questions of the Premier — just in case the particular department might not be called in the 16 days remaining after today, since we do reach the halfway point at the end of the day today. Can the Premier give us an update on the future of Shakwak funding?

He made some reference, I think, in his introductory remarks about the current funding, but I am talking about the higher level negotiations that will be ongoing to see whether the United States is going to continue to provide that funding in their budgets.

Hon. Mr. Fentie: Mr. Chair, actually, though I tend to relish general debate, to some degree, the member, in mentioning that there is a concern of some departments not getting up for debate, should recognize then that endless circular discourse in general debate won't alleviate or help that situation. And I would encourage the member to recognize that bringing the departments up is actually more important than he and I disagreeing with each other.

So, that said, Shakwak, of course, there is about \$10 million in this budget. It will be for pavement rehabilitation and also addressing culverts. Again, it is a work in progress with Washington. The minister responsible in this area will be able to provide more detail on the work that is ongoing.

We are doing everything we can and we work in concert with the Alaskans to make sure that Washington recognizes the value of this investment.

Mr. Mitchell: I would just say to the Premier that we've only been in general debate since — I don't know — 2:15 p.m. or 2:20 p.m. today, so we haven't really been tied up in this for very long. There have been years when we've done this for two or three days, so I think we're moving expeditiously through the questions.

As far as circular reasoning or debate, I don't think so. We're now asking questions and getting responses, not necessarily answers. But the real circular debate is, if we don't ask these questions in general debate, and then when we get to a department, we get told we should have asked that in general debate — we need to ask that of the Premier. So we're just trying to cover some of our bases.

Can the Premier provide us with an update on anything that has been done, or is being done, in terms of the port access study and the railroad study? Has there been any use made of them over the past year, in terms of perhaps assisting industrial customers, mining companies, with the planning they're doing, or are they just collecting dust on a shelf?

Hon. Mr. Fentie: We have been in general debate on the 2010-11 budget since sometime around 2:00 p.m. this afternoon and it is now almost 20 minutes to 5:00 p.m. on the same afternoon — nothing accomplished.

These reports on the railway study and the port access study are a very good and very valid source of information. As far as the rail study, there's no process evolving in building a railway in the Yukon. Secondly, there is continuing work with respect to the Skagway port and the Alaskans, and we're engaged to some degree in that. The Alaskans are dealing with that and we also have a private company involved there, and that is, of course, White Pass. There continues to be a train that comes out of Skagway as far as Carcross now, I believe. But we'll leave that to, again, a work in progress. The actual transport of concentrate right now in the Yukon is from one mine, Minto — or Capstone's mine — that is actually going to Skagway for shipment overseas.

The next mine opening in the Southeast Yukon — the Wolverine project, which has significant investment from the Chinese — will be trucking their concentrate through to the Stewart port for shipment overseas. So we are managing to deal with the transportation challenges for our continually developing mining industry. Of course, we're making headway and progress in bringing the mining industry back, because the Yukon Party government doesn't pre-empt processes like land use planning and take positions of accepting exactly what is in the content of a presented draft land use plan that still requires a great deal of work by governments. If the member were to thoroughly analyze chapter 11, the Leader of the Official Opposition would understand that, because governments, both Yukon and First Nation, are obligated to continue on as we are with this process. You know, the Official Opposition may have got themselves in a bit of a pickle here and a bit of predicament, given their position on the Peel.

We'll continue to do our work as we are responsible to do and we are very successful in attracting the mining industry and hundreds of millions of dollars' investment, because we aren't pre-empting process and being presumptuous.

Mr. Mitchell: A couple of comments, Mr. Chair. First of all, it is disappointing that the Premier feels that we've accomplished nothing this afternoon. I hope that is not a reflection of how he feels his own answers have been, because we ask questions and, if those are not his "A" answers and if they are his "B" answers or his "C" answers, then perhaps he might try saying something a little more explanatory than everything is "a work in progress". I would agree with him that telling us that everything is a work in progress doesn't really give us much information.

Regarding the two mines that he referred to, I believe that Minto had made it pretty clear that they would be exporting their ore through Skagway long before we had anything out of the rail study, and I think Wolverine actually had indicated that they would use Stewart before we had a port study.

In any case, if that is the best answer the Premier can come up with, we won't say nothing has been accomplished, we'll say a partial answer is better than no answer at all. The Premier should have more confidence in his answers than to simply say that nothing has been accomplished.

The Premier mentioned getting in a pickle over the Peel position. If the Premier indicates that some quarters will be unhappy because we have recommended that the Yukon government come to some final decision that's reflective of the principles in the final draft report of the Peel Watershed Planning Commission, we'll accept that. We know that. We knew that when we said it.

We've been very careful not to say where the line should be drawn or what exact percentage there should be. We said that we recommended that the government respect the principles that were espoused, and we're okay with that. We do recognize that we will suffer some criticism as a result. Others will be happy that we said it. We do know that the government isn't saying anything.

There is so much I could ask this Premier in this afternoon of non-productivity that he likes to cite.

I'll ask him for the record again: will the Premier and the Justice minister call a public inquiry into the Premier's involvement in senior discussions and negotiations with ATCO over the privatization — or partial privatization — of the Yukon Energy Corporation so that we can clear the air, because the Premier says that nothing wrong has occurred and the officials, including the chair of the Energy Corporation, simply say that they weren't present. We know that they weren't present at the soiree in Alberta — the dinner meeting between the Premier and the CEO of ATCO — the one that the Premier followed up with a letter saying, "I have the support of my caucus colleagues to carry on." So would the Premier clear the air by calling for a public inquiry where people will testify under oath? There's nothing to fear, because the Premier says nothing ever occurred.

Hon. Mr. Fentie: Mr. Chair, the last thing the member opposite and others want is a public inquiry because of the fact that individuals would be called before the inquiry to testify under oath.

So we gave the member a way out, given all the statements made, and the member is the Chair of the Public Accounts

Committee, so he might want to reflect on that a little bit. I'm not sure what that has to do with the budget. In fact, in the budget there's investment in infrastructure, not selling of assets. There's investment in infrastructure that the members also take issue with. So I'll just leave that for the member. It's up to him to deal with it as he sees fit.

Mr. Mitchell: Let me clarify it for the Premier. First of all, the tradition of this House has been that you can ask any and all questions during general debate. Since there are expenditures that deal with the Yukon Energy Corporation and the Yukon Development Corporation in the budget, that's all the opening we need to ask the question. When the Premier says that we would suffer if people had to testify under oath, I would suggest that if the Premier really believed that, he would be at the head of the line calling for a public inquiry, instead of at the tail end of the line saying that there shouldn't be one. The Premier is certainly not a naive politician, so if he thought that it would be to his benefit to have a public inquiry, that inquiry would already be scheduled and the witnesses would be getting notified.

So perhaps, since he says that would be so beneficial to his case, he'll reconsider. I am going to leave the public accounts out of it because, as the Premier well knows, that is just a trap. I can't speak of it in any detail here or I'll simply receive a bunch of letters telling me I shouldn't be talking about the Public Accounts Committee. The Premier knows the mandate of the committee. He knows the ability of a public inquiry to subpoena any and all witnesses under oath. So, once again, since the Premier says that would be unfortunate for the opposition, will he put us at risk by calling for an inquiry?

Hon. Mr. Fentie: Mr. Chair, the government side doesn't have to put the Official Opposition at risk at all. They do quite well on their own. Furthermore, Mr. Chair, the government is not going to subject Yukoners to something like this and the extraordinary expense that goes with it over some bush-league amateur hour. Mr. Chair, as I said earlier, we'll leave the member to his own devices on the matter. But the member says something about PAC and his ability not to be able to speak. Now that's not the track record of the past. The member has made many statements about the Public Accounts Committee in the past in public.

Even the Members' Services Board — we all recall when the member received a little criticism from a potential Liberal opponent in the leadership race on, I think, the increases of salaries for MLAs' remuneration. How quickly he tried to distance himself from that matter in the public domain, failing to present to the public that it was indeed the member who tabled the motion that generated those increases in remuneration.

Mr. Mitchell: The Premier has a very strange concept of chronology. First of all, I don't know what potential rival in the leadership race he refers to. The leadership race I won in June of 2005 was before I was elected to this Assembly, so I clearly had nothing to do with the Members' Services Board when I was in the leadership race. That's fact number one.

Fact number two, the Premier has several times made this reference that I moved the motion for the salaries, and I haven't been able to find any evidence of that. As close as I can come

is that, due to the fact that we had only two people present at an ensuing meeting, I moved or seconded a motion to accept the minutes of a previous meeting. I didn't move any motion regarding salary increases, so I don't know what the Premier's talking about there either.

The Premier made some reference to some bush-league amateur hour. Just to be clear, the Premier is referring to the resignation of the former chair of the Yukon Energy Corporation and Yukon Development Corporation and three of his colleagues. He is then making reference to the public statements that those former officials made regarding things that they say they were witness to, and then I guess he's rolling into it the Member for Laberge, the former Minister of Energy, Mines and Resources, as part of his bush-league amateur hour.

If that's the way the Premier wants to characterize another member of this Assembly, and if that's the way the Premier wants to characterize a former government leader and if that's how he wants to characterize the former chair of the Yukon Energy Corporation and Yukon Development Corporation and his colleagues who resigned, I'm sure they will all appreciate seeing the reference to bush-league amateur hour — but that's what the Premier feels the information they brought forward in the public to be: bush-league amateur hour. Those are the Premier's words referring to a former Premier, three other highly respected members of the community and his former colleague, the Member for Lake Laberge. That must be why the invitations that go out for people to assemble in Laberge within the Yukon Party are very selective, or perhaps the Premier would like to invite the Member for Lake Laberge to the next meeting and then tell him his opinions on bush-league amateur hours.

Again, regarding the Public Accounts Committee, well, Public Accounts Committee is trying to move along without dealing with past histories so I'll leave it there.

I don't think I have much more I can ask this Premier other than what I've asked him. He has indicated that his answers are without value. He put that on the record earlier when he said that we're not accomplishing anything here. He has indicated that people who disagree with him, former colleagues of his, are part of a bush-league amateur hour. I guess it's hard to ask him questions if that's going to be his opinion of members of this Assembly and of his own responses to questions. Then perhaps we should get into the departments.

Hon. Mr. Fentie: Well, you know, all I can say to that is, how quickly the Official Opposition changes hats. It wasn't that long ago — and they keep now referring to a former chair of the Yukon Energy Corporation — they were standing in this House accusing that very individual of double-dipping. My, how quickly they change hats. Maybe that's the reference to bush-league amateur hour, Mr. Chair, but I'll leave that again to the member opposite.

Actually, we haven't really had a good discussion on a \$1,075,000,000 budget at all. I don't know how else I can present it to the House or to the member opposite. In the context of actually having a general debate on the largest budget in the history of the Yukon, we haven't accomplished a thing. In fact, from the government side, we'll admit failure. We have not been able to bring the Official Opposition into the present.

It is very disappointing. No matter how hard the government tries to bring the Official Opposition into the light of day and into the present — of what's actually happening in the Yukon — we have failed to do that. The Official Opposition is still mired in the swampy, sticky substance of the past and, no matter what we do, we just can't get them unstuck.

So with that, I say to the House how proud we are to have tabled, again, such a sizable budget with such great benefit to the Yukon.

I thank the officials from the Finance department for all their effort, for all officials in every department for their contribution and, above all, to Yukoners, to municipal governments, to First Nation governments, to the chambers of commerce, to the contracting community, and to all individuals who provided such sage advice and input into the largest investment for Yukon in its history.

Mr. Mitchell: Mr. Chair, I couldn't let debate end with the Premier feeling so disappointed in how little he has been able to accomplish, because I think more highly of him than that. I just want to point out for the record that we have accomplished something this afternoon. Perhaps with excellent coaching from Finance officials, the Premier has finally understood that the pages in the documents he tabled regarding surplus or deficit for the year do indicate — as he said, it is clear in the documents in front of us, he doesn't need to say it — a \$23,096,000 deficit for the year just ended, based on a \$23,318,000 change — and that alone, if nothing else, is a sign of progress that the Premier finally understands the documents that he tables in this House. Now he knows a deficit when he sees one.

So I would ask the Premier to be heartened and not to feel badly, there has been some progress made and I look forward to the progress we'll make in the next several weeks. We, too, would like to thank the Finance officials for their hard work and their patience for the debate and their patience with the Premier.

Chair: Any further general debate?

Hon. Mr. Fentie: I move that we report progress.

Chair: It has been moved by Hon. Mr. Fentie that we report progress.

Motion agreed to

Chair: Committee of the Whole will now proceed with Bill No. 18, *Third Appropriation Act, 2009-10*.

Do members wish a brief recess?

All Hon. Members: Agreed.

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

Recess

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

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

Department of Tourism and Culture — *continued*

Chair: The matter before the Committee is Bill No. 18, *Third Appropriation Act, 2009-10*. We'll now continue with Vote 54, Department of Tourism and Culture. Mr. Inverarity, you have about 12 minutes and 45 seconds left.

Mr. Inverarity: As we resume this afternoon, I think we can probably dispense fairly quickly with the items. I have to admit that I think we left yesterday with a couple of questions on the floor, and I'll ask a couple more here. Then I'll let the minister take up the task.

My first question would be if she could also provide us a list of the tourism numbers from last year and, if possible, if she could comment on what the anticipated outlook for this year for the numbers might be, coming up in the near future.

I've been asked to ask for the O&M for all the visitor reception centres for last year, if they have been compiled. If not, we don't need them today; if you could send them over to us at some point.

I'm kind of curious to see what the visitor reception centres are costing. Well, if the minister could commit to that, maybe they could provide that detail also for estimated costs for this year. Thank you.

Hon. Ms. Taylor: Thank you, Mr. Chair, and I thank the member opposite as well for his line of questions. In terms of numbers, so far the numbers look very positive for tourism for the 2010 year ahead. Already, we've recorded an increase in visitation, compared to a year ago when it comes to January and February. So we're very optimistic — cautiously optimistic, knowing full well that there is a great degree of optimism in terms of growth markets when it comes to Canada.

Overseas and the United States, of course, remain a question because of the worldwide recession. But we do remain quite optimistic and, again, we will continue to work with our overseas tour operators and our operators within the United States, as well as here in domestic Canada. Again, we're very pleased to be able to report additional monies in this — I should say in the 2009-10 fiscal year for domestic Canada.

Mr. Inverarity: And a follow-up to that one was whether or not the department could send over that information regarding the O&M on the visitor information centre. Could I get a commitment from the minister to provide that?

Hon. Ms. Taylor: I'm not exactly certain what the member opposite is making reference to. It's actually not a visitor reception centre; it's now a visitor information centre and has been — that was changed a number of years ago to make it very clear for our visitors.

I'm not entirely sure what the member opposite is looking for in terms of operations of the visitor centres, in terms of capital costs, or in terms of personnel costs. Maybe the member opposite could be very clear. We do have several throughout the territory, and we're very pleased to be able to continue to operate those respective centres.

Mr. Inverarity: I appreciate the correction. What I'm specifically looking for is probably all of the above. Originally it was just O&M, but O&M and capital costs for the past year

related to the budget for all of the visitor information centres — specifically staff costs — really, just all of the O&M line items. I'm sure I'm just kind of looking at it — trying to find a comparison between the costs in the different areas. And I hadn't thought about the capital, but if the capital was easily available, I'd appreciate that too.

Hon. Ms. Taylor: Again, Mr. Chair, I am a little loathe to provide that information at this time just because we're in the stages of moving toward ratification of a collective agreement with Yukon government employees. But in terms of capital costs, that really varies as well from year to year. According to each of the respective centres' costs and needs and priorities — it could be carpet replacement, it could be new paint on the exterior or interior, it could be a new projector for shows, it could be new displays. So it really varies from year to year.

Mr. Inverarity: In terms of the capital cost, I appreciate the variances between each of the different centres is probably unique. It was the minister who brought it up and was clearing it and I thought, well, what the heck. But specifically, beyond the O&M side, I would be interested in the line item expenses.

I understand staffing could be an issue, considering the current negotiations, but it is last year's information that I was specifically looking for. So those costs in terms of single budget line item numbers would be — I imagine they're a conglomerate of all the staff within the centres or the individual centres. There's usually probably more than one. However, if the minister feels that in the case where there might only be one, it might be too unique or private, then I have no problems with that being blacked out. But I am interested in the other costs with regard to the individual centres.

I know we're probably not going to — well, I'm hopeful that we might get to the Tourism department in the new one. But the individual visitor information centre O&M costs must certainly be in a budget somewhere for the billion-dollar budget. So those line items should be available for the different centres, if she could provide both last year's actuals and this year's current. If we need to wait until the end of the ratification — if that's part of the issue — then I don't have a problem. I'm just looking for them to do some analysis. Thanks.

Hon. Ms. Taylor: I would like to inform the member opposite that since we were re-elected and elected first in 2002, we were also very pleased to introduce funding for a number of our community interpretive centres, museums, cultural centres. They also serve a very important service to our visitors. I know that centres such as the Binet House in Mayo, even in Watson Lake, the Northern Lights Centre, and other ones such as Miles Canyon Historical Railway Society was another addition, and also the Campbell Interpretive Centre was also an additional centre that we were able to fund and continue to fund with operation and maintenance support. Likewise, I know First Nation heritage cultural centres in the communities of Carmacks, Pelly Crossing, Teslin, Dawson City, soon to be in Haines Junction, as well as here in Whitehorse with the Kwanlin Dun cultural centre — we have provided funding in the past for existing ones and will be providing funding to those two centres that are

coming on-line. It's very important to note how we have brought up operation and maintenance support for those respective centres over the years, to the tune of — I think this year we're approaching almost \$1.5 million for direct operational funding support for Yukon museums, which is a far cry from where we started out several years ago.

So I just wanted to put that out on the record that these centres are also very instrumental in providing informational services as well.

Mr. Inverarity: I understand the funding arrangements that may be in place for these other areas; I'm not specifically looking for them and I appreciate that they may even be a concern. We have no control over them, but I was specifically looking for the ones that are under the control of the department that might be listed in these specific budgets and not under the grants that may be given to other independent organizations. We certainly wouldn't want to go delving into their area. So if I have that commitment then I am pretty much ready to move on.

Hon. Ms. Taylor: I just wanted to go back to the member opposite's comments where he was a few days ago — or I guess it was yesterday or the day before yesterday. The member opposite also made reference to actual items in the supplementary budget which we're actually debating here today. The member opposite made reference to questions about the Guild Hall improvements and I just wanted to get back to the member on that because I do have some information about that. We were very pleased — as the member opposite may have recalled, not long ago I was very privileged to be able to co-announce with our Yukon senator, improvements to the Guild Hall and I think that it is a very deserving facility. It is a facility that has served our community over the last number of years as a community theatre. It has also been mentioned as a community gathering space. It also houses a gallery space for receptions, community events and it has been the home of the Northern Lights School of Dance over the years as well.

Of course, as the member opposite ought to know, it certainly took life back in 1980 and it has evolved substantively since that time. It actually is comprised of a couple of World War II wood-frame structures. They were moved to the site and in 1983 the structures were then joined to create a theatre space. Then it was in the mid-1990s that an addition was added to the building, which comprised of studio rehearsal spaces to accommodate the school of dance and rehearsal space needs.

The original building and the theatre — although they've been in existence for some time, they never really have received a proper makeover, so to speak, since that time. I know that the present project, which is in fact all about that — making improvements, renovation activities — will breathe new life into this facility. It will extend the life of the facility and it will ensure that that facility continues to be a hub and a community heart.

Specific renovations comprise replacing the existing washrooms with the barrier-free building code-compliant bathrooms, replacing the existing barrier-free access to the building with a code-compliant system, replacing the existing roofing, renovating the kitchen and the bar area to enable more func-

tion, more efficiency, when it comes to layout — replacing existing propane furnace with a high-efficiency unit, and the installation of a ventilation system, as well, with heat recovery to meet code requirements.

So, definitely, particular attention is being paid to energy-efficient upgrades that will, in turn, reduce the energy costs associated with operating the particular facility for both the tenants — and will provide more functional space, so for the enjoyment of all community citizens, to say the least.

Funding came about in the amount of \$648,000 in total, some of which is comprised in the supplementary budget. The rest is reflected in the main estimates. We'll get into greater length at that time. But it was provided under the auspices of Canada's infrastructure stimulus fund — 50:50 shared.

So we did take the opportunity to deem that to be a tremendous priority and a great opportunity for us to be able to work with the Guild Hall Society on a project that is much, much needed and has been very well received, I might add.

I don't really need to get into the specific area but I think I mentioned the scope of work to comprise much of which will occur this year. I believe it should be wrapped up later on this year.

The member opposite made reference to arts facilities and cultural venues and I recall the time when we made the announcement of the Guild Hall improvements. This piece of infrastructure joins a whole host of cultural infrastructure in the territory, one of which includes the Old Fire Hall. The Old Fire Hall — as members opposite may recall, about a year ago we entered into a three-year agreement with the Whitehorse Chamber of Commerce and the Yukon Arts Centre to administer and operate that facility, that heritage building, as a cultural venue.

It has been very well received by the community and it has served as a meeting place. In fact, just about a week and a half ago, I attended a book launch. I think it was the history of hunting in the Yukon by one of our beloved authors here in the Yukon. I have been to musical productions in that facility. It's a great gathering for community events, as I mentioned, because of its location, and that is what was wanted by the public. We needed to continue to revitalize the Whitehorse waterfront. It is for that very reason that we have invested over \$19 million in improvements to the Whitehorse waterfront. That doesn't even include the investment made in the Kwanlin Dun First Nation cultural centre, which we're very pleased to also partner, and which will also serve as a very important, integral anchor to the Whitehorse waterfront. It will also be a very special place for housing, showcasing and presenting First Nation culture — again, breathing new life into the waterfront.

This also builds on cultural venues, such as Arts Underground, which is housed within the Hougen Centre. That's another great partnership that was struck between the private sector, public government and the arts community as well. It has served to bring a lot of business to the downtown core, and it has provided another venue for local artists to be able to showcase various events, one of which I was able to attend not long ago. I believe it was the Northern Fibres Guild — but one example of a show that was presented here recently at Arts Un-

derground. It also serves as a great anchor for providing workshops for children, all the way to seniors and elders.

Again, that builds on other infrastructure, including our School of Visual Arts, which is provided through our Dawson City Arts Society and of course the Yukon Arts Centre. We have also been very fortunate to be able to enhance their operating funding substantively over the years.

Mr. Chair, seeing the time, I move that we report progress.

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

Motion agreed to

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

Chair: It has been 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. 20, *First Appropriation Act, 2010-11*, and directed me to report progress. Also, Mr. Speaker, Committee of the Whole has considered Bill No. 18, *Third Appropriation Act, 2009-10*, and directed me to report progress.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

The time being 5:30 p.m., this House now stands adjourned until 1:00 p.m. Monday.

The House adjourned at 5:30 p.m.