

**Whitehorse, Yukon****Thursday, May 10, 2007 -- 1:00 p.m.**

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

*Prayers*

**DAILY ROUTINE**

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

Tributes.

Introduction of visitors.

Returns or documents for tabling.

Are there any reports of committees?

Petitions.

**PETITIONS****Petition No. 2 -- response**

**Hon. Mr. Hart:** Mr. Speaker, I rise today to respond to Petition No. 2, tabled by the Member for Vuntut Gwitchin on the subject of government support for a new recreation facility in Old Crow. The Yukon government is aware that the current recreation facilities in Old Crow are aging, and residents are not utilizing them as they would like. They are facing increased operation and maintenance challenges as well. We are also aware that the residents of Old Crow are interested in enhancing community recreation infrastructure to better meet their needs for indoor sporting and recreation activities toward developing healthy lifestyles, and we support this objective.

This government is a committed partner in providing the social and physical infrastructure required to promote healthy lifestyles in all Yukon communities. In fact, one of our government's platform commitments under "achieving a better quality of life" is to balance recreation funding to all communities in a fair and equitable way and encourage individual Yukoners of all ages to participate in sports and other recreational activities.

These facilities play a valuable role as meeting places where the community and administration and local citizens convene to discuss matters important to the community. We are very proud of our record of working with communities to develop new community recreational and gathering places. Our government's investments in recreational centres in Marsh Lake, Ross River, Whitehorse and Mayo are testaments to our building a community infrastructure that serves the community in a number of important ways, and Old Crow is included in that vision.

We are presently working with them on the preliminary stages of project planning for a new recreation facility in Old Crow. In late 2005, we provided the Vuntut Gwitchin First Nation with \$10,000 to conduct a preliminary feasibility study to scope the project proposal for rough cost estimates and logistic realities toward establishing a responsible planning process for a new recreational centre.

With the current trends in labour availability, increasing material costs and, especially in consideration of Old Crow's

unique shipping constraints, the development of a new facility for the community requires a clear focus on many key factors, including: construction and shipping costs, operation and maintenance costs, life-cycle issues, operational scenarios, the intended function of the facility, the current building construction environment within the Yukon and Old Crow, local geophysical conditions and similar challenges to consider.

The First Nation has recently completed this research and has offered to share the results with us in the coming weeks. Officials in Community Services will send a follow-up letter to the Vuntut Gwitchin First Nation to re-establish a main point of contact, so that the planning activities can move forward.

The Yukon government looks forward to working with the Vuntut Gwitchin First Nation in the development of appropriate, affordable recreation facilities for the community of Old Crow.

Thank you, Mr. Speaker.

**Speaker:** Are there any petitions to be presented?

Any bills to be introduced?

Are there any notices of motion?

Is there a statement by a minister?

This then brings us to Question Period.

**QUESTION PERIOD****Question re: Whitehorse Correctional Centre rebuild**

**Mr. Inverarity:** Mr. Speaker, we have waited five years for this government to do something about the condition of the Whitehorse Correctional Centre. Based on this government's Budget Address, we have seen 15 months of justice consultations. We have seen a correctional redevelopment strategic plan. We have a substance abuse action plan. We have \$3.24 million allocated in this budget for the design of a new correctional centre.

My question to the Minister of Justice: has a location for the new correctional centre been selected?

**Hon. Ms. Horne:** Mr. Speaker, we hope to have the new location announced in the next few days.

**Mr. Inverarity:** We know that we are going to spend \$3 million on the design of a building. We don't know where it's going to be built yet, but it's nice to hear that we will know in a few days.

Based on industry wisdom, the cost of designing the new building is roughly 10 to 12 percent of what the total construction cost will be. With a budget allocation of \$3.24 million for the design of a new jail, that would put the total construction cost between \$30 million and \$35 million. Will the minister confirm that this government is expecting to spend over \$30 million for the construction of the new jail?

**Hon. Ms. Horne:** Mr. Speaker, I thank the member opposite for his question. Again, I can say that we will have this announcement made within the next short while.

**Mr. Inverarity:** The government cancelled the construction of the new facility over five years ago. We have been told to be patient while this government does due diligence and planning. Time has gone by and money has been spent. We still cannot get answers to the basic questions.

How are we going to spend \$3 million to design a building without knowing where it is going to be located, how much it is going to cost or when it is actually going to be started? Can the minister explain exactly how this government is going to create the best justice system in Canada with a track record like this?

**Hon. Ms. Horne:** When we have a quick look at the budget, we see there is money for the plan of a new building. Again, we hope to have this announced in the next few days.

**Question re: Whitehorse Correctional Centre rebuild**

**Mr. Inverarity:** I have some more questions for the Minister of Justice. Replacing the Whitehorse Correctional Centre has not been a priority for the Yukon government. They have been in office for five years and they've actually gone backward with this project. They have constantly said they didn't like the building the previous Liberal government was going to build, and that's fine. Change it -- it doesn't take five years to come up with a new design.

The minister recently released a correctional redevelopment strategic plan. On page 18 of this new plan, it says design options for the new corrections facility will be completed by January 2007.

Will the minister confirm she has missed this deadline?

**Hon. Ms. Horne:** As we've said before, the members opposite seem to be fixated on a building, a jail. As we have pointed out several times, the plans did not work in with this government's plan for the correctional facility. What they should be asking is: what is the state of the Yukon and safer communities? That's what we are concentrating on. We are going to have a facility built that meets the needs of the Yukon.

**Mr. Inverarity:** As I noted, the Yukon Party government has ignored this project for five years already, and we have already seen the timeline slipping again.

Conceptual designs are supposed to be ready, according to the minister's own documents, and they are now four months behind. The same report says that an interim-space plan for the existing jail was supposed to be prepared by November of 2006.

Can the minister table this copy of the new plan?

**Hon. Ms. Horne:** Mr. Speaker, I don't think the members opposite are listening to what I am saying. It will be announced within the next few days, and I don't remember saying I would have these plans out in November of 2006.

**Mr. Inverarity:** Well, it was in the strategic plan -- page 18, I believe it was. Again, we are concerned that this project is slipping further and further behind schedule.

Let's go back to the minister's correction blueprint. On page 19, it says, "implement a recruitment and retention strategy to attract and keep qualified individuals working in the correctional system." This was supposed to be developed by January of 2007. Has this strategy been developed, and can the minister table it?

**Hon. Ms. Horne:** Mr. Speaker, the point of the exercise here is not to see how many people we can lock up in a facility. A new correctional facility is only one part -- is one component -- of a much broader strategy. Modern corrections administration supports moving from simply a secure facility to

one that detains inmates to a multi-level structure that is a place of healing.

**Question re: Education reform**

**Mr. Cardiff:** Mr. Speaker, I'd like to follow up with the Minister of Education on a matter that I touched on yesterday. Some time ago, the Yukon's francophone community proposed several amendments to the *Education Act*. Two years ago, they were promised a discussion paper on the issues of concern to them. But this week, at a public meeting, parents and French school board members were told by a department official that he could only discuss the issues outlined in the latest education reform consultation. Those issues are directed mostly at First Nations' concerns. Needless to say, there were a lot of francophone parents who were upset. I'd like the minister to answer this question: is a discussion paper on the French community's concerns among the documents that have been embargoed under the secretive process known as education reform?

**Hon. Mr. Rouble:** Mr. Speaker, the member opposite touches on a couple of good points in bringing up the francophone school board, one of the partners in educating the young people of this territory. Indeed we have many different partners in education. We're working very closely with the French community and those involved in providing French-language education to Yukon children.

Mr. Speaker, we're going forward with discussions with the francophone school board. I've had some very good discussions with them regarding their funding agreements and with regard to the bilateral agreement that we have with the federal government and the territorial government for providing French-first-language education.

Just about two weeks ago, there was a significant announcement by the francophone school board and the territorial government about expanding experiential education programs for their high school program. I think relations with the francophone school board are going along very well now. I look forward to working with them to resolve their issues in education.

**Mr. Cardiff:** Obviously the minister hasn't received a briefing note from that meeting the other night.

He didn't answer the question either. Where is that position paper on those issues? Obviously it is on his desk.

Yesterday I asked the Premier about the rights of a school board under section 129 of the *Education Act*. They are to be treated as a separate entity, not as an extension or agent of the Department of Education. There have been negotiations with the French school board about federal funding that is due to them that Yukon government is withholding. In 2002, after the government agreed to negotiate this funding, the French school board delayed a court action they had initiated. That was five years ago.

Will the minister explain why the money due to the French community has not been handed over to them, and will he bring us up to date as to what stage the so-called negotiations are?

**Hon. Mr. Rouble:** I believe that I touched on this in my answer to the member's first question. There have been discussions with the French language school board about their

funding and about the proceeds from the bilateral agreement. I have been working with the French language school board.

It should be noted, too, just to correct the matter, that it is not the French language school board that has taken the legal action; instead it is another organization. I believe that there is a very good relationship between the French language school board and the Department of Education. I know that I have sat down with them on numerous occasions to discuss their financing and how we can all work best to serve the needs of Yukoners, including those Yukoners who are taking education in French.

**Mr. Cardiff:** Well, the minister didn't answer that question either. That's two that he has not answered.

Now, First Nations certainly understand the power play that's at work here. They can't discuss governance. They have a right to negotiate drawing down education and the money to negotiate it is all locked up in the department's vault. The Premier has said, in no uncertain terms, that that kind of power sharing is out, so we will have lawsuits against the government and we will probably have separate school systems.

Why won't this government live up to the commitments it has made and the agreements it has signed, instead of hiding behind any lame excuse it can find to deny francophone and First Nation parents the right to have a meaningful say in how their children are educated?

**Hon. Mr. Rouble:** The member opposite has brought up a couple of good points: how important it is to involve those in the education of their children, whether it's the francophone community, First Nations or people of a different religious background. There are many different partners in education. We need to involve parents. That's why the education reform team has been tasked to find better ways of having community involvement with education.

We have some great tools out there and the member opposite alluded to them, being school councils, school boards and school committees. There are a lot of powers in these instruments. We have to work with those in the community to effectively use them, and we have to work with the Department of Education to ensure the views of the community are implemented in the education of their children.

#### **Question re: Education reform**

**Mr. Hardy:** I have a question for the Premier. Is the Premier familiar with section 17.7 of the *Tr'ondek Hwech'in First Nation Final Agreement*?

**Hon. Mr. Fentie:** Of course. It is a component, an element, of the First Nation agreement with Canada and with the Yukon. In fact, there have been discussions to date with respect to 17.7. I would submit here that it is a unique element of a final agreement in the territory, as negotiated by the Tr'ondek Hwech'in First Nation.

**Mr. Hardy:** I know this is very technical so I'll try to be as clear as possible. Section 17.7 obligates the Yukon government to negotiate the division and sharing of responsibility for education programs within the Tr'ondek Hwech'in traditional territory. In the self-government agreements of the First Nations that signed the *Umbrella Final Agreement*, government is obliged to negotiate amendments that incorporate provisions

that are no less favourable than the provisions in other self-government agreements.

Will the Premier confirm that the governments of Canada and the Yukon have agreed to amend the self-government agreements of the original four First Nations who signed the *Umbrella Final Agreement* to include the same provisions as section 17.7 of the Tr'ondek Hwech'in agreement?

**Hon. Mr. Fentie:** That is correct, because there is the proviso for what is called a "favoured nations clause" in our land claim process here. Given that the Tr'ondek Hwech'in First Nation has negotiated something very unique in their agreement, other First Nations may very well find this a positive, constructive measure and can exercise this option that they have available to them. If any First Nation does exercise that option, both Yukon and Canada are obligated to address that formal request.

**Mr. Hardy:** My question relates directly to a discussion that has dominated Question Period this week. Effectively, this government has agreed to change the word "may" to the word "shall" in the devolution section of the *Umbrella Final Agreement*. As a result, the Yukon government is obligated to negotiate the devolution of programs and services dealing with the division and sharing of Yukon First Nations' and government responsibilities for the design, delivery and administration of programs relating to education, health and social services, justice and employment opportunities.

How can the Premier reconcile that legal obligation with his insistence this week that his government will never share responsibility for education with First Nation governments?

**Hon. Mr. Fentie:** Here's where things are off base when it comes to the third party and indeed, the Official Opposition. We're not saying anything of the sort; in fact, that's what the Yukon Forum and the *Co-operation in Governance Act* is all about. It is a fundamental step subsequent to the land claims and the agreements, in order to ensure that two jurisdictions in this territory -- public government jurisdiction and the jurisdictions created by the self-government agreements in the First Nation agreements here in Yukon -- can cooperate. The members opposite are saying -- and I heard it just today -- "the sharing of power". I would transpose "power with authority". When you consider the sharing of authority, it can only be done by devolving that portion of jurisdiction. That's not what this government will do. We will continue with cooperative governance as established by the Yukon Forum and the *Co-operation in Governance Act*, the final agreements, both land and self-government, and indeed those are the foundations that have given rise to such processes as educational reform, correctional reform, *Children's Act* review, the sharing of the northern housing trust, the sharing of targeted investment and the sharing of northern strategy.

On that basis, I agree with the Leader of the Official Opposition.

#### **Question re: Old Crow road conditions**

**Mr. Elias:** Mr. Speaker, I have a question for the Premier. Yesterday I highlighted the fact that this government - and the Hon. Premier in particular -- has broken a promise made to the people of Old Crow. At last year's Vuntut

Gwitchin General Assembly, the Premier made a commitment that he would secure the money needed to fix the community's roads. Eight months later, that promise remains unfulfilled. Yesterday, in a way that has become typical of this government, the Premier tried to brush this issue aside. He said all commitments to Old Crow have been kept. That, of course, is not the case.

The government has \$85 million in the bank. I'm asking the Premier to spend a little bit of it to upgrade the roads, as requested by the community of Old Crow. This is my second attempt to get an answer as to when the Premier will live up to the promise he made.

**Hon. Mr. Fentie:** Mr. Speaker, of course the government will live up to all the promises it makes and all the commitments it has made, and that is essentially what has happened throughout the course of the last mandate and continues into this mandate.

I listed for the member's benefit yesterday a long list of items and investments in Old Crow that the Old Crow people wanted. The people of Vuntut Gwitchin wanted those investments to take place, and we just dealt today with a response to a petition that obviously is of high priority to the people of Old Crow, and we're working on that as we will with all other matters.

But to suggest here that the government has broken a promise or a commitment is simply not the case. It is the member's opinion. That does not mean the opinion is correct or even relevant.

**Mr. Elias:** Well, it's documented in the minutes of the Vuntut Gwitchin General Assembly.

Mr. Speaker, seven months ago, I took an oath to fulfill my responsibilities as MLA with the best of my skill and knowledge. I'm just asking a simple question, to provide the opportunity for the Premier to account for his failure to address this commitment to the citizens who live in Old Crow. Mr. Speaker, this is a very specific commitment the Premier made. It wasn't made in an accord or a formal agreement. It's a commitment made to my constituents last September at the general assembly in Old Crow. The Premier was asked why YTG has not done anything to help make the roads better. The Premier's answer was that there is equipment here and that we can address this issue quickly. He said that they will find funding for that and that there are other issues to deal with.

I also had a little chat with the Minister of Highways and Public Works this morning. This request was again made clear.

When is the Premier going to live up to the commitment he made to the people of Old Crow, or was it just another benign promise that doesn't have to be addressed?

**Hon. Mr. Fentie:** Well, Mr. Speaker, I'll ignore the latter part of the member's -- I guess I call it a preamble because the question is not relevant to the facts.

Our commitment to Old Crow is quite extensive. Our commitment includes a brand new air terminal. Our commitment includes millions of dollars of investment in a major gravel-crushing operation that will certainly contribute to road improvement in the community of Old Crow. Without gravel there is no such thing.

Our commitment is a major upgrade to the runway for Old Crow, which is used extensively, as I know the member is well aware. Our commitment to Old Crow is an investment in bank restabilization -- a huge investment. That is another commitment made and kept. Our commitment to Old Crow is to continue to work on a government-to-government relationship as laid out in our intergovernmental protocol.

These are all commitments made, all commitments kept. I am not sure where the member is coming from. That's the answer.

#### **Question re: Education reform**

**Mr. Fairclough:** I have a very easy question for the Minister of Education. Experiential education is a process of actively engaging students in experiences that will help them discover and learn. Students make discoveries and experiment with knowledge themselves instead of hearing or reading about the experiences of others. Chief Joe Linklater said that this is one topic that the education reform project has received input on and there appears to be all round general agreement on this point.

Many Yukoners have spoken to me and members of my caucus in support of more experiential learning in our schools. Since this is one of the topics listed on the education reform project Web site and since it apparently is not a controversial topic, would the minister consider releasing that one particular position paper so we might move forward in this generally accepted and important aspect?

**Hon. Mr. Rouble:** Mr. Speaker, I would like to thank the member opposite for his question and for bringing up the issue of experiential education.

Educators have -- well, since we've had educators -- always looked for ways to improve education, to look at how they can reform it, to how they can work with their students to better educate them. We have found -- and some have known for many, many years -- that one of the best ways to engage youngsters and students in education is through experiential learning -- educating by doing, by being involved, by getting your hands dirty with it, by going through a simulation from it, not just looking at a textbook or reading it off a blackboard, but really getting immersed in it and getting involved in it.

Mr. Speaker, I have made a commitment to work with my colleagues, the teachers and the schools to expand experiential and vocational opportunities in all Yukon schools. Experiential learning is one of the best ways to get students engaged. I think we should do more of it.

**Mr. Fairclough:** I agree with the minister on this topic and that is why, because it is not a controversial paper, I ask him to release it to the public.

We really need to move forward on this. Public opinion is not going to be critical of this minister if he acts on this aspect of their children's education. Will the minister take this matter under advisement and report back to this House as early as Monday? Will he do that?

**Hon. Mr. Rouble:** I always take the comments of the members opposite under advisement. They are representatives of their constituents and of Yukoners. It is important to con-

sider what they have and what they bring to the floor of this Assembly.

I agree with the member opposite. Experiential education is an important tool for educators to use. We only have to look in our gallery today to see that we have students here from Vanier school joining us. They are coming out and getting engaged in the political process and they are seeing what is going on. They are learning by being here and being involved. It's a great tool that our educators are using.

**Mr. Fairclough:** The education reform project team has gone out for two years and consulted the public on this matter. There was a position paper produced and I am asking the minister to release it.

I have tried to be constructive, positive and responsible in my question to the minister, since clearly, knowing that he is a reasonable person, the decision isn't his to make. As one of the co-chairs has already stated, Cabinet approval is required before anything can see the light of day.

Will the minister seek agreement from his Cabinet colleagues to release this one document, so that teachers, students and schools can take advantage of the contents of this paper and not waste any more unnecessary time?

**Hon. Mr. Rouble:** The members opposite made it very clear yesterday. They want to see a position taken before involving Yukoners. The opposition parties want to see decisions being drafted before involving stakeholders and those affected.

That's not how I see consultation happening. I believe that, when there's an important issue -- and I can't think of any issue more important than the education our young people -- we have to involve our stakeholders, our partners in education, and those affected in creating the solutions.

Experiential education has been an old practice. It's one of those that many new educators have found to be a great practice to educate our young people. I know the Department of Education and our teachers are working on it quite a bit. Just a couple of weeks ago at the Yukon Teachers Association annual general meeting, they called experiential education one of the new motherhood statements, that it was almost a de facto "Of course it works and let's look at ways of incorporating it into our schools."

I know teachers are, I know school principals are and I know the Department of Education is looking at ways of expanding experiential education in vocational training in our schools.

#### **Question re: Affordable housing**

**Mr. Hardy:** My question is for the minister responsible for housing. The situation in downtown Whitehorse, the riding I represent, is starting to get quite exasperating. As we are witnessing the removal of housing stock, the lower-income housing stock, we're seeing a crisis starting to form in that area. What's happening in the downtown core -- and you have to remember that the downtown core serves all the Yukon because many people move in from outside communities, whether to go to school, to work, or for a change of lifestyle, and they're looking for homes down there.

We're seeing a tremendous shortage of homes down there in a lower-income bracket. I would like to know what the government is doing right at this moment to address this concern.

**Hon. Mr. Kenyon:** I certainly understand where the member opposite is coming from on that. There is a great deal of construction going on downtown right now. Of course, it's all private sector. It's something that we will not and really cannot do in terms of influencing or interfering with the private sector. But we do have a number of programs that will rehabilitate existing housing stock; for instance, the rental rehabilitation program that allows landlords to borrow up to \$30,000 to improve their residential units. We have technical officers that will help evaluate and work with them, and I can certainly give the member opposite more details on that. We do have 48, I believe, new units coming on in the senior housing category. Many of the people moving into that will be leaving the downtown core. That will open up some more here. So we are working on that, but again, for the member opposite, it is controlled by the private sector, and we have to be aware of that.

**Mr. Hardy:** Mr. Speaker, I'd like to take issue with the minister across the way. It is not necessarily controlled by the private sector. Many governments -- many governments across this country invest in low-income housing, to such an extent that they buy up hotels to ensure that there is low-income rental units and housing available. An example would be in British Columbia, where they bought up 11 hotels. The government itself has intervened to ensure that there is affordable housing in the downtown core so that the workers are available for the lower income jobs that are down there in the service sector.

I heard on the radio two weekends ago -- at eight o'clock at night -- about the shortage of workers in the service sector, which doesn't pay much. We all know that. There's a shortage of workers. Well, one of the big problems is there's no residences for them. So they're not available.

So is this government willing to look at innovative approaches to try to address housing for those who will serve that sector as well?

**Hon. Mr. Kenyon:** The corporation is always willing to look at innovative ways. One of the most innovative ways was to get involved in what has popularly become known as the athletes village. That village was utilized for the time period for the Canada Winter Games -- a huge success -- and has now been converted over as a legacy project toward student housing, particularly family student housing for Yukon College, as well as rent geared to income. The Yukon Housing Corporation Board of Directors has made the determination that that should be seniors housing and will allow the building, once it's turned over, to go in that direction.

Currently, we operate close to 550 housing units through the Yukon Housing Corporation. As our population grows, there will likely be more need at that point in time. We do have programs available to renovate and upgrade existing housing stock, which often is very much a big part of the solution -- though not all of it, it is a big part of it.

**Mr. Hardy:** I believe that the minister must recognize that the government plays an active role in delivery in lower income housing. It's not just left up to the private sector, as he

likes to constantly say. If it is just left up to the private sector, it won't get built. That's the unfortunate part. All the housing that is being built at the present time is middle income; it's not low income. The government should be involved in this.

I'm not talking about the senior housing in the athletes village that he keeps referencing. That's a different story. What I'm talking about is getting a mixed community that serves all the needs, both of the employers and the people who live there. What we are seeing is a withdrawal of much housing stock. Over 50 houses in the past couple of years have been removed from the housing stock and almost all of them are lower income.

Who is replacing them?

Will this minister look at new initiatives that people will bring forward that will encourage low-income housing?

**Hon. Mr. Kenyon:** Again, we look at all things for that; for instance, the rental rehabilitation program allows up to \$30,000 per unit to improve the rental units. We are having more people take advantage of that.

There are a number of components to that, from electrical plumbing and heating and all the rest of it. Health and safety are a very big part of it. The rates for the loan are two percent if it is an accessibility upgrade for those with disabilities and three percent for other upgrades. We also have the northern housing trust. After the Yukon Forum and the divvying up of the \$50 million that we had available to us with the First Nations, there is \$17.5 million available for that. I am very pleased that it is now on the table and, as we speak, the Yukon Housing Corporation and Department of Finance, the driving force in this, are looking at ways we can do exactly what the member opposite is suggesting.

The member has identified a problem. It is a problem in many cities. I agree with him that we need a vibrant residential community in the downtown core. Having grown up in the United States, where all the businesses and offices moved to the centre core and there were no residences, I know it falls apart. He is quite right.

**Speaker:** The time for Question Period has now elapsed.

## INTRODUCTION OF VISITORS

**Hon. Ms. Horne:** Mr. Speaker, I would like to acknowledge Mr. Jim McLachlan, a former member of this Assembly. Welcome, Jim.

*Applause*

**Hon. Mr. Rouble:** Mr. Speaker, I would ask all members of the Assembly today to welcome Mr. Deuling and the students from Vanier Catholic Secondary School to our Assembly.

*Applause*

## Speaker's ruling re question of privilege raised May 8, 2007

**Speaker:** Prior to proceeding to Orders of the Day, the Chair is prepared to rule on the question of privilege raised on

May 8, 2007, by the Member for Kluane. As the Chair gave a ruling on a question of privilege on the same day, I will dispense with informing members of certain procedural matters regarding the acceptability of questions of privilege and the nature of privilege. I will therefore get to the ruling itself.

The matter raised by the Member for Kluane was a continuation of the question of privilege he had raised the day before and which the Chair ruled on on May 8. As I said at that time, the matter raised by the Member for Kluane is a matter of procedure in Committee of the Whole and is not a question of privilege.

Before we proceed to Orders of the Day the Chair would like to make some general comments about raising questions of privilege. In their written notice to the Speaker, and in discussing the issues in the House, members should be explicit about which of the Assembly's privileges is at issue and how, precisely, that privilege has been breached. The Chair requires more than a discussion of the member's concern in order to determine whether an apparent breach of privilege has occurred.

Also, the comments of members -- whether they are raising the question of privilege or responding to it -- should be brief and relate directly to the question of privilege being raised. As I stated in my ruling on May 8, the Chair's only role is to determine if an apparent breach of privilege has taken place. Should the Chair rule that this is the case, the issue will then be put to the House for a decision. It is at that time that members may make more detailed comments about the issue that gave rise to the question of privilege.

I thank members for their attention.

We will now proceed to Orders of the Day.

## ORDERS OF THE DAY

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

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

*Motion agreed to*

*Speaker leaves the Chair*

## COMMITTEE OF THE WHOLE

**Chair:** Committee of the Whole will now come to order. The matter before the Committee is Bill No. 6, *First Appropriation Act, 2007-08*, Vote 7, Economic Development. Do members wish to take a brief recess before we begin?

**Some Hon. Members:** Agreed.

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

*Recess*

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

**Bill No. 6 -- First Appropriation Act, 2007-08 -- continued****Department of Economic Development -- continued**

**Chair:** The matter before the Committee is Bill No. 6, Vote 7, Department of Economic Development.

**Hon. Mr. Kenyon:** I am not even sure where we were on debate, but in the interest of moving things along, I am happy to yield the floor.

**Mr. Inverarity:** I think I would just like to wrap things up myself, since we've been going at this for a couple of days now. I just want to make sure that some issues are covered in general. I guess first of all I have to reiterate what I've discussed in the last two days since I started my opening comments. I am referring to the request for information that has still not been forthcoming regarding some specific issues that both the member from the third party and I asked for in our briefing. I suspect that we will receive that in due course, so I am looking forward to seeing them. Perhaps then I can bring them up in the fall session if we get into any kind of debate at that point in time.

I would like to discuss a little bit about the regional economic development planning that we went into yesterday, just at the opening here. I guess the problem that I was having with the debate that was going on between one of the other members here and the minister -- the issue that came to my mind while I was listening to the debate was the responsibility of the implementation of these plans. If I heard the minister correctly, it seemed that they provided some funding for the communities to actually get these plans prepared and organized, but there didn't seem to be any responsibility beyond that initial phase of funding the plan, and it was left up to the individual communities -- whether they had the resources or not -- to actually get into implementing the regional economic development strategy or plan that they were trying to have.

My thoughts on this, at that point in time, were that this was somewhat of an abdication of the responsibility of Economic Development to actually continue to see that these communities -- I understand the resources in a lot of these outlying communities are scarce, in some cases, and they don't have the resources to continue and to implement the strategies.

That particular issue is something I think the department should look at in the future. Perhaps they could come back in the fall with some sort of strategy by which they can work with the communities so these regional economic planning sessions that go on -- and it seems like a lot of money has been invested in these strategies -- can assist the communities in implementing them.

That would be an honourable cause and I'm sure the individual communities would probably welcome the added resources that the Department of Economic Development could give to this particular initiative.

The other area that I would like to touch on briefly is the foreign-worker strategy -- trying to get foreign workers to come and help fill in the gap. I believe a number was talked about early on in debate. There is a shortage of 900 jobs awaiting skilled workers this summer. I understand that there are some problems around getting employees to move to the

Yukon. We have a fairly low unemployment rate at the moment, so we need to look at some creative and innovative ideas on how to bring foreign workers or even other Canadians to the Yukon in order to fill some of these. I think it would be worthwhile -- I mentioned this in the earlier debate and I'll reiterate it again here -- for the Department of Economic Development to open some dialogue with Immigration Canada and perhaps with our consulates overseas to try to fill this 900-body shortfall that we're going to have this summer. Perhaps there could be a six-month term contract to bring them in; perhaps there could be a number of other strategies that could be developed. I know an individual who is actively working on trying to bring labourers over from eastern Europe where there is a high unemployment rate. I know that in the 1950s, when I was growing up, a lot of foreigners from central and the middle part of Europe immigrated to Canada, learned English and became Canadian citizens. We see that after 30 or 40 years these individuals have provided a unique multicultural environment for Canadians and Canada in general.

This leads me to the next idea that I had presented earlier in the debate, and I would just like to cover it again, and that is the idea of incentives for those who have recently retired to return to the workforce. I know that we've spent a lot of time talking about individuals who take retirement, and we have talked about the concept of having low-cost housing for them, but a lot of them are just over 55. They have decided to take early retirement. Being 55 myself, I don't think I am going to be retiring any time soon.

There are a lot of people who have the financial wherewithal or who have decided they can live on the pension that they have, and they would like to perhaps work part time throughout the year. I think we need to look at some ways in which the Department of Economic Development can encourage this growing population base to actually continue to work beyond 55 or beyond 60, for example. As a suggestion, I had offered ideas like flexible work hours. I think employers need to look at those kinds of things. I think the government itself could look at perhaps tax breaks. I know one of the biggest single detriments to having seniors continue to work is the clawback that the tax system has for those people who are on old-age pension and the Canada Pension Plan where, if they make or exceed a certain tax bracket, they start losing those benefits. Well, with 900 jobs on the go, we should be looking at creative ways in which to entice these individuals to continue working.

Another simple thing that could be done to help alleviate the cost -- a lot of the jobs that are available are service sector jobs. These particular positions are generally low paying. If you were living on a fixed income, it might actually cost you money to go to work in these particular jobs. I think the Department of Economic Development should perhaps discuss a pilot project with the City of Whitehorse whereby seniors could ride the bus free. In fact, I don't see any reason why we couldn't include youth in that. They are an avid part of society and a lot of them are probably looking at having summer jobs, whether they like it or not. So I think perhaps you could include both

seniors and youth in terms of having free bus service around the community.

I would like to move on to another area that has been sort of near and dear to my heart -- the small business development sector. In the last couple of days we have been discussing the idea of a small cottage manufacturing industry whereby we bind together almost like a co-op, in which case these individuals can put together the resources they need to have a small manufacturing incubation system. I think it's important that these initiatives be looked at.

One area I didn't discuss with the Minister of Economic Development in the last days is what I call a foreign investment strategy. While I know that a lot of people look at foreign direct investment as something where mining companies come in and oil companies come in and invest in the Yukon and are part of the community, there is a whole group of individuals out there that I call middle-class rich. I talked about this before in the fall, how these are individuals who don't necessarily want to live in the Yukon but they do have investment capital.

I believe that with this investment capital they are looking for opportunities that are safe and will return a reasonable investment on their excess dollars. A lot of them like living in other locations around the world. They are not just American; some of them are from the Philippines, China and all over the world, including Europe. I think it would be important to look at some sort of strategy to tap into those investment dollars so they can invest in the Yukon. I think we can all agree that we are a fairly safe investment location. We are certainly not involved in wars and other types of upheavals -- God forbid we'd be in the near future -- but I think we do have some opportunities to offer these individuals who have excess dollars to spend. I think it is worth looking at.

There have been some studies done on what we call "high flyers" and "lone eagles". These are individuals who make Yukon their home. They do business out of the Yukon, but their customer base is anywhere in the world. Usually they are technology-based types of individuals or consultants and they use the Internet for a lot of their work. These individuals can be seen as exporters, to some degree, because they are exporting knowledge. It is worthwhile considering these types of individuals.

Montana, if I am not mistaken, has turned to this type of investor. These are individuals who have relocated to that jurisdiction and created a whole new class of financial-type people. There are some drawbacks. In the case of Montana, they had the tendency to buy up a lot of farms and ranches. They ended up using those ranches as a social ranch, I guess. They were not being developed as full-fledged ranches for cattle or farming or whatever. It caused a bit of a problem, but I don't see that as an issue in relation to the Yukon. We have lots of land available and any development from an agricultural point of view would be worthwhile.

I think that we've discussed a little bit about the fibre optic pipeline going south, and I understand the minister is working diligently to try to improve the bottleneck to the south. I would encourage the minister to continue along those lines. Ideally, it would be nice to have a backup to the pipeline. I can remember

a few years ago, in the late 1990s, where a hoe or a backhoe dug up the fibre optic pipeline down near Grand Prairie, and we were without Internet service for the better part of a day to two days. I think it would be worthwhile looking at an alternative. One of the suggestions that I could offer to the minister is perhaps running the second line down to the coast and then down the coast to Vancouver or Seattle or somewhere to tie into that. I believe that there has been some discussion and certainly some studies on that in the past. So I would encourage the minister to look at that.

One of the other things that we discussed in the last couple of days that I would just like to reiterate is the area of strategic industries and emerging industries. I know they both come under one departmental head in the area, and I have to express some confusion over the strategic industries and the focus of trying to bring in these larger corporations. I didn't understand quite what the emergent industry component of that department did. It was one where what made up an emerging industry -- it seemed on one hand you have new businesses starting that may grow into something that might be a strategic industry. But on the other hand, you have strategic industries like oil and gas and forestry and these things that are there, and it's a matter of trying to see where one is a well-founded industry and one is just coming up through the grassroots. It seemed to be that if you went, to the department, that you could probably be one or the other, but there were no clear guidelines as to which area you wanted to be.

On the rail study, the report is in. We've been waiting. I had the impression it would be presented in January. I understand the issues around trying to get the Governor of Alaska and the other players on board in terms of releasing this information but, to be frank, I don't know if there has been a lot of real development going on in trying to actually encourage these people to come forward with this particular study when we're talking about something that's going to be \$13 billion to \$15 billion. I think that's probably an underestimate of what it would be in the end result, as these things have a tendency to be a bit bigger.

I would encourage the minister to take my considerations and comments in the next year of planning, and hopefully they can come up with some ideas.

I have probably one question left I would like to ask, and I'll finish up with that. I'm just about out of time. I was going to paraphrase this a bit, but it's just an inquiry on my part. I'm not sure if the minister will be able to answer it or not.

My question for the minister: does he either personally or through either of his holding companies own shares in any mining companies that are currently working in the Yukon? I was curious if he could answer that question for me.

**Hon. Mr. Kenyon:** I do thank the member opposite for putting on the table 15 or 20 of his favourite questions. I'll try to deal with a few of them, with the caveat that, before he gets up after and says I didn't answer one or three, he please throw them back out on the table again with the next 15 or 20 questions, and I'd be happy to deal with that.

In no particular order, the strategic industries do include larger projects, larger programs, usually in the sense of emerg-



ing technologies, emerging industries and, yes, mining certainly is a big part of that because mining is still emerging in many areas. We do have a number of things in there and, as the member knows quite well, since Faro closed, Minto mines will be the first one that will be open and available. We are looking forward to all the various things.

Another thing that we are looking at in terms of strategic industries is the spinoff industries and the spinoff abilities of some of these industries to go much further; so, strategic industries certainly look at a very wide range of those sorts of things.

I believe 20 minutes ago when he started, the member opposite was talking about the various communities and First Nations in regional economic development. Again, for that member, Mr. Chair, I will review, as I have over several days, that the funds available in regional economic development also include development of capacity; they are to develop regional plans. We are approached to work on those plans by the communities or the First Nations and, in fact, will get into partnership and sharing arrangements with them. But again for the member opposite, the plans are developed, implemented and executed by the proponent. It is a proponent-developed situation.

One of the things that we have seen is many of the communities and First Nations have said that they want to develop that capacity first before they get into the planning, so capacity development is just a huge, huge part of what we have to continue with.

In terms of -- I am just sort of shooting around at some of the questions that were thrown out -- the initiatives taken regarding foreign workers, they are taken by Citizenship and Immigration Canada, or CIC. They are federal programs that we have to deal with, obviously. Alberta and British Columbia are a little further ahead on that. We are right behind them and closely working with Citizenship and Immigration Canada. The member opposite is well aware of the fact that I have been to the offices of several of the relevant ministers and I have spent a lot of time with Minister Monte Solberg in Ottawa on this issue. They are very good in helping to facilitate applications for temporary foreign workers, for instance -- such as potentially reducing the time needed to process permit applications and to take two, three or four weeks off that. But they are still very long processes, sometimes six months to one year.

The member opposite has some very nice ideas in terms of waving a magic wand and bringing foreign workers over, but I would refer him to our Liberal Member of Parliament who has done precious little to assist the Yukon government in terms of these programs. We do try to work with our Member of Parliament and others within Canada's new government. Since the last federal election, we are getting a lot better response from the federal government on this, but there are still piles of bureaucratic red tape that we have to get through in order to do that.

The member opposite also talked about the wide variety of problems in there, and he is right in that respect. The foreign workers are only a partial solution to our current labour shortage in the territory. The more sustainable solution is to continue working with the First Nations, with the college, and with

other partners to increase the labour pool, not only in the aboriginal community, but to continue some special initiatives to increase the labour pool among seniors and within the disabled community. Certain measures that allow youth to enter the workforce in a more meaningful way are things that we are looking at. We are looking at a wide variety of things within that purview. So we are having some good luck with that.

The Yukon nominee program is an initiative under the Canada-Yukon immigration agreement. The member sort of hazards to mention that program, and that is the full name of it -- the Yukon nominee program. The program focuses on business immigrants whose business plans fall within identified priority sectors. There's also the skilled worker category through which two doctors from Germany, for instance, were brought into the territory. Consultations are, I believe, underway with business and industry about the shortage of skilled workers. Categories under the program have been expanded to include health care professionals, electrical engineers and this sort of thing.

I do have to point out for the member opposite yet again that the skilled worker nominee program is under the purview of the Department of Education. Should he wish to spend time in debate on the Department of Education, then that minister would be happy to give him the information that is available.

We do have a variety of other things that we can deal with in trying to expand the labour shortage. For instance, the targeted initiative for older workers contribution agreement -- I love some of these names -- was signed on March 13, 2007. The agreement runs from April 1, 2007 to March 31, 2009. Over two years, the federal government will contribute \$660,000 and the Yukon will contribute \$90,000 to fund the initiative. The Department of Education, again, has worked closed with Human Resources and Social Development Canada and Yukon College to develop a program for delivery in Whitehorse and the 11 community campuses.

I am told that the expectation is to provide the opportunity for about 140 individuals between the ages of 55 and 65 to develop employment skills to find and retain employment. For the record, Mr. Chair, that is under the purview of the Department of Education. I refer him to that department and that minister.

Another program is the Yukon business nominee program. This program, which is administered jointly by Economic Development and advanced education branch, does have the potential to make some very large contributions to increasing business expertise and business investment in the Yukon through the strategic use of the immigration program. Under the program, the Yukon government supports foreign nationals who will make a significant business investment in the Yukon. To date, 11 business immigrants have been approved under the program, and a further six have been approved under the skilled-worker program or component, which is administered by advanced education branch.

To date, our numbers show that Yukon immigrants have invested a total of \$745,000 in Yukon businesses under the program. Current applications in progress may involve between \$3 million and \$4 million in investment in Yukon business. Applications are reviewed by Economic Development. The

review may involve other departments, agencies or the private sector. The program is promoted through the global network of Canadian embassies and consulates. Yes, we have worked with the Canadian embassies across the world. I have been to private discussions in the Canadian Embassy in Beijing and the Canadian Embassy in South Korea. I've also had extensive one-on-one discussions with a number of ambassadors from the Ukraine to Egypt, Romania and a number of other countries who are quite interested in this. Yes, we have also had meetings in the Canadian Embassy in Washington and a number of meetings with the American Ambassador to Canada, David Wilkins. So we are looking at all these possibilities and how these things will develop.

The program is likely going to expand. The member opposite mentions the idea of people simply wanting to invest from afar, and that program is called the "immigrant investment program". We are working on that, and I am very, very pleased to hear the member opposite say that he will support that when that hits the floor of the House. I certainly look forward to his great support of that bill.

He is laughing, so maybe he misspoke. We will find out, won't we?

The member opposite also talked about a pipeline. A pipeline can be used in a number of different ways. When he talked about two pipelines, I was getting a bit concerned. Then he continued to talk about pipelines in terms of fibre optics. His suggestion about the possibility of two routes is interesting when, in fact, I was talking about that yesterday, so I'm glad to see he is up to date on that.

We have \$75,000 in the budget to evaluate the fibre optic network, or pipeline as the member opposite likes to call it. We will let that group do its good due diligence to determine what the best way to go is to avoid the possibility that someone could put an auger right through it. Whether its fibre optic or soda straws connected -- I suspect a good-sized farm auger would go through pretty much anything.

The high-speed component of it is a very big part of it. Again, as we chatted on Tuesday, to get three megabytes per second in Porter Creek and barely able to get 28.8 in downtown Victoria means we are very spoiled up here in terms of what we have. We do need to complete that fibre optic link. We are very aware of it, have been addressing it and have been working on it for a long time now. We are pretty pleased with that approach.

In terms of the rail study, we seem to like to go back to that. We are looking forward to putting that on the table and discussing it. Even though the member opposite and the Official Opposition have said they want us to abrogate our inter-governmental agreements, it is necessary to put it on the table in conjunction with the State of Alaska. That is what we will do.

Both Alaska and Yukon officials on the management team have been reviewing that, and we will see where that goes. I remind the member opposite and all members, and anyone listening, that we are not proposing simply to build a railway in the Yukon; we are building it basically from the connections in Anchorage and Fairbanks, right straight through to Chicago

and Halifax. Perhaps with a little bit of work, the member opposite can encourage us to take it all the way to Iceland.

I am trying to go back to notes here and look at some of the other things that the member opposite discussed. Again, he started, a long time ago, with the regional economic development fund. As I said before, that is capacity building, a development of plans and a wide range of projects in the regional sense. He mentioned small business, but let's stay with strategic industries and the regional industries for a moment.

There are examples of some of the regional development projects that have been done: the Ross River Dena Council received \$38,152.50 to develop a strategic plan, capacity assessment and development plan. Remember, these are contribution agreements, so our partners in these programs are working with us on this. The Ta'an Kwach'an received \$50,000 to plan, organize and begin developing and delivering a local economic development training program; the City of Dawson received \$6,450 to provide local governance, a workshop on best practices for the region; the First Nation of Na Cho Nyak Dun received money to conduct an evaluation and opportunity assessment of Yukon First Nation fire suppression programs; the Carmacks Development Corporation received \$28,047.37 for strategic planning. Before the member opposite asks the question, I have no idea where that 37 cents came from.

The Na Cho Nyak Dun First Nation, for a situational analysis of Mayo Bigway Foods Ltd. \$6,375; Village of Haines Junction -- I know the Member for Kluane will get quite upset if I don't include that regional economic plan -- \$12,250; the Tr'ondek Hwech'in, researching business opportunities, \$5,242; Carmacks Development Corporation for mine reclamation conference -- and again, capacity building -- \$4,050; for capacity development planning and management of heritage and natural resources, the Carcross-Tagish First Nation, \$35,975; Kwanlin Dun First Nation, strategic planning exercise and developing a process for building the capacity of their heritage lands and resource department, \$22,450; assistance to do a labour-market initiative -- because it is a wider range -- to the Whitehorse Chamber of Commerce, \$48,500; the Southern Tutchone Tribal Council for needs assessment, \$17,025; Carmacks Development Corporation -- again business opportunity identification -- \$30,165; capacity-building strategies for the Ta'an Kwach'an Council, \$37,500; l'Association franco-yukonnaise youth labour market pilot project, \$47,420; Selkirk First Nation Holdings Ltd. for capacity building, \$49,000.

That is a quick look, Mr. Chair, at simply the regional economic development fund and how it has been used, not only for planning but for full capacity development.

The member opposite, I think and I hope, now realizes the breadth of this program and that we are, and have been for some time, working with all these different groups. We hope many more will develop capacity and hope to help them to develop the planning for their own future. Again, we do not go in and drop a plan on anybody. It is a chance for the individual groups in that area to develop their own planning structures.

I hope that has hit a few of the member's favourite questions in that last list. Again, labour market studies, immigration

-- I think I've covered most of the stuff in there so I'll let the member opposite regroup.

**Mr. Inverarity:** I appreciate that and I thank the minister for his comments. I did have one last question and it was regarding whether or not he or his holding companies had any shares in any current mining companies working in the Yukon. With that, I will be finished.

**Hon. Mr. Kenyon:** I'm remembering some of the other questions, and of course the answer to the last one is the full disclosure papers are available to him, as his are to me. He's more than welcome to look at them and realize the answer is clearly no.

One thing he was speaking of awhile ago was small business development and what we're doing for that. The enterprise trade fund has been a huge success in terms of working with small business, developing small business and giving them a big heads-up on that.

They work with people from all over the Yukon and for all sorts of projects to develop capacity of the business, to develop a business-ready business plan and that sort of thing. The member opposite has again requested a few different things and some details on this, and I'm very happy to provide that.

Groups that have been funded under this in the last fiscal year -- Genietek Innovations Inc., to conduct market development, \$26,089; Arctic Premium Water for export market development, \$6,750; Sanoma Innovations Inc., project beansprout - - sounds like a good one -- \$7,976.69. Again, I have no idea where the 69 cents came from.

Caribou Records, promoting Indio Saravanja -- I apologize for butchering that pronunciation -- received \$8,500. Aspen Designs for the Meet the North 2006 conference received \$1,575. The High Country Inn for the Meet the North 2006 conference received \$3,165. Yukon Engineering Services received \$5,921.25 to attend a conference and trade show. Robyn Round and the Klondike Apothecary received \$5,143 for business mentoring and coaching, and it is a very good and successful business, of course, as all of these are. Shadow Lynx Artworks Incorporated received \$3,412.50 to promote music in Alberta.

A variety of groups received \$2,276 to attend the Banff World TV Festival. Another got \$3,003.83. Two other groups received \$3,412.50 and \$3,210.56, also for the Banff World TV Festival. A group received \$2,000 to go to a music showcase. Another for developing a business plan received \$2,600.

I will go through these more quickly here for the member opposite: another group received for business training \$2,639.25 and for market development \$3,990. A variety of feasibility studies were done by one of the First Nations for \$14,617.50. A variety of groups for developing business plans received \$10,750, \$11,500, \$35,115. For tours for festivals and performances, two groups received \$5,000 each and another musical tour received \$8,900.

An artist was given \$9,702.22 to participate in a variety of trade shows. These are the sorts of things that we have been very fortunate to work with and utilize.

We've also promoted the business on-line directory and that's to access a reliable and current on-line business directory.

We've identified that as a real key service that will contribute to the growth and development of a positive business climate in the Yukon. The on-line business directory will increase the exposure and accessibility of Yukon business and industry in external markets. Development of the directory is currently in the final stages, and it will be launched soon. It has been developed by a partnership with the Yukon Chamber of Commerce. The new directory will be more user-friendly; it will be easier to navigate and easier to maintain than the existing directory. It will be linked to the [www.investyukon.com](http://www.investyukon.com) Web site. The cost of developing that new business directory Web site is \$8,226.

Another program that has been developed by a wide range of departments -- I'm very proud that Economic Development had a piece of it -- allows the proponent who has a business idea to go to a Web site called BizPaL. BizPaL was developed in conjunction with the federal government and with Yukon. I believe four territories were involved. Being the smallest of the jurisdictions, Yukon was the first to be up and running. We are very happy to take some of the credit for it, but it was a joint effort among a number of different people.

BizPaL allows you to go on-line in real time, put in a business plan, idea, location, answer a series of basic questions, and it spits out all the regulatory regime that is relevant to you -- what licences you need for this at municipal, territorial and federal levels. It also gives you the ability to look at what offices you should be contacting. For example, given our initiative to allow the business development of farm-gate wineries -- local wineries to develop berry-based or all sorts of possibilities from dandelion-based on down, I suppose -- you'll also find out that you not only need to have the relevant liquor licences but you would also have to contact health authorities, have health inspectors look at you, go through financing -- there is excise tax involved. It would give you that whole breakdown on how you would go about it. It's a rather amazing little system that's on-line. As I say, it's here. It's live. We're always adding stuff to it, but it's live and it's up.

One of the things that's most interesting about it is the -- I forget the organization now, and that's terrible -- the information technology organization that does annual awards in Canada for the most outstanding information technology projects that have developed something that is really in the public interest and advances the use of technology and business. BizPaL won their diamond award last year for the top program in all of Canada in terms of developing a business idea and a business tool using information technology. So again, we've developed into real leaders on that.

I do appreciate the time to identify some of the programs that we have looked at.

Again, the member opposite had been asking about strategic industries and emerging industries, so I don't want to leave that out, but there have been a number of awards for one association to do feasibility studies to develop a whole industry in the Yukon, and that was funded at \$42,800. A tourism non-profit group -- \$10,900 to do a business needs assessment. A sporting event to develop a business plan strategy -- \$15,700. To administer recommended steps in the feasibility study for the development of the northern innovative cluster and, as we

mentioned, if the member opposite remembers, a few days ago in the debate, that is funded at this point to \$153,888. Assisting with the development of an adventure company -- \$15,350. Increasing the industry awareness for Yukon matters to miners -- that was \$24,915.

As we announced before -- and I know I had the good pleasure of travelling to at least one of the sites on this -- Great River Journey -- \$407,000. Of course, there has been good funding coming in from the federal government and such on that too, and that will be of great benefit to at least three or four First Nations.

Other -- to develop business plans. We talked earlier about the \$200,000 contribution to Minto Exploration, which is a direct advantage and benefit to Selkirk First Nation and other companies that have accessed that ability to develop joint-venture projects -- \$54,000. I am just sort of looking randomly around a page here. There is another to look at assessment of shipping options for a company, which was for \$97,200.

These are all things that will have huge spinoffs and often fill in holes of development plans for corporations, for individuals, for non-profit organizations and governments that don't have either the wherewithal or ability within their own structure to do a small study that would help them immensely. The strategic industries fund comes out very dramatically in terms of helping them with that.

If the member opposite has any specific questions on any of those or, again, if I have missed any one of his 15 or 20 favourite questions, I would be happy to go back to them.

**Mr. Elias:** I am trying to be constructive and responsible in my questions on the topic of regional economic development. Can the minister provide for the record a description of the economic development projects or plans that are funded in this year's budget by the minister's department and located within the Vuntut Gwitchin riding?

He mentioned the northern Yukon economic development accord several times. I was just wondering if there was any funding allocated to that accord or any goals associated with that accord.

He also mentioned a letter from Chief Linklater several times. I am just wondering what specifically in the riding is being funded this year by the minister.

**Hon. Mr. Kenyon:** I'm just looking at some of the things that have been funded in that area. For instance, a multi-use trail upgrade grant to the Vuntut Gwitchin First Nation -- there is such a huge list of First Nation agreements here I'll have to sort of put them across here -- for a total value of \$19,626. I believe all of that has been awarded.

Also, for youth recreation sites for the Vuntut Gwitchin First Nation, \$54,924; the drumming workshop -- and I think most of us in this House understand within the First Nations culture the importance of drumming, but for anyone who isn't familiar with that who might be listening, I assure them that that is an incredibly important project. A very good friend of mine is a drum maker, and I have spent enough time and hours getting lectures on drum making, that is for sure. For that traditional drumming workshop, the Vuntut Gwitchin First Nation received \$8,350, and that has all been awarded.

Looking at some of the other area: for instance, within enterprise trade fund, in business training, \$1,523, and that has all been awarded. For the Vuntut Gwitchin Development Corporation for development of a business plan, \$3,700, and I believe to date that one is still being acted on and hasn't been completed.

That is a bit of an overview in terms of some of the money that has flowed into that part of the Yukon, and we are very pleased to continue to support that and to have the support and appreciation of Chief Linklater.

**Mr. Edzerza:** I guess it's no secret that my riding includes one of the largest First Nations in the Yukon Territory. I would like to ask the minister a couple of questions. With regard to First Nation economic development agreements, does the minister's department have any responsibilities toward First Nation land claims agreements?

**Hon. Mr. Kenyon:** As the member knows, there are some responsibilities in Economic Development under chapter 22. In terms of the rest of it, most of it is looked after by the Executive Council Office and the land claims secretariat.

**Mr. Edzerza:** I suspected it may be covered under that section; however, within the Kwanlin Dun First Nation, page 375 of their final agreement deals with economic development opportunities for Kwanlin Dun citizens. Is the minister familiar with that chapter of the self-government agreement?

**Hon. Mr. Kenyon:** My understanding is that there has to be a formal application under that particular section but, for instance, on strategic planning, two Kwanlin Dun First Nation groups received \$22,450, of which I believe \$8,000 has been paid to date. It's an ongoing project.

**Mr. Edzerza:** I guess what I am interested in knowing is if the minister has ever sat down with the Kwanlin Dun leadership to have any discussions about economic development?

**Hon. Mr. Kenyon:** While I have met with most of the people individually, and I have attended meetings there, most of that work is ongoing at the official level, of course. I certainly invite the leadership to approach me at any time. I'm very happy to sit down with them, but so far it has been mostly at the official level.

**Mr. Edzerza:** I would recommend that the minister maybe make some contacts here. After all, if the department can go all the way to China to discuss economic development, certainly they can take a five-minute drive to have these discussions with the First Nation. It appears to be something that I don't believe is really acceptable, because economic development is something that is going to help the government and the First Nation build those partnership bridges and make those really important connections. Again, I understand that and suspect these may be more intergovernmental relationship kind of connections than really the First Nation doing agreements with the Department of Economic Development per se.

The final question I would like to ask is with regard to the Yukon asset construction agreement. Does the minister's department have anything to do with that part of this agreement?

**Hon. Mr. Kenyon:** The short answer to that is no. But if we go back to the member's previous comments, I'm not sure how he thinks that strategic planning process of \$22,000 came

about. It came out of those meetings. If we look at some of the other things involving his constituents, Kwanlin Dun First Nation -- and I know there is a much larger chunk of the member's riding, but he asks about this one specific part of his riding -- received \$35,000 for in-school training. For an economic opportunity conference there was a contribution of \$1,188. We mentioned, of course, the strategic planning for Kwanlin Dun at \$22,450, which is ongoing. If we continue to look at some of the other things in here, there was a contribution agreement of \$12,375 to Kwanlin Dun through strategic industries as a business plan for the Great River Journey project.

Continuing through some of these things and some of the other members within his constituency and, of course, if we look at the greater constituency of the Council of Yukon First Nations -- there are community access program operators, \$49,500; the northern strategy fund and e-commerce, \$100,250, and others that are certainly within the member's riding. We can get into a number of others. For instance, a skating pad for the Ta'an Kwach'an Council -- not directly within his riding but I'm sure benefiting some of his members. Also, a five-year strategic heritage plan for the Ta'an Kwach'an -- \$13,600. Also for Ta'an Kwach'an, local economic development training, evaluation and economic opportunity assessments -- \$50,000.

We look through a variety -- I won't waste time going through that list. But when you consider that the member opposite seems to focus his question on First Nations, during the time period of the last budget we expended \$1,839,084. Really, that's what has been paid out. If you include the ongoing projects, the value is \$2,266,012. I think it's a bad misconception for the member opposite to draw a conclusion that we are not working with our First Nation partners. His analogy of travelling to China would be, to my mind, simply very similar to his travelling to Fiji for the Parliamentary Association. It was a valuable trip and there was good value out of that. I congratulate him for taking that trip. It has nothing to do with the matter in debate though.

**Mr. Edzerza:** It never fails. This minister always has to come back with some kind of cocky response. I don't want to spend my time on this kind of correspondence with this minister. In fact, I don't want to spend it with any of the ministers. It is a waste of time. I would like to remind the minister that I will focus my questions from any constituent who contacts me and asks me to do so. I think it is very inappropriate for him to try to single out a specific ethnic group that may ask me a question. I am here to ask questions that constituents ask me. If the minister is not happy with that, that's just too bad. I am not going to waste my time here. I think I have said enough. With that last response, it is not worth asking any more questions. Thank you.

**Hon. Mr. Kenyon:** I would remind the member opposite that he asked specifically about meeting with the leadership of Kwanlin Dun. It wasn't this side that put it in terms of First Nations. I do congratulate him on his thoughts that we waste no more time.

**Mr. Inverarity:** I have to say that I agree with the member from the third party. Occasionally, I know that things

deteriorate here in the House, but I think we can keep it on a level playing field. It would be better for all of us.

I have a couple of additional questions that popped out of the other discussion. I noticed in the area of business and trade that one of the goals and objectives of the department is to provide ongoing assessment and monitoring of the business climate. I was wondering if the minister could fill us in on the tools he is using to do this and the kinds of reports that are available. I haven't seen too much come across my desk in terms of areas of monitoring and assessment of the business climate in Yukon. I would be particularly interested if he focused on small business and trade. I think we all have had discussions about the larger industries at this point, so if we can go there, I would appreciate it very much.

**Hon. Mr. Kenyon:** The projects are fully evaluated. They are often, depending on the project, given out in smaller increments until the progress is shown. The program is then evaluated in its completion. We work also with a variety of regulatory departments such as Energy, Mines and Resources and Environment, which are involved constantly in looking at the regulatory aspects of this to make sure things are done properly. While we have had some proponents who are confused that they can't apply for more money until they have met the requirements of the original grant, for the most part the projects are reviewed in great detail. We are happy about that.

We are working on a document for the member opposite -- the Yukon economic outlook. It is in production now. It will give a good overview of all the programs, how they're used and what the status of the economy is. I am hoping that document is completed before the end of this sitting. If it is, I would be happy to table it for the member opposite's edification.

**Mr. Inverarity:** I was wondering if the minister could again give me the name of that document. I didn't quite get it when it was mentioned.

**Hon. Mr. Kenyon:** That's the Yukon economic outlook.

**Mr. Inverarity:** I'll wait for the economic outlook to come out and see if it answers my questions regarding the actual monitoring and assessment of the business climate. I understand the monitoring and the assessment of individual reports that are important to us, and we've had some discussions over the last little while regarding that, but I was particularly interested in the state of the economy as a whole.

The other day we were looking for the state of the environment report from the Minister of Environment and I was wondering if this report that he's referring to would be something equivalent to that -- so it would be the state of the economy and an assessment of the business climate as opposed to specific projects that we had. Maybe the minister could comment on that.

**Hon. Mr. Kenyon:** The member opposite is quite right. It will reflect on the economic outlook and the economic climate of the Yukon. It is produced specifically by us, and it allows us a chance to really see where we are today. The other document that the member refers to basically reviews, for the most part, federal documents that have been produced over the previous three years. By the time that document is printed,

we're already three years out of date. This will reflect the reality now, which is why we're working on it right now.

**Mr. Inverarity:** I think I'd like to turn my attention, to the Dawson City bridge. I was kind of curious as to what the current state of the project is, how much money has been spent on it to date, and if there has been any money allocated to the project in the coming budget.

**Hon. Mr. Kenyon:** For that one, I refer the member opposite to the Department of Highways and Public Works -- our department in this fiscal year, zero.

**Mr. McRobb:** It's interesting, Mr. Chair, the bridge project was shuffled to this department a few years ago, and now it has been shuffled back to the Department of Highways and Public Works. Because I'm the critic for that particular department, I'll have to follow up with the minister at the appropriate time.

I want to focus on a particular area with the minister, and that is the economic development plan that is being produced for the Haines Junction service area, and first acknowledge the financial participation from the minister's department toward the development of this plan. I think it was definitely public funds well-spent. I just received a copy of the plan this morning, and I've had a chance to glance through it. I'm certainly impressed with the methodology and the approach and the involvement taken in the development of this plan.

Mr. Chair, I would like to speak to this a little bit, because this might be the last opportunity I have in this sitting to mention this kind of detail. This plan was developed through an economic development committee and was comprised of key organizations within the area that were concerned with economic activity. Those key organizations included the Village of Haines Junction, the Champagne and Aishihik First Nations, the St. Elias Chamber of Commerce, Kluane National Park and the Kluane Park Management Board. The local consultant who contracted to put all this together was Caroline Hayes and Associates, and I would like to extend my appreciation to them as well as the several members of the community who volunteered their time toward this laudable objective of producing this report.

Mr. Chair, I see that the report is written to the Mayor and Council of the Village of Haines Junction. I'm not sure if that government body has yet approved this report, so I am going to be careful about not pursuing it too far. However, I do see that some of the key recommendations are matters I have raised before in this House, and I think it would be prudent at this time to at least ask the minister if he has taken any action in these areas and tried to ascertain what work has been done and what might be possible in the future.

One of them deals with the relocation of a government department to Haines Junction. In the past, this was referred to as "decentralization of government".

#### **Chair's statement**

**Chair:** The Chair feels that this is getting a little off topic from Vote 7, Economic Development. I do appreciate the member's appreciation of this report, but I feel that we are a little off topic.

**Mr. McRobb:** Well, I would suggest that this is within the minister's domain. It comes from an economic development report that his department paid for. My question is extremely germane to the department currently being debated. So, I would ask you to further consider that, Mr. Chair.

I want to know if the minister is aware of any undertakings by his officials toward the initiative I just identified and what might be on the radar screen in the future. Is it something he is willing to look at? Where is this initiative currently?

**Hon. Mr. Kenyon:** Well, there you go. I thank the member opposite profusely for doing the economic review that the Member for Porter Creek South asked for. I am glad to hear that it was a good report and that it was as we expected. We did not pay for it; we contributed toward it. It is basically their report, and it is now in their ball court to come back and work with our business development people to see where we want to go. We certainly are waiting for the request to come in regarding how that jurisdiction wants to take action and what assistance it wants with its report. It is their report.

I can't let go of the idea that we are shuffling a bridge. I guess it's the bridge that we were talking about and not the toll bridge that the Liberal Party talked about a long time ago. It was not shuffled; it was our department that looked at the economic realities. Again, that's what we do. We do not build things; we look at the business plans and case studies, and we look at how those are developed. When something is going to be built, it is built by Highways and Public Works. That's nothing new. That has been in this government's structure for many, many decades.

**Mr. McRobb:** The minister didn't respond to my question. I would like him to do so.

**Hon. Mr. Kenyon:** Once again, we are very pleased that he considers the report successful. I haven't seen it. It's not our report. We will wait to see what Haines Junction wants to do with the report and where they want to go with it. Clearly, our contribution toward development is pretty good. To date, again, I have to say that it is their report and not ours. The mayor and council have not contacted us and asked for any assistance. Perhaps the MLA for the riding can do his good work and work with them to present ideas and options.

**Mr. McRobb:** Well, Mr. Chair, that answer is not acceptable. Now the minister is using the report as a roadblock to answering questions that have been asked previously in the House. Today, I asked for an update on that situation, yet he refused to answer the question.

It is about the relocation of a government department, formerly called "decentralization". If it helps the minister in his mind, I would like to put this on the record and disassociate it from the report. This question or request has come from constituents in the area, and quite possibly from other areas of the Yukon as well, long before this report was produced. I imagine it will continue long into the future unless something is done.

I want to ask him again what progress he has made toward this initiative. Is it something he is working on now? Can we expect some announcement in the next few years toward this goal?

**Hon. Mr. Kenyon:** Well, Mr. Chair, again, for the record, it is not our report. The mayor and council have not contacted us. As the member opposite quite well knows, or should know, the Department of Economic Development does not begin reallocating departments. That is a government decision. It's a much broader decision, much like his party's decision to completely wipe out the Department of Economic Development as a means of promoting economic development, a decision that I still scratch my head over. I would also have to agree with the Chair's previous comments that I'm not sure at all where the questions are going.

#### Chair's statement

**Chair:** Order. I feel that this debate is becoming personal. I would like to remind all members to keep the debate relevant to Vote 7, Economic Development.

**Mr. McRobb:** Mr. Chair, the minister has been allowed to again attack past positions of previous governments and, like the Member for McIntyre-Takhini said, it has long become worn out. Like you just ruled, it's basically a personal attack. In order to make progress in this House, we need to rise above such pettiness and get on with the public's business.

#### Chair's statement

**Chair:** Order. I just advised all members to keep debate from becoming personal. Once again, it has. I'd like to remind all members that we're discussing Vote 7, Economic Development.

**Mr. McRobb:** Well, now that hopefully the bar has been raised again, I would like to ask the minister, is this something that he is actively working on, and is it something we can expect to happen? I'm asking him to consider this question totally disconnected from this report because, as I have explained, it's not linked directly to this report in isolation. It has been a question asked before, and he's Minister of the Department of Economic Development, formerly Business and Culture -- at least part of it was. Certainly, a lot of the mainline staff that was shuffled back to Economic Development was under the employ of the Department of Business and Culture. So I don't accept the minister's perception that he's trying to generate about previous governments.

I want to ask him about this question now, because it's a serious question and people want to know the answer.

**Hon. Ms. Taylor:** I feel somewhat compelled to jump into this discussion here. The Member for Kluane made reference to an economic plan that the Village of Haines Junction, in conjunction and collaboration with a number of very important stakeholders, have been working on. I just wanted to provide a little clarity with respect to what the Minister of Economic Development was saying.

I, as the Minister of Tourism and Culture, had the opportunity to meet recently with the Mayor of Haines Junction as well as a number of key stakeholders who worked very hard on this very important report. They had the opportunity to relay some of the information to us.

Let me correct the record: none of that information was about the details of the report, but it was just to give me a heads-up that they had been working on this report and it was a very exciting plan and vision for the Kluane region. They just wanted to simply sit down with us, which they did. Just for the information of the Member for Kluane, they also wanted to make it very clear that they didn't really want to provide an official copy of the report to the political arm of government until they had the opportunity to actually have it fully endorsed by the Mayor and Council of the Village of Haines Junction.

That hasn't been done, as far as I know. I certainly don't recall me or any of the other ministers on this side of the House receiving a formal copy of the letter or endorsement of the report. I haven't seen the report. I know that none of my ministerial colleagues have received the report, so it's a little difficult to talk about elements of the report without actually having that full endorsement coming from the political arm of government in Haines Junction.

They also wanted to endeavour to speak with the First Nation government in the area as well, to seek their concurrence before officially releasing the report. I just feel compelled to give the discussion that bit of context so the Member for Kluane understands that we are not withholding any information but, in fact, we are respecting the purview of the municipal and First Nation governments' views on this particular matter.

**Mr. McRobb:** I thought I made those points quite clear in my opening comments about the report. I didn't hear anything new from the Minister of Tourism in that regard.

My question to the Minister of Economic Development was put into the context of isolation from the report as an issue that has been raised before. Obviously he's not willing to comment on it. Draw your own conclusions, Mr. Chair. I see no point in continuing this further at this stage because the minister has no answers that pertain to what is happening now or in the future. He merely wants to rehash what happened yesterday.

**Hon. Mr. Kenyon:** I hear the member opposite saying some rather interesting things. At one moment he says the report hasn't been released -- he seems to agree that that decision has at this point at least been made by the political arm -- and then proceeds to comment on it. It is their report. We will react when we are asked to. I'm so pleased the Member for Kluane has been so exuberant in this House about his pleasure with the report. I'm sure when we get to see a copy of it, we will no doubt agree with him.

**Chair:** Is there any further general debate? We will proceed with line-by-line consideration of Vote 7, Department of Economic Development.

#### *On Operation and Maintenance Expenditures*

##### *On Corporate Services*

##### *On Deputy's Minister's Office*

**Chair:** We're proceeding with line-by-line. We're on Deputy Minister's Office, \$470,000 of investment under 2007-08. Do you have a comment on that line, Mr. McRobb?

**Mr. McRobb:** Yes, I do. I was waiting to be recognized in that regard.

I just want to set the routine here between the critic and the minister. We are going to request a breakdown of each line item unless indicated otherwise by the critic. We will use that as a default basis in order to expedite matters. I see the minister shaking his head in disapproval; I'm a little shocked at that. If he wants the critic to stand up and ask for a breakdown at each one of these occasions, this is going to needlessly consume a lot of time. This is adopted, past practice, and I would request the minister to give it some second thought and be willing to provide a breakdown automatically on each line item.

**Chair:** We are proceeding line by line. We are on page 6-6 of Economic Development, Vote 7, under deputy minister's office, \$470,000.

**Mr. Inverarity:** Could we get a breakdown of this particular line item in detail, please?

**Hon. Mr. Kenyon:** This activity includes personnel costs of \$399,000; support costs including contracts, memberships, communication and travel of \$71,000.

*Deputy Minister's Office in the amount of \$470,000 agreed to*

*On Corporate Administration*

**Mr. Inverarity:** I request a breakdown in detail of this particular item.

**Hon. Mr. Kenyon:** This activity includes personnel costs of \$541,000; communications, \$7,000; departmental software licences, \$18,000; contracts for systems operations, space planning, et cetera, \$33,000; rental costs, \$22,000; training, \$5,000; program material, repairs, membership, travel and other costs of \$52,000. Personnel costs include the director, financial officer, accounting clerk, records manager, systems administrator, administrative assistant and manager of human resources for a total of seven full-time employees.

The four-percent increase of \$24,000 from the 2006-07 forecast to the 2007-08 main estimates is mainly due to reclassification and position merit increases of \$29,000 which was partially offset by reductions in departmental rental costs of \$5,000.

The 24-percent increase, or \$132,000 increase, from the 2005-06 actuals to the 2007-08 main estimates is due to reclassification and merit increases of \$18,000; a new administrative position hired for \$54,000; a vacancy in the head of records and financial officer position for \$55,000 and a reduction in training administrative expenses, et cetera, from the amount anticipated in 2005-06 of \$5,000.

**Mr. Inverarity:** I'm sorry, Mr. Chair, could we get a breakdown on those items, too?

**Hon. Mr. Kenyon:** For the member opposite, who might have missed it, this activity includes personnel costs of \$541,000; communications for \$7,000; department software licences for \$18,000; contracts for system operations, space planning and so on for \$33,000; rental costs of \$22,000; training for \$5,000, and program material, repairs, memberships, travel and other costs for \$52,000. The personnel costs include the director, financial officer, accounting clerk, records manager, systems administrator, administrative assistant and the manager of human resources for a total of seven FTEs.

The four-percent increase, or \$24,000 increase, from the 2006-07 forecasts to the 2007-08 main estimates is mainly due to the reclassification and position merit increases of \$29,000, partially offset by a reduction in departmental rental costs of \$5,000. The 24-percent increase, or \$132,000 increase, from 2005-06 actuals to the 2007-08 main estimates is due to reclassification and merit increases of \$18,000; a new administrative position hired for \$54,000; a vacancy in the head of records and financial officer position for \$55,000, and a reduction in training administrative expenses, et cetera, down from what was anticipated in 2005-06, of \$5,000.

Mr. Chair, I would be happy to go over that a third time if the member opposite requests.

**Chair:** Corporate administration, \$678,000, was broken down. Any further discussion?

*Corporate Administration in the amount of \$678,000 agreed to*

*On Allotments*

*On Personnel*

**Some Hon. Member:** (Inaudible)

**Chair:** Order please. Do you have a point of order, Mr. McRobb?

**Some Hon. Member:** (Inaudible)

#### Point of order

**Chair:** Mr. Kenyon.

**Hon. Mr. Kenyon:** Point of order, Mr. Chair. Perhaps the Member for Kluane should sit down and turn on his microphone so we can enjoy his conversation.

#### Chair's ruling

**Chair:** Order please. There's no point of order.

**Mr. Inverarity:** I'd like a breakdown.

**Hon. Mr. Kenyon:** Thank you, Mr. Chair. The personnel breakdown includes \$399,000 in this office; support costs, including contracts, memberships, communications and travel of \$71,000. Personnel includes the deputy minister, an administrative assistant and a senior advisor for special projects, or three FTEs. Membership costs are for the Canadian Council for Public-Private Partnerships of \$6,000. The three-percent, \$12,000, increase from the 2006-07 forecast to the 2007-08 main estimates is mainly due to merit impacts, and the 21-percent or \$83,000 increase from the 2005-06 actuals to the 2007-08 main estimates is mainly due to wage settlements, impacts of the wage settlements and merit increases, \$19,000. The special project officer position being vacant for part of 2005-06, \$51,000, and less consulting services were required in 2005-06, for \$13,000.

**Chair:** You've heard the breakdown for personnel, \$940,000. Is there any further debate on this item?

*On Other*

**Mr. Inverarity:** It would be nice if the minister would just do an automatic breakdown. If not, could we have a breakdown of this one too?

**Hon. Mr. Kenyon:** If the member opposite wants me to do this on every one, I think, at this point, I would rather let him understand that the debate has been going on for almost



three days now and he should ask specific questions. If you will give me half a second --

Support costs include contracts, memberships, communication and travel, for \$71,000. It also includes a variety of other things. For instance, communications for \$7,000; departmental software licences for \$18,000; contracts for system operations, space planning, et cetera, for \$33,000; renovation costs for \$22,000; training for \$5,000; and program material, repairs, membership, travel and other costs for \$52,000.

**Chair:** We have heard the breakdown for Other, for \$208,000. Is there any further debate?

***Corporate Services in the amount of \$1,148,000 agreed to On Corporate Planning and Economic Policy***

*On Directorate*

**Mr. Inverarity:** Again, it would be nice if we could just automatically go into a detailed explanation of each of these. If not, if the minister could give us a breakdown, that would be great.

**Hon. Mr. Kenyon:** Under Directorate of \$163,000, this includes personnel costs of \$124,000; memberships, \$10,000; contract services, \$9,000; branch staff training, \$6,000; support costs such as travel, communications and program material, \$14,000.

*Directorate in the amount of \$163,000 agreed to On Communications*

**Mr. Inverarity:** Can we get a breakdown on this line item, please?

**Hon. Mr. Kenyon:** Under Communications \$203,000, this activity includes personnel costs of \$155,000; support costs, such as departmental advertising, \$13,000; communication costs, \$4,000; contracts related to communication issues, \$20,000; program materials and printing, \$11,000.

**Mr. Inverarity:** I was wondering if the minister could give us some explanation why there has been a decrease of 23 percent in this particular line item?

**Hon. Mr. Kenyon:** The 23 percent or \$62,000 decrease from 2006-07 forecasts to the 2007-08 main estimates is due to new employees being hired at the lower end of the wage scale, which accounted for about \$5,000, and a marketing strategy which was completed in 2006-07 of \$57,000 and therefore was not needed.

*Communications in the amount of \$203,000 agreed to On Policy and Planning*

**Mr. Inverarity:** Can we get a breakdown, please?

**Hon. Mr. Kenyon:** Policy and planning for \$512,000 - this activity includes personnel costs for \$442,000, contracts for \$30,000, Yukon Council on the Economy and the Environment administration costs for \$16,000 and other miscellaneous support costs of \$24,000.

*Policy and Planning in the amount of \$512,000 agreed to On Business and Economic Research*

**Mr. Inverarity:** I would just reiterate that we could avoid all this talking if the minister would just give us a breakdown. I think that in the spirit of cooperation, I would like to get through this as much as he would, but I would like a breakdown of this particular item.

**Hon. Mr. Kenyon:** The business and economic research budget of \$490,000 includes personnel costs of \$390,000, contracts for economic surveys impacts and statistical analysis of \$73,000 and support costs, such as communications, travel and program materials for \$28,000.

**Mr. Inverarity:** I am wondering if the minister could give us a reason why there is a 22-percent increase in this particular item.

**Hon. Mr. Kenyon:** The 22-percent increase, or \$89,000 increase, from the 2007 forecast to the 2007-08 main estimates is due to the completion of a secondment opportunity in 2006-07 for the director, \$84,000 for an increase in contracts for printing and economic forecasts, et cetera, of \$5,000.

*Business and Economic Research in the amount of \$491,000 agreed to*

***Corporate Planning and Economic Policy in the amount of \$1,369,000 agreed to***

***On Business and Trade***

*On Directorate*

**Mr. Inverarity:** Could we have a breakdown on this particular line too?

**Hon. Mr. Kenyon:** Directorate, \$229,000, includes personnel costs of \$178,000, staff training for \$6,000, specialized contract support for \$14,000, and support costs of \$31,000.

*Directorate in the amount of \$229,000 agreed to On Investment*

**Mr. Inverarity:** Again, I'd just like to reiterate, we could certainly save a lot of time if we just got the information. But I'd like a breakdown on this item, too.

**Hon. Mr. Kenyon:** Investment, \$184,000: personnel costs, \$99,000; advertising to promote programs and services, \$18,000; program materials such as brochures, \$5,000; specialized services to support projects and seminars, \$26,000; facility rentals for meetings, \$5,000; and support costs such as communication and travel, \$31,000.

*Investment in the amount of \$184,000 agreed to On Trade*

**Mr. Inverarity:** If we could have a breakdown, I would appreciate it.

**Hon. Mr. Kenyon:** Trade at \$397,000 includes: personnel costs of \$182,000; consulting services for promoting trade missions and conference, \$87,000; advertising to promote business conferences, \$19,000; program materials such as brochures for trade missions and conferences, \$18,000; printing materials for seminars, \$25,000; facility rentals for meetings and seminars, \$15,000; contributions to third parties organizing trade initiatives, \$30,000 and support costs such as communication and travel, \$21,000.

**Mr. Inverarity:** I would like the minister to give us a breakdown on the variance of 30 percent.

**Chair:** I'm sorry, we are on the line, trade, \$397,000. There is a six-percent variance.

**Mr. Inverarity:** Mr. Chair, on the six-percent number.

**Hon. Mr. Kenyon:** Thank you, Mr. Chair, for getting us back on the line there, the six percent or \$22,000 increase from the 2006-07 forecasts to the 2007-08 main estimates is

due to increased contracting of \$12,000 and printing costs of \$10,000 for anticipated familiarization tours and trade initiatives.

*Trade in the amount of \$397,000 agreed to  
On Business Development*

**Mr. Inverarity:** I would appreciate a breakdown.

**Hon. Mr. Kenyon:** Under business development there is \$418,000. This includes \$111,000 on personnel costs; consulting services for promoting seminars and workshops for small business capacity development for \$134,000; advertising to promote the business conferences for \$4,000; program materials, such as information kits, for \$10,000; printing materials for various workshops for \$2,000; facility rental for meetings for \$3,000; contributions to third parties organizing business initiatives for \$145,000; and support costs such as communication and travel for \$9,000.

**Mr. Inverarity:** If the minister could just explain the 30-percent variance on this one also.

**Hon. Mr. Kenyon:** Of course. The 30 percent, or \$96,000, increase from the 2006-07 forecast to the 2007-08 main estimates is due to contracting out business counselling in the communities in 2007-08, \$100,000, partially offset by employees being budgeted at a lower level in the previous year, of \$4,000. The 15-percent increase, or \$54,000, from the 2005-06 actuals to the 2007-08 main estimates is mainly due to costs associated with hosting seminars for business workshops and capacity development anticipated in 2007-08 of about \$54,000.

**Chair:** Is there any further debate?

*Business Development in the amount of \$418,000 agreed to*

*Business and Trade in the amount of \$1,228,000 agreed to*

*On Regional Economic Development*

*On Directorate*

**Mr. Inverarity:** If we could get a breakdown, I would appreciate it.

**Hon. Mr. Kenyon:** Under Directorate of \$236,000, this includes personnel costs of \$124,000, consulting services for \$51,000, advertising for \$9,000, various costs to host and attend meetings and seminars for \$35,000, and miscellaneous support costs of \$17,000.

*Directorate in the amount of \$236,000 agreed to  
On First Nations and Regional Economic Development*

**Mr. Inverarity:** A breakdown, please.

**Hon. Mr. Kenyon:** First Nations and regional economic development in the amount of \$601,000 includes personnel costs for \$363,000; consulting services to facilitate business workshops, round table meetings and market development for \$136,000; program materials and support for meetings and operations and such for \$28,000; travel to communities and economic summits for \$55,000 and support costs including supplies, communication costs, et cetera, for \$19,000.

*First Nations and Regional Economic Development in the amount of \$601,000 agreed to*

*Regional Economic Development in the amount of \$837,000 agreed to*

*On Strategic Industries Development*

*On Directorate*

**Mr. Inverarity:** A breakdown, please.

**Hon. Mr. Kenyon:** Under Directorate, \$441,000, this includes: personnel costs, \$375,000; consulting and other costs required for specialized professional services, \$18,000; advertising, \$9,000; communications, \$4,000; training, \$7,000; and support costs such as program materials, travel, et cetera, of \$28,000.

*Directorate in the amount of \$441,000 agreed to  
On Non-Renewable Resource Industries*

**Mr. Inverarity:** Breakdown, please.

**Hon. Mr. Kenyon:** Under non-renewable resource industries, \$352,000: personnel costs, \$97,000; consulting costs for non-renewable resource marketing and business development, \$150,000; contracts to develop the Yukon strategic and emerging industry sector, \$46,000; travel and promotion to support the non-renewable resource sector, \$19,000; and support costs, such as communications, program materials, et cetera, \$40,000.

*Non-Renewable Resource Industries in the amount of \$352,000 agreed to*

*On Renewable Resource Industries*

**Mr. Inverarity:** I would like a breakdown on that.

**Hon. Mr. Kenyon:** Personnel costs of Renewable Resource Industries equals \$141,000; personnel costs of \$94,000; consulting costs for developing the Yukon's renewable resource sector, \$23,000; support costs for travel, communication, program materials and meetings of \$24,000.

*Renewable Resource Industries in the amount of \$141,000 agreed to*

*On Cultural Industries*

**Mr. Inverarity:** Again, I would like a breakdown.

**Hon. Mr. Kenyon:** Cultural industries, \$128,000. This includes personnel costs of \$91,000; consulting costs of \$23,000; support costs for travel, communication, program materials and meetings, \$14,000.

*Cultural Industries in the amount of \$128,000 agreed to  
On Innovation and Technology*

**Mr. Inverarity:** I wouldn't mind a breakdown. I'm thinking it might be easier for *Hansard* if we go automatically into these breakdowns rather than continually doing this.

**Hon. Mr. Kenyon:** This includes personnel costs of \$93,000; transfer payments of \$100,000; specialized consulting services, \$63,000; support costs for travel, communication, program materials and meetings, \$15,000.

*Innovation and Technology in the amount of \$271,000 agreed to*

*On Film and Sound Commission*

**Mr. Inverarity:** Breakdown please.

**Hon. Mr. Kenyon:** Under the Film and Sound Commission, \$490,000: personnel costs, \$260,000; consulting services, location scouting and marketing strategy development of \$81,000; advertising, \$25,000; contributions, \$50,000; and support costs, such as staff communication and travel, \$74,000.

*Film and Sound Commission in the amount of \$490,000 agreed to*

*Strategic Industries Development in the amount of \$1,823,000 agreed to*

*Total Operation and Maintenance Expenditures in the amount of \$6,405,000 agreed to*

**Chair:** Do members wish to take a brief recess before we continue?

**All Hon. Members:** Agreed.

**Chair:** We will recess for 15 minutes.

*Recess*

**Chair:** Committee of the Whole will resume line-by-line debate on Bill No. 6, Vote 7, Department of Economic Development.

*On Capital Expenditures*

*On Work-in-Progress*

**Mr. Inverarity:** I wouldn't mind a breakdown on that, Mr. Chair.

**Hon. Mr. Kenyon:** Work-in-progress refers to a fund management system that is being developed in the department to track grants, contributions, et cetera.

**Mr. Inverarity:** Just on that point, the minister says this is a system that is being developed in the department. Is it a computer system? Could you give us some more information on that item?

**Hon. Mr. Kenyon:** The member opposite is right. It allows the various parts of the department to communicate in real time. It is a computer-based program.

*On Capital Expenditures*

**Mr. Inverarity:** I would like a breakdown on this.

**Hon. Mr. Kenyon:** That also relates to the fund management system that was, I believe, purchased for \$239,000, including some of the peripherals like a photocopier purchased in 2003-04 at a cost of \$14,000, and the new fund management system, which was actually \$225,000 and will track all projects under the various departmental funds.

The life cycle of the photocopier in the fund management system is expected to be seven years. Four years of accumulated depreciation for the photocopier has been calculated at a cost of \$8,000, or \$2,000 per year, and one year depreciation for the fund management system is \$32,000. The net book value of the asset as of March 31, 2008 will be \$6,000 for the photocopier and \$193,000 for the fund management system for a total book value \$199,000.

*On Corporate Services*

*On Office Furniture, Equipment, Systems and Space*

**Mr. Inverarity:** I'd like a breakdown on this, as to why there is a 77-percent increase and perhaps some detail on it.

**Hon. Mr. Kenyon:** Corporate services, \$173,000, on behalf of the department -- that's fund management system development for \$150,000; computer workstations, systems and printers, \$8,000; and office furniture and equipment, \$15,000.

The 77-percent increase translates to \$75,000. It's an increase from the 2006-07 forecast to the 2007-08 main estimates and is due to enhancements to the fund management system being developed to present a common tracking and reporting

tool for the department funds. The \$117,000 increase from the 2005-06 actuals is due to costs associated with the development of a department-wide fund management system of \$177,000.

Funding for furniture, equipment, systems and space, \$150,000 -- to develop coordinated departmental database systems for funds managed by the department; \$8,000 lifecycle replacement of computer workstations and hardware, as per IMRC guidelines; and \$15,000 life cycle repair and replacement of office furniture, photocopiers, et cetera.

**Mr. Inverarity:** On the fund management system, I have two questions. The first one would be: is a system in place? The second question would be: was the work to build the system contracted externally or within government?

**Hon. Mr. Kenyon:** That is why it's called work-in-progress. No, it isn't functional as yet but it will be soon. It was done by public tender.

**Chair:** Is there any further debate?

*Office Furniture, Equipment, Systems and Space in the amount of \$173,000 agreed to*

*Corporate Services in the amount of \$173,000 agreed to*

*On Corporate Planning and Economic Policy*

*On Economic Infrastructure Development*

**Mr. Inverarity:** Again, I think, if we were to just automatically go into the detail on this -- I think I will be asking for detail for almost all of these capital projects. It would certainly save a little bit of time if the minister would just go ahead and give us the breakdown on the items. If not, I would still request a breakdown on this particular item.

**Hon. Mr. Kenyon:** Program objectives in corporate planning and economic policy obviously are to develop policies, strategies, programs and legislative instruments to support departmental and government objectives. It is to provide information, analysis and advice to decision-makers to ensure balanced and considered economic actions. It's to monitor and evaluate economic trends, issues and opportunities affecting the Yukon and to work closely with other governments -- national, regional, First Nation and municipal -- to cooperatively achieve the Yukon benefits.

The economic infrastructure development of \$800,000 is for professional costs required to facilitate the continued research and planning for various potential major strategic projects and to develop policies, strategies, business models, programs, and legislative instruments to support sustainable economic development.

The economic infrastructure development resources are needed to ensure that economic projects are assessed in light of reliable information, thorough economic analysis and considered options in order to optimize the benefits to the Yukon and to the Yukon economy.

The \$800,000 is required to facilitate the continued analysis and implementation of planning elements for various infrastructure projects such as railway, ports, energy, telecommunications and other major infrastructure.

Implementation strategies are required for the port access and rail projects as well as other key research projects. This includes research on business models for financing economic infrastructure. Funding may also augment knowledge infra-

structure, such as data collection in support of demonstrating socio-economic benefits of infrastructure development.

The timing of some of these large projects, particularly railway and port studies, is such that the department needs accessible resources to respond quickly as needed.

In 2006-07, major studies were undertaken with regard to the Alaska-Canada rail link project and port access options. The *Alaska-Canada Rail Link Feasibility Study* included the market, technical and financial analysis components, as well as a public interest and risk opportunity analysis. The study was managed by Alcan Rail Link Incorporated. The total cost of the rail link project was approximately \$4.7 million Canadian, which I remind the member opposite is considerably less than the original budget estimate of \$6 million U.S. Of this, approximately \$1.2 million was carried out by the University of Alaska and the balance of it was virtually all managed in Canada.

As well as contributing to the University of Alaska, the Government of Alaska contributed a further \$1.15 million to the Yukon government toward its obligation to assist with the project. The Yukon budget consisted of \$1.7 million in 2005-06 and \$650,000 in 2006-07. The total project in that particular case was \$2.35 million Canadian.

*Economic Infrastructure Development in the amount of \$800,000 agreed to*

**Corporate Planning and Economic Policy in the amount of \$800,000 agreed to**

**On Business and Trade**

*On Business Incentive Program*

**Mr. Inverarity:** Breakdown please.

**Hon. Mr. Kenyon:** The business incentive program objectives and policy is to administer the business incentive program, which is to promote the Yukon's strategic and competitive advantages for business and industry investment; to assist Yukon businesses to export and expand markets; and to facilitate the development and expansion of new and existing small to medium enterprises.

This is also to provide ongoing assessment and monitoring of the business climate. The business incentive program at \$894,000 consists of personnel costs of \$93,000, support costs of \$4,000, and rebates payable under the business incentive policies of \$797,000.

The business incentive rebates are expected to be paid for claims under the construction and goods and services policies on the following projects: highway construction projects, \$91,000; goods and services rebates, \$75,000; building construction projects, \$273,000; waterfront projects, Carcross and Whitehorse, \$45,000; bridge repairs, \$85,000; environmental projects, \$26,000; and airport buildings and runways, \$202,000.

The 20-percent decrease, or \$217,000 decrease, from 2007-07 forecasts to the 2007-08 main estimates, is mainly due to the completion of the athletes village in 2006-07. The \$201,000 decrease from 2005-06 actuals to the 2007-08 main estimates is mainly due to the business incentive rebates payable to the City of Whitehorse multiplex in 2005-06.

*Business Incentive Program in the amount of \$894,000 agreed to*

*On Dana Naye Ventures Business Development Program*

*Dana Naye Ventures Business Development Program in the amount of \$200,000 agreed to*

*On Microloan Program*

**Mr. Inverarity:** A breakdown.

**Hon. Mr. Kenyon:** The microloan program of \$73,000 is a contribution to Dana Naye Ventures under their microloan program.

*Microloan Program in the amount of \$73,000 agreed to*

*On Trade and Market Development*

**Mr. Inverarity:** May I have a breakdown? Also, may I have an explanation of the 100-percent increase?

**Hon. Mr. Kenyon:** The whole reason for the objectives of business and trade, of course, is to administer the business incentive program, to promote the Yukon strategic and competitive advantages for business and industry investment, to assist Yukon business to export and expand markets, to facilitate the development and expansion of new and existing small and medium enterprises, and to provide ongoing assessment and monitoring of the business climate.

The trade and market development of \$400,000 is a project that supports the continued improvement of Yukon's business climate and the economy, in partnership with the private sector, by promoting investment attraction opportunities and the development of new markets in all business sectors. Support is provided for the hosting of business forums, entrepreneurial development events, familiarization -- or fam -- tours, investment trade missions and investment attraction opportunities.

An investment strategy has been completed for the department and money is required for various campaigns to attract Outside investment for specific industries, such as mining, tourism and so on, and to carry on with the promotion of the Asian and European market investment strategy. Business development and trade missions, in partnership with other government departments and agencies, will be developed, as will appropriate marketing and investment materials. This project allows the government to promote business forums that explore issues and options to improve the business climate and economy in partnership with the private sector, including marketing and exporting, such as economic summits, which is a good example.

On occasion, professional services are required to investigate and analyze the Yukon business climate, examining current sources of funding for Yukon businesses. Considering potential impacts on incentives is another purpose as is reviewing the overall investment environment in the Yukon. This funding will enable the Yukon territorial government to create an environment to attract investment to the Yukon.

The 100 percent, or \$200,000, increase from the 2006-07 forecast to the 2006-07 main estimates is due to the implementation of actions identified as a result of the completion of the investment attraction strategy plan to help strengthen, expand and diversify the economy.

The \$316,000 increase from the 2005-06 actuals to the 2007-08 main estimates is due to increased focus on investment

attraction, trade missions, and business forums to continue positive economic development in the Yukon.

*Trade and Market Development in the amount of \$400,000 agreed to*

*On Enterprise Trade Fund*

**Mr. Inverarity:** Breakdown please.

**Hon. Mr. Kenyon:** The enterprise trade fund provides assistance to Yukon businesses to enhance the market expansion, export development, and business planning -- the breakdown of \$600,000 to the enterprise trade fund.

*Enterprise Trade Fund in the amount of \$600,000 agreed to*

***Business and Trade in the amount of \$2,167,000 agreed to***

***On Regional Economic Development***

*On Regional Economic Development Fund*

**Mr. Inverarity:** Breakdown please.

**Hon. Mr. Kenyon:** Regional economic development fund is \$450,000. There is no breakdown; it's a fund.

*Regional Economic Development Fund in the amount of \$450,000 agreed to*

*On Community Development Fund*

*Community Development Fund in the amount of \$3,312,000 agreed to*

***Regional Economic Development in the amount of \$3,762,000 agreed to***

***On Strategic Industries Development***

*On Strategic Industries Development Fund*

*Strategic Industries Development Fund in the amount of \$1,000,000 agreed to*

*On Northern Strategy - E-Commerce*

**Mr. Inverarity:** I wouldn't mind a breakdown on that.

**Hon. Mr. Kenyon:** For the northern strategy program of \$550,000, projects include an e-commerce initiative to increase Yukoners use of the Internet to pursue Outside markets, \$50,000; and a mine training project funded through the mine training association, \$500,000.

*Northern Strategy - E-Commerce in the amount of \$50,000 agreed to*

*On Northern Strategy - Mine Training*

*Northern Strategy - Mine Training in the amount of \$500,000 agreed to*

*On Technology Partnerships*

**Mr. Inverarity:** I would like a breakdown, please.

**Hon. Mr. Kenyon:** The technology partnerships of \$217,000 is to develop partnerships with the private sector and First Nation governments to increase the capacity of Yukon residents and businesses to develop and use high-end technologies and skills. There's no breakdown; it's a fund.

*Technology Partnerships in the amount of \$217,000 agreed to*

*On Film and Sound Incentive Programs*

*Film and Sound Incentive Programs in the amount of \$765,000 agreed to*

*On Prior Years' Projects*

*Prior Years' Projects in the amount of nil agreed to*

***Strategic Industries Development in the amount of \$2,532,000 agreed to***

***Total Capital Expenditures in the amount of \$9,434,000 agreed to***

***Department of Economic Development agreed to***

**Chair:** We will move to general debate on the Department of Justice. Do members wish to take a break while the officials change?

**All Hon. Members:** Agreed.

**Chair:** We will break for 10 minutes.

*Recess*

**Chair:** Committee of the Whole will now come to order. The matter before Committee is Bill No. 6, *First Appropriation Act, 2007-08*, Vote 8, Department of Justice.

**Department of Justice**

**Hon. Ms. Horne:** I am pleased to speak to the 2007-08 budget for the Department of Justice. I would like to acknowledge all the hard work of the Premier, my fellow Cabinet ministers and the staff at the Justice department in crafting this budget.

Our government is committed to bringing about a better quality of life for Yukoners. The Department of Justice plays a key role in fulfilling this commitment. To this end, this budget contains the expenditure provisions that will significantly increase the safety and security of Yukoners. This budget provides increased resources for correctional redevelopment, for the RCMP, for safer communities and neighbourhoods, for the Community Wellness Court and for other initiatives that will make Yukon a safer, healthier place to live.

Let me begin by reviewing our commitment to correctional reform. The government reaffirms in this budget its commitment to the correctional redevelopment strategic plan released earlier this year. Let me quickly review this government's significant efforts over the past two years to revamp our correctional system.

This strategic plan sets out the actions that need to happen to make correctional reform in the Yukon possible. It provides the direction for moving toward the vision of correctional reform that was presented last year in the final report of the consultations on corrections. The strategic plan provides the steps this government must take to redevelop the Yukon correctional system in a manner consistent with the spirit and recommendations of these consultations.

Mr. Chair, the strategic plan sets out a vision for a new correctional system. The vision is to become the best correctional system in Canada. In order to do this, we are committed to achieving two goals. The first goal is to implement the corrections action plan in order to substantially improve the quality of correctional programs offered to victims, offenders and community members.

The second goal is to fundamentally change the operation of the correctional system so that the Department of Justice,

Yukon First Nations, and other service providers are better able to deliver high-quality correctional programs.

To achieve these goals, the Department of Justice is working collaboratively with Yukon First Nations and other service providers.

This government thanks all those who influenced this plan. As this House is well aware, one of the fundamental aspects of redeveloping our correctional system is to replace the Whitehorse Correctional Centre.

The Whitehorse Correctional Centre was built in 1967 and was expected to house up to 30 inmates. Through renovations over the years, the facility was altered to accommodate a population that has now more than doubled. The facility is nearing the end of its useful life.

As stated in the strategic plan, the government will replace this facility. A building advisory committee consisting of representatives from government, Yukon First Nations, the RCMP and staff at the Whitehorse Correctional Centre is now in the process of considering options for what type of facility will best suit the needs of Yukoners.

We are very aware that the majority of inmates within our Whitehorse Correctional Centre are of First Nation ancestry. Up to 90 percent of the inmate population can be of First Nation descent at any given time. It is important to recognize this in any plans that are developed and considered by this government in the coming year.

With this in mind, this government has budgeted \$3.2 million toward building a new correctional centre that emphasizes healing. We will plan step-by-step to carefully determine how corrections will look in the Yukon and identify the requisite facilities to support this plan. A new correctional centre is important and this government is committed to building a new one.

This \$3.2 million will be spent effectively to ensure a modern correctional facility is designed properly before it is built. A new correctional centre will reflect Yukon First Nation cultures in design and operation and provide a safe and secure facility for staff, inmates and the public. It will allow corrections professionals to carry out their responsibilities in a positive environment and provide programming for offenders that will ultimately decrease the high rate of recidivism in the territory.

Our goal is to ensure individuals who go through the correctional system are better off when they leave. We need to ensure that, for the short period of time during which we have responsibility for them, offenders can begin their journey toward healing. Ultimately we will measure our success by reducing recidivism by increasing the number of individuals who leave the Whitehorse Correctional Centre and become healthy, productive members of our communities.

A revamped correctional system is about more than a correctional facility. It's about offender accountability, motivation, rehabilitation and healing. We are committed to building a new facility, but while we are developing this new correctional centre, offenders must continue to live and employees must continue to work in the existing building. The current centre must be maintained to proper operating and health and safety stan-

dards. This budget identifies these needs while realizing that, in the long term, the Whitehorse Correctional Centre will indeed be replaced.

Building a new correctional centre is an important component of correctional reform. The Department of Justice recognizes that we must change the way we do business. We are committed to changing the culture of corrections in the territory. To this end, the strategic plan identifies a number of initiatives aimed at developing a client-focused program delivery model that targets programs and services to offenders when they need them most.

In summary, we are committed to building a new correctional centre. More than that, we are committed to becoming the best correctional system in Canada -- a correctional system that works collaboratively with its partners and has a professional staff, that, most importantly, is a correctional system providing high-quality services that improve the lives of offenders.

Now, I would like to turn to our initiatives to combat drug trafficking and abuse. Mr. Chair, I need not remind this House that community safety is the utmost priority for this government. Our new safer communities and neighbourhoods, or SCAN, legislation has proven effective in responding to the social disorder caused by drug trafficking and illegal alcohol activity in the territory. With the public's help, the SCAN office has shut down five drug houses in Whitehorse since it opened in November. That is a significant number. It shows that this government is acting. It shows that Yukoners care about the type of community they want to live in. Yukoners want to be safe in their homes. They want their children to walk to school, knowing that they can do so without risk to body or soul.

This government has responded to Yukoners. We are making the communities safer by pulling the rug out from under the drug dealers. If they don't have privacy, they can't operate. The SCAN office provides relief to community members, one house at a time. Yukoners are learning that they do not have to let them operate in their neighbourhoods. The public is now realizing how effective this legislation is. The SCAN office has received 67 confidential complaints from Yukoners about illegal activity in their neighbourhoods as of the end of March of this year. The public has informed the government that they want to help rid the neighbourhoods, where their children play, of drug dealing and violence.

SCAN legislation is civil. When Yukoners witness ongoing harmful activity in their neighbourhood or community, they simply phone the SCAN office. Mr. Chair, all calls are confidential.

The SCAN office then investigates the complaint and can remove the activity by having the landlord evict the tenants with as little as five days' notice.

Two Yukon First Nations have now stepped forward and asked the government to help eliminate harmful activity in their communities through this effective legislation. The government looks forward to signing protocols with other First Nations and has signed a protocol with the Carcross-Tagish First Nation to allow the SCAN office to help them rid their communities of drug dealers, bootlegging and violence.

This budget will provide the SCAN office with the funding it needs to continue its excellent work in making the Yukon safer for everyone. Last year's budget provided \$188,000 to set up the SCAN unit.

I am pleased to announce that the SCAN office will receive \$44,000 in additional funding for capital expenditures this year. This money will be used for the purchase of specialized surveillance equipment to be used in carrying out their investigations. This money will also be used to purchase protective equipment for the staff that will allow them to identify themselves when needed.

This government will continue to be tough on drug dealers by budgeting another \$169,000, for a total of \$357,000, for staffing, training and operation of the SCAN office.

Mr. Chair, let me now talk about our commitment to improving the court system. This government is also committed to providing Yukoners with high quality and cost-effective legal services. The courts have told us that their facilities need to be improved, and this government continues to listen to those requests.

The court registry information system is being updated. We are in the second year of a five-year project, which will result in a new independent computer database for the courts. \$100,000 has been allocated for this project.

The courtroom and barrister chairs need to be replaced over the next five years. Eight of these chairs will be replaced this year at a cost of \$5,000.

Among other enforcement duties, the sheriff's unit protects the judiciary and law courts by transporting offenders between the courthouse and the Whitehorse Correctional Centre. The sheriff's unit requires \$3,000 to purchase an additional satellite phone to improve its communications.

The courtrooms have had their shades systematically replaced over the last three years. This project will conclude this year with the \$15,000 installation of automatic shades in Courtroom 4.

The court registry needs additional and more secure space for its staff. \$3,000 is required to replace the existing gate with a more secure barrier and to move side counters that allow more space for the staff.

Court services has requested a mediation conference room on the main floor of the court services side of the Andrew A. Philipsen Law Centre. Renovations will ensure confidentiality and privacy for staff and clients, which will cost \$10,000.

The maintenance enforcement program ensures that spouses and children are protected financially in the event of a divorce. The MEP office is expanding. As a result, one of the offices will be converted to house the family law information centre. This renovation will cost \$5,000.

Court services in the communities also need capital upgrades. The conference room needs a boardroom table, and eight chairs and six new telephones are required for the Supreme Court chambers. The total budget requested for these improvements is \$5,600.

New court recording equipment is also required for the courtrooms in Watson Lake and Dawson City. This equipment will eliminate the need to move it from Whitehorse every time

circuit court is scheduled in these communities. The budget for a mixer, speakers, microphones, cables and installation is \$9,000 for each community.

The maintenance enforcement and land titles offices are high users of photocopiers and need them replaced. An additional \$20,000 has been budgeted to replace these machines.

Other areas in the Andrew A. Philipsen Law Centre also require repairs, painting and renovations. Some offices in common areas are requesting \$2,000 for painting. Another \$3,000 will be spent on repairing electrical and lighting problems and updating security cameras in the Law Centre.

Carpet cleaning, minor renovations and signage all need to be addressed as part of ongoing capital upgrades. The requested budget for this is \$15,000.

Management services require 20 new computer workstations, including monitors and five notebook computers to replace outdated equipment. The government has budgeted \$38,500 for this equipment. Another \$2,500 is required in the information technology division to purchase hard drive space on the corporate servers and upgrading equipment.

The community justice and crime prevention and policing offices need high-volume, cross-cut shredders to ensure security. The budget has allocated \$3,000 for this equipment. This office also needs a new workstation to replace deteriorating office furniture. This will cost \$2,400.

As mentioned, security is important to this government. The Law Centre needs to have its locks replaced every few years to ensure employee safety and this is one of those years. Total budget for keys and cyber locks is \$20,000.

The probation office also needs to upgrade its security in the administration area. \$10,000 has been budgeted for office renovations to make the office safer for its staff. This government is taking the action steps it said it would to enhance public confidence in and respect for the law and society. We are committed to working closely with Yukon First Nations to re-vamp our correctional system.

This government welcomes the involvement of the Kwanlin Dun and Council of Yukon First Nations on its Whitehorse correctional building advisory committee, the senior officials oversight committee and a committee on correctional centre programming. This government promotes an open and accessible system of justice that provides fair and equal services to all Yukon citizens. We have heard from Yukoners that they are concerned about drug and alcohol use in their communities and we have listened and responded.

The street crime reduction team is not street patrols, foot patrols or bike patrols. These officers have no set area of coverage. They operate at large throughout the city and territory and concentrate on crime spots. I don't need to remind this House that it is the staff that allows for the constant evolution of this government's programs and services. This government certainly appreciates their efforts.

I am prepared to answer questions at this time.

Gunilshish. Thank you.

**Mr. Inverarity:** I guess, in starting to prepare for the questions, I would first like to thank the department members who have come over to lend a hand for the discussions today. I

know the efforts that they have contributed to preparing this have been great. I would particularly like to thank them for the briefing notes that I received at the briefing session. In fact, I believe it was the only department briefing I attended that did give me some sort of briefing notes. I really thank them for that. Being new to this whole department, it certainly has been a real asset to me to be able to receive them, and it has helped coalesce some of the questions that I have.

There were some areas in the opening address that I felt the minister missed. I'm not sure if it was because of running short of time. I was particularly interested in hearing from the minister -- perhaps it was in the notes that she didn't finish -- regarding upcoming legislation. Also, I was interested in some questions about the jail. Mostly, if there was some additional information, I would probably give her some time at this point, if she wants to address some of those components.

I was, as I said, particularly interested in areas of upcoming legislation. Last fall I think we discussed what was on the agenda. If she needs a couple of extra minutes to discuss those things or to finish part of her speech, I am prepared to let her have a few minutes. Then, we can go into more detailed debate.

**Hon. Ms. Horne:** With regard to legislation, the government is deep in a correctional redevelopment process that provides opportunities to take a close look at the way things are currently operating and to make changes that reflect Yukon's current environment and the clients of today. Correctional redevelopment is about taking into account Yukon's unique social context so that we can develop a correctional system that can facilitate offender rehabilitation and healing, and help offenders rebuild, identify and renew relationships with family and community.

This government has made a commitment to make changes to ensure safer communities and to increase the quality of life for all Yukoners. This government has committed to ensuring that the correctional system more adequately meets the needs of offenders, victims and communities. We will meet these commitments by working with Yukoners to develop a correctional system that can facilitate offender rehabilitation and healing, respond more effectively to victim and family needs, and build and sustain community capacity to address local issues and needs.

The Yukon *Corrections Act* has not been modernized to reflect developments in law, such as the *Canadian Charter of Rights and Freedoms* and the *Young Offenders Act*, as well as developments in the field of corrections. Some of these issues that will be addressed during the consultation with Yukoners will be inmate discipline, staff powers and functions, cultural programming, mental health and general health issues.

**Mr. Inverarity:** Just on the Yukon *Department of Justice Act*, I was wondering if the minister could give us a time frame for the consultations that are going on, when we might expect an interim report on that act review and what she estimates the costs might be.

**Hon. Ms. Horne:** I can answer that by saying that we are beginning consultations in the fall, and we have budgeted \$115,000 toward those consultations.

**Mr. Inverarity:** I would like to, I guess, start by saying that I think that the legislation that came in in the fall regarding what we call SCAN has proven to be highly successful. I would not only like to thank the government side, but I believe there was a unanimous vote and all-party support behind this particular project.

I think it has proved to be more successful, quite frankly, than I thought it was going to be when we first started. I thought it was worth giving it a try. I know that during my canvassing in my riding of Porter Creek South, I think I came across at least one -- what I thought to be -- a crack house.

I know that over the course of the spring, the house was reported into the SCAN project. I don't believe it has actually been closed down at this point, but I do believe that it's still under investigation. And without getting into that, I know that they've approached them, and I thought it was kind of interesting how the whole thing works.

I did get a phone call the other day from a constituent in Porter Creek Centre who was concerned about another crack house that was in the -- to be brief -- the Centennial Street area. This brought up a really interesting question, actually. It revolved around a comment that the minister just made, where within the SCAN project, they usually go to the landlord and talk to the landlord about trying to get the individual within the home evicted or kicked out -- or encourage him to be shuffled on.

In this particular instance, it appears that the location might actually be owned by the individual. I was kind of curious as to what the process is within SCAN for when the individual involved actually owns the premises and what happens in those circumstances?

**Hon. Ms. Horne:** First of all, I would like to say that this government has always worked cooperatively with the other parties and we will continue to do so in enforcing important legislation.

The *Safer Communities and Neighbourhoods Act* was passed, as the member opposite said, with the support of all parties in this House in May 2006. In the case of an owner occupying the home, the same steps would be taken. I feel we cannot in this House speak of individual cases -- on either side of this House -- involving SCAN.

**Mr. Inverarity:** I am glad to hear that we are all cooperating. I think this is a great moment, and I look forward to meaningful debate as we go on through the department.

I think I will respect your point of view regarding the specifics. I was hoping to try to be suitably vague in my questions because I recognize that. I thought there seemed to be a bit of a loophole regarding the ownership issue, as opposed to the rental. How do you evict somebody who actually owns the home as opposed to somebody who is just renting, where you can say, "Move on".

It was more for my own interest in trying to determine what happens. In the other situation that I had, it was a renter and that is fine.

I'd like to turn my question to an item that was in the briefing notes. It's an amount of about \$577,000. It's titled the corrections consultation implementation framework. I was won-



dering if the minister would give us some background on this area and explain what it is for.

**Hon. Ms. Horne:** Mr. Chair, \$577,000 has been budgeted to fund the corrections action plan implementation office. This office is now moving into the implementation stage. It is carrying out the objectives laid out in the correctional redevelopment strategic plan. This government is taking the action steps it has said it would to enhance public confidence in, and respect for, the law.

We are committed to working closely with Yukon First Nations to revamp our correctional system. Part of this process is ongoing communication and cooperation through our committee structure. First Nation elders can have a great impact on helping inmates make better decisions and give them the knowledge and tools they need to change their behaviour.

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

**Chair:** It has been moved by Ms. Horne that we report progress.

*Motion agreed to*

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

**Chair:** It has been moved by Mr. Cathers that the Speaker do now resume the Chair.

*Motion agreed to*

*Speaker resumes the Chair*

**Speaker:** I will now call the House to order.

May the House have a report from the Chair of Committee of the Whole?

### **Chair's report**

**Mr. Nordick:** Mr. Speaker, Committee of the Whole has advised me to report progress on Bill No. 6, *First Appropriation Act, 2007-08*.

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

**Some Hon. Members:** Agreed.

**Speaker:** I declare the report carried.

**Hon. Mr. Cathers:** 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. Monday.

*The House adjourned at 5:24 p.m.*