

Whitehorse, Yukon**Monday, December 4, 2006 -- 1:00 p.m.**

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

Prayers

DAILY ROUTINE

Speaker: We will proceed with the Order Paper. Are there any tributes?

TRIBUTES**In recognition of National Safe Driving Week**

Hon. Mr. Lang: I rise today to recognize National Safe Driving Week, which began December 1 and runs through to December 7. Canadians are asked to examine how they drive and to focus on driving safety. Mr. Speaker, this year's theme for National Safe Driving Week is, "Be a responsible host."

The beginning of December is the beginning of the holiday season, a time when many Yukoners celebrate with family, friends and colleagues. If you are a host, you would want to make sure of the safety of family, friends and colleagues.

I am very pleased to say, Mr. Speaker, that the Department of Highways and Public Works is a member of the Impaired Driving Prevention Coalition. This committee also includes members from the departments of Community Services, Health and Social Services, Justice and Education, the Yukon Liquor Corporation, the RCMP, Mothers Against Drunk Driving, the insurance industry and local driving school.

To reduce the number of alcohol-related injuries during the holiday season, the RCMP conducts random stop checks to remove impaired drivers from our roads. RCMP officers, volunteer auxiliary constables, youth representatives and Mothers Against Drunk Driving all work together to get the message out to motorists that drinking and driving don't mix. Thank you to all of you who work toward making our highways and roads a safer place.

Last year at each check stop an average of 850 vehicles were stopped in a typical evening. Almost 6,000 drivers were checked over the course of this campaign.

I would like to thank these dedicated volunteers for donating their time in assisting the RCMP officers to staff the check stops. I urge all Yukoners to drive safe and sober for this coming season.

Mr. McRobb: I rise today to speak to Safe Driving Week in a way that will be worthwhile if it even prevents one accident.

Each year there are many unfortunate driving fatalities and injuries that occur on our roadways that could have been prevented. These are usually attributed to driver error. One of the basic rules of the road is to limit your speed to the conditions of the road. This is vital. On the open highway this means reducing speed under slippery conditions at times when vision is restricted or in other high-risk situations. One example of a higher risk situation is meeting an oncoming vehicle in snowy conditions, which is the current state of our Yukon roadways.

Most people already know to slow down and move over when meeting another vehicle, but there is more to it than that. Be prepared for the unexpected. For instance, be prepared to deal with that animal on the road that is hard to see because of the blinding glare from oncoming lights. This time of year it is just as critical to be prepared for the unexpected when driving through the snow trail that might follow an oncoming vehicle. While it is not hard to see other oncoming lights at night, it is a different story during the daylight hours.

Be prepared for whatever might be approaching in the snow trail. It could be another vehicle whose driver is attempting to pass the lead vehicle or who is following too closely and doesn't realize the vehicle is in the middle of the road or, worse yet, in your own lane. Recognize it as a high-risk situation and be prepared to react quickly.

Finally, I wish to mention another good driving habit that could spare one from an accident someday. Instead of driving near to the centre line or just anywhere in your lane, try to drive where the passenger wheels are within a few inches of the meridian line to the right. Practising this technique consistently will increase your driving attention and provide a greater safety margin by increasing space between your vehicle and oncoming or passing vehicles.

In terms of driving, space means time, and having more time to react to sudden and dangerous conditions such as a tire blow-out, an animal on the road or anything else that requires your immediate attention, translates to increased safety. Remember, the best driver on the road is the defensive driver. Always be prepared to react.

Speaker: Are there any further tributes?
Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Ms. Horne: Mr. Speaker, I'd like the members of this Assembly to recognize our visitor, Gerry Bruce, who is in the gallery today. Welcome, Gerry.

Applause

Speaker: Are there any further introductions of visitors?

TABLING RETURNS AND DOCUMENTS**Speaker's statement**

Speaker: Before we proceed with the tabling of returns and documents, the Chair will make a statement on an event that occurred during tabling returns and documents on Thursday, November 30, 2006. At that time the Member for McIntyre-Takhini tabled a document. In doing so the member made additional comments about the document's contents. That is not in order. When tabling a document, members should restrict themselves to the title of the document or a description of its subject matter. Editorializing about its contents is not in order as tabling returns and documents is not an opportunity for debate, and other members are not able to respond to any comments made by the member tabling the document.

Are there any documents or returns for tabling?

Hon. Mr. Kenyon: I have for tabling a document from the Yukon Liberal Web site press release, entitled "Yukon Liberal candidates sign code of conduct".

Speaker: Are there any reports of committees?
Are there any petitions?
Are there any bills to be introduced?
Are there any notices of motion?

NOTICES OF MOTION

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

THAT this House urges the Government of Yukon to work with the Royal Canadian Mounted Police M Division under the substance abuse action plan to increase police enforcement actions to deal with street crime in Yukon communities.

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

THAT this House urges all ministers to uphold the need for greater accountability by expeditiously informing the House about any potential conflict-of-interest issue that could interfere with, or prevent, a minister from speaking to any matter within the minister's area of responsibility, to briefly explain the conflict and to designate an alternate minister who can speak to the matter in the Assembly.

I also give notice of the following motion:

THAT this House urges this Assembly to send a united message to request the Canada Post Corporation within the territory to apply the same exemption to postal junk-mail screening for Members of the Legislative Assembly as it does for Yukon's senator and Yukon's Member of Parliament.

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

THAT this House urges the Yukon government to immediately appoint a public commission, representative of the Yukon's demographic makeup, to hold public hearings and recommend options for reform of the Yukon's electoral system to enable Yukon electors, if necessary, to participate in a referendum on electoral reform no later than December 31, 2008.

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

THAT it is the opinion of this House that

(1) previous assemblies of this Legislature have unanimously passed motions in support of protecting the habitat of the Porcupine caribou herd;

(2) an agreement between the Government of Canada and the Government of the United States signed on July 17, 1987, on the conservation of the herd and its habitat is still in force;

(3) the result of the mid-term elections in the United States changed the political makeup of both the Senate and the House of Representatives; and

THAT this House urges the Yukon government to advise members of the Democratic Party majority in both houses of Congress of the urgent need to pass legislation that will provide permanent and inalienable protection of the Porcupine caribou herd and its habitat, which includes areas of calving, post-

calving, migration, wintering and insect relief as stated in the 1987 international agreement.

Speaker: Are there any further notices of motion?
Hearing none, is there a statement by a minister?
That brings us to Question Period.

QUESTION PERIOD

Question re: Climate Change Research Centre

Mr. Elias: I have some questions for the Minister of Environment. In September of this year, the Yukon became one of the last jurisdictions in Canada to introduce a climate change strategy. This is nothing to be proud of. We are years behind other jurisdictions when it comes to taking action on climate change.

Let's be clear. The document that the Yukon government produced in September is not an action plan; it is only a strategy. It contains no action items. When the strategy was released, the minister promised there was more to come. He said there would be a detailed action plan that would outline the specific actions and initiatives that the government will undertake to implement the strategy. When is this detailed action plan going to be ready for implementation?

Hon. Mr. Fentie: Actually, the Yukon has long been implementing measures to do our part in addressing a global phenomenon, which we call "global warming" or "climate change". Quickly, just some examples are the long-standing programs we have had -- green energy and building retrofits so they are more energy efficient, and the amount of hydro that is being used to produce electricity in today's Yukon, which contributes to reducing the need for fossil fuels. Then, we have gone a step further in developing our own plan or strategy at this stage -- a climate change strategy for Yukon specific, as we work with all our partners in Canada, including the federal government.

As we stated, there will be a strategic action plan developed, and that will be done in intensive consultation with the Yukon public and First Nation governments.

Mr. Elias: Mr. Speaker, climate change was not a priority of the previous Yukon Party government. There were three ministers in four years, and addressing climate change was not on the radar screen of any of the three. We have a chance to get off to a fresh start.

During the recent campaign, the minister promised to make Yukon College a climate change research centre of excellence. He also said that the Government of Canada was responsive to this idea. When will Yukoners see this promise come to reality?

Hon. Mr. Fentie: The reason, Mr. Speaker, is that there is a core underpinning to research. There is more to this issue in the north -- especially in the north -- for us in terms of the measures that help to reduce our contribution to the global phenomenon. Given the fact that the Yukon emits miniscule amounts of factors into the atmosphere that would directly relate to global warming and that we are experiencing significant impacts from this global phenomenon, there is a need of adaptation for the north. That is why we have embarked on a pro-

cess with the innovation cluster. The innovation cluster is important, because cold climate research into construction is all about adaptation. We need to do more. Adaptation means how we address what is happening to our overall environment and ecology due to climate change.

The investments and all the work necessary for such a centre of excellence is something we need in the north, but it will require a great deal of critical mass to be put together -- whether it be the Department of Environment, Yukon College, the federal government and scientists. There is a litany of areas that are required to be involved.

Mr. Elias: Mr. Speaker, Yukoners want to see this government give climate change the attention it deserves. The current federal government seems reluctant to tackle this issue, and Canadians have been voicing their displeasure over this approach. Let's not see the same approach here. Let's be proactive and get something done. I for one don't want to have to explain to my constituents 40 years from now that I had a chance to do something about climate change and didn't, especially when they are living and coping with the effects of climate change as we speak. Yukoners want to believe the Premier feels the same way, but this government has to demonstrate it with their actions.

The budget that we are discussing this fall has no funding for any new climate change initiatives. This is not a good start. When is the minister going to demonstrate to Yukoners that this government is serious about combating climate change?

Hon. Mr. Fentie: You know, Mr. Speaker, the government side is very encouraged to hear from the official opposition the importance they place on climate change and how compatible it is to the government's position and view of the importance of climate change. But I would caution the Member for Vuntut Gwitchin: this is not something that we can be in a hurry about. We have to do things that will actually work.

Let us use the example, brought up by the member, of the federal government. It wasn't that long ago that a federal government in power had forged ahead with initiatives that obviously didn't work. One of the problems that the newly elected federal Liberal leader has is the fact that even the measures that the then federal government implemented in a hurry to demonstrate to the public that they were, in fact, trying to do something had no positive contribution to Canada's overall emission factor. In fact, as I understand it, under that impatient, probably not-well-thought-out investment, Canada's emissions increased. That's not what Yukon wants to do. We want to get it right.

Question re: Canada Winter Games, athletes village

Mr. McRobb: I have some questions about the ever-increasing cost of the athletes village. It started out, of course, as a \$3-million project then, under the Yukon Party's watch, it quickly ballooned to more than \$30 million. Part of the reason for this massive overrun is the government's decision to bypass traditional construction rules and sole source out much of the work. Alberta companies have done quite well on this project.

The minister told the House last Thursday that the project was underbudget. The same day, one of the minister's officials

told the local paper that the project was in fact overbudget -- \$3 million overbudget. Which is it, Mr. Speaker?

Hon. Mr. Kenyon: Again, the member opposite is confusing some of the details here. When the host society submitted the plan to get the bid for the Canada Winter Games, \$2.7 million -- not \$3 million -- was estimated in their budget -- not any government at any level -- to house the athletes. This was clearly not going to happen. As it developed, the host committee and those involved in the games realized this was not possible. The original bid was like a hotel bill: it would as if the Member for Kluane was taking a group of scouts to a meeting and budgeted a certain amount for the hotel bill, not for constructing what is necessary under the games' watch.

It was then brought back to the Yukon territorial government in order to make a decision to save the games or to withdraw from them. Clearly this was not something we were prepared to let flounder. This government supports the Canada Winter Games and has come out of this with a legacy project we should be very proud of.

Mr. McRobb: Well, maybe that won't be the only legacy, Mr. Speaker. History will show that this government has made a lot of judgements on this project that will have increased the final cost. It took a \$3-million project and added at least \$27 million to that cost.

Last week, the minister said the project was underbudget, but his own officials contradicted him and said the project is \$3 million overbudget and now sits at \$34 million.

When can taxpayers expect to see definitive final numbers about the cost of the building?

Hon. Mr. Kenyon: I profusely thank the member opposite for giving me an opportunity to once again explain to Yukoners that the \$2.7-million budget came out of the host society; it was not a government budget at any point. We then had to look at a variety of options, from bringing trailers up the highway, estimates for which range anywhere from \$16 million to \$24 million -- and those trailers would go back down the highway, Mr. Speaker. This was something that was not a reasonable solution.

We came up with a way to have a legacy building with the Yukon College, a legacy building for Yukon Housing Corporation -- both of which will provide revenue streams. In other words, Mr. Speaker, there is no mortgage on these buildings. We can then, in either organization -- the college or Yukon Housing Corporation -- look at this as a way to generate money in the future. So, that is a good-news story. And it goes on top of other legacy projects that come out of this, everything from renovations of the old fire hall downtown, which will be integrated into our waterfront, to the ski chalet at Mount Sima, to a wide variety of things.

Again, I thank the member opposite for giving me an opportunity to point out all these legacy projects. This government supports the Canada Winter Games.

Mr. McRobb: Even more, Mr. Speaker, if he bothered to answer the question.

I guess Yukoners will have to wait and see the final numbers on what this thing costs because we are not getting it from the minister. We know the project started at \$3 million and,

under this government's watch, has ballooned to somewhere more than \$30 million. Just how much is not known yet. While the minister was busy ramping up the spending on this building, he didn't bother to get the proper permits. Last week the minister said: don't worry, it's all under control, the land doesn't need to be rezoned. Well, the Mayor of Whitehorse obviously disagrees. She said today that if the government decides to turn the building into affordable housing, the land must be rezoned. Is the minister prepared to accept the jurisdiction of the city or is he just going to push this through?

Hon. Mr. Kenyon: The city is our partner in this to the tune of about \$8 million, and I refer the member opposite to how cooperative this government and the developers of the project have been. In fact we applied for the development permit under application 2005-0194, zoned PS, which is properly zoned for a government building on a government property. Then building permit 06-38631 was issued to construct the buildings for residential purposes. We are in full compliance with the building permit and with the development permit. If the city wishes to discuss that with us, we are more than willing, and I understand discussions are ongoing and will continue tomorrow morning. These are the development permits and the building permits that were issued and we are in full compliance with them.

Question re: School construction planning

Mr. Cardiff: Last week, I asked the Minister of Education about a \$70,000 sole-sourced contract for school planning in Whitehorse. Now, the minister has narrowed the school planning exercise from looking at all facilities in Whitehorse to just three: F.H. Collins, Porter Creek Secondary and the promised school in Copper Ridge. During the election campaign, we heard from the present MLA for Whitehorse West that the Copper Ridge school would be a high school. We already know from the numbers that the number of high school students in Whitehorse probably does not warrant a new high school.

The question I would like to ask the minister is as follows: will the minister advise the parents of Riverdale and Porter Creek which existing high school in their subdivision can expect to be shut down, so that they can plan too?

Hon. Mr. Rouble: Well, Mr. Speaker, I think the term "fearmongering" has been ruled out of order in here.

Unparliamentary language

Speaker: Nice try, no prize. The member knows full well. The member has the floor.

Hon. Mr. Rouble: I apologize, Mr. Speaker.

Let me put the member's fears to rest. There are no plans to close down either of those schools, Mr. Speaker. We are taking a look at the facilities to see how they need to be improved and amended in order that we can extend their useful life, if that is what the study concludes. We are certainly not prejudging the study.

Mr. Cardiff: Mr. Speaker, another option for the Copper Ridge school that was promised in the election campaign is that it could be an elementary school rather than a high school. That could leave the future of other elementary schools in

doubt, such as the Takhini Elementary School extension. The future of that school has been talked about for a number of years.

A quarter of a century ago, when the Kwanlin Dun First Nation agreed to move away from the industrial area, part of the agreement was that they would receive a school in their area. They are still waiting. In the meantime, they and other First Nations are seriously looking at drawing down education. As part of the school planning exercise, has the minister included consulting with the Kwanlin Dun First Nation about having the present Elijah Smith Elementary School come under First Nation control?

Hon. Mr. Rouble: The member opposite has touched on a couple of really good points, and that is that there is a lot of history around these issues and a lot of different options. Those were the things that we have to sit back and consider. That's why we're doing our homework with the school planning exercise that is about to get underway, where we will be sitting down, Mr. Speaker, with our partners in Education, to look at the different needs that are out there and how to best satisfy them.

Mr. Cardiff: Well, we fully support the idea that the location and construction of schools should not be based on political concerns of MLAs, no matter what promises have been made in elections or by-elections. Decisions about spending millions of taxpayers' dollars should have a solid foundation of logical thought and broad consultation. Decisions about schools should take into consideration at least all aspects of planning being done by others, including the city and the subdivisions that they're planning, and it should also include school councils and parents. Will the minister consider opening up the scope of the school planning study to make it more comprehensive, include consultation with all Whitehorse citizens, including an assessment of all Whitehorse schools, both elementary and high schools?

Hon. Mr. Rouble: Mr. Speaker, I'm going to agree with the member opposite on a couple of different points. Yes, I certainly agree we don't need to politicize the building of a school. Building a school is too important of a decision to be made on a political whim. We need to make schools an important part of our community now and into the future. Building a school isn't a short-term decision; Mr. Speaker, it's a long-term decision. I am certain that we will debate the investment into that decision here on the floor of the Assembly. Mr. Speaker, we're doing our homework on this issue. We made a commitment to build a school. We're going to do that, and now we're working to identify what it's going to look like.

Question re: Hamilton Boulevard extension

Mr. Edzerza: The widening and extension of Hamilton Boulevard is a joint project between the Yukon government and the City of Whitehorse. As such, either the Minister of Highways and Public Works or the Minister of Community Services should have a responsibility to make sure that area residents who are affected by this project will be properly consulted.

Many people in my constituency have serious concerns about the roundabout in front of Elijah Smith Elementary

School. It just doesn't work well for people coming out of the McIntyre subdivision. They certainly don't want to see another roundabout at the lower end of McIntyre Drive and Hamilton Boulevard, but they would like a traffic light to reduce the time it takes to get onto Hamilton Boulevard.

What is the minister doing to make sure the residents of McIntyre subdivision have a voice in how this major traffic artery is developed?

Hon. Mr. Hart: I wish to reassure the member opposite that the Department of Community Services is working with all those involved in the extension of Hamilton Boulevard, including the City of Whitehorse and the stakeholders involved in and around there. This also includes our negotiation with the Kwanlin Dun First Nation, with whom we just had a meeting. Things appear to be going along quite smoothly with that First Nation. We will be looking at addressing all the situations, including lights and/or a roundabout in that area when we do get to the extension of Hamilton Boulevard.

Mr. Edzerza: It's encouraging to hear that maybe the First Nation might have a voice. The Premier frequently talks about his excellent relationships with Yukon First Nations, so perhaps I should be asking him to make sure this happens. While he's at it, there are some related issues I would like the Premier to attend to.

There's a lot of talk about a new school in the Whitehorse West riding, although it's not clear where or what it will be. A new school could have a considerable impact on my constituents, both in McIntyre and in the Takhini area. If it's an elementary school, it could affect both Elijah Smith and Takhini elementary schools. What is the Premier doing to ensure the citizens of Kwanlin Dun First Nation and Takhini and the chief and council will be properly consulted in the planning for any new school facilities in that area?

Speaker's statement

Speaker: Before the Minister of Education stands up -- for the Member for McIntyre-Takhini, it's a question and two supplementary questions on the same issue. I understand that you are new in opposition, so we will have some leeway here. The Minister of Education is obviously prepared to answer the question but please keep that in mind for the future.

Minister of Education, you have the floor.

Hon. Mr. Rouble: Thank you, Mr. Speaker, and I thank the member opposite. That might be a little bit of an easy mistake for me to make; the member and I had a pretty good relationship in the past, and we will try to keep that going in the future.

I appreciate him bringing forward the concerns of his constituents here on the Assembly floor, and I can assure him and all people in McIntyre-Takhini -- and indeed folks up on top of the hill -- that there will be consultations with the community and that they will be open and inclusive. We will be inviting all our partners in education to participate in those meetings, and it will involve the schools involved.

As I said before, this is a long-term decision. It is going to have long-term impacts and we are doing our homework at the beginning.

Mr. Edzerza: I believe my question was more relevant to things I heard on the campaign trail; that is why I brought it forward.

As the Premier knows, any concern --

Speaker's statement

Speaker: Order please.

The House rules clearly state that it is a question and two supplementary questions on the same issue. It's not open for debate; these are the rules. I would ask the honourable member to respect that.

Mr. Edzerza: Thank you, Mr. Speaker.

As the Premier knows, any construction project worth more than \$3 million that the government undertakes in Kwanlin Dun traditional territory has to provide an opportunity for the First Nation to participate directly. That means the First Nation must have opportunities for jobs and other economic benefits from the Yukon government capital projects in their territory. That's how it is supposed to be with the new correctional centre, but this government keeps stalling on that project.

Will the Premier give his guarantee that the First Nation will have an opportunity to be directly involved in building both the new Copper Ridge school and the new correctional facility? Or does he intend to work both issues until this new mandate expires, with no results?

Speaker's statement

Speaker: Before the government side answers, I want the Member for McIntyre-Takhini to understand that this will happen today, but it will not happen in the future. If, in fact, I hear repetition of this, I will ask the honourable member to sit down. So, as long as we are clear on that.

Hon. Mr. Fentie: Thank you, Mr. Speaker, I am more than willing to help the Member for McIntyre-Takhini out on the matter.

Thinking back, the member would quickly come to the conclusion that the issues for the Kwanlin Dun First Nation and capital investment by government in the traditional territory, with a threshold of \$3 million and up, are very much part of our obligation in the land claims process. Those discussions, however, are totally dependent on what the plans are for the investment.

We all know, as led by the former minister, when it comes to a corrections facility, we looked into the issues of corrections in the Yukon, such as the recidivism rate and the need to do much more than simply build a building. Secondly, it is why the Minister of Education has undertaken a school planning study in Whitehorse in three areas. They are the areas that are pressure points right here in the City of Whitehorse. It must be done. There is more growth coming in the Copper Ridge area. There is potential growth in the Porter Creek area. There is a need with F.H. Collins in Riverdale, considering its life in service.

There is a difference between that side and this side. We will do the planning. We look ahead. They don't plan, and they look back.

Question re: Bonnet Plume Outfitters

Mr. Fairclough: My question is for the Premier.

It was not my intention to ask any questions today on the matter of the buildings built on the banks of the Bonnet Plume River. I was prepared to give the government an opportunity to do what the Premier said he would do: apply to the courts for a summons to have them removed. However, the CBC reported last week that the owner of the outfitting company in question said that he was given verbal permission to proceed with his plans to construct the buildings. That changes things dramatically. It does not, in any way, make it right, but it goes a long way toward explaining why an outfitter might spend up to \$500,000 on this project.

Has the Premier ascertained who the individual was who gave the permission? If so, who was it?

Hon. Mr. Fentie: Well, Mr. Speaker, firstly, the government side is not going to get involved in speculation. This matter is the result of a complaint that was brought forward to the department. The department officials acted upon that complaint. A request has been sent to the outfitter in question to provide legal documents -- not a conversation -- that reflect the right to occupancy. If that documentation cannot be provided, then the question of legal standing must be dealt with, and the proponent, the outfitter in this case, has been informed that the government will take action through the courts, vis-à-vis the legal services branch, and the lands branch to seek a court-ordered removal. That's the process. We have articulated it time and time again here in the Legislature, and there is nothing more. I can tell you that when it comes to these matters, our government does not act on conversation. We act on fact.

Mr. Fairclough: The outfitting company said they were given verbal permission to go ahead and spend \$500,000. How many people in the Yukon can you name that would do that on verbal permission? Now, let's go through a process of elimination here. My question is, again, to the Premier. Has the Premier asked the Minister of Health and Social Services? Has he asked the Minister of Community Services? Has he asked the Minister of Justice or the Minister of Economic Development? Has he asked the Minister of Education and the Minister of Tourism and Culture if they had any role to play in giving the verbal assurance to proceed with this construction?

Hon. Mr. Fentie: Why don't we ask the Governor of Alaska and the Premier of B.C. and the Premier of Alberta and -- who else can we ask? Mr. Speaker, this issue is all reflected in one course of action. It's called "due process". I'll repeat for the member's benefit. A complaint was registered. The department took action on the item based on the complaint. All things up to that point have been dealt with on the basis that the department requires legal documentation for occupation of this specific site. If no documentation is forthcoming, the government, through the department, has stated clearly what the next steps will be, and that will be seeking a court-ordered removal through the legal services branch and the lands branch.

Mr. Fairclough: I think the answer is no to the question, that he did not ask the minister. Let's continue on this matter.

Members on this side of the House, the official opposition, believe that only a minister would have convinced the owner of the outfitting company to make such a massive financial commitment simply on a conversation alone. The Premier knows that the integrity of this government is on the line. Will the Premier stop ducking and stand up and tell the House which member of the government gave that assurance and, more important, what he intends to do about it?

Hon. Mr. Fentie: Well, Mr. Speaker, you know, discipline in this matter is becoming a little difficult listening to the line of question, but discipline will be applied by the government's side.

To suggest such a thing -- frankly, there is no response to it because it is not relevant to the issue. There is no such thing as a minister telling any person that they can do something of this nature. It can't happen. There are laws in this territory and the government side doesn't break law; otherwise there is a problem.

The facts are clear: this is based on a complaint that was registered; the department has taken action. The department has requested legal documentation. If that legal documentation is not forthcoming by December 15, then the department, through legal services branch and the lands branch, will be seeking what we must do: getting a court order for removal of said building or buildings on-site, as to be determined by due process. One thing we don't do is circumvent due process.

Speaker: The time for Question Period has now elapsed.

Question of privilege

Speaker: On a question of privilege, House leader, third party.

Mr. Cardiff: Pursuant to Standing Order 7(1), I provided the Speaker of the Legislative Assembly with a letter stating my intention to rise today. I'll read the contents of that letter.

"This is to advise you that, pursuant to Standing Order 7(1), it is my intention to rise on a Question of Privilege following the Daily Routine and before the Orders of the Day this afternoon.

"On Thursday, November 30, in his response to the final supplementary of my first question to him, the minister responsible for the Yukon Housing Corporation made the following comment:

"I would suggest, for the member opposite and for those listening, that city staff should perhaps be aware of the fact that the territorial election has already been concluded." That is a quote from the Blues, page 210.

"I have now had an opportunity to read the Blues and to reflect on the minister's statement. It is my belief that the minister's reference to an unnamed, but readily identifiable, municipal employee amounted to an unfair and unwarranted attack on this person's professional integrity.

"By making these comments at the time and in the manner in which he did, I believe that the minister was ascribing false and unavowed motives both to me and to the municipal em-

ployee, who is not a Member of the Legislative Assembly and therefore is not in a position to defend herself in the House.

"Mr. Speaker, in the course of this sitting, you have intervened several times to remind members not to personalize debate. In this instance, the minister not only personalized the debate, he did so in a way that was calculated to cause embarrassment to me and to the municipal employee in question. I would respectfully ask that you direct the minister to apologize and to refrain from criticizing persons who do not have an opportunity to respond in the Legislative Assembly.

"Signed, Steve Cardiff, House leader, third party."

Since I had the opportunity to read the Blues on Friday, this has actually been raised with me by a number of people who were listening or who had a chance to review the Blues. The point of the matter is that the person in question the minister was talking about is an employee of the city. The comments were made -- that the minister was referring to and which I referred to in my question -- in the course of doing their job as a municipal employee.

It had nothing whatsoever to do with any election campaign, and the minister had no right to imply that their comments to the media regarding the subject matter were partisan in any way. They were simply doing their job. They don't have an opportunity to come into this Legislature and defend themselves. So, respectfully I would ask that you would review the Blues and the comments and ask the minister to apologize.

Speaker's ruling re: question of privilege

Speaker: The Chair is prepared to rule on the question of privilege.

Before discussing the substance of the question of privilege, the Chair will deal with some procedural matters. The acting leader of the third party met the notice required found in Standing Order 7(1)(b) by submitting a written notice to the office of the Speaker by 11:00 a.m. today. Standing Order 7(4) states that the Speaker must rule on (a) whether there appears on the face of it to be a case of breach of privilege and (b) whether the matter has been raised at the earliest opportunity.

The normal practice of this House has been that, to meet the "earliest opportunity" requirement, a question of privilege must be raised at the time the event occurred or on the next sitting day. In this matter, the event took place on Thursday, November 30, 2006. Raising the question of privilege on the next sitting day meets the "earliest opportunity" requirements of Standing Order 7(4)(b).

In dealing with the question of privilege, it is not the Chair's role to rule that a breach of privilege has or has not occurred. The question for the Chair to decide is whether there appears on the face of it to be a breach of privilege. Should the Chair decide that this is the case, the acting leader of the third party will be invited to place before the House a motion that would deal with the issue. All other business before the House, with the exception of the daily routine, would be set aside until the issue is dealt with.

Should the Chair decide that there does not appear to be a breach of privilege, the acting leader of the third party may still bring the issue before the House. This could be done by giving notice of a substantive motion in the usual fashion, which could

then be called on a day when the opposition private members' business has precedence.

In order to rule on the question of privilege, we must first consider the nature of parliamentary privilege. According to *House of Commons Procedure and Practice*, the term "parliamentary privilege" refers "to the rights and immunities that are deemed necessary for the House of Commons as an institution and as members and representatives of the electorate to fulfill their functions. It also refers to the powers possessed by the House to protect itself, its members and its procedures from undue interference so that it can effectively carry out the principal functions which we are required to do to debate and to legislate. In that sense parliamentary privilege can be viewed as special advantages which Parliament and its members need to function unimpeded."

House of Commons Procedure and Practice also informs us that "[T]he rights and immunities accorded to members individually are generally categorized under the following headings: freedom of speech, freedom from arrest in civil actions, exemption from jury duty; exemption from attending as a witness."

The Chair finds that there is no apparent breach of privilege in this case. In his written notice, the acting leader of the third party made two points: first, that the minister responsible for the Yukon Housing Corporation has ascribed false or unavowed motives to him and to another person. The attribution of false or unavowed motives is a question of order and not a question of privilege. As such, the issue should have been raised at the time the words were uttered.

The acting leader of the third party also expressed concerns about the minister making comments about a person who is not a member of this Assembly and is not in a position to defend themselves in this place. While the Chair may intervene to protect those who cannot protect themselves in this place, that is also a question of order -- not a question of privilege -- and the issue should be dealt with when the words are uttered.

The House will now proceed to Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 2: Third Reading

Clerk: Third reading, Bill No. 2, standing in the name of the Hon. Mr. Fentie.

Hon. Mr. Fentie: I move that Bill No. 2, entitled *Fourth Appropriation Act, 2005-06*, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Premier that Bill No. 2, entitled *Fourth Appropriation Act, 2005-06*, be now read a third time and do pass.

Hon. Mr. Fentie: I have no further remarks. The debate was quite detailed in this House on the bill. I just simply move the motion.

Mr. Fairclough: We, too, have not much comment on this. There are only two departments involved. There was a lot of lapsed funding -- some \$72 million. In this regard, we asked

questions and we voted against this budget in the spring. We do not support this budget, even though there are minor changes to it. We will not be supporting this budget.

I do want to state for the record that, as every budget comes through, there are many projects within the departments that we feel are good ones. We have stated that in the past. By voting against this budget, it does not mean that we vote against those projects. I just wanted to make that very clear to the members opposite.

Speaker: Are you prepared for the question?

Some Hon. Member: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Fentie: Agree.

Hon. Mr. Cathers: Agree.

Hon. Mr. Kenyon: Agree.

Hon. Mr. Rouble: Agree.

Hon. Mr. Lang: Agree.

Hon. Ms. Horne: Agree.

Hon. Mr. Hart: Agree.

Mr. Nordick: Agree.

Mr. Mitchell: Disagree.

Mr. McRobb: Disagree.

Mr. Elias: Disagree.

Mr. Fairclough: Disagree.

Mr. Cardiff: Agree.

Mr. Edzerza: Agree.

Clerk: Mr. Speaker, the results are 10 yea, four nay.

Speaker: I declare the motion carried and that Bill No. 2 has passed this House.

Motion for third reading of Bill No. 2 agreed to

Bill No. 3: Second Reading

Clerk: Second reading, Bill No. 3, standing in the name of the Hon. Mr. Fentie.

Hon. Mr. Fentie: I move that Bill No. 3, entitled *Second Appropriation Act, 2006-07*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 3, entitled *Second Appropriation Act, 2006-07*, be now read a second time.

Hon. Mr. Fentie: Mr. Speaker, I am pleased to introduce Bill No. 3, *Second Appropriation Act, 2006-07*. This first supplementary estimate for the fiscal year 2006-07 seeks authority to increase operation and maintenance expenditures by just over \$29 million and capital expenditures by \$76.5 million. The government's revenues, transfers from Canada and other third party recoveries are increased in total by \$66 million.

This supplementary estimate will serve two general purposes: first, it details the expenditure changes that require additional legislative appropriation authority up to this period of the

fiscal year; second, but perhaps of equal importance, it also provides the general public and the Legislature with updated information on the financial position of the government.

This supplementary budget reflects the final financial position of the government as reflected in the audited financial statements for 2005-06, which were released publicly at the end of October. The resulting expenditures, once approved, will increase the total expenditures of the government by just over \$105 million to approximately \$898 million.

Revenue and recoveries are forecast to increase to \$852.7 million. After adjusting for expected lapses and the effect of changes in tangible capital assets, this results in a year-end forecast annual surplus of over \$24 million. After these additional revenues and expenditures are approved, the net financial resources of the government to year-end are projected to be \$84.5 million. The accumulated surplus as of March 31, 2007, is forecast to increase to almost \$513 million. As is the norm for the first supplementary budget of the fiscal year, a significant component of the requested expenditure authority comes about because departments are seeking capital and O&M revote authority from the previous year expenditure lapses.

I would like to make a point at this juncture; we cannot confuse the difference between a revote and a lapse that will go back into general revenue. Again, today, we have witnessed an incorrect conclusion being drawn by the official opposition on what is happening with the budget. Revote authority is critical, and it is being requested in this supplementary. These revotes -- both O&M and capital -- make up about \$34.3 million of budgetary authority sought.

As well, new money has been received from Canada in the form of trusts for housing, transit and education purposes. These amounts were announced in the federal budget in the spring, but were not made available to the Yukon government until about a month ago. Because of accounting policy guidelines, we must now record all trust monies in the year they are received, even if they are expended over a number of subsequent periods. The largest expenditure increases for operation and maintenance are included in the Department of Health and Social Services budget at \$14 million. The Public Service Commission requires \$4.8 million and the Department of Community Services, \$3.9 million. Department of Education is seeking \$2.9 million.

On the capital side of the appropriation ledger, the largest increases are in the Executive Council Office, at \$32.5 million, Highways and Public Works at \$18.3 million, and the Department of Community Services with \$12.6 million in their budget request.

The ministers for the departments I have named, as well as the ministers for other departments requesting supplementary budget approval, will be pleased to provide members of the Legislature with the complete details of their expenditure requirements in the department-by-department, line-by-line review, and in general debate.

However, I will provide you with some of the highlights, Mr. Speaker, and the highlights are general in nature.

On the revenue side of the income budget statement, there have been relatively small changes in the 2006-07 main esti-

mates forecast. Tax revenue has increased moderately, and investment income is predicted to be about \$3 million higher due to the slightly higher interest rates than originally anticipated when the budget was developed. As well, the government's cash available for investments has been higher than originally predicted.

However, on the down side, Energy, Mines and Resources is projecting that the oil and gas resource revenues will decline precipitously by as much as \$4 million as the Kotaneelee gas reserves and the production therein begins to decline.

While ministers will be pleased to go into more detail in general debate, some of the highlights of this supplementary budget include, in O&M, increases in Health and Social Services program spending by \$14.1 million. The increases are spread throughout the department but a large portion goes to fund primary -- I stress the word "primary" -- health care physicians' costs of about \$1.5 million; continuing home care staffing costs of almost \$1.4 million to support program expansion; increased hearing and extended benefits costs of \$720,000, as well as in-territory and out-of-territory physician and hospital cost increases of over \$4 million.

Finally, the Health and Social Services budget includes a significant first instalment of over \$3.7 million to pay down the Yukon Hospital Corporation pension insolvency deficit, which now has ballooned to over \$14 million. The Minister of Health and Social Services will expand on these various initiatives and reasons for both the volume and cost increases.

But, as Minister of Finance, I want to say that I am, and the government is, extremely concerned about the growth of costs of health care in Yukon and Canada generally. The increased costs will, over time, outstrip our growth in available funding resources and taxes.

Mr. Speaker, this is to engage with the members in this House in a debate that reflects this reality. As an example, I think Ontario today is looking at somewhere in the neighbourhood of 50 percent of their budget being directed toward delivering health care in the Province of Ontario. That is quite significant.

The Department of Education has included in their supplementary funding request an amount of \$1.2 million to deal with the Yukon College's pension solvency shortfall. The government has agreed to pay the required instalment payment over the next 10 years. This will amount to an estimated \$6.3 million.

The Public Service Commission has included in this supplementary budget \$4.6 million related to the cost of Yukon employee future benefits that are required to be recognized in our financial statements as a liability.

At this juncture, I must stress another point, Mr. Speaker. Under past governments' financial management, this was not happening and that is why Yukon continued to receive qualified audits. In today's Yukon, under the Yukon Party's financial management, that is no longer the case, and we have made sure that once again the government's liabilities are booked and address the financial picture of Yukon.

The Department of Community Services' largest expenditure is an amount of \$3.4 million to deal with the Dawson City debt write-off.

On the capital side of the supplementary budget, there are close to \$31.5 million of revoted -- and I stress that these are revoted -- capital expenditures, not lapsed monies back into general revenue. I make this point once again for the benefit especially of the official opposition.

The athletes village in the amount of \$4.5 million is under the Department of Community Services. For the Department of Economic Development, a total of \$2.2 million has been requested in revotes for the Alaska rail-link feasibility study, community development fund projects, Film and Sound Commission incentive projects and the port access study. As we have stated, these are all projects that are ongoing, therefore necessitating the revote exercise into a subsequent fiscal year.

The Department of Education is seeking \$3.8 million in revotes. The two largest amounts are to complete the Tantalus School for \$1.285 million and the Porter Creek Secondary school expansion for \$1.3 million. Health is identified with \$2.5 million in revotes, which range from the Watson Lake multi-level care facility through to the new nurse-call system at Macaulay Lodge. The Department of Highways and Public Works has identified over \$9 million in capital revotes. Many of the funding requests are relatively small in nature in the areas of highways and bridge projects, as well as other infrastructure, including airports. The Minister of Highways and Public Works will be pleased to provide this House with a detailed status on these many worthwhile projects.

As members know, these revotes in those cases will supplement the expenditures already identified in the 2006-07 main estimates. Most of these initiatives were previously announced, have already begun and are nearing completion.

With regard to new capital, some of the new capital expenditure initiatives identified in this supplementary budget include over \$32.5 million in capital grants that will go to First Nations for housing. This amount is part of the one-time \$50-million grant announced by the federal government in their last spring budget. The other \$17.5 million will remain with the Yukon government and has yet to be allocated.

We have included \$9 million for the Donjek and Slims rivers bridge projects, which are financed through Shakwak funding and are 100-percent recoverable. Other small amounts of new capital expenditures are disbursed throughout the various departments. Again, Mr. Speaker, ministers will speak to those as we move from general debate into department-by-department and line-by-line debate.

As Minister of Finance, I am very pleased with this supplementary budget and the fiscal position of the government. Ministers and their departmental staff have worked very hard to make sure that we achieve equilibrium between sound fiscal management and, at the same time, ensure a prudent investment in the social and economic fabric of the Yukon. We of course are very proud of what we have achieved over the last few years and intend to continue that trend of sound fiscal management into the next five years of our mandate. I will be

pleased to discuss this budget in further detail in general debate and, of course, as always hope to have a constructive debate.

Mr. Mitchell: Let me apologize in advance to the hard-working staff at *Hansard* because they are going to have work yet a little bit harder based on the cold I've caught. I will try and be brief with my remarks because I really don't have any other option. Perhaps we'll leave more to when we're working in Committee.

First of all, this budget does confirm, as we've said, our continued dependence on the Government of Canada. There is another some \$67 million in new funding from Canada on the table. Now, before the Hon. Premier takes his next opportunity to say that we oppose that and we don't feel that Yukoners should be treated equally to all Canadians -- of course that's not the case. Of course we believe that Yukoners, as full members of the Canadian federation, are entitled to the same level of care as every other Canadian. We recognize that, per capita, allocations will not effect that. In Yukon, per capita allocations are not going to cover the cost of health care when we have a first-rate hospital for some 32,000 people, compared to what will occur elsewhere.

Many of the other costs, similar to education and other areas, cannot be looked at on a per capita basis. Rather the concern is that we would like to see an increase in our own diversification, in our own growth and standing on our own feet, to move away from the need to rely so much on these transfers.

I just wanted to make that clear. We're not opposed to getting our fair share from Canada but, rather, we want to see, as Yukoners, a continuation of the long, 106-year plus devolution of responsible government and see us able to create more of our own wealth and generate more of it in Yukon.

We haven't seen a plan in this budget or in the main budget that truly diversifies our economy. It appears to us that we're still as dependent upon the Government of Canada today as we've ever been. I know the Minister of Finance doesn't like hearing that, doesn't feel we should say so, but it's simply the truth. By his figures, the government has added some \$105 million to this year's spending, bringing the total to almost \$900 million — \$898 million, I believe is the figure — in this budget, together with the main estimates. We are certainly appreciative of the fact that we are getting increased assistance from the Government of Canada. We're appreciative of the fact that former governments of Canada continued to recognize this principle. It was the Liberal governments under Prime Minister Chrétien and Prime Minister Martin that first really began to acknowledge this fact. We appreciate that Mr. Harper's government will continue to see it this way. We are concerned, however, whether that will always be the case.

The Premier mentioned recently that we should look at our own-source revenues. How much is the Government of Yukon taking in? Let's compare. In 2000-01, the figures from the estimates show some \$86 million in own-source revenues — \$86,218,000. This year the figures are basically the same, perhaps slightly down -- \$84,536,000.

Based on own-source revenues, the revenues that we are generating out of various taxations and other revenues that

come in -- from personal income tax, corporate income tax, property taxes, Yukon Electrical fuel tax, oil and diesel tax, tobacco tax, liquor tax, motor vehicle revenues -- have stayed approximately the same. In fact, the one thing that has gone down significantly, which is certainly alarming considering the emphasis that this government has placed on resource revenues and the desire we have on this side of the House to see an increase in generating resource revenues from oil and gas and from mining -- in 2000-01, that figure was \$10,196,000; with this \$4 million adjustment that we are seeing now in this current supplementary budget, we are now looking at just over \$2 million in the current year. The trend has actually gone down in the area where one would think we should have the greatest improvement considering, as the Minister of Economic Development likes to tell us, the world increase in prices -- certainly the world increase in the price of raw petroleum and the price of natural gas. We have certainly seen the boom in the Province of Alberta; we have seen the boom in other jurisdictions where they have these kinds of revenues. So it is concern that we are not seeing it here. We have not become more self-sufficient in five years, according to the government's own budget estimates.

The overall theme of the budget that we are looking at in front of us, as the Finance minister, the Premier, has said, is largely expenditures from April to October of this past year. It is largely to account for money that has already been spent, things that have been purchased, and programs that are hopefully up and running. We have not seen much in this budget to reflect commitments that the Yukon Party made during the recent election.

We just don't seem to see much reflection of that. We feel there was certainly time to incorporate some of these commitments from the campaign into this document, but this government chose not to do so.

Now, I thank the Premier, the Minister of Finance, for explaining that the accounting regulations require that we book all \$40 million from the northern strategy received in 2005-06. It is still a little confusing in how it is being accounted for. We notice that, on the one hand, there is the accounting of \$13,333,000, of which we will have to wait for clarification on whether that is lapsed or there to be revoted. It appears it has not been spent, according to page S-4. But I do notice that there is some \$3 million that has appeared elsewhere in the budget under Finance and is attributed to the northern strategy money. Perhaps there will be an explanation of how that money is going to be spent. We look forward to hearing that. Is this sitting as part of the surplus?

It appears that a lot of the surplus that the Finance minister refers to is just a result of the northern strategy monies and the northern housing trust. In fact, it appears that, if you take a look at these revised estimates, in fact, we had a decrease in the current year surplus of some \$15 million. That is based on the change in net financial resources at the end of the year.

Because of the change in accounting rules, we recognize -- this is very confusing to members of the general public -- that we are now able to refer to some \$512 million of accumulated surplus. As we stated before, that confuses many people be-

cause, if you go back several years, we didn't count the schools, buildings and other investments of the government in that accumulated surplus. This is the change that has been requested by the Auditor General. It is a change that has certainly long been reflected by how corporations and businesses spend their money and perhaps it is a better reflection of the state of the Yukon's situation. The number sounds large when people think back to a few years ago, because we never used that number before.

Now, we have already stated this in our response to the throne speech, but I will state it again here since we are looking at the budget, that, insofar as the minister stated when he was on his feet, there are no new dollars for childcare or social assistance rates in these estimates. I see that the Minister of Health and Social Services is smiling. Perhaps he is going to correct me and disabuse me of that concern. Perhaps he will be standing on his feet later to say that they are going to increase the spending, or that it will be in a future supplementary budget. Perhaps they do know that the problems are real and current for people who are struggling to get by on social assistance. I had yet another phone call this week from a member of the public who said that we do not need another study. We do not need another review or another expert panel. We need help. I would urge the Finance minister to consider adding that money to the budget -- he could certainly amend it; it's his budget -- and doing something for those people.

It is important to have an overall review of early childhood education and childcare, and there are many aspects of it that need to be looked at beyond simply existing abilities through the direct operating grant and the subsidy to support both parents and operators. While we do that review and study, the need is still there right now. It would be good if there were something in this budget to help these people. It is a disappointment that there is not.

Over the past two years, we have seen funding for the continuing care facility in Dawson. We know that some of the money -- some hundreds of thousands of dollars -- has been spent on the planning process. There has been a series of plans that were drawn up and made public. They were discussed in Dawson. The money was debated and voted on in this House. Down the road, the funding that was to move forward was lapsed.

It is disappointing that there is no funding for a new continuing care facility in Dawson. This was a promise that was made several years ago to the people of Dawson. It was a promise of this government, not just of the former Minister of Health and Social Services or former MLA for Klondike. So we are disappointed to see nothing in there now. Is this because the government no longer believes in the need? Is it because the Minister of Health and Social Services feels they have to go back to square one and analyze it? We don't know. But we would certainly have liked to have seen it there.

My colleague has already mentioned the cost of the Watson Lake health care facility. This may be the most expensive foundation that we've seen in a public facility in many a year in Yukon. We've already spent \$3.4 million and we are nowhere near completion for that figure. It's hard to believe that this will

ever come in under the original \$5.2-million estimate. So we know that it was sole-sourced, a series of contracts. There have been tremendous delays. We've heard that there are problems melding the new facility to the existing facility -- all kinds of problems with the electrical systems and mechanical systems that we've heard about. This facility is certainly not going to get completed anywhere close to the time originally projected, and it would be hard pressed to ever be completed for close to the amount that was projected. That is not good fiscal management.

This government likes to pride itself on good fiscal management, but it is not good fiscal management. We don't see money in there -- this was raised earlier today -- for a new Copper Ridge elementary school or a new Copper Ridge secondary school. Now, there is some kind of strange shell game going on here, because no matter which shell you look under you can't seem to find the pea or the school, as the case may be. The government has suggested that the opposition members are playing politics with the school. Well, the opposition didn't raise the need for the school. The government raised the initial need. The government -- or the candidate endorsed by the governing party -- made it first as a campaign promise in a by-election.

The then Health and Social Services minister came into this House and said there was no such promise and it was just a political promise and that was not a promise of the government. I commend that member for standing up and saying, basically, "I'm the Education minister and I don't know anything about this decision and we shouldn't play politics with children or with parents and their concern for children." He has apparently seen the light in his move to sit further from those members so he can ask questions and get clarity on how these decisions are being made, because apparently ministers were running departments and other people were making decisions and not informing the minister. The acting Education minister came back and publicly said, yes, there will be a school.

When this came up for further discussion previously in this Legislature, the Education minister was forced to try to explain how this mysterious school was moving in and out of existence and in and out of subdivisions, and suggested that, since we had received a document that sold the department had planning money set aside for the school, that planning money would be in the main estimates. If we've made a commitment to do something, we will do so.

Again, that planning money never made it into the main estimates, so perhaps that was another reason why this member struggled to continue to sit on that side of the Legislature and try to do his job as Education minister.

I heard earlier today, and we've heard it recently, that it doesn't make good sense to simply announce a school for political purposes. First you should do the planning to see what kind of school you need, and then you decide what to build and where to build it. That sounds like a logical idea. However, the department indicated there was a need -- in the department material we got through ATIPP, they said there was a shortage of elementary school space, that Elijah Smith Elementary could not hold the number of students that were coming forward and

the increasing numbers as new houses are built. The department said there was a need for a new, small elementary school. The department suggested a budget and they gave the reason for the school as being it was needed.

Nevertheless, recently during the election campaign, it was suggested that there might be a need for a new secondary school, and I have already questioned how many secondary schools we are going to build. If we keep this trend up, we will be the only jurisdiction in Canada to have more secondary schools than elementary schools. Perhaps it is some new trend we have in Yukon.

What we heard most recently was that first you should study what kind of school you need and then decide to build it, but that we are definitely going to build a school, we just need to know what kind of school it is. I would suggest that that is the same logic that would say, "I'm going shopping. I'm going into the store and I know I need something. In fact, I know how much money I want to spend. I haven't quite figured out if it's a suit I need to buy, a pair of shoes or whether I need a new top-coat. Perhaps it's just some new long underwear because it is going to get cold out this winter, but I certainly know I need something."

That is the attitude and the approach that seems to have come forward because we have been told there is a definite need, but we haven't figured out what the need is. It seems to us that you don't announce things and say there is a reason and then change them.

Similarly, we heard in the election platform, which we have been told we should look at as part of the documents that we can turn to in order to see what this government is planning on doing, about land-based treatment facilities. We have certainly heard from First Nation communities that that is an important thing they want to see. We don't see anything in here reflecting that there is even planning going forward toward doing that.

We would suggest that, if these things were so important that they were in an election platform, the government would naturally be providing direction for the officials to look toward their successful re-election -- they anticipate it; they hope to be re-elected. They certainly wouldn't put out a platform and not ask for any sort of planning, and yet they come in with a supplementary budget a month after the election and there is no indication there is anything in here for that.

Again, climate change action plan -- we know there is a strategy. We still don't see anything for the action.

Again, we are curious about Hamilton Boulevard. We know the Member for McIntyre-Takhini mentioned earlier today that one traffic problem exists on one stretch of that road. There are problems in other areas. Certainly, there are safety problems, as we have previously said in this House. Extending that road, which has long been promised -- it was promised in a by-election, it was promised in a general election, but we don't see funding for it. We are concerned. We have heard that this was going to be done under MRIF funding but we are not certain whether this MRIF funding has been approved and is going forward or not. We would have thought that, for a major capital project of that sort, it might have been one of the things that the

Finance minister, while he was on his feet, might have spoken to.

I notice that the Minister of Community Services is shaking his head. Perhaps he is disappointed that it is not there or perhaps he is just concerned that we haven't been made aware that it is there and that it is going forward. We look forward to hearing more about it.

We had hoped to see funding for most of these projects last spring because they were commitments that this Yukon Party government previously made to the people, commitments that Yukoners expect will be kept. So, we certainly would look forward to seeing them in this upcoming spring budget if we are not going to see them now.

Now, again, there is some \$32.5 million from the Government of Canada as a portion of the one-time \$50-million northern housing trust that is being transferred and will go to First Nations to address their serious housing needs. We are certainly glad about that. There was a lot of debate during the election and previous to the election over how much money should go where. Our position has always been that we shouldn't say it's \$30 million for First Nations and \$20 million for non-First Nations, or it's 40 and 10, or 35 and 15, but rather the discussion should be based on where the needs are and where the greatest need is.

I don't know how the \$32.5 million was arrived at, but if that is what has been agreed on with the First Nation leaders, we are glad to see it happening. We would have appreciated some indication in the budget or in the minister's opening remarks as to the plans for the other \$17.5 million, but I believe what he said was that they had not yet decided where that would be spent and how it will be allocated. Perhaps there will be some reference to some of this from the minister responsible for the Yukon Housing Corporation when he is speaking, or maybe some of the other ministers will be able to explain it. Have any housing projects been selected, or have any been planned? If so, what are they?

Again, as I previously said, there are so many projects where we haven't seen anything come forward. There is still no funding to indicate a move forward with the new jail. Now, there has been far too much discussion back and forth in this Legislature over the past four to six years about the need for a new correctional facility. People have debated what kind of facility it should be, where it should be located and what features it should have. It was studied again. It was started under the previous Liberal government. The pad was being developed at the current location. It was stopped by this government. They consulted with First Nations and tried to come to an agreement, together with First Nations, on a design that First Nation and non-First Nation inmates would benefit from, one that would allow for better rehabilitation programs and would allow for more programming to try to decrease the high rate of recidivism that we see. We know that many people go through that facility many times. Obviously, if we are arresting, convicting and locking up the same people again and again, it is not doing them any favours or making our community safer if people are being released only to be re-arrested. It is not a good use for the funds that we provide to the RCMP and the court system. Basi-

cally, we are just churning dollars, so we do want to see a better facility.

Again, during the election campaign, this was talked about as being a major priority. Last year, what we were told was, "Look, we took the time to do the planning, and if we get a second mandate, we'll go forward and we will do the work." We don't see anything in here reflecting that. So as I've already said, in terms of balanced budgets, when I look here and I see an increase or, in brackets, decrease in net financial resources, the number is a decrease. It's a \$15,006,000 decrease in net financial resources. By most accounting standards, that means you have less money available at the end of the year than what you previously had. That is a deficit, not a surplus. We recognize that we are still not in a net deficit position, but for the year we spent more than we took in. Perhaps the spring budget will truly be balanced.

We certainly look forward to hearing in debate on the departments about the individual things that are coming forward. We know that there will also be, as my colleague from Mayo-Tatchun has said, many good things in this budget and, hopefully, good things for people and good programs under Health and Social Services, good programs under Education, things that will help improve Yukoners' lives. We do look forward to that and also to some explanations such as the money in wait-times reduction, which has lapsed, according to this. It's not being revoted; it's just not being voted and it has lapsed. Is it because we couldn't find a solution to improve the wait times, or because we think that things are going along just fine? Some of the other trust monies that have also lapsed -- we look forward to explanations on what's planned in the future for that.

I look forward to hearing comments from colleagues on both sides of this House as to how we will move forward and improve this budget.

Hon. Mr. Cathers: It gives me pleasure to rise to debate the 2006-07 supplementary budget. Of course, I am rising to speak in support of it.

First, before beginning my remarks, I can't help but point out that in engaging with the opposition, it is difficult to have a useful and successful discussion when members such as the leader of the official opposition keep confusing the terms "lapse" and "revote". They are very distinct, and there is a very large difference between the two. Lapsed funds go back into general revenue. Revotes are projects continued forward into a future year. That is a very distinct difference and I think the members would be wise to avail themselves of some of the information provided within the budget in the beginning of this document, in terms of understanding some of the terms. Perhaps in future we can have a clearer discussion, and members will have a better understanding that when funds are revoted the project is indeed continuing forward. Simply, for accounting purposes, the funding is carried over into the next fiscal year.

The leader of the official opposition also mentioned childcare and social assistance. I would point out to the member opposite and to all Yukoners that our government is very committed to fulfilling our election commitments in this area. We

recognize the needs and pressures within social assistance and within continuing care. I have stated before in this House, and I will again remind members, that we are currently right now reviewing social assistance rates in terms of adequacy and the financial disincentives that make it difficult for those on social assistance to transition into the workforce.

We don't stand here and pull numbers out of the air. We will leave that to the opposition, if that is the way they choose to operate. We do the work; we find out the numbers that are needed, and we are reviewing this right now. Once we have the numbers in place, they will be reflected, as we must do within the financial documents and the budgets tabled in this House.

I would also point out something with regard to the leader of the official opposition's suggestion that we don't need another expert study or expert panel and review of social assistance rates. I think he is right in this area. That is why we are doing work internally. As I have stated to members and stated to the media, we are doing the work on crunching the numbers within the department. If there becomes a need to do further work prior to decisions on social assistance rates, such as engaging with groups such as the Anti-Poverty Coalition or the Whitehorse Planning Group on Homelessness, we will do so, but at this point we are reviewing the numbers internally. If that gets us to the end result, as we believe it will in crunching the numbers, then we will make the decisions based on that rather than asking people who have already provided advice and made their opinions known to come forward once again and tell us the exact same thing. We are going to listen to what they have told us, and if we need to ask them more questions we will do so.

With regard to childcare, our government is committed to honouring our platform commitments: developing a territory-wide childcare and early learning strategy for children and parents based on the priorities of creating more available space for children of all ages, especially those younger than 18 months; reducing the rates parents pay for childcare; increasing financial support and reducing disincentives, such as taxes, to allow parents to participate in the labour force; ensuring that parents with children in kindergarten are not charged full-time preschool rates for their childcare; and developing a new five-year plan to address issues of concern to dayhome operators and childcare centre, including training, education and wages for staff.

As I have stated before, we are currently completing the very last element under the previous four-year plan, that being a review of the regulations pertinent to childcare. Once that is completed we will engage with operators, workers and, most important, with parents in developing a new five-year plan for addressing the needs in childcare.

The remaining priorities in that area include a greater focus on early learning for preschool children and collaborating with First Nations community groups and non-government organizations to provide an integrated system that better serves the educational and cultural needs of parents and their children in all Yukon communities.

The 2006-07 supplementary budget has a number of items pertinent to health and social services, and the Premier has al-

luded to some of them. In the 2006-07 fiscal year, one of the most significant actions that we took was the development of a plan for the expenditure of the territorial health access fund money. The premiers -- our Premier and the premiers of the N.W.T. and Nunavut -- successfully laid out the argument to the federal Department of Finance and then prime minister for the need for base funding arrangements in addition to per capita funding for health programs and social programs north of 60. As a result of that agreement, under the territorial health access fund, we will receive \$21.6 million for the main portion of the fund. Coupled with the medical travel fund, which is linked to that, we will receive approximately \$29 million over a five-year period.

Under the territorial health access fund, we have allocated the majority toward our health human resources strategy, which includes the new programs already in place, the family physician incentive program for new graduates, which provides financial assistance to Canadian citizens who recently graduated from medical school, in exchange for five years' service in the Yukon. Over the life of that agreement, it will provide each individual with \$50,000. Second, the medical education bursary provides Yukon students attending medical school with \$10,000 assistance per year. After graduation, if they enter medical residency with a Yukon family practice, they are eligible for an additional \$15,000 per year. We already have five students covered under that program, which we are funding at this time.

As well, we quadrupled the investment in the previously existing nurse education bursary, that being in terms of doubling the financial assistance to \$5,000 per year and making support available to twice as many applicants. We created the brand new health professions education bursary, which supports Yukoners training for health professions including pharmacy, physiotherapy, occupational therapy, speech/language pathology and audiology, medical laboratory, medical radiology, dietetics and nutrition, and licensed practical nursing. Again, we provide \$5,000 per year under that program. Under this program, future areas to be developed will be the nurse mentoring program, social worker mentoring, and the family physician residency support.

The 2006-07 supplementary estimates include funding for the Outreach van -- that, of course, through partnership. The Department of Health and Social Services and the Women's Directorate have come together in working with Yukon Family Services Association as the lead agency in the implementation of a \$153,000 commitment to fund them for a period of the next year. We look forward, of course, to moving forward with them in developing appropriate arrangements for future years. This year will be somewhat different than future years would be, in terms of the fact that they have indicated to us that they want some time to bring their operations up to a six-night-per-week level, as we have requested and as they are willing to do but require some time to develop.

Also in the 2006-07 year, a highlight of our overall budget in the medical travel program, which I alluded to previously, Mr. Speaker, was our significant increase to the medical travel rates under the travel for medical treatment program from the

previous level of \$30 per day to a new level of \$75 per day and making the subsidy effective on the second day of travel rather than on the fourth day as had previously been the case. Subsidy for travel within the Yukon was increased from 18.5 cents to 30 cents per kilometre and, effective September of this year, for the first time we made this assistance available to Yukoners in rural areas who live outside of communities.

As the Premier noted, within Health and Social Services, it will come as no surprise and it is no secret to Yukoners, there are many challenges being faced from coast to coast within our health care system, in terms of costs. In fact, some jurisdictions are facing pressures, such as Ontario, where the proportion of their budget taken up by health costs is approaching the 50-percent mark.

In the Yukon, we are committed to addressing the costs and doing the work necessary to ensure that our system remains strong. That is one of the reasons why we have taken action with the health human resources strategy and with our territorial health access fund plan to do the work that is necessary to address the challenges that we will face in future years. Rather than taking the four-year vision, as has been the past practice for many governments in the territory, we are looking in the long term and planning for the needs of Yukoners, both within the next five years and 10, 15 and 20 years down the road to do the best we can to anticipate the pressures that will be created within the system and do the planning in this area.

One of these challenges, of course, is human resources. That is why we have invested \$12.7 million in our health human resources strategy. There are opportunities as well within the health field where, through making sensible investments such as in technologies to assist in early diagnosis, we can perhaps reduce some of the downstream and long-term costs. We are of course eyeing those opportunities recognizing, as always, that we have challenges within the territory in terms of our small population. There are some services we realistically will never be able to provide that are provided, in fact, in southern Canada only by larger centres.

Of course, we maintain and will continue to maintain our access to those hospitals and we have increased our services by the development of our agreements with the capital health authority and the work being done. I should note that the capital health authority is in Edmonton. We are also working with Calgary and Vancouver on similar agreements. That program is the one we refer to as the "patient navigator program", which is to assist Yukoners outside the territory in accessing the multiple services that they may be Outside on medical travel for.

As members and Yukoners will be aware, often when we send people outside the territory for specialist services, there will be a number of appointments or a variety of services that they must access. Of course, by the very nature of the fact that we are sending these people out for that level of care, often they are facing health challenges. They may be tired, they may be in some level of discomfort or pain and, through this agreement we have developed with the capital health authority and are working on with the other two I referred to, this will provide a service to assist them in accessing that care and prevent-

ing them from missing appointments or having problems associated with that.

That is a very important investment. Due to the simple costs, we are not able to provide escorts outside the territory for compassionate purposes but only for strict medical need. This is a significant enhancement to the services provided and, by having someone in those areas who helps someone access the services and get around the city to find the places they need to be, on a cost-effective basis, that will provide us with a significant enhancement in the service and care to those individuals facing what is often a very difficult time in their life.

I should point out that our investment in medical travel has increased \$1.6 million on an annual basis.

Mr. Speaker, in addition to moving forward under the territorial health access fund plan and the associated investments, the major vision we planned forward in addressing our long-term needs and increasing our investment in public health includes increased investment in mental health. I will refer again to the two new clinicians we have funded: a clinician of rural areas for mental health, based out of Dawson City; and a youth clinician, based out of Whitehorse.

We have also invested \$50,000 in planning to increase the residential supports, and we are currently working with Whitehorse General Hospital on planning for the space necessary to provide short-term in-patient care.

Other significant investments include nutrition and public health. This year, in 2006-07, we have some levelling, but there will be significant development of this within the years to come to assist us in helping Yukoners improve their lives and improve their lifestyles. It is a proven fact from many jurisdictions around the world that increased investment in public health, when done sensibly and successfully, is a far more cost-effective investment of health dollars than investment in the acute care side of the equation. In fact, it significantly reduces acute care costs in future years.

Another challenge that we will face, of course, in terms of costs in this fiscal year include, as the Premier mentioned, the Whitehorse hospital pension deficit. We have committed to -- and are -- assisting them in addressing this problem. The vast majority of the funding for the hospital, of course, comes from the territorial government. We are committed to ensuring that it remains an attractive place to work. We are committed to ensuring that the health care service remains strong; therefore, although the problem was not of the Yukon government's making, we must and have stepped forward to assist in addressing the deficit in order to ensure that the plan will remain solvent for the workers and will provide them with the benefits to which they are rightfully entitled in future years. It will be fully funded so that the state of the plan will not create a disincentive to recruitment and retention. As I stated, this is one of our strongest areas of challenge in moving forward. It is one of the areas we are committed to acting now, today, to address so that we do not face the same problem years down the road.

Another area that we will be moving forward on is the collaborative practice clinic -- the commitment we have made to that. As I have alluded to previously, there will be significant work required with the professions involved to develop a plan

for doing this. I note and must stress again to members that it is intended to be an enhancement to the existing system, not a replacement for the structure of family physician care. For the foreseeable future, the vast majority of non-acute, primary health care will be delivered by family physicians and by our nursing stations within communities.

I understand that I am running out of time for my speech, Mr. Speaker. I will just briefly touch on a few areas within 2006-07. I have been very pleased to see for my riding that in addition to the health side, which is, of course, as important to my constituents as to all Yukoners -- those include the purchase of a mobile abattoir, which will for the first time provide Yukon red-meat producers with access to supermarkets and restaurants by having their products inspected. Of course this goes hand in hand with the changes made to the agricultural policy to lay out the structure to create the climate for Yukon agriculture to be strong and continue to grow stronger in the years to come.

I understand that I am out of time, Mr. Speaker, so I thank members for their attention and look forward to discussing the details of the Health and Social Services budget in Committee of the Whole. I look forward to comments from the members opposite and I look forward to hearing the comments from my colleagues on this side of the floor, both in terms of their departments and their constituents.

Mr. Edzerza: I probably won't be spending a whole lot of time talking about these issues. One thing I would like to point out for the record is that the opposition did request a briefing on this approximately \$107 million being spent but the request was denied. Therefore, we have to look at these very broad figures and, I guess, assume or try to imagine what is going to be done with it.

I'll start by saying that there were promises made during the election for alcohol and drug treatment centres. The way it was portrayed, I believed that in this supplementary there definitely would have been some mention of dollars being identified to begin consultation and discussions with those identified by candidates in the election. For example, I heard a promise that there will be immediate consultation with approximately five different First Nations where we will encourage partnerships and get their infrastructure in operation. Well, I don't see anything in here or anything to indicate that that's going to happen. I was somewhat disappointed, because I know a lot of the First Nations that do have infrastructure in place are really anxious to be able to start utilizing those facilities. It was even more surprising to me that there was nothing identified here, because it sort of complemented and supported the community court system that is being implemented. Because of the community court process, I anticipate that there is going to be a lot more need and a lot more requests for treatment. What is the government going to do? I don't believe we really have a treatment program in the territory that can accommodate any influx of immediate needs. As soon as the community court system is up and running, I can almost guarantee that there may be a real immediate need for treatment facilities in this territory to be

able to fully implement that process and to accommodate the clientele that they're going to generate from that system.

I was actually quite disappointed; I expected to see something to say that there is a certain amount of dollars identified for immediate negotiations and consultation meetings with all of these different First Nations that were identified. I certainly hope that this is going to be a very high priority for the Health and Social Services minister because it has been a need for many, many years in this territory and it is not getting any easier for the people in this territory to get treatment.

I know that one of the barriers for a lot of clients is just the fact that they have to go out of the territory. For a lot of the individuals in question, it may be the first time they have ever left their community, let alone being taken to a foreign place where they know no one. It is probably one of the biggest barriers to people wanting to address these issues and to get healthy.

I also don't see anything in here to support the need for a detoxification facility. That is another very big need in this territory. I have to state that this is probably one area where a person can maybe find a reason to want to change their lifestyle: through the detoxification process. I believe this is one area where, for example, a lot of suicides may be detracted from the ultimate outcome, which is to commit it.

For a lot of those who have never had issues with alcohol, it would be very hard to relate or understand exactly why a detoxification process is really needed. I hope the minister will also pay a lot of special attention to this area, because it's certainly something that is severely needed in this territory.

I go further into that same line, saying the need for mental health support is critical. There are still a large number of citizens in this territory who are struggling with the effects of mission schools. I know grandparents who are still suffering to this day with what they went through many years ago. I know people who are 75 and 80 years old who are still very mentally hurt and have a lot of mental issues around what happened to them in those schools. It's not hard to understand, if you were raised in this kind of environment where you have no bonding and no connection to family, why you wouldn't demonstrate that in your normal life.

A lot of these issues cannot be solved overnight, but I guarantee it would make a large difference in a lot of lives in this territory if a person who wanted to deal with historical issues of mission schools had an avenue through which to do that. I beg to differ with anybody on the floor of this Legislature or even around town who tells me that's readily available, because it isn't.

I think that the federal government can throw millions of dollars toward the Aboriginal Healing Foundation. I certainly wish that they had put the same amount into providing mental health counsellors. I think that is where it would have benefited the people immensely.

Even in my capacity as an advocate for many years in this area, I am able to testify today that some of the people I talked to many years ago are not here today, and they were no older than I. What was disturbing to me after research, after going back over my life and realizing some of these issues, is that

approximately five of my colleagues from my grade 9 class at F.H. Collins all committed suicide. That is pretty phenomenal. It all has to do with mental health issues. They didn't have anyone to talk to when they needed to. I don't really see any improvements in the territory in the last 50 years in this area. It is still something that is badly under-supported; it needs to be increased. If the Health and Social Services minister looked into that area a bit more and put money into healing centres, where people have the opportunity to go -- and it has to be in the territory; we can't continue to ship people to Alberta, Saskatchewan and other places in Canada.

I also want to talk a little bit about the need for more money to support third-party medical travel.

I've heard over the last few years some real horror stories about how people are shipped out to medical centres outside the territory. They have absolutely no idea where to go; nobody is with them. I know of one person who went out for an eye condition. This person had a hard time seeing but was still sent alone. There was no money provided for assistance for that person to travel, until there was a big uprising. Then somebody realized that maybe it wouldn't be such a good idea to send this elder on their own. I think we have to really realize, again, that a lot of the citizens in this territory do not travel outside this territory.

I have an old friend from Carmacks who was telling me he travelled all over this world. I said, "Oh, you did? So where did you go?" I figured he was going to tell me he went to Japan and India and all these places. He says, "Oh, I've been all over. I've been to Ross River. I've been to Watson Lake. I've been down to Carcross." "All over the place" to him meant within this territory. For him to go to Watson Lake was a long journey, so when we send these individuals to a place like Vancouver, it is amazing what kind of an effect it does have on them. So the need for someone to accompany these individuals is a must. I believe I heard at one time that one of the reasons MLAs can't claim their plane ticket mileage was because this fund was going to be used to help this specific case. Those dollars were going to be used so that people who are being sent outside the territory for medical needs could have somebody accompany them when needed.

I even have some constituents who had some very, very stressful encounters in this area, to the point where one individual said, "I'm not going. I don't care if I lose my eyesight. I am just not going" and they refused to travel on their own.

So, it is a very serious area and we need to pay special attention to that because of, if for no other reason, the humanistic side of a person's life. We have to really be conscious of the fact that not everyone is as well off as we are, whether it's through knowledge of how the system works or for financial reasons or otherwise. A lot of the people I know who ended up having medical problems and having to be evacuated to Vancouver just don't have money in the bank to throw out there. They don't have \$2,000 or \$3,000 to get somebody to come with them. I certainly hope there is a lot of improvement in that area.

I also want to talk about the government's willingness to spend thousands of dollars on tobacco reduction and a mass

media campaign. I really wonder about that because we are willing to spend this money on trying to encourage people not to smoke, yet the government is very reluctant to put legislation in place to condemn it. Again, I think we have to think beyond political gains here when we talk about tobacco and the need for legislation to put a stop to it.

We have to also be aware of the fact that we have the Workers' Compensation Health and Safety Board that should really be behind this 100 percent. I certainly hope that they do get behind this 100 percent, because I just don't see any sense or purpose whatsoever of throwing hundreds of thousands of dollars into a campaign to tell someone not to smoke when, in a way, it is being supported. It is being supported because the government is refusing to put legislation in place that will prevent it. Whether we realize it or not, there are a lot of people in the communities who don't like to go out to a public facility in that community and have to breathe in someone else's smoke. It took far too many years before it became public that second-hand smoke is as detrimental as if you smoked that cigarette yourself. All of those people who have jobs in the community, say in a nightclub, don't have a choice if they want a job. If you complained about the smoking, what would you do? Get fired? That would be the logical thing; the owner would be able to say "Well, if you don't like people smoking in the bar, then don't come to work here." I think a lot of the abuse in this area is tolerated because we do need to work, especially in the communities. I believe that a lot of people would support this legislative ban on smoking, but they are fearful to do so.

One of the other areas I will touch on is that I don't see any dollars in here to indicate that the government is 100 percent serious about a new correctional facility. I know there will be comments thrown back at me about it but, when I was in that position, I had full intentions of seeing the structure actually start this summer.

I don't know if that is still on track. I expected to see a really healthy number in the supplementary budget to indicate that that was a fact. Not seeing it there makes me a bit nervous in terms of whether or not that infrastructure is even going to get started. I certainly hope that there is sincerity and political will to finally construct a facility. I know that the thought behind it was that they didn't want to just build a warehouse. Well, if they don't put any money in the budget, it tells me that they are not going to build anything.

Thank you, Mr. Speaker.

Hon. Mr. Lang: I am standing in support of this budget, of course, from the government side. I find it interesting when I listen to the opposition as to the negativity on moving forward with the economic future of the territory. There is always a reason why it's not going to work. I guess it is the responsibility of this side of the House to come up with factual figures that are all part and parcel of planning.

The members will talk about our platform, which, of course, the economics and future of the Yukon is based on, in terms of what we, as government, as candidates and as a party, put forward to the general public. Of course, we were successful in forming the government of the day. Of course, the gov-

ernment of the day was elected on October 10. Only two short months ago we became the government of the day then, and we have a five-year mandate to move forward and implement not only the plans we had in our platform, but some of the issues that overlapped from our last mandate.

My portfolio, the Department of Energy, Mines and Resources, being a regulatory department in a lot of ways, is moving very positively with the mining, oil and gas industry and other extract industries to create own-source revenues for the territory. The member of the opposition is right when he looks at the financial picture of the Kotaneelee gas fields. That is being depleted. A little history on that is that it has been a producer for the territory for the last 20 to 25 years. It is statistically, in North America, the most successful gas field that was ever discovered and expanded. So, it certainly is coming to an end. We as a government are not concerned about the fact that it's coming to an end so much as how we replace that revenue source. We are moving forward in southeast Yukon in conjunction with the First Nation and with industry to see what we can do to expand on that.

Of course, when the Kotaneelee field is done, it will mean we will lose revenue. That revenue is the nature of the industry. Gas wells are drilled, gas wells are depleted, and gas wells are closed. That's the nature of that form of extraction of wealth from investments in the natural resource sector. It is no different from a mine. A mine has a shelf life. When they go to work on a mine, the first thing they look at is the amount of resource, the quality of resource -- in other words, the resource in its dollar value of today -- and then what the shelf life of the resource is. In other words, do we have a 12-year mine? Do we have a 15- or 20-year mine?

Of course, we have to take that figure, and then we have to project whether the investment industry makes on the ground at the end would garner the profits and the money necessary to open and close and manage a mine for the shelf life of the mine.

The members talk about our own-source revenues and the money that comes into the territory. Take the example of when this Yukon Party became government. At that point there was some 14-percent unemployment. There were fewer than 40 lots sold in the Whitehorse area that year. There was inflation and a mass exodus of individuals leaving the territory. Certainly, there was no future here for any of our children, as young adults, to come and participate in the economics of the territory.

Now, when we took over responsibility of government, we also had to look at the finances of the territory. The Liberal government of the day had us managing the cash flow of the territory out of overdraft. These are all facts. Those are facts that are open to all Yukoners to look at and see what this government has done over the last four years.

We have a mine on the horizon -- one mine that is going to open this spring. They will have spent in excess of \$100 million to bring that mine to production -- that is Sherwood Copper. Following behind that is Yukon Zinc, which is working through the season here to expand on their exploration work to bring that mine to a production stage.

There are many mines in the territory. There is diamond drilling going on as we speak. That is all own-source revenue. The individuals there are all basically Yukoners working out in the field and creating wealth for the territory. This plan of economic renewal for the Yukon is not something that we or any government can do overnight.

It's easier to close a project than it is to open it up. That is just the nature of projects. So as we move forward with industries in a very constructive way by facilitating their investments, facilitating the mines and oil and the gas and the forest industry in the Yukon, it will all bear fruit over a period of time.

As far as the day-to-day financing of the territory, again we compliment our Premier, the Minister of Finance, who over the last four years working in unison -- not like the last government that had the conflict between us and Northwest Territories and Alaska because of the potential Alaska Highway pipeline. We took a very positive step forward with our neighbours and that has borne fruit.

Our Finance minister got the ear of the government of the day and now we have the per capita issue behind us. That was important for the Yukon, Northwest Territories and Nunavut. Now we are looking at north of 60 and our finance ministers are looking and working with the federal government to put a financial package together that will benefit all north of 60 and, of course, our situation in the Yukon will move forward.

As far as the issue of the jail that members opposite mentioned, it was a real issue when we took office in 2002, and the issue was cost -- the cost of the new warehouse was going to be \$34 million or thereabouts. The figures weren't really written in stone; they were pretty vague figures. We were just going to continue warehousing individuals and this was just going to be nicer accommodation. The facts were that there was very little in that facility that would provide rehabilitation and services for individuals who need that kind of rehabilitation.

I think that the minister and our government wanted to clarify, first of all, the inmates' needs and to facilitate rehabilitation. The working group was put together and, right now, the working group is finalizing what we are going to need to accommodate the jail as we move forward. We have done our work. We have involved the general public. I think there was almost in excess of 160 meetings on this very issue. There was First Nation participation, territorial government participation and general public participation, so I think that the committee has done its work now. I think we are looking forward to a report from them on what kind of a facility we would need, what that facility would offer the inmates and how we would move forward with building that facility. Location -- all the questions will be answered by that group.

Regarding education -- there is pressure from the opposition to accomplish everything we put forward in our platform within 30 days of us taking office. When one looks at what we have done in the last four years, the issues we addressed and how we addressed them, really in terms of our first platform and what was completed, our government should get an A+. If our next mandate -- the next four or five years -- is anything like our first mandate, we will again come up with a success

story. We are going to do the background work that it takes to get the work done so that we are not continually duplicating the job or finding out that it was not exactly the right way to go. This applies to any one of these issues, whether it involves education, justice or health.

The Minister of Health and Social Services was talking about the cost of health. That, I guess, is not an issue just for us to worry about. It's an issue for all of Canada to worry about. When you think the Minister of Finance was quoting some figures in Ontario where 50 percent of their budget goes toward the health budget of the Province of Ontario, those are pretty large numbers, I would imagine, when you think of the budget that Ontario must have. So those are concerns that we all have in managing our health care, managing these departments with resources and managing them well and being astute financially to make sure we maximize the benefit of every dollar we spend in every area of government.

Now, as far as the bottom line of the government of the day, we certainly have been conscious to make sure that we keep a solid bottom line. We are fiscally responsible to the Yukon public to make sure that, at the end of the day -- it is very important in my mind, as the Member for Porter Creek Centre -- we leave the treasury at least as well at the end of this term as we started with. I think that's a responsibility we all have: responsibility of the opposition to make sure that they put on the floor the pertinent questions about how these departments are spending their money and the importance of what that money is going toward and become a positive part of the House here, because I think we were all elected to deliver good economic management and, as our departments come up and as we work with the opposition and the government, we put a case forward on how we're spending the money and what Yukoners are getting as value for dollars spent. I think we've done that over the last four and a half years. We've been very conscious of the money that the taxpayers of the Yukon have entrusted us with. We have a solid bottom line. We've worked in the communities. We've got the extended care unit in Watson Lake moving forward and the one in Dawson City is going to move forward. Yukon Housing is working on a Haines Junction question. We've made a commitment in the next five years that we will certainly be looking at Teslin to make sure that the Teslin situation is addressed, and we will do that.

As far as the schools are concerned, it would be irresponsible economic management if we wouldn't spend a few dollars to take a look at our three schools and prioritize and decide what -- first of all, from the argument on the floor, obviously, there is a question between elementary and high school. Is it going to be a high school or is it going to be an elementary school? I'm not sure anybody in this House is qualified to make that decision. It takes people with expertise to come back after they do the review in the areas and say, "This is why we feel, as experts in the field, that the school in Copper Ridge should be an elementary school or a high school, and these are the pros and cons of building the school."

F.H. Collins has a shelf life. F.H. Collins has been a workhorse for the territory since 1962 or 1963, I think, when that school was opened up. I was in the first grade 9 class in that

school. I was in the first class that went from grade 9 to grade 12 in F.H. Collins. In fact, the first half year of my grade 9, we went to school from 8:00 to 1:00 and the elementary went from 1:00 to 5:00 in Whitehorse Elementary High School. In February, we moved over to the new F.H. Collins School. That's a long time ago. That year I was sitting in the cafeteria when President Kennedy got shot. I think the Member for McIntyre-Takhini was sitting with me. That's reminiscing.

But in saying that, I am saying F.H. Collins has been a workhorse. Porter Creek, of course, is a growing part of our community. There are prospects of quite a large development on the lower bench. Those things will tax the schools in that area.

We are going to come back. We have committed to looking at the school for Copper Ridge. We have committed to build a school in Copper Ridge. But we will have all the statistics and recommendations by this independent group -- not a vote here in the House on who wants the school and who doesn't. We will come back with the pertinent information it will take to make that decision. I'm not quite sure of the timelines on that. I imagine it is going to be a fairly short turnaround, but I think the Department of Education and the minister are committed to getting this overview done and out the door.

I think, all in all, that the government of the day cannot manage the finances of the territory on a knee-jerk basis, nor can we be expected to complete our platform within 60 days of being elected. That is not in the cards, but we will commit in the House here today that we will go to work. We have outlined what we are going to do, and we will work very hard so that at the end of our mandate we can look back, like we did in our first mandate, and say "a job well done".

At that point, with budgets like this and with management that we have put in place with our Minister of Finance and, of course, this group of individuals on this side, the treasury will be equally as strong so the next government can start with their feet on the ground and they can move forward. That is more than I can say for the last government that left us in the situation we were in, a situation where we had unemployment of over 14 percent; we had a Mayo-Dawson transmission line that was in chaos; we had Dawson City in financial chaos at that point; and of course there was the Energy Solutions Centre. So there are all those things, not only with no money in the bank but all the other issues that we handled, plus we delivered on our platform. I think Yukoners can look forward to real solid financial management. I look forward to serving the Yukon population for the next four years and I certainly support this budget.

Mr. McRobb: Mr. Speaker, I want to achieve two things by speaking at this opportunity. The first one is to point out that the previous speaker really chose to consume a lot of time to put on the record his views on a lot of matters.

Many of those views were not relevant to the supplementary budget. Mr. Speaker, as you know, we are faced with time constraints in this sitting. All parties agreed to have a 12-day sitting and the throne speech required use of the first four days, leaving eight days. We have already consumed a couple more

of those. We are at the halfway point right now. We are only just beginning the supplementary budget, which is the meat of this sitting. The member taunts the opposition by saying that we should be asking questions about all the important spending commitments. Yet, as he is talking, the clock is ticking. There were a bunch of things said that are of little use or consequence to us in testing the government's case in this budget. I want to bring us back to the importance of ensuring that we are succinct from now until December 13 at 5:00 p.m. when the guillotine clause comes into effect and all debate on this bill ceases suddenly, since it's the only bill remaining.

I want to point out that we on the opposition side are only able to perform to the level of time allowed us. When we see the government ministers ragging the puck, so to speak, with the time, we know that there is going to be less time in the Department of Health to question the government on important expenditures or in Energy, Mines and Resources when the line item for the reduced Kotaneelee revenues is indicated. There is less time to discuss these things, all the way down to where, for example, Yukon Housing Corporation has some interesting line items in the supplementary budget. Chances are that the guillotine will fall before we even get to the Yukon Housing Corporation, unless of course it is moved up in the rotation.

But the chances are that not every department or corporation will have the time to be debated come 5:00 p.m. on December 13, and we'll be able to look back and find the reason, and that is because too much time was wasted in second reading speeches.

The reason why I'm pointing this out now is that we're relatively early in this process. If the government wants to put up another half dozen speakers, then we can burn another day just in second reading speeches with very little product to show for it. So, Mr. Speaker, I would suggest to the government side: let's please be succinct in allowing the opposition time to do its job.

The second objective of rising to speak at this occasion is to put on the record why I will be voting against the supplementary budget. I want to make it clear before it gets spun into something that it's not intended to be.

I think back to the mains budget and the debate back in March, April and May of this year. It seems like a long time ago, even though it's only about six and a half or seven months to go back to last May. Obviously there is a lot of water under the bridge in that seven-month period, including a general election. I'm going to cite the same reason now as I did in May for voting against this budget. It is one particular reason, which, to me, is a show-stopper for any notion of supporting this government's budget, and it relates to the seniors facility in Haines Junction. The problem is that no Yukon government funding is being funnelled into this project. It is all federal money. The rendition of the project that is being constructed is not what was asked for by the community.

Now, I want to put on record early on that people in the community are thankful for what they're getting, but let's provide some context for that. They're thankful for what they're getting because they're used to getting nothing from the Yukon

Party government. That's why they're thankful. And they'll take this because it's better than nothing and at least it's a start.

It's not the full-meal deal like Dawson City residents were promised, or Watson Lake residents were promised, by a government that featured the Premier and Deputy Premier as MLAs for those ridings -- it wasn't even close. This is a bare-bones facility. It's really only a glorified sixplex. It's a far cry from even what was indicated in the Options Consulting study -- which was used as a crutch by the former Deputy Premier, the former Minister of Health and Social Services, who commissioned the study at the time -- as the minimum logical number of beds in the facility. Acquiring a minimum critical mass would be 10 beds, or 10 rooms. This government has pared that down to six. The reason it was pared down is because there was some old federal program funding money that became available. It's not even the Stephen Harper Conservative government's money; it's the old Paul Martin Liberal government's money.

Yet the Yukon Party is there, front and centre, taking credit for this expenditure. None of it comes from the Yukon government revenues; it's all transferred from the federal government.

Again, I'll reiterate what my constituents believe: it's a start. Hopefully it will continue and eventually reach the facility that was requested by the community.

During the election campaign there were promises made by the Yukon Party candidate, and we intend to bring some flame to the toes of the government ministers in order to uphold those promises. In particular, we would like to know when these additional phases of construction to that facility will occur and what the facility will become during the term of this government, as well as any idea where the funds for that expansion, or expansions, will come from.

There are other examples, but as mentioned, this project alone is justification enough for me to vote against this bill. It simply didn't go far enough. It went far enough in Dawson City and Watson Lake -- that was before the projects were pared down -- but in terms of the mains budget line item, the Haines Junction one was a far cry, yet the number of seniors in the Kluane region surpassed the number of seniors in Watson Lake and the number in the Klondike. The demand was there, yet the Kluane region got the bare-bones facility, even though the rhetoric from the government was, "Where there's a demonstrated need, we will respond."

Well, that didn't pan out. There are other issues too that would cause me concern and, perhaps in a cumulative nature, cause me to vote against this supplementary budget. Some are riding related, but on the Yukon-wide concerns, the one I brought to this Assembly's attention last week was with respect to business owners along the Alaska Highway, in particular, and the highway lodge owners, especially, who are in dire need of help financially to offset the financial crunch they are being forced to bear by this same government because of increased regulations. They are being run into bankruptcy and there is no safety net from this government. Instead, what we hear Friday morning from the Premier was that basically the time has come for these lodge owners to move on.

Well, talk about having no compassion -- no compassion. Here is a Premier who waves his hand and about a billion dollars a year is spent in this territory. Yet, he can't muster the gumption to amend one of the existing programs to provide some support for these long-time Yukoners who have slaved away on the frontlines of our tourism industry for decades, to help them out. This help is revenue neutral and doesn't cost taxpayers anything. It is not an un-repayable loan or a grant or anything like that. It is repaid on taxes. That's all they were asking for -- a helping hand, not a handout.

Did we get anything from this government for them? No. In my riding -- it's embarrassing to have to relate this -- one lodge owner left the territory with her husband by bus last week because of the generosity of their daughter living on Vancouver Island who paid for the bus fare. The destination was Prince George, where their other daughter lives. They freed up a small room in their basement for their parents to live, all because this government insists on hauling these people to court because they didn't upgrade their septic facilities because of tougher regulations and the lack of will on the part of this government to provide some assistance for these people through programs where they will pay the capital costs back.

What kind of a government is that? You know, there are good-news announcements every day out of this government. They spend a lot of time scheming up new programs supposedly in the best interests of the territory, yet nobody has suggested taking a look at this, even though it was brought to the attention of this government three years ago. This was all entirely predictable, yet it has been overlooked. I guess the government is too busy doing other more important things. Well, isn't that great.

I'll tell you, Mr. Speaker, if you are the highway traveller in a snowstorm in January on the Alaska Highway and you experience vehicle trouble, or you have hungry passengers and it is late at night, and you bypass that highway lodge -- the Premier is snickering over there; this is not funny -- and it has a closed sign and the lights are off, you will be thinking about this -- how this government reacted when these Yukoners were in a time of desperate need, turning a blind eye to these people.

Speaker's statement

Speaker: The honourable member is ascribing motives. You are dangerously close to accusing the government of purposely shutting down these businesses and ascribing motives. I don't believe that is in order and I would ask the honourable member not to do it.

Mr. McRobb: Thank you, Mr. Speaker. The facts speak for themselves. The government has refused to help these people; these people are being driven out of the territory. There is nothing there to help them. There was mention about the venture loan program and whatever, and I intend to follow up with this. As a matter of fact, I would like to invite the Minister of Economic Development to meet me in the members' lounge here this afternoon, and let's go over what some of those program guidelines are that supposedly will help these people. My guess is that there are enough restrictions in the guidelines that would rule out any possibility of financial assistance.

Was it a smoke screen? Probably.

The Premier says that I do not have the facts. Mr. Speaker, the facts speak for themselves. These people have given testimony on the radio and to some newspapers as to what has really happened. I am concerned about them and so are other Yukoners who appreciate what these people have contributed to the territory. It's a shame to see them treated in this manner now.

Finally, I wanted to also put something else on the record. In the past, the government side has characterized the opposition's vote against a budget as voting against every line item. I know that I have personally spoken on this point at least four or five times. The main argument is such that there might be something in the budget that is missed or something we are really against in order to vote against it. There is a case in point here in my previous comments about the Haines Junction facility that is being built. The government calls it a seniors complex. The fact is that it is a far cry from a seniors complex. There might be a single item or multiple items in the budget that cause the opposition to vote against it. It might be something that is not in the budget. It is rather unfair to characterize the opposition side, because they might vote against the bill in its entirety, as voting against some of the good items in the bill.

I am hoping that this era of cooperation between us in here will eliminate that past practice of finger-pointing and characterizations, which left a lot to be desired. Let's respect how one another votes in here. We respect how Yukoners vote at the polls, but nobody says, well, here is the reason they voted the way they did. It's a mixed bag. There are lots of reasons for the way people vote. They might vote for the MLA. They might vote for the party. They might vote for some other reason.

And the same goes for us. We don't characterize and paraphrase why Yukoners vote. It's unfair for the government side to do that. When the government side does it, usually it is for a reason. I would just invite all members to move beyond the rhetoric that has been practised in the past and try to be more constructive.

Now, Mr. Speaker, I said I'd be brief. I'm prepared to wrap up now. I wanted to get this on the record, and hopefully we could advance beyond the second reading and get into general debate on this bill and have sufficient time to clear the departments and corporations before 5:00 p.m. on December 13.

Hon. Mr. Hart: I thank the member opposite for that short speech. I thank him for getting right to the point and discussing items pertaining to the supplementary. I think there was one item that he discussed during that whole period of time he was up.

Mr. Speaker, I would like to say that he mentioned a couple items in there that I thought were quite good. As he said, the facts speak for themselves. Well, they do. On October 10, the general election for the Yukon re-elected this government. Those facts speak for themselves. So in general, the majority of the people felt that we're doing the job. We did the job in the last four years and we're going to continue to do the same.

Now, I am going to try to stick to the member opposite's issue with regard to the supplementary. Under Community

Services, we are going to be continuing to do -- we have revotes in the supplementary. We plan to carry on with those revotes, projects that were very important to several communities. We have some new monies being attributed to finishing off dealing with the Canada Winter Games -- a very important project, I might add, for the Yukon. I think it demonstrates our pan-northern approach as part of our cooperation in dealing with other jurisdictions.

I think that's a very important process that has been signed on by our Premier. We've done very well by that agreement in working with our neighbours. It has proven very fruitful, both in the national concept and in working with us here in the Yukon. The pan-northern approach has been very good in marketing. Members have probably seen some of the ads with regard to the Canada Winter Games; they are advertising all three regions of the north, north of 60, to demonstrate to the rest of Canada just exactly what is available here in the Yukon and what we have to offer those from the southern jurisdiction. It's a very concentrated marketing campaign that is not only marketing the games but marketing the Yukon, the Northwest Territories and Nunavut. These are all very important things for the northern region.

My hat is off to the Department of Tourism and Culture of the Yukon as well as of the Northwest Territories and Nunavut for achieving their goal for marketing across Canada for the Canada Winter Games.

As far as the facility goes in relationship to the Yukon government and the athletes village, again a key item for the Canada Winter Games is to ensure we have sufficient facilities in order to house our athletes. But more important is the long-term aspect that these two facilities will provide the Yukon, the legacy we provide after the games, once we amend the facility to accommodate the full use of both units, one for the college and one for housing. We'll have a facility for 25 to 30 years that we can utilize.

These facilities will provide housing for the college and/or housing needs for social assistance and/or seniors needs. We're going to work on those items. Those will be provided.

These facilities are under a lot of questions but let's not forget that the host society came to us and asked us to help them out. They went through the process and they were the ones who determined that the \$2.7 million was not going to work. In fact, it was substantially higher. They came to us asking for help to create the village so they could concentrate on financing the games and getting the corporate sponsorship that was needed. They needed \$11 million in corporate sponsorship -- a huge undertaking for a small territory.

Through the leadership of the Premier, we took on this task. We did go out to bid with regard to this facility. Yes, it was a specific bid to three bidders, but we did go out. In fact, we extended it one time to allow for an extra bid to come in. So, we did go through the process -- a process that would give us a facility in time for the games. Believe me, Mr. Speaker, we are going to make it -- we are going to make it.

Tonight I will be going to a meeting with the building committee and the host society on basically wrapping up the athletes village. This will be a legacy that will be provided, as I

said, for the college and housing, and I think it's something that we will see forever.

I don't know -- many of the people who have not been through the facility should take the time and effort if they can to arrange to go out and have a visit. These facilities are excellent, even for the price to get them done and completed. Again, in discussions we have had, it was well within the industry norm for this type of facility.

Community Services is also looking at providing water and sewage treatment for many municipalities and unincorporated communities throughout the Yukon. We have a couple of projects that are underway. We are working with the stakeholders in question -- the City of Dawson, the Village of Carmacks. We are working with Burwash Landing on their facility, as well as Destruction Bay. We are currently dealing with small facilities in Ross River and assisting other municipalities in improving their water treatment and/or sewage facilities.

This can be done because we are working in cooperation with the federal government through programs such as the Canada strategic infrastructure fund and the municipal rural infrastructure fund, or MRIF. Many of the communities, once they get their planning schedule underway, will have additional monies available through the fuel tax.

We have also assisted many of those communities to prepare a template for their fuel tax and to get their planning done so they can continue on making an application for further funding under that program.

A substantial amount of work was done by our staff, who worked many hours on the long weekend last year in order to sign off our agreement with the federal government in time prior to the election. It was a very difficult task, but we were able to get it done. Actually I misspoke, it was two years ago. I apologize.

I was very appreciative of the work by the staff who put together a deal -- and we got together with the Association of Yukon Communities as well as the First Nations and ironed out an agreement where we could all accept the division of the fuel tax. It was done and completed on time -- 45 minutes before the passing of the bill in Ottawa.

We were successful. We are also one of the first jurisdictions in Canada to get the fuel tax agreement underway.

The member opposite was also discussing issues with regard to Hamilton Boulevard. We have been working with all the stakeholders involved on this particular project for a long time. We have a project. We have an application before MRIF. The application, I might add, has been approved by me and is awaiting the federal minister's approval so that the project can proceed.

We are also working with the First Nation to try to coordinate a route through or adjacent to their facility, whichever one we can accommodate. If we can accommodate and work with the First Nation, we will do so. If we can't, we will build adjacent to their property and have feeders available so that when they do develop the property, they can just attach to that line.

Work is going to commence on this project. As the member opposite, as well as the Member for Whitehorse West, indicated, it is a very important project for them. It will also hope-

fully provide us with some additional areas we can develop for land for the city. This is very important these days. In addition, Whitehorse Community Services has money set aside. We are looking at land development and finishing off our areas with Whitehorse Copper. We are working on that.

We worked with the First Nation on their agreement under our obligations to work with the First Nations on projects over \$3 million. In Whitehorse Copper, we achieved that. We provided them with assistance to help them with capacity so they could get the work completed. We continued to work with them to ensure that the work is going through, and we are going to get that project completed in time for next season.

We are on our way, and monies are allocated for this project under the MRIF program. When we get down to the department-by-department discussions, we'll be more than happy to provide a breakdown for the member opposite on this particular project.

I would like to also state that the Premier has stated that we are practised open and accountable government here. Look at the financial statements of the governments over the last 10 years. I am happy to note that the only one that got an unqualified approval and compliments from the Auditor General is our government, and we have for the last four audits done by the Auditor General. It truly is a testament to the honesty, integrity and hard work of this team and that our financial house is in order. This is after making significant investments in health care, education, justice, communities and all other aspects of government.

Mr. Speaker, there were several comments with regard to issues outside of the supplementary, as indicated by the Member for Kluane. Again, I said I will try to stay within the concept, and I will attempt to do that. We are working with the City of Whitehorse to assist with the purchase of transit buses. Through our cooperation and work with the City of Whitehorse, it enabled them to purchase one additional bus. Also, with our cooperation and hard work, working with the federal government, we were able to obtain those monies so that they could purchase all four of these buses through a federal program.

In return for that, we did get the city to assist us on providing additional funding for Mount Sima to finish off their chalet and get it prepared in time for the Canada Winter Games. Again, this is another important facility to impress upon our southern guests that we do have full facilities available for the games here in the Yukon.

We also have some funding under the Department of Community Services that we are going to provide under the supplementary budget to assist the City of Dawson with their infrastructure in providing them with assistance to repair their existing arena so it can be used over the next little while, while we determine what we are going to do with that facility.

We have also looked at providing funding in here for the Teslin arena, which is a project we are working on in cooperation and partnership with the Village of Teslin, to implement their new ice plant so they can get artificial ice in their arena. We are working on that particular project. They are looking at additional phases in their programming and we are also looking

at ways and means of trying to assist them in how they can finance that. We are working on that particular side of it.

On the Public Service Commission, as I am also the minister of that, we have in the budget a couple of short line items. Under capital expenditures, we are looking at some additional monies for a shredder for a pilot project that we are dealing with for members of the public who are disabled. We are providing them with a job so they can shred paper. This particular shredder will enable them to cut the borders off of textbooks, for example, and then allow us to run the paper through the normal recycling.

Of course, we are taking all the precautions necessary to ensure that the safety of these individuals is taken into consideration. It is a very important project for our disabled group. It is well supported. We are going to run through this program and see how it works for the upcoming year.

In addition, we also looked at some additional reorganization within the department that will result in a position being reassigned from Finance to the Public Service Commission. Again, it is felt, because that position normally reported to the Public Service Commission supervisor anyway, it would be much more appropriate for it to be in the Public Service Commission. Also, normally, in the Public Service Commission, we have employee future benefits. Those are assessed every year after actuary. We never know what they are going to be until such a time as the report comes in. We make those adjustments at that time.

In closing, Mr. Speaker, I am very supportive of this supplement. I think it provides a very good breakdown of the action going on in the Yukon, and it demonstrates that this government is well in control of its finances. We look forward to the future.

Mr. Cardiff: I would like to thank the members this afternoon for their comments about the supplementary budget. I, too, will try to be brief. Sometimes that is hard. Once one gets talking, it seems like there is no end of things to talk about.

I think the important thing for me is to go back to some of what I said last week when we talked about the *Fourth Appropriation Act, 2005-06*. It is about information. I know I tried to sneak this in last week and I guess I did sneak it in, but it is about detail and about providing information. I can ask questions and get long-winded explanations about the information that I am requesting, or sometimes you never get the information that you are requesting. I think a prime example -- the Premier, the Minister of Finance, did mention this item, but there was no briefing and again there is no detail. I didn't hear that detail today. It is about \$32.5 million.

I think it was the Member for Kluane who mentioned that this was basically a direct transfer from the federal government -- these are federal dollars coming in. Again it's an example of our reliance on the federal government. I don't disagree with anybody; I think we need to get our fair share of what is coming from the federal government to the provinces and territories. This addresses one of the most important needs facing the territory right now. It is not just the need that is a problem in Whitehorse, although we hear about it quite regularly. The

government seems to think that the athletes village is going to be the godsend to providing housing for Yukoners. If the minister, the Premier and the ministers who have been involved in the athletes village project really took a look at what the concept was for the athletes village, it was not to provide a legacy project in Whitehorse. It was intended to provide a legacy project for all Yukon, and the government actually had an opportunity to support local training, local manufacturing of housing, to meet the needs of the host society and the athletes village and still provide a legacy project that wouldn't just be in Whitehorse. It would possibly have been in communities like Pelly Crossing and Ross River and Teslin and Watson Lake.

I think my point is that there is \$32.5 million in Executive Council Office related to the land claims and implementation secretariat northern housing fund. The Premier mentioned as well that there's \$32.5 million, which is a transfer to Yukon First Nations. If this is money that's going through our hands, we need to ensure that we're accountable for it. What I would like to know is what some of the plans are for that money and who has been consulted in regard to the distribution of \$32.5 million throughout the Yukon to ensure that housing needs are met and that the process for the distribution of that money is transparent and that the people who are in charge of that are accountable for it.

The other thing the Premier mentioned about that money -- the \$50 million that shows up on the revenue side -- is that it is a transfer from the federal government. What are the plans for the other \$17.5 million? He says it's going to stay with the Yukon government and that it's yet to be allocated. What are the Premier's intentions for that money? Does he have any plans? Is there going to be some sort of needs assessment, or are they going to go on previous needs assessments? Some of the previous needs assessments actually probably could point the government in the right direction, as well as, I think, consulting with communities, consulting with First Nations around the territory, to ensure that their housing needs are met as well.

There are definitely some housing needs here in Whitehorse, but there are lots out in the various communities.

The Minister of Community Services talked about providing infrastructure for water and sewer in communities and unincorporated communities as well. I think one of the things I note in the budget is that there is an increase to one of the programs the minister is in charge of -- one that the Member for Lake Laberge and I are quite interested in as well -- the rural domestic well program. Both the Member for Lake Laberge and I have constituents who live in a rural setting but within the municipal boundaries of the City of Whitehorse. Because of the design of the program, it's not available to those people. That goes for other communities as well. It goes for Haines Junction, Teslin, Dawson and other communities, where there are individuals who live in a rural setting who aren't on water and sewer, who may be on water delivery, who may have substandard water-distribution systems with their homes and properties. They would like to see this program made accessible to all Yukoners, not just to people who live outside the municipal boundaries.

Yes, we need to look for some creative solutions and we need to do that in conjunction with municipalities and the Association of Yukon Communities to ensure that their needs are also met.

I think there were some other expenditures mentioned.

It is not so much the programs and the capital projects that are in the budget; it is what is not in the budget. Some of that has been touched on by other members. I will try to be brief in my comments in that regard. One of the most glaring items missing from the supplementary budget is the Whitehorse Correctional Centre. This is something that has been in the planning process for many, many years. It has not just been under this government's watch, but under previous governments as well.

There has been progress made and I understand that the corrections consultation was intended to not just look at what type of facility is needed, but also what types of programming and services are needed. It is quite clear that a lot of the things that were heard during the corrections consultation had been said before. Not only that, it had been heard before. It's not unlike the education reform project.

I had the opportunity to attend the Association of School Councils meeting. I attended the briefing that was given by the education reform project. It was interesting to hear that when one looked at all the reports over the last 30 years about the education system and the recommendations that came from those reports, it was a pretty daunting task. The number of recommendations was too astronomical to even comprehend. It would be a challenge to meet all those recommendations. When one starts to sift through them and look at them, one realizes that recommendations made 30 years ago were made again 25 years ago, then 20 years and then 10 years ago. The same recommendations about our education system have been made over and over again. Government after government has somehow failed to respond to some of those recommendations.

It's not unlike the corrections consultation. Is there a need for better alcohol and drug services in our communities to address addictions problems? That issue has been around since I first moved to the territory, and it was around before that. Have we addressed it adequately? Obviously not, because we still hear it. Have we addressed the issue of people who need the services of mental health professionals in our communities and in the corrections system? Obviously not, because we still hear about problems and injustices in our system that haven't been addressed.

The programming and the services needed in our corrections system and our communities to address the issues of crime and recidivism have been made over and over and over again. I think the process opened people's eyes to that. But the fact remains that the facility belongs in a Third World country. The workers are not safe. It's not a safe space to work in. The fire marshal condemned it, the previous Yukon Party government spent over \$1 million putting band-aids on that facility, and it's going to have to be torn down.

There are ways of designing facilities to meet multiple needs. The minister responsible for the Yukon Housing Corporation knows about that, with the athletes village. That's the

way they designed it. But looking in this supplementary budget, I can't find anywhere where there is money dedicated to planning a new correctional facility. In fact, if anything, Mr. Speaker, the money has been pulled.

I have to find the right page where it has been pulled. If you look at it, under corrections infrastructure there is money for new equipment, there is money for correctional facility renovations, there is money for a trailer. When it comes to corrections infrastructure, they've pulled \$423,000 from that line item. I would think that that may be where the planning money would come from. There doesn't appear to be another line item where that money would fit.

How long do workers and inmates and the public have to wait to get a safe facility where the workers can work in safe conditions, the inmates' needs and the public's safety issues are met? It could be another example of "Let's just put it on the back burner, we'll talk about it, we'll work the issue, but we are going to see how long we can go without doing anything about it".

I think some of the other concerns that I have are around -- and I mentioned this in my reply to the throne speech. But there are only so many excuses you can make. The situation with the Tantalus School and the situation with the Watson Lake health care facility are deplorable. The fact that it took that long and that the information needed at the design stage, whether it is geotechnical work or structural information, should have been collected -- this is a government that says it wants to take its time to make sure that things are done right, but there are two prime examples of projects that this government has pushed forward on in haste where the work hasn't been done in advance -- the geotechnical work and structural evaluations of buildings to ensure that they can be built the way they are.

Where are we now? We are behind schedule. As the leader of the official opposition pointed out, it is probably the most expensive foundation in the territory, and it's in Watson Lake. I know I was there over 14 or 15 months ago. It doesn't sound like much has happened since then.

One of the other things that is lacking in the supplementary budget is the commitment to meet a promise that the government made in regard to a multi-level health care facility in Dawson City -- the Klondike. I guess we have some questions about that. It was a promise that was made. It was a commitment and money that was in a budget and then got pulled. There is no indication in the supplementary budget that Dawson will ever see the multi-level health care facility they were promised.

Those are just some of these things. There are many. I look forward to trying to pry information from the ministers during debate in the departments. We will see just how far this new era of cooperation goes.

Hon. Ms. Horne: It is with great pleasure that I rise today to speak to this supplementary budget. First, I would like to talk for a few minutes about issues of importance to my riding from other departments. Second, I will speak about areas that fall within my departmental responsibilities. Given that I will be speaking to this in Committee of the Whole, I will defer

most of Justice-related comments until then. Indeed, there are plans in the budget for a new Whitehorse correctional facility, if one read the budget.

As I noted in my reply to the throne speech, many very good things are underway in the Yukon. As I reviewed this supplementary, I was reminded of our progress on several fronts. In Ross River, we undertook to improve and renovate the school's foundation. This project has received an additional \$360,000 in this supplementary, for a total project cost of \$560,000. Mr. Speaker, I appreciate that this government is willing to invest in our rural communities' infrastructure. It sends a signal to the community that this government has their needs in mind. It also tells the students, the parents and the teachers that we as a government remain committed to providing an appropriate, safe educational atmosphere. This investment is in addition to our building of the Ross River community centre. Clearly, this government has done a great deal for Ross River.

In addition to new buildings, we are working on the Robert Campbell Highway. My heart's goal is to see this community continue to grow stronger and feel a renewed sense of hope and optimism. A school foundation maybe isn't the most dramatic way to invest money, but it tells people that we remain committed to this community for a long, long time.

Mr. Speaker, we have set about providing healthy, positive, constructive alternatives like sports and recreation for young people by providing or improving local facilities. I will come back to this in a few minutes, but I want to emphasize that it is all well and good to say, "Don't do that" to young people, but one must also say, "Here, would you like to try this alternative?" Mr. Speaker, in my riding we have worked with the territorial government to undertake upgrades to the Teslin arena. This project, worth some \$805,000 in this budget, has helped renovate and modernize our existing arena. It is projects like this that I hope we will see more of in the communities.

We are addressing health concerns by ensuring residents have access to safe, affordable potable water. We have added an additional \$119,000 to the domestic well program, bringing it up to a total of \$819,000. This means more Yukoners are able to access funding to install domestic wells that will provide safe, affordable potable water for their homes. A well may not be glamorous but it is very important.

Mr. Speaker, I would now like to turn my attention to our work in the area of tourism and culture. As you may know, this is a passion of mine. Our culture is a legacy we receive and pass on from one generation to the next. It is so important that we preserve and celebrate that which we have received.

In this supplementary, this government has added an extra \$20,000 to the heritage attraction site support. We have added \$19,000 to the existing budget of \$289,000 for historic sites maintenance, for a total budget of \$308,000. The historic places initiative will receive an additional \$16,000, for a total investment of \$316,000.

Yukon's museums will receive an additional \$92,000, for a total budget of \$1,227,000. I feel very strongly about the need to support our museums and I am pleased that this government shares that commitment.

We have increased funding for arts and culture development by some \$185,000. The arts fund has been increased by \$169,000 and the decade of sports and culture has also been increased by \$16,000. The archives preservation projects will receive an increase of \$82,000.

Mr. Speaker, this government has increased funding in the areas I just noted by \$414,000 in this supplementary budget.

I applaud this government for their support of Yukon's culture. We have much of which to be proud. By connecting our young people with our culture, we help them as they transition from children to adults. Our investments in culture are not only for us to share with our visitors but for us to share with our children and our grandchildren.

I would now like to turn my attention to items within the Department of Justice. I mentioned earlier that if we are going to say "Don't do this" to young people, we also have to provide a healthy, positive alternative, which we have been doing through our investments in the area of sports and recreation. We have also been doing this through our investments in education, but we also recognize that we had to take action in dealing with the abuse of drugs and alcohol in our territory.

In my preparations, I have been confronted time and again by the devastating effect that drug and alcohol abuse has on our communities. Much of the criminal activity in the territory, whether domestic abuse, property theft or any one of a number of examples, is caused by the abuse of drugs and alcohol.

Our response was to bring forward the *Safer Communities and Neighbourhoods Act*, or SCAN, which was passed by the Yukon Legislature in the spring of 2006. We have established a SCAN office and it is receiving complaints about unsafe and illegal activities. The 2006-07 O&M main estimates included \$104,000 for start-up costs for the implementation of the act. It will provide for the hiring of staff and other related operating costs. The supplementary budget consists of \$84,000 in O&M and capital costs of \$215,000 for leasehold improvements and specialized equipment, but this is one part of a larger action plan. We are bolstering our enforcement efforts through the SCAN office.

In addition to this, we are addressing the need to provide help and healing for those engaged in criminal or inappropriate behaviour.

In March 2006, the Yukon government and the Council of Yukon First Nations concluded a 15-month, territory-wide public consultation on how to better meet the needs of offenders, victims and communities within the correctional system.

Work now is underway to develop options for a new correctional centre and an implementation plan for programs and services in the centre and in the communities.

Our goal is not to build a bigger warehouse to incarcerate more individuals for longer periods of time; our goal is to achieve a better quality of life for Yukoners. My goal and that of my colleagues is to build safer, healthier communities by dealing with alcohol and drug abuse, by protecting the family and by creating safer communities through implementing the provisions of the safer communities and neighbourhoods legislation. We are going to do this by tackling the abuse of drugs and alcohol. We are working with our self-governing partners

to provide help and healing for offenders. We are exploring the feasibility of using existing First Nation facilities to provide culturally sensitive rehabilitation. We want to have programming that helps offenders deal with the abuse of drugs and alcohol. We know that some of these people engage in substance abuse because it is a way of masking other deeper issues like residential school abuse. We will help these people by addressing the issues that caused them to offend.

Whatever facility gets built, the physical infrastructure will support our programming interests. Until then we continue to address needs at the existing facility. A total of \$175,000 in capital funds is allocated to the Whitehorse Correctional Centre in order to purchase a new administration trailer. This trailer will replace the existing administration trailer, which, for occupational health and safety reasons, is no longer suitable to accommodate staff.

Once a new correctional facility is completed, this trailer could easily be reconfigured for alternate uses. The Yukon community wellness court is a specialized court that will provide intensive supervision from a multidisciplinary team of professionals. The community wellness court will work with offenders who have substance abuse problems, those with fetal alcohol spectrum disorder or other diagnosable mental health problems that contributed to the offence facing the court. The community wellness court is designed to make a concerted effort to break the cycle of substance abuse and criminal activity by providing a court-managed therapeutic alternative to the regular court process.

While there are six courts across Canada that deal with offenders who have drug addictions, this is the first court that recognizes that offenders may have multiple problems that bring them into conflict with the law and prevent them from being productive members of society. The court will deal with offenders with drug and alcohol abuse problems, those who are affected by FASD or those offenders with other diagnosed mental health issues, and will refer them to treatment to address these problems.

The first court date for the community wellness court is expected to occur in the spring or early summer of 2007. The offenders will be required to participate in an individualized treatment plan to address the factors that contribute to their criminal behaviours. The supplementary O&M budget requested is \$253,000, and consists of \$86,000 transferred from the Executive Council Office's substance abuse action plan and an additional \$167,000 that is 100-percent recoverable from the National Crime Prevention Council, Government of Canada.

We recognize that many of our offenders have substance abuse issues. Some suffer from other issues, such as FASD. We also recognize that most of these offenders are family members, friends, or members of our communities. They are Yukoners who need our help. We recognize that they need help and we are committed to helping them. The community court is one part of that help.

Mr. Speaker, when our government imagines tomorrow, when we think of building Yukon's future together, we have a clear vision for that brighter future. This supplementary budget helps us build that vision, this future.

Günilschish. Thank you. Merçi.

Mr. Elias: Thank you for the opportunity to comment on the supplementary budget here. I think it's important to note that the members I've heard today were speaking about renovating their recreational facilities and fixing their roads. I just want to mention that it would be a good opportunity for rural Yukon to experience the same.

It's important to note that my constituents enjoyed the benefits of some line items that were experienced in Old Crow, and I think it's important to mention them because they are appreciative of the effort.

There was \$69,000 for the youth programs. The point there is that I believe that funding is going to lapse as of March 31, and it's a great desire of my community for that program to continue. That was from Health and Social Services.

There was \$50,000 coming from the Executive Council Office. I believe that was to help out with the caribou issue. That's also appreciated.

Recently, there was the \$300,000 for the Old Crow riverbank stabilization. I witnessed that program going on, and it brings a sense of security, especially in the spring when the water is rising, that that bank is protected.

There is one particular line item in the supplementary budget on page 1-3 with regard to northern housing, the \$32.5 million. I am just putting on the record today that I am totally in favour of that line item, as it is going to result in residential houses in my community of Old Crow. Hopefully, a lot of the members in the Legislature are aware that we still have great grandparents living with their great grandchildren and all parts in-between, so housing is in dire need in Old Crow.

Overall, however, it is what is not in the budget, again, that directs me to vote against it. We need healthy numbers with line items with regard to road maintenance and water drainage in my community. Full-time social services professionals are needed there to provide continuing care, as I said in my response to the throne speech, and a long-term investment in community recreation, elders programs with regard to facilities and client service assessments, as well as educational land-based experiential learning pilot projects, plus new monies allocated for new initiatives to protect the Porcupine caribou herd from all its threats are needed.

Again, these are some easy victories that my constituents wish to accomplish in partnership. That's all I have to say in response to this.

Hon. Mr. Rouble: It is my honour and pleasure to rise today to respond to the supplementary budget. I rise in support of this budget. It's a good budget and a solid one that makes some good decisions.

I am very pleased to see that this budget continues to implement the Yukon Party's vision, priorities and principles. It continues to call for action to build relations with Yukon First Nations, to build sustainable, competitive economies, to build healthy communities and improve the quality of life for all Yukoners.

Mr. Speaker, this supplementary budget further demonstrates our ability to wisely manage our financial resources, to live up to our responsibilities as a government, to invest in appropriate infrastructure, and to contribute to the social and cultural fabric and growth of our community.

Mr. Speaker, I won't speak too long today. We're going to get into this in line-by-line debate and in Committee of the Whole, where I'll have an opportunity to speak specifically about some of the initiatives in the Department of Education. Generally, we'll be looking at allocating funds for education reform, for the collective agreement, including funds for professional development. I think these are initiatives that the members on the benches opposite can support. It provides funds for projects like the canines for safer schools initiative, which we had an all-party motion to look into here in this Assembly and there was unanimous support for it. So I would hope that all members can agree that that's an initiative that they should consider supporting and should support.

Additionally, there are funds in the supplementary budget for the Yukon College pension shortfall. I'm sure that's an initiative that the members opposite can support. Also, apprenticeship training: I think we're probably unanimous in our support for apprenticeship training. At least I hope we are. As well, there are funds in this budget for school renovations and repairs. As I said, we'll get into those in our Committee of the Whole debate, where we'll have an opportunity to go through these things line by line and to analyze them further and hear how the opposition feels about them.

I am a bit discouraged, though, this being the first budget that we're able to really get into here with all the new members of the Assembly, that we are hearing a lot of the same comments that have been said before in here, criticisms like, "You study this too much," but then "You don't study enough." Or "You spend too much money," but "You don't spend enough money." Or "You get too much money from the federal government," but "You don't get enough from the federal government."

I look forward to where we get the specific positions from the different members, and find out what they really stand for and what they are really objecting to. Or is it objection just for the sake of objection?

I was encouraged to hear some members speak about items in the budget that they could support. I hope they all recognize that we all need to take a look at a budget as a whole. We can all, I am sure, find items in the budget that we agree with and, Mr. Speaker, there are others in there that might be important to one community but are not universally important. We have to look at the budget as a whole and weigh it as a total package.

Mr. Speaker, this is a budget that continues to demonstrate the wisdom in managing our financial resources. It continues to live up to the responsibilities of government and continues to make the right kind of investments in the Yukon. It doesn't increase taxes or fees and it leaves us in a good financial position, both in assets and in cash at the end of the fiscal year. I support the budget and I commend it to the Assembly.

Hon. Mr. Kenyon: I agree with my colleague, the Minister of Education. It is heartening to hear that there are some things in the budget that people do support. One of the easiest things in the world to do is criticize, but when you actually have to be responsible for your decisions, it becomes quite a different story altogether. I was pleased to hear some people at least see some aspects of the budget that they agree with. I was particularly heartened to hear the 20-minute speech by the Member for Kluane telling us why people shouldn't speak for 20 minutes.

I thought I'd take a look at some of the aspects of the supplementary and some of the aspects of the budget overall. I think it is more the information the people want to know.

For instance, the environment is certainly something that is very important to this government. We need to enhance awareness and understanding of climate change impacts on Yukon's environment, people and the economy. We have to reduce greenhouse gas emissions through efficiency improvements within Yukon government programs in the short term and with additional measures related to infrastructure development in the long term. I still scratch my head over why people think that studying cold climate technology has nothing to do with greenhouse gas emissions and the reduction, but I guess we will get to that debate.

We have to build Yukon environmental, social and economic systems that are able to adapt to climate change impacts and are positioned to take advantage of opportunities presented by climate change. I think we are getting to understand the fact that change at this point, or at least some change, is inevitable and we have to make those adaptations.

We have to support efforts to establish Yukon as a northern leader for applied climate change research and innovation. We have that ability. It can very easily become a good economic driver. We need to go in that direction.

Our government plans to establish Yukon College as a climate change research centre of excellence. That will address sustainability in a rapidly changing climate through innovation, adaptation and mitigation measures. It should make Yukon College with its community campuses a leader in climate change research and development and it will find ways to mitigate damage to the boreal forest, such as spruce bark beetle and, in some areas, pine beetle infestations.

A cold climate innovation cluster situated in Whitehorse at Yukon College would specialize in three general areas of cold climate technology: building construction and maintenance, municipal infrastructure, and geotechnical work.

Our government will also support the expansion of materials that can be economically recycled and support the efforts of recycling centres through the use of incentives for Yukoners, particularly youth, to recycle and reuse compost.

That brings to mind the marvellous debate with the opposition in the last term about a program that we were instituting in some communities, but the debate seemed to revolve around a community that wasn't part of the program. I look forward to more meaningful debate than that in the future.

We will support the work of humane societies in the territory and ensure the humane treatment of domestic animals by

working with stakeholders to review and modernize legislation pertaining to domestic animal control and protection.

Looking directly at the economy, our vision for a prosperous and diversified Yukon economy will be implemented through the vision outlined in the Yukon government's document, *Pathways to Prosperity: an Economic Growth Perspective, 2005-2025*. It envisions that economic activity in the Yukon will steadily increase over the next 20 years but that boom-and-bust swings will be mitigated by sound economic and regional development efforts. Yukon's economic growth will be fuelled by an explosive demand for the territory's abundance of mineral resources -- oil and gas and other resources -- as well as dramatic expansion of the tourism sector due to a surge in the desire of international travellers to experience Yukon's breathtaking wilderness and northern cultures.

Employment opportunities will be abundant not only in the mining and oil and gas sectors but also in trades, professional and financial services, cultural industries, the knowledge sector and tourism. It's interesting to note that with world mineral prices going up -- I think we all have to admit that there was some effect that might have on the economy -- they are called "world mineral prices" for a reason. In the last year, while Canada as a nation went up a little over 16 percent, Yukon went up 148 percent -- 10 times the national average. That is a lot more than simply world mineral prices. It is a very short-sighted way of looking at things to try to leap to that illogical conclusion.

The recreation and entertainment sectors will expand with venues catering to the growing youth segment of the population. This government's support of the Canada Winter Games has resulted in infrastructure that is far beyond jurisdictions of our population base, and we are very, very proud to have the capability and access to those facilities.

Yukon's economy will continue to diversify, fuelled by growth in economic sectors such as film, sound, cultural and knowledge-based industries.

Cold climate technology and research capacity, again, will grow, leading to development in construction and other industries.

By providing land for all Yukoners, we will make land available to Yukoners for community, residential, recreational, agricultural, commercial and industrial purposes, while respecting the interests of existing landholders, and strive to streamline the land application process, ensuring that appropriate policies and administrative structures are put in place to manage Crown land in the territory.

We will also strive to ensure that there is a constant two-year supply of residential lots in the Whitehorse area to meet the needs of an expanding economy. But, as has been pointed out in this House, the availability of those lots in the past was due to the exodus of so many of Yukon's citizens. With people coming back and new people coming in, it's certainly difficult to maintain that inventory, but we'll certainly strive to do that.

In promoting resource investment, we will work with the industries, federal government and First Nation governments to establish greater certainty for access to resources, water licences and permits by creating a clear permitting regime with estab-

lished timelines that are on par with other jurisdictions in Canada that have been successful.

We will utilize the integrated resource management regime for Yukon government departments in responding to proposed resource development activities in order to ensure consistency and meet established timelines for permitting.

In promoting small business, trade and investment, we will, together with the Council for Yukon First Nations and First Nation governments, urge the federal government to ensure that the northern strategy and the targeted investment program are ongoing programs that are designed to provide short-, medium- and long-term benefits to the Yukon economy.

We will provide new incentives to increase the labour pool for entry-level jobs in the service and retail industries in the short term for seniors who might wish to take on part-time or full-time work but are discouraged by the higher rates of income taxes they would pay. Changes will be introduced in the tax regime to ensure that it is not a disincentive to taking on this type of employment.

For stay-at-home parents who are unable to take on work due to the cost of childcare, incentives will be provided to allow their participation in the entry-level job market. For those on social assistance who would like to supplement their income to help meet their needs, incentives will be provided to make it worth their while to participate in the entry-level job market. For students, where the cost of introducing these new entrants to the job market may be prohibitive to employers, assistance will be available to employers to offset the costs of wages as the employee is integrated into his or her program.

In the mid- to longer term, we will work with the federal government to allow increased immigration for those willing to take on entry-level jobs that employers are finding difficult to fill. We will maintain a level playing field in supporting small business and ensure that government funding for government actions does not foster unfair competition within the business community. We will provide business with tax incentives to promote economic growth. We will review and revise government contract regulations, policies and procedures to ensure that they are consistent and fair to the local business community and reduce red tape.

Our government will also maintain the FireSmart program to reduce the risk of wildfires around and near Yukon communities. We will also maintain the community development fund. Today, this fiscal year, 112 projects have been approved, totaling more than \$2.069 million in funding. Since reinstating the fund in June 2003, a total of \$10.4 million has been approved.

In promoting energy self-sufficiency, we will ensure the effective management and operation of the Yukon Energy Corporation and promote a public-private sector partnership in supplying power to Yukon communities. We will promote the development of the Yukon's own energy resources with a goal of ultimately achieving energy self-sufficiency, including the development of a comprehensive Yukon energy framework strategy.

In investing in infrastructure, we will utilize the recommendations of the port access study to ensure Yukon has tide-water access to Skagway, Haines and the Beaufort Sea, and

work with White Pass & Yukon Route and the City of Skagway to establish a common-user port facility. Mr. Speaker, I am pleased to mention that the port access study is essentially complete, and it is now being reviewed by Yukon, Alaska, Skagway and Haines.

Once it has been looked at by its partners, then we will be happy to release that for public information.

We will ensure that the White Pass & Yukon Route railroad right-of-way is preserved as a future access corridor for Yukon. We will consider the recommendations of the Alaska-Canada rail feasibility study for the construction of that railroad connecting Alaska through Yukon to connect with the railroads in the south. We will complete improvements in the Whitehorse air terminal building that meet the new security requirements and will enhance international air access to the Yukon.

In conjunction with the private sector, we will work to ensure that the Yukon has access to up-to-date information and telecommunications systems, including cellular telephone service to major communities, as well as Marsh Lake, the beautiful Southern Lakes and Lake Laberge. In putting Yukoners first, we will ensure that Yukon communities gain economic benefits from activities in their area through the development of a locally based skilled workforce in partnership with communities, Yukon First Nations, industry and Yukon College, and establishing training trust funds and promoting the benefits of local hire, goods and services.

We will encourage employment of persons with special needs through the Workplace Diversity Employment Office, and we will continue to provide Yukoners with the first opportunity for employment and advancement within the public service and ensure Yukon teachers are considered first for employment, subject to special or exceptional circumstances. We will also give hiring preference to Yukon post-secondary students for employment within the Yukon government and, where feasible and economical, scale government contracts to encourage bids from Yukon contractors.

In implementing cooperative governance and partnerships, we will utilize the Yukon forum that has been established in law to promote cooperative governance with Yukon First Nations' governments, based on mutual respect of each other's jurisdictions. We will utilize the Yukon forum to implement such major initiatives as the northern strategy, the target investment program, the northern housing trust, the *Children's Act* review, the corrections action plan and education reform.

Our government will work with Yukon First Nations to re-establish the intergovernmental forum with the Department of Indian Affairs and Northern Development. We will continue to work with Yukon First Nations to make them full partners in the economic development of the territory to the mutual benefit of all Yukoners to avoid litigation and to create a positive united-front investment climate that will encourage responsible economic development in the territory.

We will continue to form strategic alliances with Yukon's closest neighbours -- Alaska, Alberta and British Columbia -- to derive mutual benefits in relation to projects such as the Alaska Highway natural gas pipeline, the Alaska-Canadian rail link project and the port access study, as well as other matters.

We would include our very close association with the Pacific NorthWest Economic Region, or PNWER, and look at the larger regional, bi-national interests that also include not only those jurisdictions that I mentioned, but the states of Washington, Oregon, Idaho and Montana.

Yukoners were asked to imagine a tomorrow where we share a vision for achieving a better quality of life; where we share a vision for managing and protecting Yukon's environment and wildlife; where we share a vision of a prosperous and diversified economy; and where we share a vision of Yukon's coming of age through effective leadership, political stability, cooperative governance and strong fiscal management. We will deliver this vision for tomorrow to Yukoners.

Hon. Mr. Nordick: I am speaking in support of this budget. I have been very impressed for the last four years with the direction the Yukon Party government has been taking the Yukon. I am proud to say I have joined this Yukon Party because of the direction it has been travelling in over the last couple years. I have been impressed with the previous financial management, and this budget shows we will continue in this direction. This budget supports and promotes sustainable communities. This budget supports KIAC, the Klondike Institute of Art and Culture, which is part of my community. It supports my community's financial need to acquire a usable rec facility.

I also support this budget because it creates partnerships with First Nations and this in turn will help create a sustainable and competitive Yukon economy.

With this budget, we are ensuring that effective lifelong learning opportunities are available to all Yukoners. This budget also supports advanced education, a school of visual arts, adult training in the trades and labour-force education.

In closing, Mr. Speaker, yes, I support this budget and look forward to working with my colleagues to implement it in the future.

Speaker: If the Hon. Premier speaks, he will close debate. Does any other member wish to be heard?

Hon. Mr. Fentie: Seeing the time, I will briefly delve into some of the remarks made this afternoon with respect to the supplementary budget, Bill No. 3. I will begin by prefacing my comments on the fact that what we should be doing here is debating what the supplementary budget is, not what it isn't. There is good reason for that. I will recite from my introductory remarks why I am saying that.

The supplementary budget will serve two purposes here. The first one is that it is dealing with the expenditure changes that require additional legislative appropriation and authority up to this period of the fiscal year. That's very important because we must do that. That is required and that is why we brought those particular changes forward in a supplementary.

But it also -- and this is of equal importance -- provides the general public and the Legislature with updated information on the financial position of the government. So, essentially, without getting into all the details, department by department, line by line, the supplementary serves those two purposes.

What are the general results of that, as laid out in the budget document known as Bill No. 3? Well, it shows that further expenditure authority is required for a number of departments and a number of areas, not the least of which is health care and our social safety net, but there are some other accounting areas that are in the budget document itself. It also shows -- and I'm going to delve into some of the remarks of the leader of the official opposition in a moment here -- a very healthy financial position for government -- for the territory -- across the fiscal spectrum, albeit in accumulated surplus, net financial position and/or year-end deficit surplus -- which, in our case, is definitely a healthy surplus.

It also shows where our revenue trend is going, and here is where a rebuttal must take place. The leader of the official opposition is trying to make the point that this budget document demonstrates dependence on the federal government. Well, no, it does not. This budget document demonstrates where government is investing all its resources, regardless of where they come from, and I pointed out the purposes of the supplementary itself moments ago.

But this issue that the official opposition appears to be fixated on -- a dependence on government -- is an interesting approach or position for the official opposition to take, considering where this territory was under the former Liberal government's watch.

There could have been nothing more defined than dependence during those desperate years, where there was an exodus of the population, double-digit unemployment, a private sector that had virtually left the territory in terms of any new investment, and those trying to maintain business here in the Yukon, who were struggling just to keep above water and maintain a presence. To those businesses that went through that difficult time, the government commends them for their stick-to-itiveness. We are now starting to turn the corner and assist in building and growing the private sector once again, as government should.

The official opposition, through their leader, makes the point that our revenues are the same or decreasing. Apparently, this leads credence to the argument of dependence. We have to correct the record, because the statements made here this afternoon by the leader of the official opposition are in fact entirely incorrect. The member stated that, in 2001-02, revenues for the Yukon were the same as they are now, so there has been no growth. That's not the case. That is really not the case, and I can explain why.

In the first place, if one includes all revenues, which are taxes of all nature, and levies, which are fees and other areas of revenue, let me go to the total. The total revenue, as calculated -- and, of course, back in 2002, this would be an audited statement because the year-end for 2002 has long been audited and closed -- was \$73.4 million. In 2007, the projections for the year ending March 31, 2007 -- and we've shown increases in the supplementary here in mid-term of the fiscal year -- the total revenues are \$85.7 million. By anyone's arithmetic, that is a \$12-million increase in Yukon government's own-source revenues.

This has no factor whatsoever on the transfer.

Now, the member also neglected to point out in his dissertation to Yukoners what's happening with tax revenue. I am astonished that any individual who would promote any reasonable level of fiscal management would simply ignore providing that information to the Yukon public, because it is significant, it is very much about what has transpired here over the last number of years, and it is also very much about growing the private sector. What the member conveniently ignored in his statements in creating the official opposition's position on the finances of the territory is the millions of dollars of tax cuts that have been brought forward to benefit Yukoners -- in the neighbourhood of \$68 million in personal income tax, in the neighbourhood of \$2 million in mineral exploration tax credits, which have been handed out on an annual basis, and, of course, in the neighbourhood of \$1 million for corporate tax credits. All of this money has been invested back into the Yukon economy. Where is that investment housed? It's housed in the private sector. So to say that dependence is increasing on the federal government is flying in the face of all the evidence, the facts and the actual accounting.

We're going in the opposite direction, Mr. Speaker. We are growing a private sector. We are lessening our dependence, and that is because the fiscal management by this government is investing the resources in a targeted, strategic way that is complementing private sector growth. I couldn't bring up a clearer example of that than the tax cuts I have just articulated to this House.

We have to debate this for what it is and not what it isn't. It's important for Yukoners to have that debate and let them draw their conclusions based on the facts.

Mr. Speaker, I would encourage the leader of the official opposition to look into this document and past documents so the leader of the official opposition will have a better understanding of where the finances of the Yukon Territory are today, where they've come from and what has been transpiring since 2002, when the Yukon Party took office.

But there is another very striking issue here when it comes to this so-called dependence on the federal government and own-source revenues. One of the areas of revenue for the government is interest -- interest earned on our money in the bank. We all know that we enter into contractual arrangements with a financial institution for this very thing.

In 2002, at the tail end of the Yukon Liberal approach to fiscal management, the total interest earned was a meagre \$1.4 million. In 2007, the total interest earned under a Yukon Party government's fiscal management is \$5.2 million. That's a striking difference because we all know that, under the Liberal watch, the Yukon was actually paying service charges to deliver program services and pay the wages of government. We were paying fees.

Under our fiscal management, that is no longer the case. There is money in the bank and we are earning interest at levels that are much more acceptable to building Yukon's future in a positive way when it comes to the finances.

The last point I am going to make about dependence is, under a federal Liberal government, massive cuts took place in the provinces and the territories to address the national debt.

We all recognize that. But on the issue of dependence, how can the Member for Copperbelt say to Yukoners that this is increased dependence on government, with what has transpired over the last four years, because if you do the accounting and the calculations, in 1995 the cuts that the federal government levied on the Yukon translate into approximately \$200 million annually less than what we would have had by fiscal agreement, called a territorial funding formula. That translates into a difference of \$2 billion. So to suggest today that we have increased dependence on the federal government is conveniently ignoring the fact that we are merely climbing back to a level that was agreed to years ago when the territorial funding formula and our fiscal arrangement with Canada was created and agreed to.

I make those points because this document in no way, shape or form demonstrates dependence on government; it demonstrates fiscal management.

The other areas of comment, understandably, relate to what is not in the budget, things that members opposite would like to see. I encourage that kind of injection into the debate because obviously these esteemed members of this Assembly have accountability to their constituents and must relay to this House and government always what the priorities are for those constituents, and we listen.

But at the end of the day, Mr. Speaker, I think it is clear that the Yukon is on the rebound. We have solid fiscal management. Once again, we are solidifying the fiscal position, not only for today, but long into the future. We have private sector growth; we have increasing investment in the private sector that can be measured, whether it be the building of a new Canadian Tire complex or whether it be investment in the mining industry or other business investment that is now taking place in this territory that a few short years had exited the territory. We are very pleased to have that back, and I can tell you the Yukon Party government is going to focus on increasing that investment out of the private sector to complement what public government is doing in building infrastructure and strengthening our health care system and enhancing our education system and, above all, encouraging investment by creating an investment climate that is positive and brings certainty to the investment community.

That's what's in this supplementary during the period of 2006-07 fiscal year that has been concluded. Once again, the government is demonstrating full disclosure, transparency, with the finances of the Yukon.

With that, Mr. Speaker, I look forward to, as always, general debate, but I have also pointed out in the introductory remarks that detail is for ministers responsible, department by department, line by line, and we will conduct general debate so that it is general in nature and move on to the detailed discussion and debate that should have a lot more time allotted to it, instead of the reverse that appears to be the trend over the last number of years of extended general debate and endless discourse.

With that, this supplementary is showing some very encouraging signs and trends of where this territory is going fiscally, economically, socially and, indeed, environmentally.

With that, Mr. Speaker, I commend Bill No. 3, *Supplementary Estimates No. 1, 2006-07*, to this House for further debate.

Speaker: Are you prepared for the question?

Some Hon. Members: Agreed.

Speaker: I think the ayes have it. I declare the motion carried.

Motion for second reading of Bill No. 3 agreed to

Hon. Mr. Cathers: Seeing the time, I move that the House do now adjourn.

Speaker: It has been moved by the government House leader that the House do now adjourn.

Motion agreed to

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

The House adjourned at 5:27 p.m.