

**Yukon Legislative Assembly
Whitehorse, Yukon
Wednesday, November 19, 2008 — 1:00 p.m.**

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

Prayers

DAILY ROUTINE

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

Tributes.

TRIBUTES

In recognition of National Day of Remembrance for Road Crash Victims

Hon. Mr. Lang: I rise today in the House to pay tribute to the National Day of Remembrance for Road Crash Victims. On average, eight Canadians are killed in road collisions every day. Many more are seriously injured. In the past 50 years, more Canadians have died on our roads than were killed in both World Wars. This is a day to remember those we have lost.

I would like to raise awareness for drivers on the road to prevent future injuries and, of course, death. Road traffic accidents are one of the leading causes of death in this country, and Yukon is not excluded from these statistics. We need to step up in our territory to educate everyone about the importance of road safety.

Worldwide, approximately 3,400 men, women and children die daily, and tens of thousands are permanently injured daily in road collisions. The devastation these accidents impose on victims, friends and families, is inconceivable. The sheer volume of these deaths and injuries is staggering.

Alcohol and excess speeding are recognized as a significant contribution factor in many collisions. Emerging factors such as driver distractions are also of concern. Canadian drivers also face increased risk associated with the additional risks winter driving brings on. Almost all road traffic deaths and injuries are preventable. Many countries have developed countermeasures and, as a result, have seen drastic drops in accident rates.

I am proud to say that Yukon, over the years, has been active in developing defensive driving strategies to reduce preventable accidents. By doing so, safety improvements have been made. As an example of such improvements, the Two Mile Hill and Alaska Highway intersection was recently realigned this fall to increase safety and visibility.

The theme of this year's National Day of Remembrance for Road Crash Victims is "Victims of impaired driving". As I mentioned earlier, impaired driving is one of the leading causes of vehicle collisions around the world, but is entirely preventable. In order to decrease the number of impaired driving accidents, education and enforcement is vital. Statistics show that young drivers aged 16 to 19 have the highest risk of being involved in traffic accidents.

I am happy to say that Yukon, along with many other provinces, has instituted graduated licence programs which have proven effective in reducing collisions causing injuries among novice drivers.

In conclusion, Mr. Speaker, I urge everyone to reflect on this Day of Remembrance for Road Crash Victims. I am sure that each and every one of us knows a colleague, a friend or a family member who has been affected by a traffic-related accident. We must remember those we have lost in our communities. We must remember to contribute to safer roads through our own actions. We must remember to speak out against impaired driving in our communities. With the proper education and action, Yukon will be a key contributor to the success of the nationwide action plan road safety vision 2010, which is working to make Canada's roads the safest in the world.

I would like to bring the attention of the House to Jan Trim from Mothers Against Drunk Driving, who has joined us here in the House.

Thank you, Mr. Speaker.

Applause

Mr. Inverarity: I rise today on behalf of the opposition parties to also pay tribute to the National Day of Remembrance for Road Crash Victims. November 19, 2008, is the first time that this day has been recognized in Canada. It is a time to remember the many millions of people killed in road accidents annually worldwide and draw attention to the devastating consequences of these deaths on families and communities. It is a day to remember and pay our respects to the families who have lost loved ones in road crashes.

Many Canadians are killed in road collisions every day and many more are seriously injured. Survivors often endure pain and, at times, long-term consequences resulting from their injuries, including disability. For every death or injury there are also other victims — the families who are left to try to cope with the psychological, emotional, physical and economic impacts.

Almost all roadway-based injuries and deaths are avoidable. We can all significantly reduce the number of senseless deaths and injuries from traffic collisions by driving at an appropriate speed for the road conditions, wearing seatbelts and using properly fitted child restraints, and avoid driving when fatigued or impaired. Every time you get behind the wheel of the vehicle, you hold the life of others in your hands. As a driver or as a passenger we must all realize just how vulnerable we are.

We also acknowledge and congratulate Mothers Against Drunk Driving for their never-ending commitment to raise awareness of drinking and driving and its devastating consequences on our lives and on our roads. Today is a day to remember the victims and acknowledge the people affected by the aftermath of a crash and the loss of a loved one.

We as Canadians must pledge to drive safer, obey the laws and put an end to the death and destruction on our roads.

Speaker: Are there further tributes?

Introduction of visitors.

TABLING RETURNS AND DOCUMENTS

Speaker: Pursuant to section 31(1) of the *Ombudsman Act*, the Chair has for tabling the 2007 annual report of the Ombudsman. Also pursuant to section 47(2) of the *Access to Information and Protection of Privacy Act*, the Chair has for tabling the 2007 annual report of the Information and Privacy Commissioner.

Are there any further returns or documents for tabling?
Hearing none, are there any reports of committees?
Petitions.

PETITIONS

Petition No. 6 — response

Hon. Mr. Hart: I rise today to respond to Petition No. 6. Affordable housing is very important to Yukoners and that is why the Yukon government continues to provide ongoing funding. It is also why the Government of Yukon decided to provide Yukon First Nations with an allocation of \$32.5 million from the northern housing trust. One of the ways in which the Yukon Housing Corporation can assist Yukoners is by obtaining suitable housing through the rent supplement program. This program subsidizes rent in eligible private rental dwellings.

Whitehorse Housing Authority can subsidize the tenant at the market rent, comparable to the median rent for Whitehorse, while the tenant will pay their portion of the rent based on 25 percent of their income. Since 2005, Yukon Housing Corporation has increased the number of rent supplement agreements from 29 to 46. The government also provided the pioneer utility grant and Yukon seniors income supplement, which has recently been increased, and both units are indexed.

In terms of building additional social and affordable housing, the Government of Yukon has launched many important initiatives. Since 2005, Yukon Housing Corporation has built or planned for 69 additional seniors housing units and 30 family-focused units. In Whitehorse, the 48-unit seniors building located at Yukon College is fully occupied by seniors who require affordable housing.

The corporation, in conjunction with the Women's Directorate, has identified a property in Riverdale that can accommodate a new 30-unit, family-focused building.

In addition, Yukon Housing Corporation is working with Habitat for Humanity on construction of a three-unit home ownership building in downtown Whitehorse. The Government of Yukon is providing land for this project and funding other costs.

In rural Yukon, the additional three units in Haines Junction's heritage housing building are scheduled for completion later this month or early in December. This will bring the total number of affordable units for seniors up to nine.

In addition, land has been purchased in Watson Lake, and staff is currently in consultation with the community on design features for the new seniors 12-unit building.

Yukon Housing Corporation will conduct consultation with seniors, First Nations, municipalities, and the public in Teslin about the need and interest for a seniors heritage housing

building in that community. Seniors heritage housing is specifically designed and offered to those who have medical conditions and would benefit from living in a barrier-free residential environment.

As a follow-up to the social housing program evaluation, Yukon Housing Corporation staff initiated research on issues affecting the eligibility criteria for social housing. This includes, but was not limited to, the victims of family violence.

In 2006, the Yukon Housing Corporation Board of Directors approved a series of changes whereby victims of violence and of abuse, and those requiring medical relocation, would receive priority consideration. These changes were implemented in December 2006, and to date the corporation has successfully provided housing to 30 victims of violence or abuse.

The Yukon Housing Corporation Board of Directors approved the following health and social eligibility criteria: victims of violence, 35 points; critical medical rural relocation, 30 points; mobility-challenged households, 25 points; and chronic medical seniors, 25 points. In the vast majority of cases, the new scoring system used by Yukon Housing Corporation will result in these clients receiving priority on the waiting list.

Kaushee's Place Housing Society began in 1992 as two projects: the transition home, consisting of a 24-bed project; and the second-stage housing, which consists of five apartment-type units. Yukon Housing Corporation provides a subsidy to both these projects.

Yukon Housing Corporation also provides Dawson City Women's Shelter with a half duplex so they can provide programming to the victims of violence and abuse.

The government has committed funding to the Help and Hope for Families Society in Watson Lake for shelter for women who have experienced violence and abuse.

Options for Independence is a non-profit organization that provides a model of residential service to provide safe and secure home living alternatives for adults with FAS or FAE so they can live as independently as possible with access to appropriate supports to meet their daily living needs.

Since 1999, the Yukon Housing Corporation has provided a sixplex located in downtown Whitehorse, along with utilities such as water, sewer, garbage collection and municipal taxes.

Throughout the Yukon, the Yukon Housing Corporation offers lending programs that can assist Yukoners. For example, the home repair program provides subsidies for low and moderate income owners. The home repair program typically includes a loan ceiling of \$35,000; however, the ceiling was recently changed and is now \$50,000 for homeowners who are addressing the accommodation needs of a disabled occupant.

In addition, Mr. Speaker, the Yukon is working with the provinces and territories to engage the Government of Canada in a long-term, sustainable housing framework. The provinces and territories acknowledge that the scale of the housing needed in Canada far exceeds the financial capacity of their governments and that federal commitment is essential. To that end the Council of the Federation has asked Premier Wall to host the housing meeting in Saskatchewan to discuss a new partnership between the provinces and territories and the Government of Canada.

In conclusion, through the Yukon Housing Corporation, the Government of Yukon offers many unique and diverse programs and services that assist in the provision of affordable housing to Yukoners.

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

NOTICES OF MOTION

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

THAT this House urges the Government of Yukon to work with Canada, the Northwest Territories and Nunavut to develop a made-in-the-north model for northern and remote policing.

I give notice of the following motion:

THAT this House urges the Government of Yukon to investigate the possibility of introducing legislation such as the *Donation of Food Act* in the Northwest Territories, or the *Food Donor Encouragement Act* in British Columbia, that would provide that a person who donates food or distributes donated food is not liable for disease, injury, death or other harm resulting from the consumption of that food, unless that person intended to harm the recipient or acted recklessly in donating or distributing food.

NOTICES OF MOTION FOR THE PRODUCTION OF PAPERS

Mr. McRobb: I give notice of the following motion for the production of papers:

THAT this House do issue an order for the return of the submissions from government departments on the *Forest Resources Act*.

NOTICES OF MOTION

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

THAT this House urges the Yukon Party government to respect the roles of our territory's renewable resource councils in managing renewable resources in their local areas as set out in chapter 17 of the *Umbrella Final Agreement* by ensuring that consultations with them are not trivial, insignificant or disrespectful as instanced with the *Forest Resources Act*.

I give notice of the following motion:

THAT this House urges the Yukon Party government to uphold the promise it made two years ago to develop legislative reforms through the Standing Committee on Rules, Elections and Privileges, or SCREP, by instructing its chair, the Member for Klondike, to call a meeting to allow the Committee to start making progress on improving the way in which members conduct the public's business in this Assembly.

I give notice of the following motion:

THAT this House urges the Yukon Party government to agree to extend the length of this sitting by an extra day to compensate for the time lost as a result of its frequent practice of adjourning the House before the agreed-upon time of 5:30 p.m. as exemplified again on November 18, 2008.

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

THAT this House urges the Yukon Party government to work in partnership with the community of Old Crow to achieve a healthier community by:

- (1) allocating proper financial resources to the community;
- (2) implementing land-based experiential learning into all education modules;
- (3) addressing the need to replace St. Luke's Anglican Church;
- (4) upgrading the community's drinking water well;
- (5) ensuring community members have proper access to territorial health services;
- (6) ensuring proper access and delivery of optometrist, dental and hearing services to the community of Old Crow;
- (7) providing a proper certified school bus for the safe transportation of the students of Chief Zzeh Gittlit School;
- (8) ensuring the successful implementation of a helicobacter pylori bacterium study in Old Crow;
- (9) addressing substance abuse issues;
- (10) achieving the long-standing community goal of building a new community and recreation complex that will stand the test of time;
- (11) working to permanently protect and conserve the Porcupine caribou herd and their calving grounds in the Arctic National Wildlife Refuge;
- (12) ensuring that the Yukon Housing Corporation programs are accessible to families willing to live and build homes in Old Crow;
- (13) implementing airport dust control measures;
- (14) constructing a wheelchair ramp on the front of the Old Crow Airport terminal building;
- (15) relocating and securing the diesel and gasoline fuel tank farms; and
- (16) developing a multi-lot residential subdivision under Crow Mountain.

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

THAT this House urges the Yukon government to investigate the feasibility of having Yukon College implement a heavy equipment operators course for the fall of 2009.

I give notice of the following motion:

THAT this House urges the Yukon government to direct the steering committee for the consultation on the findings and recommendations of *The Yukon Health Care Review* report to put an emphasis on investigating and listening to recommendations on establishing efficiencies in the health care system that do not relate to fees.

I give notice of the following motion:

THAT this House urges the Yukon government to direct the steering committee for the consultation on the findings and recommendations of *The Yukon Health Care Review* report to investigate and listen to recommendations on savings that can be realized in the Pharmacare system, such as:

- (1) using the B.C. model for purchasing drugs;
- (2) purchasing bulk supplies of drugs often prescribed;
- (3) contracting with pharmacies outside the Yukon for drug purchases if they are more economical; and
- (4) purchasing generic drugs as a first choice.

Speaker: Are there any further notices of motion? Hearing none, is there a ministerial statement? This then brings us to Question Period.

QUESTION PERIOD

Question re: Contract audit report

Mr. Mitchell: In the report on the audited contracts prepared by the government audit services branch of the Government of Yukon, there are many matters identified. They are not only alarming but confirm our position over the past couple of years about the inability of this government to properly manage contracts.

The report is thorough; it is very well done and it points the finger right to the heart of government. It covers the management control framework, compliance with authorities and value for money. In management control, here is a quote from the report: "The existing framework has so many deficiencies that it fails to promote sound practices in contracting, which could result in the circumvention of the contract rules." Here it is, Mr. Speaker; this is the government's own audit. This sounds very similar to what the Auditor General had to say in 2007 in her report.

After six years in office, to get this kind of report card is nothing short of an admission of failure. What does the Premier and Minister of Finance plan to do now to get control of the contracting process?

Hon. Mr. Fentie: I'm really pleased the Leader of the Official Opposition has recited for the House the work the government has conducted by its own intention, given the situation that we found ourselves in upon coming into office.

The audits were something that we ensured took place so we have a better understanding of what has been transpiring, so that we don't have the situations of Dawson City and the Mayo-Dawson line and the situations at the Energy Solutions Centre. Some of the things we've done already that deal with this, Mr. Speaker, are major sea changes like the cessation of the special operating agency, and placing property management under the guidance and control of the department and the deputy minister. As way of an example, we are already acting on the findings of the audits that we, this government, conducted.

Mr. Mitchell: Well, Mr. Speaker, we've heard that pat answer before, but this Premier shouldn't be patting himself on the back. Here are a few more statements from the report: "...roles and responsibilities over contracting are not well understood or documented.

"There is no requirement for managers to evaluate contractor performance and there is little or no monitoring of any contracting activities in departments."

Mr. Speaker, the current management framework does not promote consistency of contracting activities within departments, or facilitate the monitoring of contracts with a focus on

risk. There is a need to revamp the government's contract regulations and the contracting directive. The current authorities are antiquated and do not provide sufficient guidance for managers as to how they should carry out their contracting activities. When is the Premier going to get control of his ship and start running it in a business-like manner?

Hon. Mr. Fentie: Mr. Speaker, speaking of control, it is obvious that this government has certainly taken control of the issues that were experienced in the past. First, we did the audit so that we had the detailed information required, and much of the work that we've done to date is addressing these issues — the change in the Energy Solutions Centre and the change in Property Management Agency are examples of that.

Furthermore, Mr. Speaker, we addressed the issues of Dawson City and what was bequeathed us when the past Liberal government allowed that community to overextend its debt limit. These are examples of what the government has been working on. Most importantly, in doing this — in conducting these processes — the government is being very open, accountable and transparent in what is going on.

Furthermore, Mr. Speaker, I think it has got to be reflected here, and hopefully the member opposite will recognize it, that it is this government that has dramatically increased the investment of capital dollars in the territory to create stimulus, which has had a direct response to our economy in a very positive way.

Mr. Mitchell: Well, the Premier continues to refer to ancient history, but the report is looking at contracts in 2006 and 2007. This report is so encompassing in its scope that it's difficult to restrict my question to only one or two key points, because there are dozens of points.

The report says, "Contract Services simply does not have the muscle, the teeth, the authority or strategic vision to lead the contracting process to a state of excellence."

Mr. Speaker, we're not just talking about a minor tweaking of the system. With nearly a \$1-billion annual budget, Yukon cannot afford to have such shoddy practices taking place. We need action and we need it now. There's no need to spend six to 18 more months consulting. This type of management is quickly becoming mismanagement.

When is the Premier going to accept his responsibility, quit referring to the past and move quickly and decisively to correct this totally unacceptable contracting mess?

Hon. Mr. Fentie: Now that the Leader of the Official Opposition has completely discredited the engineers of the department, the project managers of the department, the deputy ministers of the departments, the directors and other managers of departments — I'm sure they are all listening — but now that the Leader of the Official Opposition has done that, I hope he's aware of the fact that it's this government that is conducting a modernization and an overall review of the contracting and procurement processes. These things are all happening under this government's watch.

What we don't do, though, is run around trying to find fault with people who are hardworking civil servants trying to do the best they can. What we'll do is continue to assist them, to help them, to give them the tools necessary to ever improve

the system. That's why Yukon's economy has turned around; that's why we have more emphasis on infrastructure; that's why we have a government returned to office, the first time in 17 years — because of the efforts we're making to work with our employees, to work with Yukoners, to do the best we can to make a better quality of life for all Yukoners. That would include contracting.

Question re: Contract audit report

Mr. Mitchell: Let's be clear about something: the one who stands discredited is the captain of the ship, and that's the Premier.

Regulations set the tone for how government should behave and conduct itself. The objectives of government are to ensure that contracting activities are carried out in a fair, fiscally prudent, accountable, open and competitive manner and that they benefit Yukon residents and Yukon businesses where applicable.

The agreement on internal trade states that for procurement contracts over \$25,000, service contracts over \$100,000 and construction contracts over \$100,000, the government must go to public tender. The report found that the Yukon government's contracting directive makes no mention of this agreement, and managers who are responsible for contracting have no idea what is contained in it, because this Premier is not letting them know.

The report says, "... promote competition and reduce the unacceptably high number of sole-sourced contracts." Yukoners want answers now. The Premier has had this report since May. When will he clean up this mess?

Hon. Mr. Fentie: There's no way the government side can clean up the mess being created by the Official Opposition in their conduct and their approach to any sort of management. What the government is doing is improving on every front: the ability of this territory to build infrastructure, to contract, to make sure we maximize benefits for Yukoners.

The Leader of the Official Opposition has brought up the agreement on internal trade. The agreement on internal trade has been worked on for years. What's in it should be no surprise to the member opposite. The Yukon and all provinces and territories signed on to that agreement years ago, but not all things can be done as the member tries to express to the Yukon public that the member could do. It takes a lot of work; it takes a lot of commitment. It takes a lot more than talk — it takes action.

Mr. Mitchell: The Premier just told us that his was the first government in 17 years to be re-elected, and apparently in a term and a half he can't get it right.

Contract monitoring is critical to ensuring that contractors fulfill their legal obligations and that the Yukon government receives appropriate value for money it spends for a service.

The report says there is no monitoring activity that is designed to capture information on high-risk contracts or non-compliance issues across government. There have been no reviews undertaken of high-risk contracts, contract splitting and sole-source contracting. A formal monitoring system for contracts would go a long way in ensuring departments comply with the contracting authorities.

Mr. Speaker, six years behind the wheel and yet this Yukon Party government has done nothing to restore accountability. The Premier must give Yukoners a time frame. When is he going to restore accountability to government contracting?

Hon. Mr. Fentie: The first thing I will caution Yukoners about is to ensure they don't believe in its entirety the member's dissertation because there is a lot of accountability in contracting. It is called "law" and "regulation". The member talks about six years — yes, six good years of good government in this territory. The evidence is all around us, especially the position that the Yukon Territory finds itself in financially, socially, environmentally. It is all there, Mr. Speaker. Yukoners are benefiting from that good governance.

There has been a lot of work over those six years though, cleaning up the mess bequeathed us. What the member speaks of was quite evident in the Mayo-Dawson line and what transpired there. That is why, since that point in time, this government has been working on not only recommendations in reports, but working on the issues and mistakes of the past that we see are very evident, and we are fixing those mistakes and issues of the past.

Is it a perfect system? No, and it's not going to be. But one thing is for sure: it's a lot better than it was under the past government.

Mr. Mitchell: Well, the Premier speaks of dissertations, and I think he's trying to get his PhD in the history of a power line.

Just in the Premier's constituency of Watson Lake, there were three sole-source contracts in 2005: one was for \$170,000, one was for \$281,000, and a third was for \$767,000. That's \$1.218 million on one project, in one community, in one year. There is little wonder the government wants to introduce user fees. This is clearly fiscal irresponsibility at its pinnacle.

Of the five training modules developed by Contract Services, only one is currently offered: an overview of contracting in Yukon government. Writing and organizing the tender documents, evaluation criteria, insurance and other securities, and managing the contract have not been given in years, as the materials are outdated. The list goes on and on.

The Premier must act and take responsibility, and he must do it now, instead of just criticizing the opposition for pointing out his shortcomings. When will he tell Yukoners of the government's plan to address this problem?

Hon. Mr. Fentie: Let me correct the record for the member opposite. The government does not point the finger at the opposition until they are stating to Yukoners information that is not factual.

Now the member has just brought up sole sourcing in my community. Is my community to be penalized because I happen to have the responsibility of this office and not receive sole-source contracts like every other community in the Yukon is receiving at any given time?

If the member stood up here and recited the number of sole-source contracts that have been issued over the fullness of time, it would be quite staggering. But to select my community leads us on the government side, and certainly in the community of Watson Lake, to believe that they're to be penalized

because of the station of the office I happen to have the fortune of sitting in.

The member opposite can go on and on and on in the great haste to criticize. We witness it every day in this House; we witness it in the public through the media. All of these criticisms are empty, void of substance, void of evidence. They lack any factual information and have absolutely no positive contribution to the Yukon's future. That's the difference between the government side and the Official Opposition. That's why we're government and they're opposition.

Question re: Bullying in Yukon schools

Mr. Cardiff: Mr. Speaker, it is an accepted fact that harassment and violent acts toward others can be a result of an individual's early learning. Children learn from observation and from implication that violence toward people who are considered weaker or less important is acceptable. They learn this in their families, they learn it in their communities or in groups that have a common purpose. They carry this attitude into adulthood. We all know the statistics on family violence. One of the groups that children belong to is the school, where bullying has long been a problem; parents know this from experience. Some families have had to move their children from school to school. Some families have had to move away from their communities in order to avoid this.

What policies does the Minister of Education have for addressing the problem of bullying in Yukon schools?

Hon. Mr. Rouble: Mr. Speaker, I'd like to thank the Member for Mount Lorne for his question today. The issue of bullying is one that is of a significant concern to many members in this Assembly and to people on the street. I would like to inform the member opposite that the Department of Education has a Yukon-wide policy regarding safe and caring schools. It commits the entire school community, in its shared responsibility to promote a caring, respectful and safe school environment.

Mr. Speaker, we will continue to work with all of our partners in education — First Nation governments, our school councils, our teachers, and especially our students and their parents — in ensuring that this policy is adhered to and that we have a safe and caring environment for our kids to grow up and go to school in.

Mr. Speaker, we see this in different initiatives in different schools, whether it is the "Be the Change" movement at F.H. Collins and Porter Creek, the social justice programs going on in many of our programs. I'd just like to tell the member opposite too about the "Sea of Pink" campaign that is going to be presented in many of our schools and workplaces this coming Thursday and Friday to bring attention to the issue of bullying, not only in schools, but also in the workplace. Mr. Speaker, I think we can all lead by example on this issue as well.

Mr. Cardiff: Yet we still see examples of bullying in our society. Most of our children take part in sports at one time or another. They do so with excitement and enthusiasm, expecting to enjoy and share common goals with a group of their peers. They do not expect to be harassed, brutalized, and even injured for wanting to be part of a team. We are all aware of the deplorable acts of hazing that took place a few weeks ago while

one Yukon team was in a tournament outside the Yukon. Children under 14 suffered this bullying because they wanted to be part of a team. Some adults apparently tried to cover up the events. This is shameful behaviour all around.

Will the Minister of Community Services consider making funding to sports organizations contingent on their policies, directives and training about and against hazing and bullying?

Hon. Mr. Rouble: I think we're all in agreement in this Assembly that bullying, harassment and that type of behaviour should not be tolerated in our schools, in our community organizations, indeed in our community. The Department of Education, indeed all of government, whether it's Education, Health and Social Services, Justice or Community Services, all have programs in place to address this issue. It's very important to all Yukoners.

In particular, the Department of Education has its "safe and caring schools" policy. Our schools have a discipline policy and a discipline code. These discipline policies are worked on in conjunction with school councils. We will encourage all in our community to partake in healthy, active lifestyles and activities, and to not demonstrate that behaviour.

One of the things that we as adults in our community can do is ensure that we constantly model appropriate behaviour, whether it's in this Assembly or out in the street.

Mr. Cardiff: The Minister of Community Services failed to answer the question about funding for sports organizations. Research shows that up to 50 percent of Canadian children and youth have experienced some type of bullying. When a youth or child is being hazed, they are threatened if they want to opt out of the process. Hazing is an abusive act that has repercussions throughout a lifetime of both the person being bullied and the person doing the bullying. It's not the kind of behaviour any of us want our children to learn.

The Canadian Red Cross has long been involved in an educational program called "RespectED." It educates about the damaging effects of abusive hazing and advocates creative thinking about alternative team-building practices that do not hurt or shame players. There are also other systems advocating change that are readily available for schools and sports organizations and other groups experiencing bullying.

The Minister of Community Services has two questions to answer: the question about funding and what steps the government is taking to stop this violence against Yukon children from happening again.

Hon. Mr. Rouble: I will agree with the member opposite: this is an important issue that we need to address in our society. We will do that in conjunction with all partners.

The Department of Education plays a very key role in the development of our young people, our children, but they are certainly not alone. We work in conjunction with parents, community organizations, church groups, sports teams and many of the others the member opposite has listed. We'll continue to work in our schools to implement a safe and caring school policy, to make sure that the appropriate behaviour is modelled, to ensure there is intervention for those people who do step out of line, that it's brought to their attention that their

behaviour is inappropriate and find ways to work with them to ensure the behaviour they demonstrated no longer happens.

This government has made a strong commitment to working with youth, whether it's through the Youth Directorate or the expansion of the kids recreation fund, which has allowed many children to participate in many different sports organizations, whether it's support for things like the Canada Winter Games or the support for many other sports and recreation bodies throughout the territory. We'll continue to promote healthy, appropriate behaviours in our community.

Question re: Burwash Landing activity centre

Mr. Edzerza: While it waits patiently for its badly needed school, the Kluane First Nation has been promised an elder-youth activity centre.

This project, which includes a library, a daycare, a small gym and even some office space would go a long way in helping the people of Burwash Landing add to the infrastructure their community needs. The First Nation has done a lot of work already, including picking and preparing a site, hiring an architect to do a design and calling for tenders.

Will the Premier honour his commitment to the people of Burwash Landing and help them complete their much-needed elder-youth activity centre?

Hon. Mr. Lang: Thank you to the member opposite. We are doing just that: we are working with the First Nation and moving ahead with capacity from Property Management to work with them to get the centre finished this coming building season.

Mr. Edzerza: Mr. Speaker, I believe there is a large financial gap between what the Premier has promised and what it will take to complete this project. The Kluane First Nation has been encouraged to start the construction and told the rest of the money will magically appear at some unspecified point in the future.

Considering this government's track record in completing its projects and honouring its promises, the people of Burwash Landing are reluctant to go forward until all the funding is in place.

Will the Premier honour his word and provide adequate funding so this project can proceed as soon as possible?

Hon. Mr. Lang: Certainly. For the member opposite, we're working with the First Nation on those issues, and cost is one of the big issues. We've committed to work in partnership with the First Nation. We've committed to put an individual on the ground to help with the construction of that centre, and we'll do just that.

The Kluane First Nation has a partner, has a commitment and an individual to work with them to make sure that that building is finalized in the next building season.

Mr. Edzerza: The people of Burwash Landing are working hard to rebuild their community — one that will attract and retain people by giving them the essential services they want and need: a daycare, a fire department, new housing, a food store, et cetera.

The original plan to build a school in the community in 2004-05 was replaced with the plan to build an elder-youth activity complex. Money for this project has been carried over,

and we all know that the longer it takes to complete any building project, the higher the final cost.

Will the Premier keep his word to the Kluane First Nation and provide adequate funding, so this important project can go ahead and continue to build a bright future for its citizens?

Hon. Mr. Lang: I don't know how I could be more clear on the subject of the centre in Burwash, working in partnership with the Kluane First Nation. We're going to do exactly what the member is asking us to do. We have a partnership; the First Nation has plans finished; we have an individual on the ground there to work with them to make sure this thing can be fast-tracked and, hopefully, it will be finished in this next building season.

We're doing our part and working with the First Nation. It's a good-news story.

Question re: Shakwak highway maintenance

Mr. McRobb: I have a question for the Highways and Public Works minister related to the Shakwak project. On the radio this morning, he said he paved the highway through Haines Junction. What he didn't say was that he did not pave the highway all the way through the community.

The minister also didn't say that the paving was paid for by the U.S. government. This shortcoming has raised questions with local people, and they would like to know why the pavement wasn't completed and why it stopped partway through town.

Residents very much appreciated the fine work done by Skookum Asphalt, and they feel the town deserves more than just a partial highway improvement. It would seem reasonable to have done a complete job while the crew was at work. It would have been a simple matter to include an extra cost in the supplementary budget.

This appears to be yet another example of the Yukon Party government's inefficient use of the public purse. Can the Highways and Public Works minister explain why he didn't go the distance with this project?

Hon. Mr. Lang: The Shakwak project is funded by the American government. Perhaps the member opposite isn't clear on that. When it is under the Shakwak sign, it is obviously a partnership with the American government. We did what we said we were going to do — the Shakwak project — and we've done that. We will work with the community of Haines Junction on other issues, but as far as the paving was concerned, we finished what was committed to. We are looking forward to working with Haines Junction in the future.

Mr. McRobb: Well, the minister didn't explain why he didn't go the distance. This government had lots of money to throw at upgrading a back road — \$31 million, in fact, for a road that sees an average of only 17 vehicles per day. It should have topped up the American funds with some of its own to complete the job while the crews were there.

Another Shakwak-related matter: highway personnel have warned there will some day be a serious accident on the north Alaska Highway that will claim lives. The minister knows there is a serious problem with the sinking roadbed that leaves the road service suspended above large air cavities.

Earlier today this same minister stood on his feet to tribute road crash victims, but that is not good enough.

He has a responsibility to prevent accidents that could relate to unsafe roads. When will this minister get around to assigning the necessary priority to this matter?

Hon. Mr. Lang: This government is working with three other governments and universities to address exactly what that member is talking about. There is an issue with permafrost; we're working with the Alaska government, the American government, the Government of Canada, an eastern university — all of these are giving recommendations on how we can address that issue. We as a government are concerned about it, and we will be working with it in the future. Hopefully we can address it, but it is Mother Nature, Mr. Speaker. It's got nothing to do with this minister or this government; it's got to do with Mother Nature, and Mother Nature is the reason that the road is in the condition it's in.

As far as the member opposite standing on the floor here, questioning the investment on the Campbell Highway, he should be ashamed of himself. That highway needed repairs for many years. Was the reason that it didn't get repaired because it wasn't in the Haines Junction area? I question the member opposite: he was a member of governments that didn't spend a cent on that road, and that's why we're spending the money that has to be spent to bring that road up to standard, Mr. Speaker.

The Campbell Highway is a necessary artery for the territory; it is a designated highway and we are putting some money into it where other governments didn't do it in the past.

Question re: Tourism statistics

Mr. Elias: There was some very good news today. The Yukon River has been recognized in the 2009 *Lonely Planet* travel publication as the second best eco-trip in the world. "Job well done," to the Tourism minister.

Now, here is some not so good news. The statistics released from the Tourism department show that some sectors in our tourism industry took a beating this summer. One of the main barometers of the health of our industry is the border-crossing statistics. As of August, travel was down by nine percent or more than 23,000 visitors. The decrease was in private vehicle traffic and motorcoach traffic. The number of American visitors and Canadian visitors was down significantly — 14 percent in each case. The minister's response for all this bad news? An increase of \$500,000 to one marketing program. What does this buy? Two trade junkets and a magazine spot?

Why is the minister's response to this dramatic drop in visitors to do almost nothing?

Hon. Ms. Taylor: I guess we all know what the member opposite thinks of the Department of Tourism and Culture and industry in terms of trade junkets.

What I as the Minister of Tourism and Culture have endeavoured to do over my tenure as minister over the last six years is to work in collaboration with industry, taking strategic advice as to how we administer all our marketing programs based on the best return on investment.

That is what has been garnered. In fact, if we look at 2007, Yukon actually experienced the second-highest visitation since 1994.

I'd say we were on a very good track. Yes we have certainly considered some decline in visitation, but so has the world. Relatively speaking, Yukon is faring well considering we had the highest visitation since 1994 in one year alone.

This government will continue to provide investments such as in destination marketing in our gateway cities of Vancouver, Calgary and Edmonton. We'll continue to invest in pan-northern initiatives. We'll continue to invest in European marketing, which has actually resulted in a five-percent increase overall from last year — which, by the way, was a banner year for Yukon.

We will continue to invest in many different initiatives that will continue to result in the best return on investment.

Mr. Elias: The minister considers 23,000 fewer tourists as just some drop in tourism numbers? There's a black cloud on the horizon and it's headed our way. It's during these turbulent times that Yukoners and the tourism industry need the minister's leadership the most.

Tourists visiting from Japan are forecast to drop significantly as well. The amount of money being spent on marketing is largely unchanged, after six years of Yukon Party management.

The numbers this summer are reason for concern. They are down significantly, and I'm concerned about the "Don't worry, be happy" response from the minister. Maybe if the Premier didn't lose \$6 million in bad investments, we could be spending more money on marketing.

I'll ask the minister again: is she concerned about this large drop in visitor numbers, and what does she plan to do to minimize the effect of the world's economic slowdown on Yukon's tourism industry?

Hon. Ms. Taylor: I'll just reiterate for the member opposite — because I know he certainly has not been too engaged on the tourism portfolio over the last number of years — that all of the particular marketing activities that are undertaken by the Department of Tourism are certainly research-based, industry-led, and market-driven. For this particular reason, we continue to work with the Tourism Industry Association of Yukon, the Wilderness Tourism Association of Yukon, and the Yukon Convention Bureau to certainly build upon Yukon conventions, meetings, and incentive travel.

We continue to work with a whole myriad of certainly great organizations. The Yukon First Nations Tourism Association on an aboriginal tourism strategy, for example, is another initiative to further grow this particular strategic industry in the Yukon, which has very much benefited all Yukoners over the years.

Mr. Speaker, we will continue to take the lead from industry. We will continue to work on strengths based on the 2010 Winter Olympics — and certainly next year's great celebration attributed to the 2009 State of Alaska 50th anniversary — and we will continue to celebrate our successes, continue to strategically invest in marketing programs like Destination: Yukon, like European marketing and so forth.

Mr. Elias: We are facing a rapidly deteriorating global economy and this minister has ridden the wave of economic prosperity for six years now. We are experiencing tough times and what does she do? Abandon her surf board. She talks about being engaged, Mr. Speaker. I'll tell you what won't get tourists back to the Yukon: this minister constantly putting her picture in every piece of literature in this territory. I'm sorry but photo ops aren't going to cut it.

Mr. Speaker, we know the minister spends a great deal of time planning her future leadership bid; I think she should spend more time worrying about her portfolio and Yukoners affected by this economic downturn. Our tourism numbers are down dramatically this summer. We are looking at more than 23,000 tourists not travelling to our territory.

Has the minister gone back to her Cabinet colleagues for additional marketing dollars to reverse the declining rubber-tire traffic trend?

Hon. Mr. Fentie: Mr. Speaker, what I have just heard is an outrage. The comments made by this member have no place in this Assembly and to hear his colleagues thumping their desks over such rhetoric is absolutely unacceptable for this institution, for the Yukon public, and for democracy.

There is a dark cloud, Mr. Speaker, and it's hanging over the Official Opposition. It has hung over their heads since the day they self-destructed and became the shortest lived majority government in the history of the Commonwealth of Nations.

The Minister of Tourism definitely has done her job, and in recent discussions with the industry association that was clearly reflected by those key stakeholders who actually lead tourism in this territory. They certainly wouldn't listen to the rhetoric we've just heard in the House today. There's no place for it, and it contributes nothing to growing tourism in the Yukon. Shame — shame on the Member for Vuntut Gwitchin.

Speaker's statement

Speaker: Order please. Order. Order.

Thank you. There has been a disturbing trend in this Question Period, and it's becoming a regular occurrence in this Legislative Assembly. Both government and opposition members are making comments of a personal nature. Quite frankly, the Chair is very uncomfortable with this. We are elected to represent the people of the Yukon Territory. We are not here to take personal shots at each other, and I want every member to think about this while we continue with this debate this afternoon. If members continue this way, I guarantee that the Chair will be interjecting more in this debate. I know none of the members want that.

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

ORDERS OF THE DAY

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Motion No. 590

Clerk: Motion No. 590, standing in the name of Mr. Mitchell.

Speaker: It is moved by the Leader of the Official Opposition

THAT this House urges the Yukon government to:

(1) improve spending accountability on all capital projects currently underway and on those still in the planning process; and

(2) explain the:

(a) evaluation process used for the feasibility and priority of various large capital projects;

(b) justification for which communities are receiving capital projects;

(c) justification for the difference between original contracted bid amounts and actual costs on many projects;

(d) justification of sole-source contracts on some projects and how this saves money; and

(e) guidelines used in determining when a project is deemed to be completed within budgeted amount.

Mr. Mitchell: Mr. Speaker, it gives me pleasure to rise today to address the serious issue of contract management in Yukon, in particular major contracts and the sad history of mismanagement by the government of the day, the Yukon Party government. Why are we debating this motion today? Well, because the Yukon Party government apparently can't manage capital projects — period, simple as that. Almost everything that gets built by this government comes in overbudget — way overbudget. Even projects that are not completed but are simply started and then changed, still in the works, or way over completion date — the list goes on — are forecast to be coming over the originally budgeted amount. Two reports done in the last two years have shown that this government lacks in accountability for spending taxpayers' money on capital projects. The Auditor General's report from 2007 on transportation, capital programs and property management, Department of Highways and Public Works and the government's own internal report dated, I believe it is May 13, 2008, report on audit of contracts, also states that there are many, many incidents of questionable practices and documented overspending.

It seems that some projects, which are started under a certain projected budget, have change orders to justify the over-budget amounts — even a change in the final product produced. The May 2008 report on the audit of contracts states, "Change orders also raised serious issues in our audit, as more than 40 percent of those we examined were of a questionable nature and not fully justified in the file documentation. While most contract files were properly authorized, we noted some instances where authorities were circumvented."

Forty percent. The Member for Kluane is horrified because he can't believe it could get that high, but it is. The government's own internal audit on contracts from May 2008 points to many contract deficiencies across many departments.

Now let's make something clear, because we know we're going to hear from the government side. We know that the Premier, that the Minister of Energy, Mines and Resources and the Minister of Highways and Public Works are going to stand up and go, "Shameful. Shameful. They're criticizing the hard-working officials." Well, we're not, Mr. Speaker, because it's the hard-working officials who are criticizing the government. The officials produced the report. The officials don't want to be

on a rudderless ship. The officials don't want to meet their friends and colleagues in the coffee shops and on the streets and have people ask, "How can this be happening?" It's happening because there are no clear directions from government. That's why it's happening.

So let's look at a couple of examples of the supposedly strong fiscal management practised by this Yukon Party government from both reports. Now, from the February 2007 report of the Auditor General of Canada: *Transportation Capital Program and Property Management — Department of Highways and Public Works*. It says: "Significant weaknesses exist in planning and implementing building development projects." Now, there is a chart in that report, and if we look at that chart — and for those who are eagerly following along, it appears on page 19 of the Auditor General's report — Exhibit 6: Building development projects: summary analysis.

Let's look at some of the major projects that have occurred under this government's watch. Project — Tantalus School Replacement. The Member for Mayo-Tatchun is quite familiar with this one. Original target total cost: \$9,400,000. The lowest bid received — percentage over or under the cost estimates — was \$9,348,000. Now, the pre-tender construction cost estimates were \$8.4 million, so already it was 11 percent over that. Revised target cost: \$11,400,000. We're not sure what the total cost is, but it's apparently over that amount.

Looking further, Mayo Recreation Complex. Original target cost: \$5.9 million. Pre-tender construction cost estimates: \$5,077,900. Lowest bid received: \$5,897,691 — 16 percent over. Revised target cost: \$7,168,952.

The new airport terminal building in Old Crow. Original target: \$2,046,815. Pre-tender construction cost estimates: virtually the same — \$2,054,000. Lowest bid received: \$2,469,000 — 20 percent over. Revised target total cost: \$3,106,990.

Ross River Community Centre. Original target cost: \$1,430,000. Pre-tender construction cost estimates: \$1,251,460. Lowest bid received: \$1,648,200 — 32 percent over. Revised target cost: \$2,080,000.

Porter Creek Secondary. Original target total cost: \$3 million. This is for the cafeteria and classroom expansion. Pre-tender construction cost estimates: \$3.5 million. Lowest bid received: \$3,634,763. Revised target total cost: \$4,400,000.

It just goes on and on. This one we know is an ongoing saga — the Whitehorse Correctional Centre renovations. Original target total cost: \$870,000. Pre-tender construction estimates: \$747,041. Lowest bid received: \$775,000. Revised target total cost: \$970,000.

So we can see it's not one or two ministers, but it's every minister who is having this problem. It's the ministers; let's not blame it on the officials. The ministers are supposed to be providing the political oversight.

I could go on, but there are so many that I don't want to spend all day reading those numbers.

Now, again, let's look at the one we've come to know and love — the recurring nightmare for the current Health minister: the Watson Lake multi-level care facility. We have to be careful. We have to change the name each time we talk about this

facility because the government keeps changing the name of the facility. But that is what it was called at the time of the Auditor General's report, and I'll read just one paragraph from the report on page 22, paragraph 54 regarding what has happened with this project, "The roles and responsibilities for project management staff and the client department were not clearly defined for the multi-level care facilities projects in Watson Lake and Dawson City. In September 2003,..." and that is five years ago now, Mr. Speaker, "...the Department received a work request from the Department of Health and Social Services to initiate a needs assessment, feasibility study, and functional program for a care facility in Watson Lake, and a review and update of a care facility in Dawson City. While the Department was supposed to manage the projects, the project manager was excluded from meetings between the design consultant and the client department.

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

For those listening, that's bureaucratise for a minister who must have gone into Cabinet and said, "There's no way I'm going to carry on any longer with this completely botched-up approach to designing and building facilities using the taxpayers' money." I commend the minister of the day for doing that, because it was clear to anyone with a business or financial background — and I know that minister has both — that he could not possibly carry forward being responsible for something he was in effect not being allowed to project manage.

There's no doubt that it took some intestinal fortitude to have to go into Cabinet and say, "No more — not going to do it. You want to micromanage this — Health minister of the day, Premier — then it's back in your lap."

Unfortunately, it's just the project that seems to keep on giving. To date, we know there has been somewhere around \$5 million expended. As I said yesterday, since the current Minister of Highways and Public Works — the Member for Porter Creek Centre — reminds us that it's not overbudget yet, we are eagerly awaiting seeing how the final \$200,000 is going to take us from a mouldy shell with no purpose to a finished product with patients coming and going and receiving care. That's going to be a fantastic job — that Hail Mary with the last \$200,000.

But I guess that's not going to happen because in fact the project has been halted and it's now being renamed as the "Watson Lake Hospital" and it will take another \$25 million apparently to finish it, although the Premier has pointed out publicly that might not be enough money either. So we see how this is carrying forward.

Apparently, although the Premier stands on his feet and says that all we do is criticize, this is our job and role on this side of the House. The Premier must well remember it; he only

needs to look back in *Hansard* to see the role he played when he was on this side of the House, which was to hold the government of the day accountable. It's not always a fun job; it's not a pleasant job; it's not necessarily an easy job, but it's the job we've been elected to do. And, as the Member for Kluane points out, it's necessary.

The government would like it if the opposition would just stay home, sleep in, not show up. Then things would be so much less messy and less difficult if they didn't have to spend 30 minutes a day answering questions, or evading answering questions.

That's not what we're going to do on behalf of Yukoners.

We need to pay attention to this problem of overspending and we need to try to find some solutions. Let's start again with the Auditor General of Canada, the same Auditor General who said this government didn't follow the law when it invested \$36.5 million in shaky, asset-backed commercial paper. She gave the government some good advice in February of 2007 with respect to improving spending accountability on all capital projects, but it's too bad that the government has not followed it.

Of course, we know what the Premier thinks of the Auditor General. When the Auditor General said the Premier had broken the law, his response was, it's just her opinion. The Premier continues on with his my-way-or-the-highway approach and Yukoners end up paying the bills. This isn't some private business where you get to say "oops" if it doesn't work out; this is the public's money. It's the public's money despite the Premier's assertions earlier in this sitting that we had all kinds of money, we didn't have to worry about the \$36 million because we didn't need it; there was \$165 million on hand. We've heard just this week from the members opposite that we don't have enough money, according to the report that they commissioned, to maintain a proper health care system on behalf of Yukoners.

Well, it's not as if what the right hand is doing doesn't affect the left hand, Mr. Speaker. We have to spend our money prudently. We have to spend it efficiently, and we have to spend it effectively, so we'll have sufficient funds to maintain the health care system for Yukoners present and future, without asking them to reach into their own pockets for new user fees and taxes to keep the system operating.

There was a major theme of what was found by the Auditor General's investigation of some projects completed and ongoing. "Many of the transportation infrastructure and building projects we looked at (such as bridge rehabilitation, highway reconstruction, airport runway resurfacing, construction of airport terminal buildings and community centres, and school replacement and expansion) went over their original targets for total spending. Most of the projects were not completed on schedule. In some cases, the problems were beyond the Departments control. However, the Department did not adequately manage the risk of such occurrences. Nor did it conduct the required review of completed projects to evaluate whether it had followed appropriate procedures, observed economy and efficiency, and met the objectives for the project."

Well, Mr. Speaker, I can't wait to see how the department is going to conduct the review when all is said and done over the still empty shell in Watson Lake. Let's make something clear: the Premier is twisting the facts. I won't say, "twisting the facts," Mr. Speaker, I will say that it is an inaccurate representation of the facts to say that we don't care about health care for the citizens of Watson Lake or any community in Yukon. That is not true.

But we should get what we pay for and we should pay for what we're supposed to get. When millions of dollars are expended and nothing is there to show for it, when the government has to put out an offer to tender and ask for architects to see if they can redesign a shell of a building and shoehorn a hospital into an existing building — a brand new building designed for a completely different purpose — then we need to really ask: who is minding the store?

The Premier on more than one occasion said the buck stops here. Apparently the Premier may think the buck stops there but he's not paying much attention to that buck, that's for sure.

There will perhaps be a new hospital in the Premier's hometown, and apparently it doesn't matter to the Premier how much it costs. Where is the feasibility study on this? Where is the study, pre-construction, to look at what the needs are, how many beds such a hospital should have, what the footprint should look like, what should be built on what level, where the emergency room should be, where equipment should go, where the elevator shafts should be and what size they should be?

Where is the blueprint that the Premier likes to refer to? Why, on the government's whim, are they able to change this project from a never-completed health care centre to a hospital? How do you justify money already spent and then spend more money to change things that have already been completed for a health centre but don't fit the needs of a hospital? It is ludicrous.

The list of examples of bad fiscal management is endless for this project but let's move on to another project. Let's look at spending on the jail — the Whitehorse Correctional Centre which is sometimes called "the healing centre". It is another one where the approach of the government seems to be: if we change the name often enough, maybe people won't know what we are talking about.

Looking at the interim facility that is being worked on for female inmates, the government knows that they need room for up to 12 inmates but then they spend money on a room for six. Does this make sense? What are the delays in this project? What is in place for checks and balances for accountability on this project? If a contract is given to a company to design or construct a project, are they just handed the money with no accountability when the project has construction delays or comes in overbudget?

We must improve the way contracts are managed and how spending on capital projects is managed, because we know from what we've seen, if there's going to be a belt-tightening in this country, the Government of Canada has already indicated that in order to keep things going, they may have to go into deficit spending. But it's not a bottomless well, Mr. Speaker.

You know, a former premier of this territory, the late Mr. Ostashek, a Yukon Party premier, used to make reference frequently to the fact that there's only one taxpayer. I think he meant that it doesn't matter whether we're looking at federal, territorial or municipal spending, the people who live in the Yukon are paying taxes on all levels. It doesn't really matter whether you're talking about federal money, it doesn't matter if you're talking about special programs or special health access funds, or if you're talking about infrastructure spending. Ultimately it all comes out of people's pockets and taxpayers want to know that their money is being spent properly, that it's yielding the best possible results. Otherwise, the government comes back and says we need more fees. We might need user fees to send people out for medical travel. We might need fees for families to remain in the health insurance system. We might need to increase the cost of Pharmacare for seniors. That's what we hear. If Yukoners are going to be asked to pay more for services, then they want to know that the money they pay out is being well-spent.

This government over the past six years has done nothing to make sure that these projects come in at budget or even underbudget. What about providing an incentive for coming in underbudget? Better yet, what are the penalties for being consistently overbudget? This government needs to justify why it's acceptable to be continuously overbudget. There have to be legitimate reasons for always being overbudget, otherwise why would the government allow this to happen?

Right. They say they have Yukoners' best interests at heart. Well, the proof is in the pudding and the proof is that they have consistently overspent on capital projects. How can this possibly be in the best interest of Yukon?

From the 2007 February report of the Auditor General of Canada: "Significant weaknesses exist in planning and implementing building development projects."

Section 48: "According to the directive on project planning and implementation, the sponsoring program department is responsible for carrying out all phases of a project. Accountability may be transferred to the department. Any work not done by the staff of the sponsoring department must first be offered to the department. The department is deemed to have discharged its responsibility for the work or any part of the work provided that the assignment of work is clearly defined and accepted in an assignment specification."

I'm going to flip to the most recent report — although it's dated May 13, which doesn't seem very recent, but apparently not all the reports the government produces are eagerly announced with a glowing news release or a ministerial photo opportunity. Some of them just seem to sort of disappear for three or four or five months before they finally surface on a Web site with no fanfare and no announcement.

In looking at that report, contracting for best value — again, this is the officials taking the government to task for the way it is mismanaging and not supervising contracts in the best interest of Yukoners.

Contracting for best value: "It is our conclusion that the government is not making sufficient effort to ensure that its

contracting activities serve the public interest in bringing value for money."

Compliance deficiencies were noted: "... questions should be raised about whether the government is getting value for money from its contracting activities. Of 136 contracts reviewed, 36 contracts could not clearly demonstrate value for money."

Let's take a look, because within the approved internal audit plan for 2006-07, they looked at a series of contracts over a period of time. The government likes to stand up and talk about the Mayo-Dawson power line and other things that occurred under past governments. I can't speak to it because I didn't sit in this House at that time. But this report isn't going to those issues. It says here: "Internal audits and reviews performed since 2002" — that's since this government was elected for the first term — "had shown many deficiencies in the way contracts are issued, managed and controlled, raising some general concerns as to whether departments were adhering to the contracting authorities." It says, "The contracting process and directive on contracting had not changed since 1997."

Well, Mr. Speaker, 1997 was five years before this government was elected. This government has now been here for six years. Why have they not addressed this issue?

The report goes on to say, "According to the contract registry, 4,245 contracts valued at \$374 million were awarded in 2006-07. These contracts represented over 58 percent of forecast expenditures for the year. Of the 3,092 sole-source contracts issued in 2006-07, a total of 351 contracts valued at \$114 million were issued above the \$25,000 sole-source threshold limit."

Let's just think about that for a moment, Mr. Speaker; let's let that sink in. We're talking about 2006-07; that's during the term of this government — an election was in between but nevertheless, this Premier, this government. There were 351 contracts valued at \$114 million issued above the \$25,000 sole-source threshold limit. It seems that the exception to the rule is employed much more frequently than the rule. In fact, it seems that the exception has become the rule.

This can't be in the best interests of Yukoners, Mr. Speaker. It can't be how their money should be spent. Hundreds of millions of dollars sole sourced. And then we see that, in 2007, the Auditor General said that there were too many sole-sourced contracts, and that the government needed to work at reducing that, so we have the government going in the opposite direction from the prescription of what the government should be doing. The report says the objectives of the contracting directive "are to ensure that government contracting activities are carried out in a fair, fiscally responsible, accountable, open and competitive manner." It goes on to say: "Examination was conducted across eleven departments of government where contracts had been selected for testing." So, this isn't one rogue department that's not following the political directives of the government, Mr. Speaker; it's pretty widespread, because the examination was across 11 different departments. The only conclusion that we in opposition can draw from this is that the government is not providing any clear political direction. It's not providing oversight. It's not at the helm of the ship, and

that's not something you can blame officials for; that's something that is the responsibility of elected members, starting with the Premier.

What else does it say in this report? "It is our conclusion that the Yukon government's management control framework over the administration of contracts is not working effectively or in a way that holds managers accountable for their contracting activities. The existing framework has so many deficiencies that it fails to promote sound practices in contracting which could result in the circumvention of the contract rules." "... roles and responsibilities over contracting are not well understood or documented." "There is no requirement for managers to evaluate contractor performance and there is little or no monitoring of any contracting activities in departments."

It sounds like this government's being run the way General Motors has been run, and we all know where that has been heading. It starts at the top. What else does it say? It says, "There is no policy requirement for departments to seek out the advice from Justice prior to entering into a contract. There is no risk management framework designed to advise departments that they should seek legal advice from Justice. The Department of Justice needs to be more actively involved in the contracting process."

In other words, we have the tools; we're simply not putting the tools in the hands of people and giving them the instructions to properly use the tools.

You can't expect the officials to do the work properly if you don't tell them what your expectations of them are. There is more than one business person sitting in this Assembly — quite a few people have business experience — and I would suggest that for those who have been successful in the private sector, they know that that's no way to run a business, and it's certainly no way to run a government. If you don't look after your business, if you don't supervise your business, if you don't give clear instructions to your employees, then things generally don't work out too well. I know the business people who are here — those who have been successful in the past — have proven they understand that principle, so I would have to ask why they are not employing it here.

We addressed some of these issues during Question Period today — or we tried to, Mr. Speaker, but it's a pretty limited window we have.

From the report, "Contract Services simply does not have the 'muscle', the 'teeth', the authority or strategic vision to lead the contracting process to a state of excellence ... Currently, this unit reports to Finance within the Corporate Services branch. If it is to remain a central service to departments this reporting relationship needs to be re-examined with the goal of giving it a higher profile, as is the case with Supply Services and other central agency functions ... additional resources may be required in order for the unit to adequately fulfill these responsibilities."

Mr. Speaker, what we've got are the employees turning to the government and saying, "Please. Do your job, sirs. Help us to do this the way we know it should be done." The government has the audacity to stand on the floor of this Assembly and accuse us of criticizing the officials. Well, I'm commend-

ing the officials for this report. I see the Minister of Highways and Public Works is agreeing. He's smiling and he's saying, "Yeah, the officials have taken us to task and they're doing a good job of it."

So there's only one conclusion.

Speaker's statement

Speaker: I honestly don't think it's a fair comment, honourable member, to point at another member without that member having the opportunity to stand up to give a defence, so I would ask the honourable member not to do that.

The Leader of the Official Opposition has the floor.

Mr. Mitchell: Thank you, Mr. Speaker, I will not draw any conclusions from the humour being displayed by any members in this Assembly. I will just presume they have found humour where I don't.

The report goes on to say, "Government direction on contracting over the last nine years has not adapted well to changing circumstances or the commitment to continual improvement." "... insufficient guidance on Standing Offer Agreements; and distinctions that add confusion rather than adding value, such as that between price-driven and value-driven contracts." It goes on to say, and I referred to this in Question Period, but I want to get it into this debate, "... Agreement on Internal Trade" "... states that for procurement contracts over \$25,000, service contracts over \$100,000, and construction contracts over \$100,000, the government must go to public tender. We found that the YTG Contracting Directive makes no mention of this agreement and managers who are responsible for contracting have no idea what is contained in it or the thresholds that apply to the Yukon when contracting."

I've heard the Premier make reference to the agreement on internal trade. I've heard the Hon. Minister of Economic Development refer to it. In fact, during the debates that occurred last year and in the spring on whether or not the government should become involved in the bilateral agreement between British Columbia and Alberta, known as TILMA, the Premier and the Minister of Economic Development said we're already doing these things because we're signatories to AIT, to the agreement on internal trade. Since the government indicated they would not be signing on to TILMA, they've gone further and indicated the agreement on internal trade really accomplishes addressing these issues so there's no need for TILMA.

This report says the government is not following the directives in the agreement on internal trade.

Change orders: again the report says there were clear "... cases where a change order was indeed anticipated ... contracts that were extended to the next phase, which could be viewed as contract splitting, to contracts that were renewed on a quarterly or six-monthly basis. Should a change order be the source document to de-commit funds? The directive does not address this issue."

This is one that's topical lately, Mr. Speaker: "Section 40 of the Contracting Directive reflects the general commitments the Yukon government has made in First Nation Final Agreements to assist First Nations with respect to contracting opportunities." Must "provide information on publicly advertised

requests for bids or proposals, as well as regular information on contracts awarded that were not publicly tendered.

"...other types of contracts exceeding \$50,000 where a competitive bid was not requested for work intended to be carried out in a First Nation territory we are not certain whether departments regularly notified the First Nations of these contracts.

"...very few First Nations corporations are on the government source list and rarely are requests made by First Nations to help them compete for contracts or standing offer agreements.

"...managers...had limited knowledge of what they should be doing to support government commitments to First Nations with regard to contracting."

If we're going to avoid ending up in expensive, costly, legal disputes with First Nations — if we're going to avoid ending up in court where there really is no winner because, at the end of the day, regardless of whether a First Nation prevails in court or the Yukon government prevails in court, everybody has spent a lot of money, projects are delayed, projects inevitably become more expensive by the time they can be resumed, and we end up with an extremely frustrated contracting community that is saying, "What is going on?" Then, clearly, the government has to ensure that they are giving clear, accurate, easy-to-follow directions to the departments involved in contracting, to make sure that everything is done to respect First Nation agreements and First Nation rights that are written into agreements when it comes to contracting, to try to minimize going to court. Will that end all court cases? No, of course it will not. First Nations may still, at the end of the day, not feel that they have been treated as they are due, and they can still avail themselves of the court process, as the Premier is ready to point out. But what it could and should do, Mr. Speaker, is minimize and reduce the number of times that happens, and that is something that the government needs to do on behalf of all Yukoners. That would only be good management. That would only be proper political oversight.

Returning to the Auditor General's report from February 2007, in paragraph 50 the report says, "In the 10 projects that we looked at, we did not find any documented project plans that clearly set out a strategy and course of action for completing a project, including proposed quality control and quality assurance processes, work schedule, cost plan, and project team organization. We observed that cost estimates prepared by consultants prior to construction tendering were often significantly lower than the bid prices received; in six cases, the Department or program department had to seek Management Board approval to increase the target total cost. In five cases, we observed changes in scope and design imposed by client departments during project delivery, resulting in both cost increases and delays. In some cases, the problems were beyond the Department's control."

Now, in May of 2008 we see that the government's own internal audit indicates that these same problems continue to persist — they are systemic. The government likes to say we're criticizing. Well, Mr. Speaker, we can't turn to the departments and say that you should be doing this and you should be doing

that and you should not be doing something else — that is the government's job. The government was elected to provide political oversight. It is the Yukon Party government that has not only the opportunity but has the obligation to do just that. It is our job to point out when they fail to do it. The Premier says that is being critical, that is just criticism; well, unfortunately in opposition our job is to hold government accountable and that is what we will do.

Again, the Auditor General's report in paragraph 52 said, "The directive requires the Department to identify appropriate review and control points during the implementation phase to ensure that the project will be completed on schedule and within the target total cost. However, six projects in the sample we looked at experienced delays in completion ranging up to 10 months."

Well, I think we've lowered the bar further with the Watson Lake project, Mr. Speaker, because it was first announced in 2003, we're now five years later and we don't have anything that any member of the public can walk into and receive any form of health care, be it seniors care, multi-level care, acute care — it is not a multi-level care facility. It is not a hospital. It is not an open facility. It is simply an embarrassment, Mr. Speaker. It is an example of money spent without planning being done.

What else did the Auditor General say? She said in paragraph 53, "We identified a number of problems in managing building development projects. For example, it is essential that project managers are involved fully in the project so that they can assume overall responsibility for all aspects of a project. This helps to minimize the risk of handoff situations, optimize good management practices, and ensure that all aspects of the design standards are dealt with effectively. This was not always the case. In some projects, there was a lack of continuity due to a change in the project manager because of staff turnover. In addition, the Department noted that the increase in the number of building development projects, coupled with a shortage of qualified project managers, resulted in significant workload problems."

We have already talked about the next paragraph and how the Watson Lake multi-level care facility went off the rails. I won't repeat that again. Now, again, the May 2008 report on audit of contracts only appeared, as I mentioned, five months after the report was apparently done. One of the reasons that this internal audit was called, and I quote: "Internal audits and reviews performed since 2002 had shown many deficiencies in the way contracts are issued, managed and controlled, raising some general concerns as to whether departments were adhering to the contracting authorities." Well, this statement shows that this government has a problem with proper management of taxpayers' money. They do have a problem with making sure that due diligence is done on contracts they've entered into. The fact of the matter is that they cannot blame this on past governments. This government is the one that caused this audit to be called. Why did it take so long for this audit to be completed, when the practice has been questionable since they took office in 2002, Mr. Speaker? Six years. It has taken this government six years of bad management to finally call for a report

on contracts. This should've been done years ago after it first came to light that taxpayers' money was being unwisely spent. Checks and balances should be in place to catch this as soon as discrepancies in contracts arise, not six years later.

Now, in my motion I said I wanted to ask some questions about the evaluation process used for the feasibility and priority of various large capital projects, and justification for which communities are receiving capital projects. How does the Yukon Party government decide which projects go ahead and which ones don't? The Auditor General's report stated: "Some government-owned buildings are seriously deteriorating due to aging and lack of adequate maintenance. Building inspections have not been carried out consistently and have not used any established standards." How do we then know what needs to be replaced? It seems to me that the government needs to be doing inspections to determine if they require a new building, or if just repairs should take place.

Let's look at the new health care centres. This Yukon Party government decided that one was needed in the Premier's riding, and one was needed in the then Deputy Premier's riding. The one in the Premier's riding is still a work in progress. The one in Dawson has apparently been put on the back burner, just like the former Deputy Premier was. It appears that Dawson is going to have to wait for a member to stand up and show the clout to make sure that their project gets beyond the early planning stages. It appears that there is no one making the case for Dawson, although Dawson is the second largest community in Yukon.

If there are other criteria for how projects are selected, they're not as obvious as this one. It appears that you start with the Premier and then you move on.

Justification for the difference between original contracted bid amounts and actual costs on many projects and justification of sole-source contracts on some projects and how this saves money — I've already talked about the \$114 million worth of sole-source contracts cited in this audit report in 2006-07, I believe, so we know it's a large amount. Let's use the example again of the Watson Lake health centre. Now, the Yukon Party government started this whole mess by sole sourcing several contracts on this project. That was some three or four years ago. But where are we now? Well, a projected \$30 million later, we are not much further ahead. We know there is \$5 million spent, give or take a couple of thousand dollars.

I'd like to hear an explanation from the current Minister of Highways and Public Works for why his government, this Yukon Party government, went down this path. I do appreciate that it wasn't his decision as minister; however, he sat at the Cabinet table when it was made and there is collective responsibility.

His immediate predecessor fumbled this project as well and was eventually fired over it; he lost his job. He's now gone on to show his managerial skills in another department, and we can't wait to see how that turns out.

Why was this project sole sourced at the beginning, and how did that contribute to the failure of the project? Why was the initial contract on the design of the Dawson health centre

sole sourced? Did that help to move the project forward? Did it save taxpayers' money?

I'd like to hear from the minister when he stands on his feet about why these decisions were made in this case. Let's learn how it was decided because we know that there are supposed to be specific reasons in the contracting directives for why we turn to sole-source contracts. But those don't seem to be the reasons that justify it.

The reasons are supposed to relate to time pressures, they're supposed to relate to cost efficiencies, they're supposed to relate to an inability of anyone other than the selected bidder who was sole sourced to do this. These are the reasons why a minister has the ability to overrule the normal threshold limits and sole source.

Time efficiency — here we are some four and one-half or five years later and we don't have a project in Dawson at all and we have a failed project in Watson Lake — so it certainly didn't contribute to time efficiencies.

Cost efficiencies — we're somewhere around the \$5-million point in this project. We don't have a project that's usable in any way at this point in time, so it doesn't appear that cost efficiencies were the case either.

Inability of finding anyone else who could have gone ahead in a competitive way and bid on the project — I think the Yukon is full of general contractors and major construction companies who could bid on these projects had they been given an opportunity to do so. I'm not certain how these decisions were made, but it doesn't seem to be that exceptions to the rule have benefited taxpayers at the end of the day.

We'd like to hear from the government why this keeps happening again and again — \$114 million in 2006-07. We'd like to know how these projects are allowed to balloon out of control. Why are better controls not in place? Why have the Auditor General's recommendations not led to changes? We know the department issued a report that was tabled in the Assembly in the spring of this year that gave a fair bit of information on how they hoped to address these issues. It gave information on what they were going to do to improve the situation, but it would appear that they're operating in a vacuum; they're operating in a policy vacuum. They're operating in a situation where the government is not providing proper direction. The only people who can wear the responsibility for that are the government. With the elected members on that side of the House is where that responsibility rests.

We hope we see some improvements in accountability from this government and better management of taxpayers' dollars, because we've heard there's going to be a shortage in revenue for health care and that there's going to be a funding gap in the coming decade. That means if we continue to have to increase the subsidized health care, we'll have to use a much sharper pencil in other areas.

So what are some of the recommendations that are in the May 2008 report on the audit of contracts? It says, "1.1. Roles and responsibilities of all key players involved in the contracting process should be clearly described and communicated within the Contracting Directive.

"1.2. A review should be conducted to evaluate the structure, resources assigned, efficiency and effectiveness of the Contract Services operation including an assessment of service needs for improving the contracting process across government.

"Management Comments: For both recommendations on this page: Agreed. Highways and Public Works will lead these initiatives in conjunction with the recently initiated review of the Contract Regulations and Directive, and present options to Management Board and Cabinet on the structure and resourcing of the procurement and contract management functions in government."

How has it taken six years to get to this?

"1.3 The Contract Regulations should be reviewed and amended to reflect a sound governance and accountability framework for contracting. Exemptions to the contracting rules should be simplified and embedded in these regulations.

"Management Comments: Agreed."

That implies that, for the past six years, there has not been a sound governance and accountability framework for contracting. Six years in and the bureaucracy, the officials, have to lead the government by the nose to show them what needs to be done.

"1.4 The Department of Highways and Public Works through consultation with the Departments of Justice, Finance and other departments, the contracting community and First Nations should develop a new Management Board directive on contracting. A series of new contracting guidelines, tools and techniques should also be developed in support of the new directive.

"Management Comments: Agreed."

Again, it should be done. Why wasn't it done before now?

1.5 "A comprehensive monitoring program led by the Department of Highways and Public Works in cooperation with other departments should be established which includes statistical sampling, periodic assessments of contracting practices in departments including assessments of internal financial controls, and the post review of contract performance from a lessons learned perspective."

Mr. Speaker, these seem to be really fundamental concepts that one would think would already be in place in a government that prides itself on public accountability — but apparently, not so. Apparently, they have just been winging it for the first six years. They have been winging it and relying on the fact that there were sufficient funds being transferred from Ottawa to cover their mistakes.

We see that they publish reports which they call a business case — like *The Yukon Health Care Review* — that is supposed to go back to Ottawa and say, "We need more funding." Well, we clearly do have a problem with the funding for health care but it is going to be an embarrassment to go to Ottawa when we have other reports that say the government is haemorrhaging funds on every other project that they are addressing.

Recommendation 2.1: "Highways and Public Works should establish guidelines on the use of any exceptions to the bidding requirement, as established under the Contract Regulations and Contracting Directive. In cases where there is a high

risk involved in issuing a sole-source contract that has been exempted from the competitive bidding process, departments should be required to have the contract reviewed by Contract Services and the Department of Justice prior to its issuance."

Well, if that recommendation had been followed four years ago, this government wouldn't be trying to figure out how to shoehorn a hospital inside the shell of a failed health care centre today. We wouldn't be looking at that if this had been followed and in place at the time. We wouldn't be looking at a current Health minister who, when he was Minister of Highways and Public Works, had to remove himself from responsibility for that project because he wasn't even being kept in the loop.

One table with, at the time, seven people sitting around it, apparently not talking to each other and apparently not letting each other know what they were doing — that's really a bad indicator of a board of directors, and it certainly reflects on the chairman of the board.

Recommendation 2.4: "Highways and Public Works, in consultation with the Finance Department, should develop guidelines that can help explain the nature of contracts versus grants or contributions. This recommendation is currently being looked at by the Department of Finance as a result of the audit on contributions.

"Management comments: Agreed." Well, why, Mr. Deputy Speaker, did it take six years to come to such a fundamentally obvious conclusion? What kind of management, what kind of political oversight was this government providing, if after six years officials have to make that recommendation to the elected members?

Recommendation 2.5: "The Public Service Commission should revise GAM Policy 3.41, Contract Employees Terms and Conditions of Employment, or create another policy that provides direction on employer-employee relationships and the use of employment contracts."

Management comments: "This policy was identified as needing 'major revision' during the 2004 Policy Roundup — a government-wide consultation with the human resource community to address changes to policies in GAM 3."

Here we are four years later and apparently government has not ensured that this occurs.

2.6: "All contracts (whether new or renewal) should be completed pursuant to Section 24 of the FAA prior to a contractor commencing delivery of services. Highways and Public Works through its active monitoring program and work with managers should ensure that contracts are signed before the contract start date."

That would seem to be pretty fundamental, Mr. Speaker. I recall this coming up during the Auditor General's report as well that work was commencing on contracts before government had receipt of a signed contract. It's pretty hard to hold somebody accountable for something they've never signed.

You know, Mr. Speaker, I don't want to read the entire report into the record. It's hard to know where to stop with this, because there are so many obvious failures of accountability — so many obvious failures of political accountability and over-

sight here that it's hard to know where to start and where to end.

3.2: "Departments should be required to undertake post-completion evaluations of the service contracts to assess project management, consultant performance, and lessons learned as part of continued improvement."

Management Comments: "Highways and Public Works will work with the Department of Finance and others to explore this question." Does this mean to say that once a contract is deemed to have been completed, the government just moves on? That they haven't actually been doing assessments of project management and consulting performance to learn lessons so that they don't repeat the same mistakes over and over again? That's of great concern, Mr. Speaker.

There is so much in here and I have to really commend the officials for undertaking this, but I have to question why six years into this government's tenure we're still finding these problems. Finding an analysis is their conclusion: "It is our conclusion that sufficient effort is not being made to ensure that the government's contracting activities bring value for money. In our audit testing we were looking for any circumstance that might undermine the principle of fair value for money. Of the 136 contracts sampled, 36 had some condition, or lack of evidence, which called into question whether fair value for money had been obtained." It sounds like about 30 percent — somewhere around there. That's pretty frightening.

It goes on to say: "In our view, if the rules on contracting are not followed or if the management practices over contracting are not sound then there is a strong likelihood that value for money will not be achieved. In other words, value for money in contracting is difficult to prove or unlikely to be achieved if: there is no substantial evidence that rates paid were competitive; there is lack of competition; statements of work have poorly articulated objectives, performance requirements or deliverables; there is insufficient evidence of contract monitoring or quality control; and time overruns or change orders are allowed without justification."

It goes on to say, "If the whole contracting cycle is not consciously focused on demonstrating value for money, then the government leaves itself open to public scrutiny and embarrassment." Well, the public is beginning to scrutinize this government and if the government is not embarrassed, then the public will certainly be embarrassed on behalf of the government. They should be embarrassed that, in six years, they haven't been able to build a new correctional centre so they can quit — as the Premier likes to say — warehousing offenders and actually rehabilitate them and provide them with programming to reintroduce them to society.

They should be ashamed and embarrassed that, after five years, they simply have an empty, possibly mouldy, shell in Watson Lake when the people of Watson Lake were expecting some form of health care facility. There's lots of embarrassment to go around. They should be embarrassed that they have nothing but expenditures on blueprints and more blueprints for any replacement health care facility in Dawson. That should leave them open to embarrassment. It is embarrassing by its absence, Mr. Speaker. The second largest community in Yukon

and all they have is a set of dusty, cobwebby plans — no new structure.

Mr. Speaker, I think it is fairly obvious that all members, in particular those on the government side, should endorse this motion. They should not play silly games and amend it to claim that they are doing it because they are not — they haven't been. It is important that we improve spending accountability on all capital projects currently underway and on those still in the planning process. This government must learn from their mistakes while there is still time, while they still have the authority to act, and improve the shoddy way in which they have been mismanaging the taxpayers' money, the public purse; that they quit issuing hundreds of millions of dollars in sole-source contracts against the advice of their own audit committee and the Auditor General; that they gain control over this whole process and try to show the public that they have some semblance, some ability, to actually project manage and deliver large capital projects in the public good, on budget and on time, instead of overbudget and years late.

I hope the government will stand up and explain how they're going to do that. I look forward to hearing that. Thank you, Mr. Deputy Speaker.

Hon. Mr. Lang: In addressing the member opposite, and of course addressing this issue, first of all I would like to thank the audit committee and also the Department of Highways and Public Works. In the conversation this afternoon, the Leader of the Official Opposition called the Department of Highways and Public Works a "rogue department." I take offence to that. I'm very proud to be working with the department. They do a lot of very important work for the Yukon as a whole, and of course property management works within the Yukon to benefit all communities.

The member opposite talked extensively this afternoon about the management of the department and, of course, the audit. The audits are a regular process we go through so we as government can manage the departments and projects better. We appreciate the work they do, and we work with them to address the issues they bring forward.

The Auditor General's Office is a part of government. They supply a very important service to any government in Canada to make sure that departments and governments are working within the guidelines laid down.

The member opposite concentrated on the Auditor General; we go back to 2002. The member from the Liberal Party doesn't appreciate the fact that, in their two years of their only government in the Yukon — the only time they were elected by the people of the Yukon to represent them and to govern; their short tenure which, as the Premier stated, was the shortest lived majority government in the history of the Commonwealth of Nations: two and a half years.

Out of that, when we were elected in 2002, unbeknownst to us, the Mayo-Dawson line was in the forefront of very chaotic management directed by the government of the day, the Liberal government.

In fact, their deputy leader demanded a public inquiry on that, Mr. Speaker. The Liberal deputy leader demanded that the Liberal party of the day do a public inquiry.

The Dawson City question was horrendous. We all know what happened to Dawson City in just 24 months. Of course, we had the Energy Solutions Centre, which was part and parcel of the situation we found ourselves in with the Mayo-Dawson line. Certainly, the recreation complex in Dawson City and the fire hall in Dawson City were terribly mismanaged by the government of the day. Today they criticize the government of the day for having no checks and balances — which by the way, Mr. Speaker, is not correct. Look at what the Liberal government had done. Talk about checks and balances, Mr. Speaker, and the unnecessary financial load that they put on the taxpayers of Yukon, and by the way, not getting any product at the end of the day. It was something that was quite amazing when this government took over in 2002.

But in addressing the member opposite, we certainly looked to the Auditor General at that point to look at these projects, to address the financial impact on the territory of the decision-making of the government of the day. As we all know, in their two years of managing the economy of the Yukon, we found ourselves in a financial situation where we were running on a line of credit. The Leader of the Liberal Party talks about knowledge in business and his incredible background in the business world. Well, I'll tell you, from my level in business, the finances of Yukon under a Liberal government couldn't have been worse.

When we took over in 2002, we were working with a line of credit. We've come a long way in six years.

This government went to work at that point, charging the Auditor General to do an assessment on the projects that were behind us and those ahead of us. When the member opposite talks about projects, what he does on the floor of the House here — and maybe he doesn't understand basic arithmetic — he extracts figures from documents and uses them as examples.

In fact, we all know about the member's track record — and Yukoners do too, Mr. Speaker. They're very aware of the actions of the Leader of the Liberal Party. What is said here, what is said out on the streets, what he tells Yukoners one day, what he tells Yukoners the next day — we're not into that, Mr. Speaker.

We're an open and transparent government. We work with the audit committee internally, in our departments, and we certainly welcome the Auditor General of Canada to work with us to make sure that we as politicians — we as acting ministers — have the most up-to-date information we can get.

I would like to say to the members opposite that you can't have it both ways. You can't spend your afternoon — three hours, by the way — talking about a department in a very negative light and not have it reflect badly on the workforce. You can't say that the comments made this afternoon about the workforce of the Department of Highways and Public Works were positive, regardless of how many apologies you make or how you point fingers at me as the minister or the government of the day.

I am very proud to be working with the individuals I work with in the department. I'm very proud of the work we get done in the territory today, the work we did in Mayo on the community complex, the work we did in Ross River, the work we did in Old Crow — all done by a very efficient group of individuals in the department. Over my short tenure here in this House, I have grown to respect those individuals and the work they do.

They are not a rogue department, as the Leader of the Official Opposition said. There are checks and balances on everybody, whether in the House here or in the department. I take offence to the Leader of the Official Opposition standing up and calling the Department of Highways and Public Works a rogue department. It's nothing of the sort.

The figures the member talks about — these incorrect figures — anybody in the Yukon can get the proper figures. I recommend not listening to the Leader of the Official Opposition. If you want factual figures, go to the department. They're accessible to all Yukoners. Just go to the department.

Sole-source contracting: he comes up with billions of dollars' worth of figures. Well, in 2003-04, public tendered projects: \$82,481,000; 98 percent of all projects were tendered.

Sole-source: \$920,000; one percent, Mr. Speaker. That is not anywhere near what the member opposite put on the floor here today. In 2004-05: \$121 million; 98 percent were all public tendered. Two percent — \$2 million — was sole sourced. These are factual figures, Mr. Speaker; these are figures that will bear the scrutiny of Yukoners. I don't recommend that anybody in this House or anybody out there listen to the Leader of the Official Opposition after he made the comments he did this afternoon about this "rogue department", about these individuals who are running amok in the Department of Highways and Public Works, and the figures he brought to the floor for people to listen to.

In 2005-06: 93 percent of the projects were publicly tendered, so we've got a one-percent discrepancy.

In 2006-07: 92 percent; 2007-08: 95 percent. So, in fact, the figures the member opposite put on the floor were incorrect. Incorrect, Mr. Speaker. He talks about providing a credible, high standard of opposition. Mr. Speaker, opposition? Opposition is to bring opposition into the House and talk at an intellectual level, not only about departments and expenditures, but I think Yukoners elected the opposition to also bring correct figures into the House. That was void today, Mr. Speaker, and very disappointing on the behalf of the opposition. And again, to stand up in the House and call the department a "rogue department" — is that a good way for the opposition to comment on a department? Is that a responsible form of opposition, Mr. Speaker? A rogue department? Shame on that member. Shame on the Leader of the Official Opposition. When he talks about the Auditor General, when he picks out these figures, Mr. Speaker, most of the figures, as I critique them, are out of the air. They have no bearing in fact.

When we talked with the Auditor General and we as a government brought them in to take a critique of the department — of course we had just gone through the horrendous situation we found ourselves in with the Mayo-Dawson line, the Dawson City situation from the City of Dawson's point of

view, the rec-plex in Dawson and the Energy Solutions Centre here in the City of Whitehorse.

As a responsible government, once we got our heads around the magnitude of those issues, Mr. Speaker, it was unbelievable. I guess in looking back, that's why the government of the day didn't last — that that much damage to the finances of the territory could be done in that short period of time. It's unbelievable — 30 months. That's not a long time in the history of a government, but at that point we understood the urgency of the Auditor General of Canada. We all have read the report on the Dawson City audit; we all have read the report on the Mayo-Dawson line and the situation that arose out of that.

Here this afternoon I've put the percentages of sole-sourced contracts on the floor — a factual figure, Mr. Speaker. We've looked at the Auditor General's report from the Department of Highways and Public Works — the department that the Leader of the Official Opposition called a "rogue department," and indirectly maligned everybody who has ever worked in the department. Is that a fair critique or is that a fair opposition? These people who work in this department have no access to this House, Mr. Speaker. They can't defend themselves.

There were things that came out of the auditor's report. Some of them are pertaining to capital investments, continually improving our maintenance and replacement programs for highways and bridges to ensure that the integrity of the transportation assets is maintained and ensure highways and bridges meet established standards.

Okay, is that a situation that we don't address? We address it every year. We have to address the fact that our bridges are getting older. What did this government do in the last six years on bridges? I'll tell you what this government did. This government took a look at a plan to upgrade our bridges. We looked at the Teslin bridge; we looked at the Marsh Lake bridge; we've been doing enhancements on bridges on the north highway, Duke River and all other places. We have put resources there.

We're very optimistic about the next report, that we bring ourselves up to a standard where we do maintain a national standard on our highways, not only on the condition of the highways but on the shelf life of the highways — we're doing that as a department.

Another point: use the government directive for planning and implementing transportation infrastructure projects to ensure that projects are completed according to specified requirements, on schedule and within the target total cost. That is a management instruction that we work at every day.

We've enhanced the infrastructure of the territory in six years quite a lot. In Mayo we put in a new complex for recreation for the town; we put a complex in Ross River; we put a complex in Marsh Lake. We are upgrading our fire stations. We are upgrading in Watson Lake and members talk incessantly about Watson Lake and the situation in Watson Lake and somehow Watson Lake doesn't need a hospital, Mr. Speaker. According to the Leader of the Official Opposition, whatever money you spend in Watson Lake is a waste of money.

Well, Mr. Speaker, this side of the House doesn't believe that. We believe that Old Crow needed a new terminal. We believe that Old Crow needed infrastructure money to put a retaining rock wall up. We did that. We did that because this side of the House represents all of Yukon, not just our specific ridings, Mr. Speaker.

We have talked about the Campbell Highway. The Campbell Highway, because it is not in the riding that the Leader of the Official Opposition holds, somehow should be underfunded — it shouldn't be enhanced. Again, they bring figures into the House. Mr. Speaker, they stand up and give these figures. I'll tell you, the general population out there aren't complete fools. They put two and two together. Eventually, after five hours of talking at length about these figures, eventually they get themselves into trouble.

The whole conversation this afternoon, the Leader of the Official Opposition boiled down to a "rogue department." He eventually said that, Mr. Speaker, on the floor here that this is a rogue department — Highways and Public Works. And he wonders why the reception on the street is not as positive as he would like.

But as I see, the member opposite can bring as many figures as he wants to the floor. We do have the real figures; if people are interested, they can access them. We are going to go to work on the Campbell Highway. We feel it's important for Yukon to have that corridor open and to a standard that's acceptable in the territory. As much as the Member for Kluane feels that all of the Highways and Public Works department's resources should be spent in Haines Junction, we're not going to do that, Mr. Speaker. We're going to balance it throughout the territory and everybody's going to get the benefit of the improvements that this department can do.

And this department works in every community, Mr. Speaker; every community in the territory and, by the way, is well received in communities. The Department of Highways and Public Works touches every Yukoner. It doesn't matter if it's in Old Crow, Watson Lake — the individuals who work for the Department of Highways and Public Works, needless to say — as they listen to this today and are called a rogue department — they take offence to that. They're a huge part of the communities they live in. They contribute at every level of the communities, whether it's the school in Carmacks — this government built a new school in Carmacks, not because we had a sitting member. This is what is foreign to the members opposite — the fact that we have a government here that builds in areas that need the infrastructure. We're colour-blind to what the issue is at any moment with the sitting member.

Carmacks needed a new school. The member from Carmacks voted against the school — voted against the infrastructure that the community needed to enhance their education — voted against it. And that's the nature of what we deal with in the House.

So let's go on to another point — to ensure the proper documentation is on file, such as a checklist to identify that all environmental and regulatory requirements are met and acted upon to mitigate environmental impacts of a project and conduct reviews of completed projects.

Again, the Leader of the Official Opposition said that's not part and parcel of what this government does. We don't do this with this rogue department — these individuals who all of a sudden have become a rogue department.

As I go on here — and I can go on as long as he went on, with facts, Mr. Speaker — that will be the difference between my side of the argument and his side. I'm working with actual figures from the department. I'm not working with picking little bits and drabs from whatever he feels would get some kind of reaction in the remarks today.

What are we doing as a department? What is this rogue department doing? I'll tell you what this rogue department is doing: they're doing an exceptional job of managing projects and managing our highway system. I would remind members of the House that we have almost 5,000 kilometres of highways that we maintain and hundreds of bridges and hundreds of culverts that this government maintains on a daily basis.

Mr. Speaker, there are not many roads in North America that have the high quality of maintenance that our highways do. And when the members opposite stand up and insinuate in this House, where these individuals are defenceless, that somehow that's a rogue department managing that, that is very irresponsible of them. We all represent the government — the members opposite and ourselves. Our government here today and the opposition have a responsibility to defend and work with our employees to give them the tools it takes to manage the departments that they're in.

Mr. Speaker, the Department of Highways and Public Works — I hate to repeat this, but the member opposite, the Leader of the Liberal Party, said they were a rogue department, a rogue bunch of individuals. That's not fair to the department. The department has gone to work on both audits — extensively gone to work on them. They look forward to the critiquing of the department. They're not hiding anything. Good management dictates — with the size of this department.

Mr. Speaker, another amazing thing about — when we were in here last spring on that extensive overview of the budget, the Liberal Party didn't ask one question of me, the Minister of Highways and Public Works; they didn't have enough time in the busy schedule to ask one question. Their member, the member who is responsible for the highways, walked out of the room and that was the end of the dialogue. Then they stand up here in the House and put a motion like this on the floor and spend three hours putting things on the floor here that from a minister's point of view are very — it is amazing, Mr. Speaker, and I think you're responsible.

The Liberal Party of the day, the Leader of the Official Opposition and the members — when we have a budget as big as that of the Department of Highways and Public Works and not one question from the opposition, and then, all of a sudden it becomes an issue — who is doing their job? Is the rogue department doing their job or is the opposition doing their job?

I think if the truth were known, the opposition is rogue, not the department. The Leader of the Official Opposition should look at his own members and question whether they're doing their job. We are prepared in the main budget, the department — the rogue department, according to the Leader of the Liberal

Party — was prepared with all the information that was pertinent to the department. Do you think, when the department left here that they felt they were getting their department critiqued when the members don't ask one question?

I find it amazing, the longer I'm here, listening to the members opposite go on and on in this House, and boil down to the conversation we have in the House on individuals or individuals in the department or rogue departments, or whatever — when we should actually be doing our work. Our work is critiquing the budget and talking to the budget for our constituents and for Yukoners. Not one question — the main budget for this year.

The members opposite — I see the member laughing about —

Speaker's statement

Speaker: I just talked earlier to a member of the opposition about interpreting facial expressions as being for or against what an honourable member is saying. I would just refer the honourable minister to my earlier caution and I would ask him to do the same thing.

The Minister of Highways and Public Works has the floor.

Hon. Mr. Lang: Mr. Speaker, I apologize for saying that.

Now, in going forward, what have we done as a department? What has the rogue department done? Well, we have improved the planning and implementation of the transportation infrastructure project by moving forward on establishing frameworks for risk management, cost estimating and post-project evaluation — exactly what the member opposite said we weren't doing. Well, in fact, we are doing it, Mr. Speaker.

The infrastructure planning currently identifies rehabilitation and maintenance requirements and estimate costs. In other words, we are assessing our infrastructure to see what rehabilitation is need and what those costs would be. Asset management system — produce annual reports on the status of the roads and bridges — again part and parcel of what the member opposite said we weren't doing which we are doing.

As of this year, the department has added risk management to our budgeting processing for large capital projects — another thing that the member opposite, the Leader of the Official Opposition, said we weren't doing, which we are doing. I'm correcting the statements made by the Leader of the Official Opposition.

The transportation infrastructure condition is being tracked with asset management systems that are used to produce annual reports, including schedules for maintenance and replacement of roadway surfaces and bridges and cost estimates to maintain assets at an established standard. In other words, exactly what the member said we weren't doing, the department is doing.

As we work with the department and with these overviews, these assessment which are done by our internal audits as well as by the Auditor General, we are answering the questions that are brought up. The department is also updating the capital budget system to identify projects requiring YESAB approval and other regulatory requirements — another thing the member opposite said we weren't doing, the department wasn't doing.

The individuals in the department had no direction; they were just there.

Projects involving federal funding are subject to post-implementation audits — again, the member opposite said there was nothing in place for that. The Leader of the Official Opposition said no, they don't do that. Well, in fact, they do.

“Other projects will be evaluated as resources allow.” In other words, as the resources move in, we work on projects, and the department does that on a daily basis.

Finally, information management systems are being strengthened by implementing a risk register for projects over \$1 million — exactly the opposite to what the member accused the department of not doing. Mr. Speaker, we're addressing it today and by cross-referencing environmental assessment files with transportation capital projects. So we're doing exactly the opposite to what the Leader of the Official Opposition said we did.

With respect to implementing building development projects, the Auditor General recommended that we — more direction from the Auditor General — prepare project plans that include clearly defined objectives, roles, responsibilities, budgets and controls. Establish appropriate review and control points to ensure that the project will be completed on schedule and within the target total cost. Ensure compliance with environmental assessments requirements. Ensure professional services contractors sign before work begins. Those are all being addressed.

So again, the Leader of the Official Opposition does not put factual information on the floor here today. In fact, all of the things he was addressing today are part and parcel of the internal management of this department. This department is a very busy department and this department is well run. Regardless of what the member opposite says, this department would stand up to any department in this government or any other government in Canada. This department does work for all Yukoners, as I said. There are not many communities in the territory that aren't touched by this department, whether it's in Watson Lake, Old Crow, Mayo — all of these communities have a contact with the Department of Highways and Public Works.

Over the years it has been a very successful relationship. The individuals who work in this department are stellar in their communities. They are part and parcel not only of the infrastructure of the community — whether it's curling, baseball or local government, these people contribute to the community in a positive way. And they do work. Regardless of what the Leader of the Official Opposition says about these individuals or this department, it is a very hard-working department.

In April 2006, the property management division established a business process redesign project management team to redesign, formalize and implement new business processes — again another request by the internal audit. Again, the Leader of the Official Opposition said it wasn't happening, Mr. Speaker, and we call that “opposition” in the House here.

Change management plans have been developed in response to Yukon government's audit service, the 2004 review of the Property Management Agency recommendations, and

updated in response to the 2007 Auditor General's report on *Transportation Capital Program and Property Management — Department of Highways and Public Works*.

Those are facts. I'm reading facts here, Mr. Speaker. That's what this hard-working department is doing, exactly the opposite to what the member opposite put on the floor here today.

The property management division has adopted the Project Management Institute's best practices. Again, the department is growing. Its knowledge is growing; its quality of work is getting better. Let's not forget the work that we've entrusted to that department. No government has put as much infrastructure in the ground as this government.

The Leader of the Official Opposition goes on and on about the lack of a need for a hospital in Watson Lake. He stood in the House here and said because the Premier happens to live in Watson Lake — and, by the way, I did for 30 years — they do need a hospital. The community does need a modern medical facility. Dawson City is going to get a modern medical facility, Mr. Speaker. That is what this government has committed to do. I as the Minister of Highways and Public Works will work with the design team, the contracting world, to get that done.

They again bring figures into the House. Somehow they've got this \$25 million — they throw it out every 10 minutes. They believe, Mr. Speaker, if you say it enough it becomes the truth. That figure is not factual. That figure is absolutely not factual. Again, the Leader of the Official Opposition is somehow insinuating that this department, this rogue department, the Department of Highways and Public Works, is irresponsible enough that they would build something that wasn't needed in Watson Lake or that wouldn't enhance the community of Watson Lake because of the shelf life of the existing facility in Watson Lake — which, by the way, we have to resource part of the \$4 million to get an engineering overview of the existing complex. That was the question we had to address because of that engineering overview.

We had to make a decision about the structure itself and about how we could address the needs for a medical centre in Watson Lake. This government has done that. And, by the way, the majority of the contracts on the hospital were a bid process. But the members of the opposition feel that Watson Lakers should not participate in the building of their facility. Somehow, because of the fact you live in Watson Lake, you should be penalized for being a contractor in Watson Lake, whether it's electrical, plumbing or building. But this side of the government says no.

We want to maximize Watson Lake's input into the structure, whether it's the seniors complex that's going forward next year under the Yukon Housing Corporation group or the facility that is being built. The work that is going to be done in those facilities will hopefully be directed and worked on by Watson Lakers because, regardless of what the members opposite say about individuals in Watson Lake, we have a pretty fine workforce that is situated in the southern Yukon and stationed in Watson Lake. They have built some pretty impressive buildings. You only have to go to our rec complex or the other

buildings that have been built over the last five years to see the quality of work that those individuals can do. Again, I'm very proud to have been a part of that community. I compliment them on the work they have done on the existing complex, look forward to working with them on the next phase — which by the way, Mr. Speaker, has been started. We are going forward with that and we're going to have a world-class facility in Watson Lake for the people in Watson Lake from a medical point of view.

Mr. Speaker, our medical staff in Watson Lake — our doctor has been there for 30 years. He was on call for 17 years and to deny that doctor the right to have a proper medical centre because of something the opposition says is folly, and we're not going to listen to the opposition. We are going to build a complex.

As we move forward in Dawson City, we're going to be working with Dawsonites — not only to plan the medical centre but hopefully to maximize the work opportunity for Dawsonites. That is what this government does. That is what this government does on all our major projects — whether it was the Old Crow airport, the Mayo rec centre, the Marsh Lake rec centre, the Old Crow work we did in conjunction with the local government on rehabilitation of the waterfront — it is all done maximizing the local workforce.

Mr. Speaker, we are going to continue doing that. So, as far as the member opposite and his motion and all of this information that he has put on the floor here today and the question of that information, we have addressed a lot of these issues that were brought up by the Auditor General — and I remind the members that we were the government that brought the Auditor General in. We felt that the Auditor General should come in and do a critique of the department — that is good management. How can you run a department unless you have an independent set of eyes to review it?

That is what we did as a government. I can say to you, Mr. Speaker, the department, once the recommendations came down, looked at it very positively as a management tool — part and parcel of management — and the management of that was: how can we make our department better? That was the response I got from the department. The fine individuals who work in that department looked at the review; they didn't deny it or hide it, like the members opposite recommended yesterday we do with the Yukon health issue.

The Member for Kluane said on the floor here, "I don't understand why you didn't bury it." We don't task people to do reporting or oversights and then bury it out of convenience. We don't do that, and as far as the department is concerned, the department looks at this kind of critiquing — whether it's internal or by the Auditor General — as a tool for better management and for getting a better overview of what the department does. And the department does many things, Mr. Speaker, understanding that we have a limited workforce in the territory, understanding that the access to contractors has been limited and understanding that we have resources, our government is doing this infrastructure.

No government in Yukon history has ever put as much infrastructure in the ground as this government has done all over

the territory. Whether it's the money we're spending on the Campbell Highway, which the Leader of the Official Opposition feels is a waste of money, whether it's a new health centre in Watson Lake — the member opposite said that's a waste of money — whether it's the new seniors complex in Watson Lake — that's a waste of money. Mr. Speaker, they have to make up their mind.

The Member for Mayo-Tatchun voted against his own school — a \$10-million investment in his community. He stood up and voted against his community — his community, Mr. Speaker. He also voted against the Mayo community when we decided to put the infrastructure in place for the rec-plex. He voted against it. He stood up in the House and voted against it.

Well, this government is not prepared to do that. We vote for Yukoners. We vote for the communities and that is reflected by what's on the ground today — whether it's the improvements to the Campbell Highway, whether it's the new complex in Watson Lake, whether it's the new seniors complex in Watson Lake, whether it's the work we're going to do in Dawson City after a long period of time where we had to correct what the previous government had done to Dawson City — the resources that were lost in Dawson City because of the last government's management. That took a bit of time — a bit of time.

And if we were to look at the Auditor General's report on that government's management of Yukon finances, the Leader of the Official Opposition, the representative of that government, stands up in the House and denies any responsibility. That was the Liberal government that did that. He's the leader of the party; he has to address that issue. That issue hamstrung this government. The government of the day was running on a line of credit. It was broke. If the Yukon people had re-elected the Liberal government of the day, I'm not sure what they would have done. It would have been scary.

So in the comments this afternoon, I would like to make a friendly amendment to Motion No. 590.

Amendment proposed

I move

THAT Motion No. 590 be amended by:

(1) adding after the phrase "urging the Yukon government," the words "continued to";

(2) in bullet number 1, by deleting the word "and" where it appears after the word "process" and replacing it with the words "by continuing to implement the recommendations in the forensic audit of the City of Dawson, and those made by the Auditor General of Canada in her reports on the Mayo-Dawson transmission system, the Energy Solutions Centre, the Government of Yukon's role in the 2007 Canada Winter Games, and the transportation capital program and the Property Management Agency of the Department of Highways and Public Works";

(3) by deleting the words in 2(b) and replacing them with "manner in which government has responded to the justified needs of communities and citizens living outside communities by investing in capital projects that respond to the needs and requests of Yukon citizens";

(4) in 2(c), by deleting the words, “many projects” and replacing them with “projects, where a difference occurs”;

(5) deleting 2(d);

(6) after the phrase “budgeting amount”, adding the word “and”; and

(7) adding as clause 3 the words “utilize sole-source contracts only when it is in the best interests of Yukon citizens, or when no comparable Yukon supplier exists for products and services purchased outside the territory.”

Speaker: The amendment is in order.

It has been moved by the Minister of Highways and Public Works

THAT Motion No. 590 be amended by:

(1) adding after the phrase “urging the Yukon government,” the words “continued to”;

(2) in bullet number 1, by deleting the word “and” where it appears after the word “process” and replacing it with the words “by continuing to implement the recommendations in the forensic audit of the City of Dawson, and those made by the Auditor General of Canada in her reports on the Mayo-Dawson transmission system, the Energy Solutions Centre, the Government of Yukon’s role in the 2007 Canada Winter Games, and the transportation capital program of the Property Management Agency and the Department of Highways and Public Works”;

(3) by deleting the words in 2(b) and replacing them with “manner in which government has responded to the justified needs of communities and citizens living outside communities by investing in capital projects that respond to the needs and requests of Yukon citizens”;

(4) in 2(c), by deleting the words, “many projects” and replacing them with “projects, where a difference occurs”;

(5) deleting 2(d);

(6) after the phrase “budgeting amount”, adding the word “and”; and

(7) adding as clause 3 the words “utilize sole-source contracts only when it is in the best interests of Yukon citizens, or when no comparable Yukon supplier exists for products and services purchased outside the territory.”

Hon. Mr. Lang: Mr. Speaker, I hope that the opposition takes the amendment seriously, because we are dealing with this on a serious level. Certainly, I have listened to the Leader of the Official Opposition; I’m sure Yukoners are listening to him and we understand where he is coming from.

Some Hon. Member: (Inaudible)

Point of order

Mr. McRobb: On a point of order, Mr. Speaker, I believe it is the practice of this House to determine whether an amendment is in order or not. I would suggest this amendment substantially changes the intent of the motion on the floor today and should be disallowed.

Hon. Mr. Cathers: The Speaker has already ruled on this point of order. Of course, it has been reviewed by the Clerks for their expert advice on whether it is in order or not, and there is no point of order.

Speaker’s ruling

Speaker: Actually, the Chair would always prefer to make the ruling as opposed to a member making the ruling. However, in this case, there is no point of order, because the amendment has been reviewed by the Table Officers and found to be within the confines of our Standing Orders.

Minister of Highways and Public Works, you have the floor. You have 20 minutes.

Hon. Mr. Lang: Thank you, Mr. Speaker. As I move forward and as I address the amendment tabled here today, adding the phrase, “urging the government” to the words “continue to”, I think what we have to do is encompass all of the audits in the motion, not just cherry-pick some audits. Of course, we understand why the members opposite in the Liberal Party wouldn’t want to have the City of Dawson’s audit — and certainly not the Auditor General’s report on the Mayo-Dawson transmission line. Of course, we don’t want to open up anything or talk about the Energy Solutions Centre. Those things were addressed after the fact — after we as government charged the Auditor General with doing exactly that.

We have to look at all of them over the last six years. The member opposite has gone on about the mismanagement of this department for the last six years — the rogue department, as he likes to call it — so I guess what I would say to the members opposite is that we will take a look at all these audits. We will work with the audits. We learn by audits. That’s why these audits are done.

The Auditor General is very important in Canada, Mr. Speaker; it’s the highest level of critique you can get in a government. And by the way, Mr. Speaker, it doesn’t cost the government any money to have it done, so I don’t understand why the Liberal Party or the Liberal government of the day wouldn’t have used the Auditor General when they were in power. We have taken advantage of that great office many times. We meet with them, talk to them and review issues. That’s what we as a government do. We’re not afraid of the Auditor General. We’re not afraid of making these reports public. That’s good management, Mr. Speaker. That’s how we get the guidelines and how we move forward. That’s how we sharpen up the department managers, whether it’s Highways and Public Works or any other department.

The member opposite, the Leader of the Official Opposition, talks about his lengthy business career. Well, guess what? The audit report was very important for business, and that’s how you manage your business. In a business, you don’t get an audit and hide it. The audit is part of the management tools that any good manager has in place. So we’ll continue using the Auditor General; we’ll continue to use our internal auditors to do just that, Mr. Speaker. Not like the Member for Kluane talking about burying a report; he didn’t understand why this government didn’t bury the report. Is that what we’re looking at? Is that what the members opposite want? Cherry-pick the reports and bury them? We’re not going to do that, Mr. Speaker; we’re not embarrassed at all about these reports. In fact, the reports the member has been talking about — we have been working over the last two or three years to address the issues that the

report brought forward. We're looking forward to the next audit, Mr. Speaker — the next progress audit that we're going to do — to make sure that we're on track. That's what we're going to do.

Look at the audit of the Dawson City situation, which was a very important audit. It was a forensic audit — the same kind that the Liberal Member for Kluane demanded of the Liberal government on the Mayo-Dawson line — a forensic audit. They did it on Dawson. We've included that in the amendment, and I imagine the members opposite will agree with that. Why would we bury the Dawson City audit any more than we would ignore the Mayo-Dawson audit, any more than we would ignore the Energy Solutions Centre audit? No, we're going to work with them.

Go down to number 3, “by deleting the words in 2(b) and replacing them with ‘manner in which government has responded to the justified needs of communities and citizens living outside of communities by investing in capital projects that respond to the needs and requests of Yukon citizens.’”

Again, Mr. Speaker, there's a very important part of why we are government — because that is exactly what we have to do — exactly. The member opposite has the luxury of not being in government — well, the Yukon has the luxury of him not being in government. But we as responsible —

Speaker's statement

Speaker: Order please. I talked earlier to the members about personalizing the debate. The honourable minister is coming very close to doing exactly that, so I'd ask him not to do that. The minister has the floor.

Hon. Mr. Lang: I apologize for personalizing the debate, but I would say that what I said was interesting.

Let's go back to the amended motion. This motion is exactly what governments should do, regardless of what shade of government is in place, on what day, or what year. Whether this government is here for 10 years or for four years, this is what governments should do. They should listen and work with Yukon citizens.

And as we move into the communities, that's exactly what this government does. We addressed the issue in Old Crow. We addressed the issue about the air terminal. We didn't hide it. We didn't hide the fact that Old Crow needed a terminal. We moved on it. It was a commitment we made, and we did it — this government did it. Now, a Liberal government could have done it when they were in power, but they chose not to do it. The NDP could have done it. They chose not to do it. We did it.

We enhanced the runway in Old Crow, and as we move down into the territory, we get to Mayo. Mayo today has a community complex that is stellar. It stands out, and it's comparable to anything in the territory. Who did that? The NDP didn't do that. They have needed a new complex for years. The Liberal government of the day turned their back on Mayo. They didn't do it. This government did it.

We will defend our decisions, and part of that decision-making process is to listen to Yukon people and involve Yukon people where we can. We don't shut people out in the commu-

nities. We have to maximize the workforce in the communities. We understand that.

Today I had questions about Burwash Landing and the Kluane First Nation partnership. I am very proud to stand up here today and say that it's a work in progress. We have people on the ground, and we are working with the First Nation. I look forward to being the individual there opening the new complex. I look forward to it. That's another piece of infrastructure.

Look at the amount of resources we are putting into Haines Junction. The first seniors complex we built and finished is the one in Haines Junction. We are expanding that, Mr. Speaker, and putting more infrastructure in place so that the seniors in Haines Junction can have adequate accommodation. The Liberal government didn't do that. The NDP — the Member for Kluane — was in a majority NDP government, but that wasn't built under their watch. It was built on this watch.

As we move down the highway, there is not a community — Ross River has its daycare complex. This government went to work on that. We got 'er done. In Watson Lake, we expanded the hospital facility. By the way, Mr. Speaker, we are looking forward to a seniors complex.

Dawson City is looking forward to a seniors complex and a medical centre. This government is going to do that. Tagish — Marsh Lake has a whole new complex. This government did that.

What's wrong with that? What's wrong with the enhancements this government did in Teslin and the rec complex? This addresses this motion — work with Yukoners. This government in six years has done more in our communities to build the infrastructure that's needed to give these communities some life and some stability in their daily lives.

You only have to go to Mayo and go into that complex. You only have to go the new school in Carmacks and see the use of that structure. Carmacks had a school that was time-expired 20 years ago. This government made the decision — rightly so — to fix that school, to replace the school. The Liberals had some idea that they were going to spend some money and patch up the gym or something — no commitment, Mr. Speaker, and of course no product. The members opposite somehow mix up conversation with product. There was no product. There was no product out of the Liberal government and very little out of the NDP when they were in for four years.

So, Mr. Speaker, I move that we accept this motion. I'm certainly looking forward to the response. I can see the members opposite are champing at the bit to jump up, correct their folly and the remarks they made this afternoon. These conversations are sent out into the departments. They know the facts and they listen. They are fairly bright, hard-working individuals, so they know exactly what was said and they will take that under consideration when they weigh the conversation we had this afternoon — the difference between facts on the floor given by the minister and what the Leader of the Official Opposition said this afternoon.

There's quite a line between the two and Yukoners will have to judge — and I'm sure they will — on who in fact they would rather have manage the Department of Highways and Public Works in the ongoing future, whether it would be some-

body from this side of this House or the Leader of the Official Opposition.

Mr. Mitchell: Thank you, Mr. Speaker. We'll talk to the amendment. You have ruled that it's in order, so that's not up for dispute or discussion. We would, however, say that it's sort of another sad day in Yukon that this government is so high-handed in its approach that even on that one day every second week when opposition members have an opportunity to bring things forward to the floor of this House, they can't handle that. Looking at this amendment, they feel the need to re-write and redraft everything to continue to pat themselves on the back, because they don't like being held accountable — their way or the highway.

They also continue — in particular the Minister of Highways and Public Works is famous for it, or infamous, as the case should be — they continue to bring forward information that is not factual into the record.

Some Hon. Member: (Inaudible)

Deputy Speaker's statement

Deputy Speaker: There's no need to rise on a point of order. The member opposite has broken a Standing Order: "by providing non-factual information." I do feel that has crossed a line. I'd encourage members not to do that.

Mr. Cathers, on a point of order.

Point of order

Hon. Mr. Cathers: I was actually going to refer to the fact that the Leader of the Official Opposition stood up and characterized the Minister of Highways and Public Works as "infamous". I would suggest that that is across the line as per our Standing Orders.

Deputy Speaker's ruling

Deputy Speaker: Sit down please. Upon reviewing the statement the Chair made previously and now with the Member for Lake Laberge bringing it forward, the Chair feels that the interpretation of the member opposite might have been made in mistake. I believe that it really was a personal attack as opposed to being incorrect. I would like to let the Member for Copperbelt, the Leader of the Official Opposition, know that the Chair might have ruled hastily in the first instance and would encourage him not to personalize the debate.

I just clarified that it was a personal attack, so the Member for Lake Laberge was correct in his point of order.

Mr. Mitchell: What I want to do is I want to make sure that I am complying with the frequent rulings in this House and the accepted way in which we are able to speak. So I will restate for the Deputy Speaker's benefit — I will change my wording to make sure that I am compliant. I am looking at yesterday's Blues, Mr. Deputy Speaker, and yesterday the Hon. Mr. Cathers said on page 3379 —

Some Hon. Member: (Inaudible)

Mr. Mitchell: Sorry — yesterday, the Hon. Minister of Energy, Mines and Resources — this week — said, "Again the Member for Kluane is not being factual." And the honour-

able member has used that terminology numerous times in Question Period and in this House and it has been accepted and it has been ruled only to be a dispute among members when it has been objected to. So I want —

Some Hon. Member: (Inaudible)

Point of order

Speaker: On a point of order.

Hon. Mr. Cathers: The Leader of the Official Opposition is commenting on a point of order that the Deputy Speaker has already ruled on and has clarified the ruling with regard to, so is the member still under the illusion he is speaking under a point of order?

Speaker: On the point of order.

Mr. Mitchell: On the point of order, not at all, Mr. Speaker. I would not challenge a Speaker's ruling or a Deputy Speaker's. I was prefacing my next remarks to make sure that we wouldn't have to have another discussion of points of order to clarify what I am about to say, not referring to what has been said.

Speaker's ruling

Speaker: Okay, fair enough. There is no point of order. It is a dispute among members. Leader of the Official Opposition, you have the floor.

Mr. Mitchell: So what I want to say, to make sure that I am saying it in the generally accepted way is, again, the Member for Porter Creek Centre is not being factual. That is what I intended to say and that is what I am saying now.

Again and again the Member for Porter Creek Centre is not being factual. For example, earlier this afternoon I believe that the Member for Porter Creek Centre made some reference to my speaking for three hours this afternoon. I would like to point out to the Member for Porter Creek Centre that currently Mickey's small hand is on four and Mickey's big hand is on three. That would mean that it is 15 minutes past four. It would have been very difficult, considering that the sitting this afternoon commenced at 1:00 p.m., for anyone to speak for three hours, considering —

Some Hon. Member: (Inaudible)

Speaker: The honourable member has the floor, so I would ask other members to respect that. The Leader of the Official Opposition please.

Mr. Mitchell: — considering the sitting started three and a quarter hours ago and we know we spent some half an hour in Question Period and other time on other matters, and in fact I sat down quite some time ago. So apparently this is hyperbole. I would encourage the Member for Porter Creek Centre to be factual.

The Member for Porter Creek Centre numerous times made reference to my calling a department a rogue department. I don't recall uttering those words in debate this afternoon. They're not in my speaking notes and I certainly don't recall them. But I don't have the — obviously, the Blues do not yet exist from this afternoon. But I will say that I said numerous

times that I thought the department was doing excellent work, that the department was leading the minister by the nose, so to speak, to try and point the minister in the right direction to supervise the workings of government and the operations of contracts that this government was issuing. I clearly laid the blame at the feet of the minister.

But if there is any doubt about that, I want to say now for the record and for every member of the department that we commend the work of the officials; however, we condemn the work of the minister. So let's be clear: commend the officials and condemn the minister because the minister has failed to supervise or provide direction. The minister has failed in a fiduciary responsibility to Yukoners.

Therefore, I do have to feel —

Speaker's statement

Speaker: The Chair is going to reserve the right to do some research on that comment about failing fiduciary responsibility. I have a feeling that there may be some legal implications. I am loath to interrupt the honourable member, but I'm uncomfortable with that and I will reserve the right to examine that comment.

You have the floor, please.

Mr. Mitchell: I thank the Speaker for the latitude he is allowing. I will say that I have a great problem with the amendment to this motion because it says, in (1): "adding after the phrase 'urges the Yukon government to,'" it wants to add the words "continue to". While this is clearly in order, I would suggest that it is certainly not the intent I had when I brought this forward today as a motion to be debated because I was urging the government to do something. The Member for Porter Creek Centre doesn't want to be urged to do something; he wants us to indicate that he should continue to do something. It's something that we don't feel he has been doing very well.

While it may be in order, it certainly changes the significance of the intent of the motion, which was to urge the government to do something, which we feel they have been sadly absent in doing.

In bullet 1, he wants to delete the word "and" and add a section implementing "the recommendations of the forensic audit of the City of Dawson, and those made by the Auditor General of Canada in her reports on the Mayo-Dawson transmission system, the Energy Solutions Centre, the Government of Yukon's role in the 2007 Canada Winter Games, and on the Transportation Capital Program and Property Management Agency of the Department of Highways and Public Works."

It would appear that the Member for Porter Creek Centre, the Minister of Highways and Public Works, is interested in some reports of the Auditor General, but not, perhaps, all reports. And I would certainly wonder why he didn't remember to include the report into the Government of Yukon's investments into asset-backed commercial paper. It seems to be glaringly noticeable by its absence.

Item 3, where it says, "by deleting the wording in 2 (b)" — and that wording said, "justification for which communities are receiving capital projects." The reason for that being in the original motion was that we're hearing from some communities

that projects that they have advocated for are not coming forward, and yet, in other communities, projects have come forward. In particular, in Watson Lake, the concern we had is that we understand that members of the community have, in the past months, told the government, told the MLA, told whoever would listen, that they didn't want a multi-level care facility, even though the government was four years into unsuccessfully trying to build one, that in fact they wanted a seniors residence, more in tune with the one that's being constructed in Haines Junction and ones that exist in Whitehorse.

That now appears to be something that the government is contemplating building. The Member for Porter Creek Centre made reference to it in his remarks earlier this afternoon, and we understand that in the signpost society building there have even been drawings or a description posted of such a facility. If that's what the people in Watson Lake feel is needed, then obviously that's what government should do, but it certainly questions why government spent four years doing something very different.

This item 3 that says, "by deleting the words ... and replacing them with 'manner in which government has responded to the justified needs of communities and citizens living outside communities by investing in capital projects that respond to the needs and requests of Yukon citizens,'" seems to be directly opposite to what we've been told. If the government is no longer intending to build a multi-level care facility in Watson Lake and if as has been published in interviews with citizens of Watson Lake — at least in part because the citizens of Watson Lake told government that's not what they want; they don't want such a facility — then it raises the question of how they came to spend four years building something that wasn't wanted and now they've abandoned it because they determined that it's neither wanted nor needed.

That's something that seems antithetical to what's been done by replacing the wording.

In item 4, it says: "in 2(c), by deleting the words 'many projects' and replacing them with 'projects, where a difference occurs,'" I think again it doesn't accomplish what we set out to do.

The reason for item 2(c): as the chart in the Auditor General's report showed, so many different items were coming in beyond the budgeted amount that was originally laid out and that seemed to be a systemic problem under this government's watch.

Item (7), says, "adding as clause 3 the words 'utilize sole-source contracts only when it is in the best interests of Yukon citizens, or when no comparable Yukon supplier exists for products and services purchased outside the territory.'"

While in order, this is very different from what we were asking because what we were asking was to justify the high number of sole-source contracts on projects and to prove how it saves money. The reason we wanted to do that was because in the government's own internal audit report it indicated that there would be some \$114 million worth of sole-source projects in 2006-07. We question whether that high amount shows good fiscal oversight.

We think that this is not in the spirit, though apparently it is in order, of what this motion was. We think there have been a number of changes to the original motion. We feel that it has changed the original motion in many meaningful ways; however, if we are going to deal with an amended motion we think it should be a comprehensive motion. I would, therefore, propose a subamendment.

Subamendment proposed

Mr. Mitchell: I move

THAT the amendment to Motion No. 590 be amended by inserting immediately after the words “her reports on the” in section (2) the following:

“Government of Yukon’s investment in asset-backed commercial paper — Department of Finance.”

Speaker: The subamendment is in order. It reads as follows:

THAT the amendment to Motion No. 590 be amended by inserting immediately after the words “her reports on the” in section (1) the following:

“Government of Yukon’s investment in asset-backed commercial paper — Department of Finance”.

Leader of the Official Opposition, on the subamendment, please.

Mr. Mitchell: Well, it’s fairly obvious why we think that, considering how the Member for Porter Creek Centre has added all sorts of other reports dating back to 2007 and earlier, including forensic audits of the City of Dawson. It’s clear that the Member for Porter Creek Centre — the Minister of Highways and Public Works — wants this motion to be comprehensive. He wants it to include all the advice and recommendations from the Auditor General of Canada, since he’s referring to reports on the Government of Yukon’s role in the 2007 Canada Winter Games and others. In that spirit, we thought he made an oversight.

He was rushing to change the motion before us, and in his rush and haste, he forgot the all-important Government of Yukon’s investment in asset-backed commercial paper — Department of Finance report. So we wanted to make sure that that was included. Why? Well, we need look no further than yesterday’s debate that the government brought forward. It was a very serious debate on the shortfall of funding in the future for health care — a shortfall of some \$130 million over 10 years that they’re — excuse me, it’s larger than that. It’s \$130 million alone that they’re trying to make up on the backs of Yukoners, and we would suggest that the \$36.5 million would have been approximately three years’ worth of such funding, rather than taxing Yukoners and putting in user fees. So we think this report should be included in the mix.

I see that my time on this subamendment is ending, so I’ll leave it at that until we have time to debate the motion later.

Hon. Mr. Fentie: This comes as no surprise, but I’ll endeavour to do my best to explain to the Leader of the Official

Opposition why such an amendment is redundant. It has no purpose here — period.

I hear the Member for Kluane laughing. Considering what transpired this afternoon, I would advise the Member for Kluane to take a little more seriously the business of this Assembly and the conduct required.

First, the comments by the Leader of the Official Opposition that somehow the investments over many, many years by government — by the Yukon government — in total some \$1.7 billion of investments in this area — are somehow to be an issue of today in the manner that the Leader of the Official Opposition asserts. That’s point number one because the member is suggesting that for the last number of years — well over a decade — we should start looking for every one of those so-called reports. Frankly, they are fully disclosed in each and every year-end in what is called the public accounts.

I know the member has a fixation on the issue. But once again, what purpose would this amendment serve when it’s this government that took action after all those years? In the \$1.7 billion of total investment — it’s this government that took action and, by policy, Finance officials can no longer invest in this particular investment instrument. So the amendment to the amended motion, as sponsored by the minister responsible for Highways and Public Works, is redundant, makes no sense, serves no purpose, and I would encourage the members opposite to recognize that.

Now, somehow the Leader of the Official Opposition has got it in his mind that these investments have contributed to what he claims to be a shortfall in health care. Now, Mr. Speaker, that is absolutely wrong. There is no correlation whatsoever; in fact, no matter how the member tries, the member cannot dispute the facts of the matter: there is no loss. In fact, there are earnings — substantial earnings. Now this issue has absolutely nothing to do with the health care review or the situation as presented through all that comprehensive detail. The facts of the matter are, on health care, that the under-budgeted system began with cuts by the federal Liberal government in 1995 that resulted in a five-percent reduction of the gross expenditure base of the Yukon Territory.

That is what precipitated, in 2004, the stand that the three territories made in terms of addressing this issue with our national government, so that they recognized that the territories were being treated unfairly when it came to this principle of comparable services accessible to all Canadians based on comparable levels of taxation. There is no correlation with the health care issue and the investment issue that the Leader of the Official Opposition is so fixated on. The member simply will not utilize the facts pertaining to that issue.

So this motion that was brought forward by the Leader of the Official Opposition has been thoroughly strengthened with facts of exactly what is going on and a continuance of that process to address all the matters as presented. The further amendment brought forward by the Leader of the Official Opposition, as I said, serves no purpose. It is redundant, given the fact that the Yukon government can no longer invest in this area. I would encourage the member opposite to pick up the public accounts dating back to, I believe, starting in 1990.

If the member wanted to get that information and delve into the reports, they are called the public accounts; there is one for each and every year all the way back to that time. Then maybe the member can understand really what has transpired here and why his amendment does not serve any purpose. It was this government, in 2008 — I give you the exact date: January 28, 2008 — that announced a process for our officials clearing up any misunderstanding they may have, given the fact that the Auditor General even pointed out that they were making all these years these investments in good faith. We provided them the tools, as we are in Highways and Public Works and any department: we provided the Finance officials tools to make their job that much more clear, that much more simple and less prone to any mistakes that may arise from time to time.

Therefore the government side will be voting against this subamendment so we can get on with what is constructive and has a definite link to the debate overall.

Mr. Cardiff: I will try to be brief. I would like to speak to the entire motion — either the original motion or the motion with the amendment, but I can only speak to the subamendment at this time. I guess what we have seen this afternoon is a position brought forward and then having it changed to meet the needs of another certain group of people. Again, here we are throwing something else into the mix. What we are seeing is that we are trying to improve the efficiency of government and the way that government spends money. I would argue in favour of the subamendment. I think that we need to look at not just asset-backed commercial paper but all of the government's investments and the way that the government invests money in all ways — not just in asset-backed commercial paper.

I know that was one of the intentions of the Leader of the Official Opposition: to reference the Auditor General's report on Yukon's investment in asset-backed commercial paper.

The Premier wants to go on and tell us about how well the government's investments have done. The reality is that, as the Premier likes to put it, in this global cycle, the investment market isn't all that great. There are lots of concerns. People have all kinds of concerns about how their money is invested, whether it's their pensions or their personal portfolios or their involvement in commodities markets. They are concerned.

I think there's probably something to be learned by including that report. The government wanted to include other reports of the Auditor General. I guess I would argue: why not this one?

I guess the reason why would be that, because the original motion talked about the government's ability to manage capital projects and how it prioritizes projects, the government's ability to invest money and get a return for the taxpayers of the Yukon does affect the abilities of the government to invest in capital projects. If the government — if this motion were to include an analysis to continue to improve spending accountability on capital projects and referencing these reports, I think that would be beneficial. I think we need to think about how the government invests money and get a good return so that we

can have the resources to build schools in communities, build multi-level health care facilities in communities where they're needed, ensure that the infrastructure, sewer and the water systems in communities meet a certain standard and meet the needs of those communities. We hear constantly — the government obviously likes to point out the failures of the past and the projects that have gone sideways in the past.

Every government of every political stripe has had projects that have gone sideways, haven't been completed on time and that have gone overbudget. This government seems to have a penchant for it and have proven their inability to manage such projects effectively. I think what we're striving for today — or what we should be striving for today — is improving what it is that government does in the managing of capital projects and in the managing of their investments, as well.

The Premier would like to say that they've made progress in that. Well, maybe they have made progress, but that doesn't mean that there is still not something to be learned. There is always room for improvement. That's the object of what we're supposed to be doing here today, which is to be striving for improvement. So we ended up with a motion that suggested how we could make some of those improvements.

The government chose to amend that motion to try and improve upon that and point out some of the ways and some of the instruments with which they could possibly analyze it and do some of that. At the same time, I think they're kind of trying to pat themselves on the back for something they haven't done by saying that they would like to continue to improve spending accountability. Well, I think they've got a long way to go, Mr. Speaker. I think they also have a long way to go in improving the way they manage investments. I think that the Premier could probably still do a better job in how he manages the finances of the territory.

So I would like an opportunity to thank you for the latitude that you've granted thus far and would look forward to an opportunity to speak to the larger part of the motion, as opposed to just the subamendment. So those are my comments for now. I would support the subamendment and look forward to an opportunity to speak further later in the afternoon.

Speaker: Are you prepared for the question on the subamendment?

Some Hon. Members: Agree.

Some Hon. Member: Disagree.

Speaker: Member for Mayo-Tatchun, you will have to stand up quicker, but you do have the floor.

Mr. Fairclough: Thank you, Mr. Speaker, and I will be brief on this amendment. I thank the Member for Copperbelt for bringing this forward.

Although our motion has been substantially changed, in our view, the government brought forward an amendment. We feel that adding a bit more would bring a lot more clarity to this motion, for the government's enjoyment I suppose, to include the "Government of Yukon's investment in asset-backed commercial paper — Department of Finance" to the list that was given by the second speaker of the original motion by including

others, like the Auditor General of Canada's reports on the Mayo-Dawson transmission system, the Energy Solutions Centre, the Government of Yukon's role in the 2007 Canada Winter Games and the transportation capital program in the Property Management Agency of the Department of Highways and Public Works.

I think that the members must agree, on the government's side, that adding in "Government of Yukon's investment in asset-backed commercial paper" would bring out a lot more information if government wants to continue to improve their accountability, because it goes back to that. The amendment that was brought forward originally, before the subamendment, is still asking that government improve — or continue to improve — the accountability of all capital projects currently underway. So if the issue of accountability is part of the motion, then perhaps the government should be more open and transparent when it comes to the accountability of the government's investment in the asset-backed commercial paper. And that is one of the reasons why we on this side of the House brought this amendment forward. It's pretty simple and straightforward, so I'm sure that the government members will look at this and have absolutely no problem approving the subamendment.

Voting against it though, Mr. Speaker, speaks volumes about the government side. They know it, and I think this is what they're contemplating right now: what exactly do they do with this subamendment? We feel that if government wants to include the extensive list that they brought forward in their amendment, perhaps the Yukon government's investment in asset-backed commercial paper should be included in that. When we do approve it, it will be included in the main amendment as it was presented by the Minister of Highways and Public Works, and we will be making improvements in that manner. In short, Mr. Speaker, we on this side of the House, of course, will be voting for this subamendment. Perhaps the government could learn a lot by including asset-backed commercial paper in the motion, and it may open their eyes down the road as to exactly what took place. Maybe it will provide some answers to government if they are questioning exactly what took place.

We on this side of the House have all kinds of information on that, and I'll leave it at that. I'm not going to go on about this subamendment, but I think government should take it seriously. If they wanted to provide a list to the House — I know they had to rush and make these amendments — they could include this and consider this subamendment as a friendly amendment and agree to — and all agree to it.

But voting against it speaks volumes, and we want to hear what government has to say about it.

Mr. McRobb: I've been listening all afternoon to some very interesting comments and some others that weren't so interesting; nevertheless, that indeed is the characteristic of motion day. We get to hear everyone's perspectives, regardless of how we might deem their worth.

I'd like to thank the Member for Copperbelt for bringing this subamendment forward. I think it sets the intent of the motion, assuming these amendments are all accepted by the mem-

bers of this House. I think it puts the intent of the motion back on track, and includes some other worthy considerations at the same time while investigating the government's spending practices.

The Premier said a few interesting things that I'd like the opportunity to comment on. First of all, he didn't believe the investments into the asset-backed commercial paper should be included along with the other items in this motion. Well, I say, "Why not?" This was a significant Yukon Party government expenditure, one which Yukoners will be paying for years to come. We must understand the significance of it and not simply try to sweep it under the carpet.

The Premier referred to the \$1.7 billion in total investments to date; however, he neglected to mention some distinct differences between somewhat similar investments by governments past and investments this government engaged in with respect to the ABCPs. There were significant differences. If I were to allude to that, I think there would be insufficient time to do so, and I wouldn't have the opportunity to make some other comments.

The Premier went on to say that back in January 2008, the Yukon government passed a law that no further investments in ABCPs would be allowed. Yet he followed that comment by saying that this law has cleared away any confusion the Finance officials may have had, so they'd be less prone to make mistakes in the future. Well, Mr. Speaker, again we've heard the Premier essentially blame the officials in the department for these investments, when we know, in fact, the Finance minister is the ultimate authority within the structure of the Yukon government to approve such expenditures of great significance. I've heard the Premier say several times, "The buck stops here." Well, Mr. Speaker, he can't have it both ways. If the buck stops at the Premier's desk, then he can't point the finger at the officials in the Finance department.

He must accept his responsibility and go from there. I think any counsellor will tell you the first step to recovery is admission of a mistake. Yet, we have yet to hear that. So I don't think this problem can be fully recovered until the Premier gets over the denial stage and accepts his mistake, as everybody expects he is saying when he states the buck stops at his desk. Well, I think that if this matter is included in the amendment to the motion then maybe that will assist the Premier in taking that first step.

Now there were a number of other comments. The Premier referred to the public accounts reports and how this matter was dealt with there. Well, Mr. Speaker, these other matters are also referenced in the public accounts reports but we didn't hear the Premier state that. So I think there is a bit of inconsistency in the government's evaluation when it comes to assessing the importance of these various matters that should be included in the investigation, as outlined by the motion, and including the amendment brought forward by the Yukon Party this afternoon.

As the Member for Mayo-Tatchun stated — I believe all members should understand and appreciate that we really need to fully understand exactly what took place with the investment into asset-backed commercial paper and to fully appreciate it, because one never knows what variation of this may come for-

ward in the future that may also result in a \$36.5-million mistake on behalf of Yukon taxpayers.

So if we fully understand what occurred here then, of course, that will help prevent these other variations that are possible in the future from even occurring in the first place.

Member for Mount Lorne made some interesting comments. He agreed with the position brought forward as stated in the original motion. He indicated he believed it was change to meet the needs of certain people.

I don't want to get personal in my comments, Mr. Speaker, especially in light of your recent ruling in that regard, but this is clearly something the government did and it has happened several times in the past. I'm not sure if I can use the word "hijack." I truly don't know if I can use that word. It has been used before in the past, but essentially this has been previously called "hijacking" a motion. It's a technique used — by government especially — to change the intent of motions brought forward by opposition private members.

It has been stated several times by members of both parties on this side of the House today that the purpose of being in opposition is to try and hold the government accountable. Sometimes it's not very pleasant having to deal with these matters. I've said on previous occasions that I'd rather talk about good things in here too. But we can't. We would abrogate our jobs and our responsibilities to the taxpayers' interest if we were to simply talk about blue sky in here, when there are a lot of murky waters out there that are being overlooked.

Mr. Speaker, I wouldn't even try to imagine how the media would characterize the opposition if we talked about some of the nice things the government of the day was doing and ignored the more controversial matters, but on occasion in the past dozen years or more, I recall instances when the media was hard on the opposition for not being tough on the government of the day. And certainly, if it comes to a choice between that or being frowned upon by the government members for raising these tough issues and doing our jobs, I know where I stand, and that is that clearly we must do our jobs in here and hold the government accountable.

And certainly the government's bad investments into the asset-backed commercial paper is one such instance that I've got to say the Member for Copperbelt has done an admirable job on. I know it is not easy to go through all the background on this and all the figures and the research and everything involved and go head to head with the Finance minister in Question Period and at other opportunities, but he has done an admirable job bringing forward that issue on behalf of the Yukon taxpayers. He should be commended for doing so.

Mr. Speaker, today he found it necessary to again bring this matter forward for inclusion into the motion so that it too can be investigated along with the other matters that the government side raised in this amendment. So I think it is fair to say, Mr. Speaker, now that both sides of the House have been heard from, the motion should represent a fair balance and that members should reflect on that before they decide how to vote. Perhaps we can all agree that it is balanced and we can go forward.

I know that the opposition side is outnumbered in this House, and it's not very often we do win a vote, because all too frequently the government members all vote as a bloc against improvements and initiatives the opposition parties bring forward. So I would just try to appeal to the conscience of members on the other side in deciding between them what the right way to vote on this matter is.

Again, I'll just conclude that I think there is greater balance in it now than before. We've heard from all sides and from several members. I think this amendment to the amendment should be approved; then we'll go back to the amendment.

Thank you.

Speaker: Are you prepared for the question on the subamendment?

Some Hon. Members: Disagree.

Speaker: I think the nays have it. I declare the subamendment defeated.

Subamendment to Motion No. 590 negatived

Speaker: Is there any debate on the amendment?

Mr. Cardiff: I would like to speak to the amendment to the motion, because it's probably my only opportunity this afternoon to actually speak to the body of what it is that we're talking about. The government has, in its infinite wisdom — or lack thereof — decided to change the original motion, which was urging the government to do something — to continue to do something — in the belief that they actually have improved spending accountability on capital projects.

The report that was raised earlier today around the government's contracting procedures would indicate otherwise. The government seems to think that they should continue to improve spending accountability.

I would argue against this amendment and say that they should probably begin to improve spending accountability on all capital projects that are currently underway.

As I said earlier, when speaking to the subamendment, every government of every political stripe has had projects — capital projects — that have gone sideways, where there have been cost overruns and change orders. That has happened to every government of every political stripe. What I said earlier was that this government seems to have a particular penchant for having problems with capital projects, whether it's taking four years to build a multi-level health care facility in Watson Lake and then deciding that it needs to be a hospital, and then changing it — the ramifications, as somebody who has worked in the construction industry and has dealt with change orders and worked for contractors on projects like that — for a contractor, it's a total nightmare. For the taxpayer, it's a total waste of money.

The Watson Lake hospital is only one of many projects that this government hasn't been able to manage properly. The government and the Minister of Health and Social Services were bragging about the great job that was done on the athletes village. Well, maybe it was a great job. Maybe it was amazing

that it came off in the time frame that it did, but I can tell you from talking to people who worked on that job site that it wasn't a great job. There were all kinds of problems. There were pipes that didn't line up. There were exorbitant costs. So if that is what the government wants to continue doing to improve spending accountability on capital projects, I would argue that they have a long way to go.

I think there needs to be more work done on how the government issues contracts, how they administer contracts, how they arrive at estimates for some of these capital projects prior to issuing the tenders to go forward and build these projects. That's where we seem to run into problems as far as accountability. What you see many times, Mr. Speaker — and I'm sure you've watched over the last six years through government budgets — when the government budgets are brought forward, there are projects that are put forward in the budget in the spring. There are projects that are put forward in supplementary budgets. There are projects like multi-level health care facilities in Dawson City. There are projects like the Golden Horn fire hall, for instance, which is being built and will be completed soon, I'm sure. But what happens is the government promises a project, they put money in the budget and then they lapse the funding.

It's no wonder our budgets in the territory are so high when that's the way the government manages capital projects. They promise things; they put them in the budget: nothing transpires, there's no action. The contracts aren't issued, or they're tendered and the government finds out, "Oh boy, we didn't allow enough money for that, so we won't do that this year and people will think that it was promised and maybe it happened, but you know if we really get pushed on it, then we'll bring it back next year, and we'll do it next year." And so the money lapses and then the money gets revoted the next year, and it's no wonder it takes four years to build a multi-level health care facility in Watson Lake that's not open now and may never open, at the rate that they're going.

The Premier need only look out his window in the last year and he could have watched a four-storey condominium go up, and maybe if they'd talked to the contractor who was building that building, they could've had a multi-level health care facility in Watson Lake in a shorter period than four years. So, I don't know how the government could possibly mismanage a project like that.

There are several other capital works projects, I think, that the government should possibly — and other examples of government misspending that I think the government should evaluate. One of them is the rail study. There is an article in *Up Here* on business recently. It's interesting — all of this work that was done and the money that was spent on the rail study, yet what is reported in the magazine is that there is nothing — there is no product.

The likelihood of this project proceeding without investment is nil, and the government has spent all of this money trying to establish the need for a railroad when the reality is that what's really needed is investment, and the likelihood of that happening isn't very likely in the near future.

So, those are other issues, I think, that the government needs to consider in the way that it manages its spending on capital projects. Another one would be the money that was spent on a feasibility study and all the design and engineering work on a bridge in Dawson. Where are we at with that?

I think the government could do a lot better — in the six years that this government has had, we have seen them build one school. It shows where their priorities are when it comes to the education of our children. There is a need for improved education facilities here in Yukon. As my colleague for McIntyre-Takhini was talking about in Question Period today, in Burwash Landing there is a desire and a need for children in that community to have a facility where they can go and get their education in their community as opposed to having to travel to Destruction Bay.

I think if the government took an approach where they dealt with school councils and allowed them to prioritize the needs of the education facilities and to participate in that manner — that would go a long way.

That would be one avenue; that would be one way that they could move forward, as opposed to commissioning a multitude of studies. They've studied railroads, they've studied bridges, they've studied school facilities, they're studying solid waste management, and they're studying all kinds of things. But what are the outcomes? What are the tangible results at the end of the day? What product do Yukoners receive? There is no railroad; there's no bridge; there's one school built in six years.

When you read through the reports that we have available to us now — whether it's the report on the way contracts are administered that the Auditor General did on the Department of Highways and Public Works, or whether it's the internal report on the audit of contracts and the improvements that need to be made — I think that it's pretty obvious that there are some shortcomings and there are some improvements that need to be made in the way that the government manages capital projects. So to say that they should continue to improve — I think they've still got a ways to go.

I would have to say that I don't think that it's necessarily the people who are working in government; I don't think that it's necessarily their fault. I think that the politicians have to take responsibility for what their role is in this. They're the ones who make the decisions on what projects go forward or don't go forward. They're the ones who can provide the tools for their employees, for the managers, for the people who are dealing with contract services, who are managing these projects. The politicians are the ones who can give them the tools to make contracting successful, to have these capital projects go forward, to be planned appropriately, to be budgeted for appropriately, to ensure that they go forward in a timely manner and don't get delayed, and that there aren't a myriad of change orders. If they are planned appropriately, you don't get all of those change orders and cost overruns. So there needs to be changes in the planning process. There needs to be changes in the way the contracts are administered and there needs to be changes in the way that the government manages its finances and prioritizes its spending.

The amendment that the government has proposed to the motion is self-serving. I haven't even touched on the whole issue of sole-source contracting. But there is an issue when it comes to sole-source contracting.

The government seems to believe that it has the ability to sole source contracts whenever it wants, for whatever reasons it wants, and to sole source above the threshold limits, by the sounds of it. I suppose there are advantages, and when it's expedient and something needs to be done — I guess it could be likened to the government needing to use special warrants. But the reason for using special warrants is because of lack of planning. It's because the government hasn't done the appropriate planning.

The problem with sole-sourced contracts is that, here in the Legislature, our job is to monitor, to be the watchdog, and to scrutinize the government's spending. By the government sole-sourcing contracts, it takes away that ability and it removes that scrutiny and ability to oversee contracts.

I think that that's an important point that needs to be made, that there has to be some oversight. In the report, it talks about that. It talks about the need to have consistency in contracting activities, to re-examine the roles and responsibilities of departments and central agencies for contracting, and to promote that consistency from department to department and monitor those contracts based on risk. So there is a long way to go.

The government has amended the motion to say that it should continue to improve spending accountability. I would argue that the government should start to improve spending accountability, that — according to the report that we have here — they still have a long way to go, that we would welcome the opportunity to look at this report a little bit further and make recommendations. We hope the government will take this report seriously and we will see some changes in the near future that show the government is paying attention and that capital projects are managed in the best interests of all Yukoners and they do get value for their dollars.

So with that, Mr. Speaker, I'll sit down and allow another member another opportunity to speak.

Mr. Fairclough: I would like to make a few comments on the amendment that was presented by the Minister of Highways and Public Works. He's asking that the original motion be changed to include several of the Auditor General of Canada's reports — the transmission line, for example; the Mayo-Dawson transmission system is what they have it written down as — the Energy Solutions Centre and the government's role in the 2007 Canada Winter Games, on the capital program and Property Management Agency of the Department of Highways and Public Works.

Now, the list that was provided by the member in this amendment — we have an amended motion now — didn't speak to all of these points, which I find kind of interesting. The government is asking the House to consider an amendment of a motion that is presented by the Official Opposition but refuses to speak to the points on their own amendment. I find it astonishing that they would go to those lengths and no one gets up to speak to their own amendment. The government side

doesn't want to speak to their own amendment, Mr. Speaker. Why? Why not? Do they not have anything to say about the government's accountability?

Some Hon. Member: (Inaudible)

Mr. Fairclough: Now the Government House Leader says, "Sit down and find out," but I did not see him rise to his feet to speak to this amendment at all. Maybe, perhaps, they are slightly embarrassed about bringing this forward. I really feel that is the case, because the original motion was strong in its wording. It was urging government to do something, not to continue the way the government is. The way the amendment is written is that they feel they want to continue to improve the spending accountability in all capital projects.

I know that the mover of the amendment said that they were the most transparent government that ever existed in the Yukon — that they were accountable and had absolutely nothing to hide. But does everybody recall the very first bill that came to the floor of this House by the Yukon Party government? Well, if they don't recall, I'll remind them. It was a bill to repeal the *Government Accountability Act*. That's how accountable the Yukon Party government wanted to be. They repealed the *Government Accountability Act*. Some accountable government that is, Mr. Speaker.

What have we seen, time and time again, when we did bring things to the floor of this House? Nothing. Let's talk about the Auditor General's report. If this government wanted to be transparent and accountable, they would have brought that report to the general public's attention earlier.

That report said — it has a date on it of May of this year, and I know the government side opposite doesn't want to talk about that at all, because there aren't very good things said about how the government is handling projects. I know that when it's convenient, the government side praises the Auditor General, but when the Auditor General says that government should make improvements and that this is not the way governments should do things, what does the Premier call it? Then, it's just her opinion. That's the government side, Mr. Speaker. That's the accountability they want to portray to the general public. I don't believe that they want to, but they fell into this habit of repeating this over and over and over again. I'm amazed that the member opposite continues to do that or, in my view, put misinformation in the records in this Legislature. I'll give you an example.

Some Hon. Member: (Inaudible)

Point of order

Speaker: On a point of order.

Hon. Mr. Cathers: The term "misinformation" has been ruled out of order many times and the Member for Mayo-Tatchun knows that it is against the Standing Orders, and I wish to draw that to your attention.

Speaker: On the point of order, Member for Kluane.

Mr. McRobb: On the point of order, Mr. Speaker, there simply is no point of order.

Speaker's ruling

Speaker: That helps. From the Chair's perspective, there is no point of order. It is a dispute among members. The terminology —

Some Hon. Member: (Inaudible)

Speaker: Let me finish please. The terminology is, from the Chair's perspective, taken in a contextual relationship to the rest of the conversation. In this particular instance, I don't feel there was a point of order. You have the floor, the Member for Mayo-Tatchun.

Mr. Fairclough: Thank you, Mr. Speaker, I know you are following this conversation along carefully and I appreciate that.

The Minister of Highways and Public Works said that the Member for Mayo-Tatchun voted against a school to be built in the community of Carmacks. Well, that couldn't be further from the truth, Mr. Speaker. What happened was that there was a plan put in place that government could not vote against —

Unparliamentary language

Speaker: I'm going to have to interrupt the honourable member. That "couldn't be further from the truth," has been ruled out of order — the implication, of course, is that the member is lying. That's of course not in order. So you have the floor.

Mr. Fairclough: Thank you, Mr. Speaker. Well, it's certainly not factual and it's contrary to the information that is out there. I could take the minister into my riding and talk to many of the people there about the many years of planning for that school. What is factual is that the community wanted the school and it had been put on a priority list that the government simply could not vote against or not build.

So the members opposite know that and what they should have done was perhaps build it properly —

Speaker: Order please.

Mr. Fairclough: — the project that was \$8 million.

Speaker: Thank you. The time being 5:30 p.m., the House now stands adjourned until 1:00 p.m. tomorrow.

Debate on the amendment to Motion No. 590 accordingly adjourned

The House adjourned at 5:30 p.m.

The following Sessional Papers were tabled November 19, 2008:

08-1-87

Ombudsman 2007 Annual Report (Speaker Staffen)

08-1-88

Information and Privacy Commissioner 2007 Annual Report (Speaker Staffen)