

**Yukon Legislative Assembly  
Whitehorse, Yukon  
Monday, March 23, 2009 — 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**

**In remembrance of Joyce Hayden**

**Mr. Hardy:** Mr. Speaker, I rise in special tribute to a great Yukon woman, Joyce Hayden. She will be very missed by all Yukoners for many years to come.

One of Joyce's quotes: "It has been a life-long love affair with the Yukon and its people. I am fascinated and enthralled by the way the Yukon motivates and shapes its people, especially its women." And Joyce was part of that.

Joyce Hayden was born Joyce Larson on September 20, 1931, in Saskatchewan. There she married Earle Hayden. The couple moved to Whitehorse in 1953, and they recently celebrated their 60<sup>th</sup> wedding anniversary. Their close family consists of three children, eight grandchildren and two great-grandchildren.

Joyce's education, from several colleges and two universities, was in sociology, English, social work and management. Non-profit organizations have benefited greatly from Joyce's commitment to social justice and change. Over many years of volunteer work, she was chair and/or a member of the board of directors of more than 40 organizations. Her energy was freely put into women's and social action groups and environmental, historical and recreational projects and programs.

The Haydens lived in B.C. from 1975 to 1987, and while living in Vernon, Joyce was especially proud of being a founding member of the Vernon Women's Transition Home Society. She recalled that achievement as being her awakening to women's issues. While in B.C., she conducted community-based research on women's issues and, in the mid-1970s, wrote western Canada's first research paper on family violence, entitled "Family Violence: One Perspective".

Returning to the Yukon, Joyce put her feminist awareness to good use. She worked closely with the Yukon Women's Transition Home Society and helped to start the first women's consciousness-raising group in Whitehorse, a historic move that changed her own and others' lives immeasurably.

Joyce was a program director and an executive director of the Whitehorse YWCA, and initiated the first Yukon feminist and family programming. She helped found the Yukon Status of Women Council and became its first chair. The Status of Women Council founded the Victoria Faulkner Women's Centre, sponsored the first child care conference, and established the Yukon Women's Mini-Bus Society. Joyce was instrumental in establishing the Yukon Women's Mini-Bus Society, which

was the first public transit in Whitehorse. It gave women the first opportunity to work in a non-traditional job with flexible hours. Women volunteers did the driving, cleaning, repairing, accounting and promotion of the system. It began as a phone-in service that also ran some regular schedules. People could be picked up and dropped off at their own door, or they could flag a bus down along the streets and highways. In 1999, the Mini-Bus Society was recognized for its achievements in Whitehorse with Joyce becoming the Transportation Hall of Fame's Person of the Year.

Elected as a New Democratic MLA in 1989 — and elected as my MLA — Joyce was caucus chair and chair of the Public Accounts and Constitutional Committees. Later in her term, she was Minister of Health and Social Services and Juvenile Justice, and member responsible for the Yukon Housing Corporation. As a 1989 delegate to the Commonwealth Parliamentary Association, she co-founded the women's committee, now an integral part of the organization.

As Minister of Health and Social Services, Joyce supported establishing childcare services, raised foster parents' payments and strengthened non-profit organizations such as the Child Development Centre and the First Nations Advocacy Group.

All of Joyce's accomplishments are even more impressive when we realize that Joyce was legally blind since 1983. From the 1970s, she did freelance writing and editing and had her own publishing company, Windwalker Press. Her writing included research papers, news items for radio and newspapers, women's biographies and history. She wrote and published a history of the Yukon Girl Guides, the history of Yukon political women and the biography of Victoria Faulkner.

In recognition of Joyce's life's work, she was awarded the Canadian Volunteer Award, the Yukon Commissioner's Award, the Royal International Paul Harris Fellowship Award and was given a Governor General's award in commemoration of the Persons Case.

Joyce's life has had a monumental effect on uncountable lives in the Yukon. Her contribution to women's rights and their history has been exceeded by no one. When she was my MLA, that's where I first met Joyce and was tremendously impressed by who she was and her approach to people and not just the politics, because she did have an influence in this Legislative Assembly, an influence that we can all learn from. But she made a decision when she was my MLA and she was the Health minister to meet with two young people who had left the correctional facility, and she was condemned by the public, by the media, and by many other politicians for doing that. Yet when I think of Joyce, that was one of my proudest moments. She could rise above politics as it is practised and do something that may guide and help young people and take the heat for that. That is whom I remember — what Joyce stood for and who she was. She was in many ways my guide into politics and my mentor in that area. I think everyone in the Yukon and the people who worked with her and knew her owe a great deal of thanks to Joyce.

Thank you.

### In recognition of World Water Day

**Mr. McRobb:** I would add that the tribute to Joyce was on behalf of all members of the Assembly.

I stand today on behalf of the Official Opposition caucus in recognition of World Water Day, celebrated yesterday. The international observance of World Water Day is an initiative that grew out of the 1992 United Nations Conference on Environment and Development in Rio de Janeiro. This year's World Water Day focused on waters that cross borders and link us together.

The world has 263 transboundary lake and river basins that include a territory of 145 countries and covers nearly half of the Earth's land surface. There are also great reservoirs of fresh water that flow below our borders in underground aquifers. That said, of the planet's water only three percent is fresh water.

With every country seeking to satisfy its water needs from limited water resources, some foresee a future filled with conflict. But history shows that cooperation, not conflict, is the most common response to transboundary water management issues. We all share the responsibility for managing the world's transboundary waters for current and future generations. The Yukon Territory has several transboundary watersheds, including the Yukon River, Alsek and Porcupine, among others, yet agreements are not in place to protect those watersheds. While watershed protection may not be on our shortlist of priorities, we must not be blind to what the future will bring.

Water is now and will increasingly be a treasured resource. In fact, last night I had the pleasure of watching the internationally acclaimed film, *Blue Gold: World Water Wars*, at the Yukon College lecture hall. This documentary was paired with a locally produced film about how the building of the Aishihik dam impacted our First Nation peoples.

I was surprised to hear this latter film was not permitted to be shown at the recent climate change conference, apparently because it was thought to be too controversial and might lead to civil unrest.

Mr. Speaker, we should not shy away from an important issue merely because it might be controversial.

Given the growing world water shortage, we must wake up to the importance of protecting our water resources. Already in the Yukon, several communities have issues with contaminated water, including two in my riding. The film *Blue Gold* accentuated the importance of protecting the public's rights and access to potable water rather than allowing governments to sell those rights to profit-based industry.

The Yukon Medical Association has also recognized clean water as a determinant of health and has called on the Yukon government to ensure that all Yukoners have access to adequate supplies of clean, safe and reliable drinking water by developing a plan through an integrated water stewardship approach.

In conclusion, we as legislators must address these water issues to ensure the future protection of our watersheds and legislate the public's open access and rights to this essential element of life.

**Mr. Cardiff:** I rise on behalf of the NDP caucus, the government caucus, and the independent member as well, to pay tribute to World Water Day, which was yesterday. World Water Day originated at the 1992 United Nations Conference on Environment and Development in Rio de Janeiro. Ninety-seven point five percent of the water on the planet is salt water and therefore is unfit for human consumption. The majority of fresh water is beyond our reach, locked in polar ice and snow. Less than one percent of fresh water is usable, amounting to only 0.01 percent of the Earth's total water. Even this would be enough to support the world's population three times over if used with care.

"If used with care" is the critical statement here, because it is clear that when 1.8 million children die each year of water- and sanitation-related diseases, we are not using our water with care. And when more than a billion people lack access to clean water, it is clear that we are not using our water with care. And when multinational corporations are able to turn water into a commodity, push for privatization and lobby for exporting water, as if it were maple syrup, it is clear that this does not represent using our water with care.

A CEO of a European water transnational corporation put the industry position succinctly: "Water is an efficient product. It is a product which normally would be free, and our job is to sell it. But it is a product which is absolutely necessary to life."

So what should we do? We must oppose this commodification of water. We must work to ensure that water is recognized as a basic human right and not a commodity to be bought and sold on the open market. We must push the federal government to act for social justice. As it stands, Canada is one of just a handful of countries to go on the record at the United Nations to oppose the right to water as a human right.

We must recognize the contributions of grassroots movements of people, of non-government organizations and others, who work tirelessly to protect our water.

Members of the Federation of Canadian Municipalities and the City of Whitehorse in particular should be applauded for phasing out the sale and use of plastic water bottles on municipal property. We hope that the city will accept the challenge of the Council of Canadians and work to become a blue community.

World Water Day forces us to contemplate our often strange and contradictory relationship with water, the giver of life. As with so many days we commemorate in this House, the onus is on all of us to move beyond the tribute to action that will benefit the people of our communities and our country and our planet and to put it into action.

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

### TABLING RETURNS AND DOCUMENTS

**Speaker:** Under tabling of returns and documents, the Chair has for tabling a report of the Auditor General of Canada, entitled *Public Schools and Advanced Education, Yukon Department of Education*. This report was released to the mem-

bers of the Assembly, the media and the public on January 30, 2009.

The Chair also has for tabling a report from the Clerk of the Legislative Assembly on the absence of members from sittings of the Legislative Assembly and its committees.

Are there any other returns or documents for tabling?

Are there any reports of committees?

Are there any petitions?

Are there any bills to be introduced?

## INTRODUCTION OF BILLS

### Bill No. 67: Introduction and First Reading

**Hon. Mr. Lang:** I move that Bill No. 67, entitled *Act to Amend the Employment Standards Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the Minister of Community Services that Bill No. 67, entitled *Act to Amend the Employment Standards Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 67 agreed to*

### Bill No. 68: Introduction and First Reading

**Hon. Mr. Rouble:** Mr. Speaker, I move that Bill No. 68, entitled *Act to Amend the Yukon College Act*, be now introduced and read a first time.

**Speaker:** It has been moved by the Minister of Education that Bill No. 68, entitled *Act to Amend the Yukon College Act*, be now introduced and read a first time.

*Motion for introduction and first reading of Bill No. 68 agreed to*

**Speaker:** Are there any further bills for introduction?

Hearing none, are there any notices of motion?

## NOTICES OF MOTION

**Mr. Mitchell:** I give notice today of the following motion:

THAT this House urges the Yukon government to request witnesses representing the Yukon Hospital Corporation appear each year in the Legislature, as is the case with the Yukon Energy Corporation and Yukon Workers' Compensation Health and Safety Board.

**Mr. Fairclough:** I give notice of the following motion:

THAT this House urges the Yukon government to work with community members to ensure concerns from residents of Keno are being brought forward and heard as part of the Yukon Environmental Socio-economic Assessment Board's review of the plans to reopen the Keno mine.

**Mr. Inverarity:** I give notice of the following motion:

THAT it is the opinion of this House that the Yukon *Human Rights Act* be amended to indicate that

- (1) access to potable water is a human right; and
- (2) access to potable water is a basic human need.

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

THAT this House supports and affirms the principle that access to safe drinking water and sanitation should be recognized as a human right.

**Mr. Hardy:** I give notice of the following motion:

THAT this House calls on the Premier to host round-table discussions with key stakeholders, like the non-profit, non-governmental sector, in the interest of collecting advice and input to aid and inform decisions on measures the Yukon government will take to manage local impacts of the global economic downturn.

**Speaker:** Are there any further notices of motion?

Hearing none, is there a statement by a minister?

Hearing none, this brings us to Question Period.

## QUESTION PERIOD

### Question re: Education audit

**Mr. Fairclough:** I have a question for the Minister of Education.

The Auditor General's report on public schools and advanced education found information provided by the department was not in keeping with reality, particularly with respect to graduation rates. In fact, the report states: "making the rates published in the Department's Annual Report misleading."

The credibility of the minister has been challenged by the Auditor General. Yukoners need to know the facts; they need to know that the information in the annual report is a true reflection of what is actually going on. Under this minister, that has not been the case. The minister needs to clarify this once and for all, before he addresses any other issues. He needs to accept the responsibility, apologize to Yukoners and assure them that the reporting techniques will not be happening again.

So will the minister take the opportunity to establish some good faith with Yukoners and acknowledge the errors of the past and pledge that all information —

**Speaker:** Thank you.

**Hon. Mr. Rouble:** I appreciate the question coming from the member opposite. It was sometime in the 1990s where a method of calculating high school graduation was established. It looked at the number of students entering grade 12, those who had the potential to graduate, and then it looked at the number who had completed grade 12 at the end of the year. That is the statistic that government has historically been providing in its annual report.

If the member takes a look — and if he doesn't have a copy of the annual report that was tabled in the Assembly, I can certainly provide him with one — but he will note on the first page of the report, it says that the "...Annual Report format is in transition. We are working on improving our reporting methods to help ensure we provide the most useful information, presented in the most understandable way for identifying the state of education in Yukon." That's on page 1.

And on page 47, Mr. Speaker, under "Graduation Rates," the department clearly states: "The Department of Education is currently reviewing how it identifies graduation rates. Within

Canada, there is no consistent method among provinces and territories for collecting data and determining graduation rates.”

I recognize that this was a problem and took immediate action to rectify it.

**Mr. Fairclough:** What action was that? The minister was not forthcoming in his point of assuring the accuracy of the future reports. Now there is the possibility that this topic of accountability could come up yet again in another study or report. The department’s annual report stated that the graduation rate overall for the Yukon was 92 percent and an impressive 89 percent for First Nation children. However, the department’s own data said the rate was much lower. In fact, it is 50 percent as a whole and an alarming 40 percent for First Nation students.

So which set of numbers does the minister claim to be correct — his or the Auditor General’s?

**Hon. Mr. Rouble:** I committed to the member opposite when the annual report was tabled. I believe, also, that it has been commented by members on the other side of this Assembly that this new format is a very good step forward.

There are significant changes in how the information is being presented and how it is being provided to Yukoners so that they can look at things. Some of the other interesting statistics, Mr. Speaker, are to look at the pupil/teacher ratio, which as of March 31 indicated that we had a student/teacher ratio of 10.5:1.

Mr. Speaker, I would encourage the member opposite to take a look at the 2007-08 annual report. It was tabled in this Assembly. I will provide additional copies to him, if he likes, and then we can go forward.

**Mr. Fairclough:** Well, maybe the minister needs to read the Auditor General’s report.

Constantly in this House this minister is under a state of denial. How can Yukoners have confidence in his ability to fix a system that has gone terribly wrong if he cannot accept the facts?

The facts are that under his watch the department’s annual report gave misleading information, which he refuses to accept responsibility for. So I will give the minister one more chance: will he admit that his department’s annual report gave misleading information to Yukoners and that he will now assure them that at least, in the future, information contained in the annual report will be accurate?

**Hon. Mr. Rouble:** Mr. Speaker, for some reason in the 1990s a method was calculated for determining graduation. That figure continued to be presented under previous governments — under NDP governments, under Liberal governments and, yes, under Yukon Party governments. I recognize that there was a challenge with looking at that information and realizing how that had an impact on our community.

We have a tremendous number of people in our education system — teachers and educators — who are committed to providing the best quality of education for all and for providing that information. They have done a tremendous amount of work in putting together a very excellent annual report that clearly indicates the performance of Yukon’s education system.

Is it perfect? No, Mr. Speaker, we recognize that it isn’t. That is why it clearly states on page 1 and later on that it is in transition and that we will be using a different method of calculating the data in the future — one that I hope provides some additional information for the member opposite.

#### **Question re: Education audit**

**Mr. Elias:** Mr. Speaker, I will continue with the same minister. This Yukon Party government promised Yukoners a better quality of life. If the Education minister believes that a graduation rate of 58 percent of our students is leading Yukoners to a better quality of life, then the minister is sadly mistaken.

In the 2006-07 fiscal year, the Department of Education compared our achievement tests to those in British Columbia and found that Yukon met the targets in only six of 20 subject areas. The *Education Act* states that the Department of Education will provide quality education to meet the needs of individual students based on equality of opportunity.

The Minister of Education is failing Yukon students, especially First Nation students. I want to know when that is going to change.

**Hon. Mr. Rouble:** Mr. Speaker, as Minister of Education, I am committed to providing Yukon students with the opportunities that they need to succeed. Yukon educators and Yukon teachers are committed to each and every individual student and to providing them opportunities that they need to succeed. We have worked with our stakeholders and partners in education, with First Nations, with parents, with school councils and with teachers, and we have developed an education reform project. That has led us to New Horizons, which is being implemented.

New Horizons is done in partnership with the Council of Yukon First Nations, and there are numerous different initiatives that have begun. Some of these include school growth planning, leadership programs, resiliency issues, as well as changes in the classroom — changes in curriculum, changes in instructional styles. The Department of Education is constantly looking at how to improve the educational outcomes for all Yukoners. I will make that commitment to the member opposite today.

**Mr. Elias:** The fact of the matter is that we need more of our Yukon children with diplomas in their hands. The department’s own data indicates there is a large gap in graduation rates between First Nation students and other Yukon students. And there are no comprehensive action plans — including targets — to address the underlying causes.

According to the Auditor General, the graduation rate for First Nation students is approximately 40 percent — 40 percent, Mr. Speaker. This is a dismal failure. This is a clear indication of the problems within our education system, and the minister is the leader. That responsibility rests at his feet, and this minister suggests that we deal with the problems by continuing to talk and announcing another study. When is this minister going to act?

**Hon. Mr. Rouble:** I’ve listed a significant number of action items, and I will continue to identify more. But I should also note, just so the member opposite is aware, that this is not

a problem that is unique to Yukon. Unfortunately, this is a problem across Canada, and Canada's ministers of education have made a commitment to address that. We've recently had a Council of Ministers of Education conference in Saskatoon, in which Yukon First Nation leaders also attended and participated, so that we could demonstrate our unified commitment to addressing this area.

Mr. Speaker, we'll continue to work with the Council of Yukon First Nations, with whom we have committed to working together on New Horizons, on implementing changes in curriculum. The member opposite should be aware of the work that the First Nation Education Advisory Committee does, and the work that the First Nations programs and partnership unit does in providing curriculum materials that are relevant to Yukon students, and especially to Yukon students of First Nation ancestry.

Mr. Speaker, we'll make a commitment to provide Yukon students with the opportunities that they need to succeed, and work hard so that they can accomplish their goals.

**Mr. Elias:** Well, the fact of the matter is that almost every province, with regard to education, is doing better than we are.

In February 2008 — a year ago, Mr. Speaker — the education reform project made 207 recommendations to improve Yukon's education system. The recommendations, if ever acted on, would reduce the education gap between First Nations and other students. This minister has reported in the Department of Education's annual report that the Yukon First Nations had a potential graduation rate of 89 percent, when under further examination from the Auditor General, it's actually 40 percent. Those are the facts, Mr. Speaker. "A better quality of life" was this minister's promise to Yukoners. There's a 40-percent graduation rate for First Nations students. Mr. Speaker, this minister needs a reality check. That's another fact. It's obvious.

When are we going to see equality of education opportunity in our education system?

**Hon. Mr. Rouble:** I would encourage the member opposite to stay up to date with some of the other announcements going on. There was another announcement this morning where Yukon College, in partnership with the University of Northern B.C., is providing a master of education program.

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

**Hon. Mr. Rouble:** I'm sorry, Mr. Speaker.

### Speaker's statement

**Speaker:** Order please. The Minister of Education has the floor. Please respect that. You have the floor.

**Hon. Mr. Rouble:** I appreciate the member opposite and his "jack-of-all-trades" comment. The reality is, Yukon College will be presenting a master of education program. This is another opportunity for Yukon teachers to become more aware of different teaching techniques and many of the issues facing Yukon First Nation students. It will look at additional ways of providing information on governance and different teaching techniques.

One of the recommendations in the education reform project is that we have more leadership opportunities. Here is an-

other one of those examples in action today. We're committed to helping Yukoners prepare Yukoners for Yukon opportunities.

### Question re: Whitehorse Correctional Centre rebuild

**Mr. Cardiff:** Last week during Question Period, the Minister of Justice avoided replying to my clear questions about the capital costs of the proposed new Whitehorse Correctional Centre.

She refused to answer the simple question of how much the new facility will cost when completed. She made light of serious questioning about the accumulated costs from this government's years of delays.

Yukon taxpayers need to know what this government plans to do with their money, and it's puzzling to us why this minister avoids direct questions that need direct answers. It begs the question: what is she hiding?

Why is this government trying to hide the truth from Yukoners on what the total cost of this project is so far, and what is the expected cost of the building that's proposed?

**Hon. Mr. Lang:** The new correctional and treatment centre will proceed, and there is a process in place where the bids will come in. And, at that time, they will be very public because, of course, bids are a form of public tender.

So, in addressing the member opposite, we are going ahead with the construction of the treatment centre and correctional centre, which has been extensively worked on by the Department of Justice. Public Works will be overseeing it, and we're looking forward to the bid process taking place.

**Mr. Cardiff:** Amazing. The announcement has already been made. It was made on the radio this morning, it was made at the budget briefing; the media knows, we know, but the minister doesn't know. Why is that? It's going to be in excess of \$60 million. Now, this is two or three times what the facility was to cost seven years ago, when the Yukon Party stopped construction and said they could do it for less.

When we look around at other buildings being constructed by this government, like the Watson Lake multi-level health care facility — or, maybe it's going to be a hospital — and the Dawson health care facility, we see a disturbing pattern. The plans keep changing, and that's a costly pattern.

Now, we heard last week from the minister that — surprise — the new correctional facility will be a multi-purpose correctional and treatment centre. She went even further to say that the new correctional facility will not only be used by the Department of Justice, but by Health and Social Services, NGOs and the public. It's a whole new concept. Can the minister expand on that concept?

**Hon. Ms. Horne:** The Yukon government is committing funding for a new multi-purpose treatment/correctional centre, as well as funds for a new transitional women's living unit. We will be dedicating \$21.6 million this year toward the construction of the new correctional facility, which will include a treatment centre.

It is designed, as I said last week, as a multi-purpose unit. We reiterate what we have previously said. We will fundamentally change the face of the correctional process.

This will endorse and develop the substance abuse action plan and all elements that flow from the Whitehorse Correctional Centre. We stated many times that we won't rush into building a facility that is not what Yukoners want. The work has been ongoing and now is the time to incorporate our multi-purpose approach to our correctional facility.

This good planning means the new correctional centre will serve the needs of quality programming and treatment. I call that good planning, good governance.

**Mr. Cardiff:** The minister should look at the terms of reference that were given out a year ago for managing the construction of the facility. Nowhere in those terms of reference does it say anywhere that it was going to be a treatment facility. She should read that document. So they have changed the plan. It is my understanding that the plan was changed very recently by the Premier's office.

The minister stated that there are no hidden costs in building this multi-purpose correctional treatment facility. Now we know that the expected capital cost — maybe she can answer some more pressing questions.

What does the minister expect the annual operation and maintenance costs of this facility to be and how will be that be shared with the various departments and NGOs that will be using that building?

**Hon. Ms. Horne:** As we have said many times before in this House, this is a correctional centre — the true purpose of the word "correctional" — and this includes treatment. It is a correctional centre.

#### **Question re: Corrections programming**

**Mr. Hardy:** I am going to explore this a little bit more but I think I will direct my questions to the Minister of Health and Social Services, since that seems to be the way we are going with the correctional facility.

The concept that my colleague touched on earlier is the idea of a multi-purpose correctional and treatment centre. I can see that the Justice minister seems to have indicated that is correct. Now the Minister of Justice has said that this decision has been made after extensive consultation under the corrections consultation and the recent *Corrections Act* consultations.

She has said, "We listened to what Yukoners said, and we're delivering."

So my question is this: where in the result of the consultation do you find the recommendation to have the new correctional centre house the services now supplied by Alcohol and Drug Services?

**Hon. Ms. Horne:** I reiterate what I said earlier: this is a correctional centre that will have treatment. We won't only have a revolving door of recidivism; we will get to the root of the problem of the clients going into Whitehorse Correctional Centre, and cut the recidivism rate, and provide the treatment that is needed.

**Mr. Hardy:** Well, thank you, Mr. Speaker. My question was actually for the Minister of Health and Social Ser-

vices. I think he needs to enter this debate as well. I would hope that they've communicated to each other.

Now, we're certainly in agreement that the emphasis in the new correctional facility should be on treatment and rehabilitation. We support the government in that approach. Services for inmates with addiction problems have long been overdue, but we wonder just how well-thought-out this proposal is. The minister has said that it will work in conjunction with the substance abuse action plan in expanding options for treatment, such as the Community Wellness Court. She has also said that the space can be used by other programs, both in government and from NGOs. And we also understand, Mr. Speaker, that the Sarah Steele Building is being looked at. There are serious problems in that building. How does the minister justify moving all addiction treatment programs to the new corrections facility?

**Hon. Ms. Horne:** I'd like to correct the member opposite. All the treatment services will not move to the new Whitehorse Correctional Centre. We will be adding to the treatment — more refined treatment and individual, client-specific treatment. This does not mean that we will not have a land-based treatment centre. This planning has been ongoing and we are fine-tuning it at this point. It has been ongoing for the last few years. We would not rush into building a new facility like the Liberal government did and we would have to be adding to the warehouse already.

**Mr. Hardy:** It would be much better for everybody else in the public if we knew what the intentions of this government really were in regard to this, if they really were committed to having land-based treatment centres, if they really were committed to keeping the Sarah Steele Building open or renovated and offering more programs than what's available. But it seems that everything has been rolled into this one little announcement and that raises a great deal of concern.

The people who are suffering from substance addictions are physically ill, they are emotionally shaken and many times without support of family and friends. In their move to recover, they have the right to be treated with dignity and respect, and so far I haven't seen that. They have the right to confidentiality, security and compassion.

I haven't seen this government stand on its feet and indicate that kind of treatment, other than just this one announcement. They don't need to have to go to attend treatment in correction facilities.

Will the minister seriously reconsider this option and instead provide more supportive, compassionate programs for people seeking help with their addictions?

**Hon. Mr. Hart:** For the member opposite, as the Minister of Justice indicated, this will be a multi-purpose facility that will include a treatment centre for those who are incarcerated and for those who will need assistance at a later date once the facility is completed. We will be working closely with Justice on this facility to ensure that, as the member indicated, those who are in need of help for their addiction receive it and receive it in a respectful manner. That is something that Health and Social Services is working for, even on our current facility

in the Sarah Steele Building and other services that we provide for those with addiction.

**Question re: Education audit**

**Mr. Fairclough:** Mr. Speaker, in 2005, the Government of Yukon and the Council of Yukon First Nations jointly created the education reform project to improve learning opportunities and recommend changes to our education system.

Now, it was obviously known then that there was problem.

Why would one initiate such a massive study if the graduate rate was in fact 89 percent?

The report, Mr. Speaker, has been swept under the carpet because at its heart is an issue of governance, something the minister and the Premier are clearly opposed to. Now given the results this minister has achieved, I would think he would be eager to get up and help with the management of our education system. This is clearly beyond his ability, I believe.

A First Nation graduation rate of 40 percent and an ignored report intended to address the problem — that is a fact, Mr. Speaker. Will the minister acknowledge that there is a 40 percent First Nation graduation rate and that the education reform project was created to address that very problem and, to date, the report has been essentially ignored?

**Hon. Mr. Rouble:** Mr. Speaker, this government takes education very seriously. One of the first things that we did upon taking office a few years ago was to establish a joint working relationship with the Council of Yukon First Nations. We went to work on the education reform project, which was a joint Government of Yukon and Council of Yukon First Nations initiative.

And, Mr. Speaker, when we received that report, the other co-chair and I took it to heart. We looked at the issues that are going on here and very seriously looked at the recommendations that were put forward. Our next step was to go into implementation mode; and for that, Mr. Speaker, we agreed to continue to work together.

The Council of Yukon First Nations and Government of Yukon are working on an implementation plan. That is called New Horizons. Mr. Speaker, we are seeing those changes made in our school system on a very regular basis. I just re-announced today an announcement for the member opposite about a master of education program that is at Yukon College. We have heard about other programs, such as the First Nation Education Advisory Committee or changes in curriculum. We will continue to work with all our partners in education, including the Council of Yukon First Nations, to go about jointly implementing this. The strategy right now is to implement the school growth planning process, a leadership program, a secondary program stakeholder advisory committee, and the resiliency in transition programs. We will continue to work forward together.

**Mr. Fairclough:** The education reform project produced a report that covered about 35 issues and made 207 recommendations. Overall its recommendations are intended to reduce the educational gap between First Nation students and other students. The Auditor General is quoted in the report as saying officials from the Department of Education stated that

they planned to address some of the recommendations with New Horizons.

Can the minister specifically tell us which recommendations are being considered from the education reform project?

**Hon. Mr. Rouble:** Mr. Speaker, I just announced several of them: the school growth planning process, which involves communities in the decision-making going on in their school. I just discussed the leadership program, which enhances Yukon teachers' ability to provide efficient, effective education to all Yukon students. Mr. Speaker, we've talked about the secondary program review, which looked at issues of how do we keep Yukon students in school longer, how do we give them the opportunity that they need to succeed.

I should note that we're not going to simply grant people a high school diploma. That has to be earned. It's going to take the involvement of the student to achieve that goal. But we in the Department of Education will provide the students with the opportunities that they need to succeed.

Also, just recently, there was an additional New Horizons conference, discussing the themes in education and how we can go forward and make additional changes. We're also seeing changes to legislation: for example, the *Yukon College Act* amendments that were tabled today.

**Question re: Education audit**

**Mr. Mitchell:** Mr. Speaker, Yukon's education system is in trouble. We have ample financial resources. We have a dedicated professional team working in our schools. We have school councils that share a common purpose: the best education system for their children. What we do not have is leadership. You cannot just throw money at this problem; it requires a vision and commitment.

You cannot study this problem into submission. No more studies. No more reports. What we need now is a strategy with goals and timelines. In 1997, the incoming Labour government in the United Kingdom pledged to increase literacy rates from 57 percent to 80 percent in five years. The minister responsible said he would resign if his goal was not accomplished. His goal was accomplished and on time. That is decisive leadership. That is what this minister obviously lacks.

Will this minister set targets and timelines for improving Yukon graduation rates?

**Hon. Mr. Rouble:** The opposition party certainly has a short memory on this. The opposition Education critic clearly remembers the last time I tried to discuss a vision for education in this Assembly. He clearly refused to engage in the discussion. In fact, Mr. Speaker, the reaction that we saw was — well, it was ridiculous in this Assembly. Instead, during that debate the member opposite wanted to discuss the placement of good, one-sided plywood. The member opposite wanted to discuss other initiatives that were so operational in nature that — well, that was their choice in that debate. I look forward to having an opportunity, once we get into the Department of Education, to further discuss the goals and the objectives of the department. I appreciate the Leader of the Liberal Party's endorsement of the funding being adequate. That should clear up a lot of our budget debates now.

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

**Hon. Mr. Rouble:** I'm sorry. Mr. Speaker, the members opposite often say one thing on the microphone, and then we hear different things coming across in the kibitzing back and forth.

**Mr. Mitchell:** Yukon's graduation rates are lower than every single province in Canada. All 10 provinces have higher rates of achievement. We spend more money per student than any province in Canada. I wouldn't be surprised if we did not have more reports and studies than any other jurisdiction, as well.

This government talks about building infrastructure. What better infrastructure could there be than a top-notch, first-class education system? We have the problem identified. There is money in the budget. A solution has been presented to the government by the education reform project, but we have a minister and a Premier who are in major denial.

Will this minister set targets and timelines for raising Yukon graduation rates? Will he put some measurables in place?

**Hon. Mr. Rouble:** The Leader of the Liberal Party is once again being confusing in the nature of what he's talking about. It would seem that they're now endorsing the governance model that was established in the education reform project. I see now that the Liberal Party is fully endorsing that model. That appears to be their position on this.

Well, Mr. Speaker, there is more to providing good quality education to Yukon students than the one model presented by the education reform committee. There's more to it than that.

There are a number of other issues that we'll work out, and we'll need to address. Mr. Speaker, we have the commitment of the Department of Education to address this. We have the commitment of all teachers in Yukon's education system. We'll continue to work hard with our students, with our teachers, with our parents.

It has been said before that it takes a community to raise a child. Mr. Speaker, all aspects of Yukon society need to be involved in ensuring that we have appropriate educational outcomes for our students.

**Mr. Mitchell:** Mr. Speaker, the minister can try to put words in my mouth, but he's not answering questions regarding Yukon's graduation rates. So I'll ask the minister if he's developing strategic plans to assist the 60 percent of First Nation students who do not graduate, and the 35 percent of non-First Nation students that will fail to graduate? The answer he gave to my colleague from Vuntut Gwitchin was an announcement about an M.Ed program. Well, how can the 60 percent who can't finish high school enrol in an M.Ed program? Will the social assistance budget be adjusted upwards to help those who can't get work because of lack of education? Will the health budgets be adjusted ever upwards to accommodate the drug and alcohol problems and the accompanying social ills when people don't have educations?

Will the minister agree to address the problem rather than having to deal with consequences?

**Hon. Mr. Rouble:** Mr. Speaker, I won't put words in the member opposite's mouth. Instead, I will remind him what he said on February 9 on CBC, where the member opposite

said, "I learned there was a commitment by senior staff in the department, starting with the deputy, to effect change."

Now, Mr. Speaker, this is the member opposite speaking after the Public Accounts Committee meeting. He went on to say, "They have already started to change how that is being done. In terms of program implementation, they are going to try to be more rigorous in putting forward such a long-term strategic plan."

On the radio, the member opposite said he had faith, but he has a different point of view today. What is the Liberal position on the issue? Is it what they say on the radio or is it what they say in here?

**Speaker:** Order please. Order.

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

## ORDERS OF THE DAY

### GOVERNMENT BILLS

#### Bill No. 15: Second Reading — *adjourned debate*

**Clerk:** Second reading, Bill No. 15, standing in the name of the Hon. Mr. Fentie; adjourned debate, Mr. Mitchell.

**Mr. Mitchell:** Mr. Speaker, it is good to be back in the Legislature again. It is exciting to be here again. We are today dealing with a billion-dollar budget — certainly a new milestone. The question we will need to answer is whether it addresses the full needs and aspirations of Yukoners.

We'll have lots of comments about the contents of the budget itself but I would like to begin today with what informs those comments. What ends are we trying to achieve? Where are we coming from, so to speak?

Mr. Speaker, the party I lead, the party of Pat Duncan, Jack Cable and Ken Taylor, is a party of the centre. It always has been and it always will be. We Liberals believe in sound money management, low taxes, personal responsibility and integrity.

Members opposite seem to think that's amusing but Yukoners don't, Mr. Speaker. Yukoners don't.

What separates us from the NDP is that we believe in a competitive market economy and not in a socialist redistribution of the wealth. The Leader of the NDP recently said in a media interview that he was a socialist, not a democratic socialist or any other kind of political creature. He has positioned the NDP squarely on the extreme left of the political spectrum.

What separates us from the Yukon Party is that we believe that you can't have an efficient balanced economy without a social conscience and that means looking after the less fortunate instead of blaming them for their misfortunes. We all remember the comments from a former Yukon Party —

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

#### Point of order

**Speaker:** Member for Lake Laberge, on a point of order.

**Hon. Mr. Cathers:** The assertion made by the Leader of the Official Opposition that members of this side blame the



less fortunate for their misfortune is very offensive and, under our Standing Orders, is the type of language I believe falls under the prohibition of language likely to lead to discord, because it is also blatantly false.

**Speaker:** On the point of order.

**Mr. McRobb:** Mr. Speaker, the Government House Leader failed to cite a reference in the House rules; secondly, the comment was not personal in nature; it was just generally to a government.

### Speaker's ruling

**Speaker:** I'm going to exercise the same caution that I did with the Leader of the Third Party last Thursday and that is, from the Chair's perspective, there is no point of order. However, honourable member, Leader of the Official Opposition, temper your remarks. If you don't want interruptions, take that into consideration.

The Leader of the Official Opposition has the floor.

**Mr. Mitchell:** Thank you, Mr. Speaker. Well, we all remember comments from a former Yukon Party Health minister who said recent immigrants who had settled in Yukon were all on welfare. That turned out to be not accurate information, of course. But it illustrates some questionable views held by some on the right. With the Reform Party background of some of the members of government, it is easy to remember the right-wing leanings of this government. We see it in their continued refusal to address the issue of a permanent youth shelter, for example.

Liberals stand for a balanced, sustainable economy that respects our environment and minimizes the negative impacts of economic development while understanding that some impact is inevitable with development. We stand for progressive, people-focused government that assists Yukoners in making their livings with needed infrastructure, but refuses to abandon those who have fallen by the wayside, whether from sickness, or lack of educational opportunity, or difficult family circumstances. Regardless of the causes, we don't write people off.

We believe in working with our self-governing First Nations to fully implement their land claims and self-government agreements in the spirit with which they were written and signed, and for consulting in advance of making decisions, rather than litigating after.

The Yukon Party is continually in court with First Nations, and is it any wonder? The Reform Party voted against the *Umbrella Final Agreement* when it went through the House of Commons. That spirit is alive and well within this government.

Liberals stand for fighting to eliminate poverty and homelessness and for ensuring that there is affordable housing for those who need it. We stand for finding solutions for youth-at-risk, not abandoning them to couch surf and leave them to trade their dignity for a warm place to sleep. We stand for improving education, not studying it, but improving it and ensuring that every single Yukoner has the opportunity to live life to his or her fullest potential. We believe that our society is only as strong and as great as how we treat our least fortunate neighbours.

It is a privilege to stand again in this Assembly on behalf of the people of Copperbelt. I would like to start by thanking my constituents for their input and advice, for the many phone calls, the letters, the conversations on the doorstep and in the stores and on the streets and in the businesses here in Whitehorse. Their advice and direction are much appreciated, and their openness in bringing ideas and issues to my attention is very generous. It is a great honour to represent them in this Assembly.

There are some issues that I frequently hear from the residents of Copperbelt, and I would like to address a few of them here this afternoon.

One, of course, is the traffic issues on Hamilton Boulevard and the concern that has been expressed for years by some of the residents — those who live in Granger and Copper Ridge — about only having one way in and out of the subdivisions where they live.

The Hamilton Boulevard extension which, according to the budget that was tabled last Thursday, will be completed this summer, is something that I've long advocated for, and I'm very pleased to see the \$1.75 million included that will complete this project. The Hamilton Boulevard extension will also benefit the residents of Arkell, McIntyre, and potentially Valleyview, by providing an alternative way out for emergency use.

It has not been without controversy, first, because it crosses some long-used trails and opens up some previously quiet green space to traffic, and of course, because of the unfortunate blasting accident last spring. On that topic, I've been told by the Department of Community Services that all affected homes in Lobird have been repaired. There have been new procedures put in place by Occupational Health and Safety that will hopefully prevent a repeat of this sort of terrifying accident from ever happening again.

I want to thank the current and former ministers of Community Services for meeting with me and working to resolve these issues on behalf of my constituents.

Another riding issue that I want to raise, where my letters to the Minister of Highways and Public Works have not seen a satisfactory resolution of the problem, is the issue of removing the snow berm that builds up in front of Squatter's Road along the Alaska Highway. Unfortunately, I received letters last week from both the minister and from the City of Whitehorse, each of which insists it is not their responsibility, but either that of the other government or the residents.

Mr. Speaker, this is a serious safety issue. Residents of Squatter's Road own their properties and pay property taxes just like any other resident. When the Department of Highways plows the Alaska Highway, and plows in the access to this road, residents end up taking runs at the snow bank in order to get through. Sooner or later this inconvenience is going to lead to a serious accident. That accident, if it were to occur on the Alaska Highway, could have very serious and tragic results. Then everyone will ask, "What could have been done to prevent it?" Let's prevent it right now by reaching an agreement between the two levels of government to keep the entrance clear.

I also hear concerns from these residents about access for fire trucks and ambulances. Again, let's not wait until there is a tragedy to employ a little common sense here.

Another issue that's constantly raised by constituents is the issue of overcrowding at Elijah Smith Elementary School. Back during the by-election in October 2005 and again in the general election in 2006, government candidates and the then-acting Education minister promised they would build a new school. Later, after another study and consultations, the government chose to reverse that promise and even claimed that the residents didn't want a new school. Well, I frequently hear frustration from residents whose children cannot get into Elijah Smith Elementary and need to be bused elsewhere. Despite the changes made to the school catchment area, the school remains overcrowded.

The principal told me recently that their enrollment is 340; they have no spare room. They have had to convert the former music room and other space into classroom space, and he was hoping to get approval for two portable classrooms. I don't know whether those classrooms are in this budget. We don't have the answers to that yet, but in the absence of any plans to build a different school, I would ask that the Education minister and this government address the problems of overcrowding at the school — find a solution.

I would ask that the portable units be approved and that the government look for longer term solutions because there are many children living in Copper Ridge, and Hillcrest and Granger and Lobird and McIntyre, and there is much frustration among their parents.

Another issue is the issue of public transportation. We hear that often in Copperbelt, because our community is some distance from downtown Whitehorse, where so many people need to go to work and shop. Now, that is a City responsibility, but it is funding-dependent, and this government, with its much ballyhooed surplus of hundreds of millions of dollars, could work to increase funding to the City of Whitehorse to allow them to increase the frequency and hours of the bus service and reduce or eliminate the fees involved, at least on a trial basis.

We called for this last summer, and the response and interest from the public has been very strong. The Premier at the time mocked the idea, but we would ask the government to reconsider that approach.

It is a green initiative that would reduce our hydrocarbon emissions, especially CO<sub>2</sub>. It would also benefit those people who are struggling in an era of ever-higher gasoline costs despite the temporary lowering of prices to levels that, a few years ago, would have been unacceptable, and to those people who are being impacted by the weakening economy who may not have any other means of transportation at all.

Finally, I continue to hear from constituents who are suffering from long waits to see medical specialists such as ophthalmologists, orthopedic surgeons, psychiatrists, ear, nose and throat specialists, and others. Some progress has been made, particularly with the increased funding for more knee replacement surgeries, for example. There is still more work to do. I encourage the Minister of Health and Social Services to continue to increase the funding to make the wait times shorter.

Now let's move into the current economic climate, Mr. Speaker. We are — or at least most of Canada is, anyway — steering through some rough economic waters — a major recession, in fact — across the country, across North America, around the world. National unemployment figures released last week are at 7.7 percent, a five-year high. In Yukon, the unemployment rate has been inching up steadily for the past four months. Statistics released on March 13 show that it now stands at 6.7 percent, up from 4.9 percent in November of 2008.

The effects of the recession are going to be felt here; there's no doubt about it. How hard we are hit or will be hit is unknown at this time. We may escape largely unscathed; we may suffer increasingly, like other parts of the country. What is known and cannot be denied is that we're in a period of economic uncertainty. That was the overwhelming mood at the recent Partnering for Success economic conference put on by the Whitehorse Chamber of Commerce. Many Yukoners are holding off on major purchases and trying to put money away for hard times. We heard from bankers that people are increasing their savings, but they're not spending the money. They just don't have a handle on where we might be six months from now or 18 months from now. They're concerned about how this downturn will affect the tourism industry, the mining industry, small business and, potentially, their jobs.

In this time of economic uncertainty, we in the Official Opposition are prepared to work with the government to do all we can to ensure that Yukon gets through this rough patch in the best shape possible. We have several suggestions for how this budget could be improved and, in the spirit of cooperation, we hope the Premier gives them due consideration. But cooperation is a two-way street. We're asking the government to work with the opposition during these uncertain economic times. The ball will be in the government's court, so to speak, in terms of how the government responds to these suggestions.

We're also realistic. Given recent history, we don't expect a great deal of cooperation from a government that has proven to be quite narrow in its thinking and unilateral in its actions. "My way or the highway" has been how this government has too often operated, so we'll see if it is capable of changing its ways.

The Premier has made much of the discussions that he had with Yukoners when putting this budget together. Those discussions, of course, did not include us or the third party or the independent member. The Premier walks by our offices almost every day of the week. Did he reach out to try to work with us when the budget was being put together? No, he did not. This is not the mark of a government that is interested in working with the opposition.

Returning to the economy, let's go back over some recent history. We spent a good deal of time in the fall sitting trying to get the Premier to pay attention to the economic problems that were sweeping North America and, indeed, the global economy. The Premier would have none of it. He said there is no correlation whatsoever with what the Yukon is experiencing and the situation the United States finds itself in. That was the Hon. Premier on December 9, 2008. There was no relationship

between the U.S. downturn and the Yukon. He felt there was a force field around Yukon.

Let's fast-forward to a few weeks ago. Now the Premier said the new budget was "aimed at bringing 'stimulus, stimulus, stimulus.'" That was in the *Whitehorse Star* on March 4.

Last fall when we asked the Premier to act he said, no, it wasn't required. "The recession isn't coming here," he said. "We have everything under control. We'll stay the course."

Now spring is arriving and it is, "stimulus, stimulus, stimulus" because the economy is, in fact, slipping.

I'm surprised the Premier didn't get whiplash changing his mind between December 9 and now. His approach on this entire issue was to pretend that the bad news wasn't coming, just like his counterpart in Ottawa. The federal government failed to act quickly and we're now dealing with the consequences of that failure across the entire country.

Let's go back a little further to some comments the Minister of Economic Development made in this House a few years ago — 2004, 2005 and 2006. At the time, the North American economy was moving forward great guns. An extended run of high mineral prices was in full bloom. The Government of Canada was posting record surpluses and it was all the minister's doing. He talked about the Kotaneelee well in southeast Yukon and how it was being redrilled and implied that it was because he was the minister in charge. Well, that project is virtually shut down now; it's not producing the revenue any longer.

He talked about increasing mineral exploration all because of his good work as minister. He didn't mention that jurisdictions across Canada set records for exploration in recent years because of record high mineral prices. Well, exploration in Yukon is projected now to be half of what it was last year; perhaps as little as only 25 percent of last year's total.

The minister talked about the value of real estate transactions and the rising selling prices of Yukon homes — again, as a reflection of his good work. The value of real estate transactions is now dropping and the average price of a home in Yukon has begun to slip.

The minister talked about building permits and suggested that it was a result of the good work he had done, the increase in those values. Perhaps he can explain why, on an annual basis, the revised total value of building permits issued in Yukon in 2008 was 69,975,000 — a 12.1-percent decrease from the 79,567,000 one year earlier.

How about employment insurance recipients? In December 2008, the preliminary number of EI beneficiaries receiving regular benefits in Yukon increased 15.8 percent from the December 2007 level.

In the minister's favour, the Yukon's February 2009 seasonally adjusted unemployment rate was 6.7 percent; the Yukon's seasonally adjusted labour force of 17,900 has decreased by 200 people. Employment at 16,700 has increased by 500 from a year earlier and the number of unemployed at 1,200 has increased 300, compared to one year earlier in February 2008. That's 500 fewer Yukoners working, putting their dollars back into the economy. That's 300 fewer families who have a wage earner. That's 300 wage earners lost to Yukon families.

It's the third month in a row that that unemployment rate has gone up.

In the minister's 2008 economic review that was released last month, estimates for 2008 GDP have been revised downward. It will be interesting to see the estimates for 2009 when they are released in April.

So the minister was very eager over the last several years to take credit for all the good news; we await his speech later this week when he takes responsibility for the new figures that I've mentioned today. I'm sure he will take responsibility for the fact that all these numbers are now going the other way under his watch. We'll see if the minister can bring himself to accept that responsibility.

Some of our other economic sectors: forestry, the Premier's own riding, elsewhere in Yukon — southwest Yukon too. Forestry is virtually non-existent after six years of promises to energize that industry. For six years, we've been hearing about how we're going to have a forest economy — it hasn't happened under this government's watch.

Tourism sagged last year in 2008 and it will probably be the same or worse this year, based on what we're hearing from different sectors of the industry. What is the government's response? In this budget it has cut the North American marketing by \$500,000 in order to pump up European marketing by \$500,000. Are we then going to be further ahead, to take from one in order to support the other?

Before this budget was released, we laid out some conditions for whether or not we would support it. We said we were going to judge this budget on three basic principles: number one, is this budget going to create new jobs and keep more Yukoners working as we get into this difficult economy that has spread across North America and the world? Number two, will the infrastructure projects that come forward be worthwhile and meaningful projects with lasting value for the future of the Yukon for the next 10, 20, 30, 40 years or more? Finally, will this budget focus on moving us toward the green economy that we ultimately have to do?

It was only a few months ago that the Premier said there was no correlation between what has been happening in the United States and what was going to happen in Yukon, between the United States and what was happening elsewhere in Canada. We said last fall that this Premier needed to do more in terms of job creation because leaner times were coming. All the economic stats we have seen of late tell us that things are slowing down here — from unemployment numbers to building permits to housing sales.

The Premier has since changed his tune and said the budget would be all about stimulus, stimulus, stimulus, so we will be looking for some hard numbers from the Premier on job creation, and we will see what those numbers tell us, because elsewhere in other jurisdictions — in British Columbia and Ontario, Canada itself and in the United States — we see leaders stand up and tell their citizens how many jobs will be maintained, how many jobs will be created, how many jobs will be replaced. What we get here are catchy phrases; we don't get numbers. We think that there is a tremendous opportunity with the one-time infrastructure funding that Canada is offering to

spread across the country to make some lasting investments in the territory.

We do know that a lot of Yukoners are very disappointed that large chunks of that money are going to pet projects like the new hospital in Watson Lake, instead of other perhaps more worthy or more thought-out projects.

It's very disappointing to see, as we learned in the briefing last week and heard this morning on the radio — \$60 million to build a new correctional facility. That's \$35 million more than should have been spent. The Premier's political decision to cancel this project six years ago has cost taxpayers \$30 million. That money could have been used elsewhere. It could have been used for replacing schools such as F.H. Collins. It could have been used for providing a youth shelter in Whitehorse. It could have been used to maintain the funding transfers to NGOs, which leverage the money and do so much good work.

At the time, the criticism of the former facility that was designed under the former Liberal government that it was going to be a "Cadillac facility". It was ridiculous — a Cadillac facility. Then later, they said it was going to be a warehouse. I guess it was a Cadillac warehouse. But, in any case, cancelling it and then starting to build it six years later will cost Yukon taxpayers some \$30 million or more.

Now, that brings us back to accountability. We introduced a motion on day one of this sitting, last Thursday, about the Building Canada infrastructure fund: "THAT this House urges the Government of Yukon to ensure federal infrastructure funding provides maximum benefit to all Yukoners by ensuring: (1) funding is fairly distributed between rural Yukon and Whitehorse; (2) job creation for Yukoners is maximized; (3) money is spent as quickly as possible while maintaining adequate financial controls; (4) funding promotes economic recovery; (5) the local economy benefits; and (6) the funding is actually used."

We think many municipalities will be disappointed to learn that the Premier and the Minister of Community Services sat back this winter and decided not to plan how they were going to spend those funds and not to consult on how to advance those funds when they became available from the Government of Canada. Canada said, "You can have the \$175 million over seven years, or you can move it up for the next two years." And instead of reacting quickly, the government responded, "I guess we'll spend that money next year," perhaps when we're gearing up for an election.

The Premier says it's all about stimulus, and then doesn't get around to planning for the \$175 million. "Not now. We have no plans now for investing it in Yukon's future."

On the third point, it's time for the rubber to hit the road, in terms of the green economy. We wanted to see major investments in reducing our carbon footprint and real action on climate change. Instead, the budget is as weak as the climate change strategy itself.

We need to be moving toward real use of renewable energy: biomass, geothermal, small-scale hydro, solar and wind. This is a \$1-trillion part of the United States' economy right now — today. In Europe — in Sweden, in Finland, in Italy — they're using wood pellets; they're generating them there. In

Canada, we make very little use of wood pellets, and in fact we are a net exporter of them. But in Yukon, in southwest Yukon where we have the beetle-kill, there's a tremendous opportunity for an industry that would employ Yukoners and that would address Yukoners' energy needs for a fair period of time. And because the wood is simply rotting away over time, the emissions are going into the atmosphere anyway. It's the same emissions, but we could do something with it, and it would replace burning of diesel, and it would actually create jobs in Yukon.

Now, the Yukon Party government has confirmed again and again that they see this as far-away stuff; it's in the future, but we will never get there without investments today. We can't possibly power all the possible future mines with the existing hydro, or the existing hydro, plus Mayo B. Cassino alone, if it is ever to come on stream as an operating mine, predicts it will need 100 megawatts, so they will want to burn coal.

What will that mean to the environment? We will need to plan now for how we are going to offset the increased use of coal or diesel in order to power the economy of the Yukon in the future so that we don't go the wrong way. Even without a huge mine, we will need more renewable energy. If we have it, we can move to heat with electrical energy if we have sufficient clean-generated electricity. People can be buying plug-in hybrid cars within the next few years, but it makes no sense to purchase those cars if it simply means that we are going to be operating more diesels to generate electricity for people to plug the cars into.

These are the kinds of forward-thinking investments that we wanted to see in this billion-dollar budget, but they simply are not there. I am not optimistic on the climate change front at all. The government continues to pay lip service to the environment, but it doesn't back it up with the real dollars to make it happen. Both the O&M and capital budgets for the Department of Environment are again cut in this year's budget.

As I said at the beginning of my remarks, we hope that the government is open to some changes in the financial blueprint as it has been presented. We hope that they will consider broadening their view of what should be included in a budget that's looking forward in the Yukon. This will demonstrate whether the government has a legitimate desire to work with us or whether it's simply posturing on the part of the Premier.

I'd like to move to another topic and that is accountability or lack of accountability. It has sadly become a hallmark of this government. Let's go over some of the Auditor General of Canada's recent reports to our Legislative Assembly on a variety of departments. One issue is consistent from department to department, report to report — lack of accountability under the leadership of the Yukon Party government. Now the Premier may dismiss what the Auditor General has to say. He has said in the past that it's "just her opinion"; however, we believe that the public puts a lot more stock in what the Auditor General has to say than in the Premier's dismissals. Let's look at what the Auditor General of Canada said on this topic. In her report on education — since the Education minister is so happy to quote from my remarks in the Public Accounts hearings — "Comprehensive strategic planning. The Government of

Yukon's Financial Administration Manual requires each department to have a strategic plan to guide its activities and facilitate accountability, by" ... requiring "...actual outcomes against plans.

"The department must be able to collect, analyze and interpret data in order to effectively manage its activities and to be able to measure performance in a variety of areas. Goal setting and results measurement are also crucial in determining whether the department is achieving its goals and delivering its mandate under the *Education Act*."

Paragraph 67: "We examined the Department's short- and long-term plans and planning processes. Its annual Department Plan presents strategic goals, objectives, activities, vision, mandate, responsibilities, and values. In addition, its Main Estimates documents include departmental and program objectives. We examined the harmonization of its key planning documents."

In paragraph 68, she went on to say, "We found that not all of the objectives in the Department's various key planning documents agree. Furthermore, in its Annual Report, the Department does not report on how well the objectives from previous reports were achieved. We also found that the Department has a five-year capital plan, but the rest of its resources are planned on an annual basis. Financial reporting for budget and actual expenditures is shown in the Department's annual Main Estimates, in its monthly financial reports and in the Government of Yukon's Public Accounts."

Paragraph 69: "While the Department of Education has elements of a strategic plan in various documents, taken as a whole, the Department does not have a comprehensive long-term strategic plan."

So we'd have to ask, Mr. Speaker, if the department doesn't have the comprehensive strategic plan, can it not be only because its leader, the Minister of Education, hasn't demanded and provided it with a strategic goal, with a strategic direction?

Paragraph 70: "Recommendation. The Department of Education should develop a long-term strategic plan that includes clearly defined directions and specific measurable goals and objectives."

We have been asking these last two days for specific measurable goals and objectives and what we get back, Mr. Speaker, is diversion and quotations that have nothing to do with the questions that are asked.

It is a failing grade from the auditor.

Let's go a little farther in the report: "We expected that the Department would be able to demonstrate transparency and accountability in the school planning process, including providing its feedback on school plans to the schools, school boards, and school councils."

Paragraph 79: "We found that the Department did not have guidance on the overall purpose for school plans, including how they fit into the overall strategic planning process, and did not include information that explained roles, responsibilities, and reporting."

Mr. Speaker, we have already discussed the abysmal graduation rates, the rates that were presented as being in the

high 80s and in the 90s but, in fact, were 58 percent overall over a six year period — only 40 percent for First Nation students. Again, another failing grade.

I will point out to the Minister of Education that my comments in speaking on behalf of the Public Accounts Committee also included some pretty strong comments on how unacceptable those graduation rates were. So let's not mix up the issues. We said that on the one hand we know that the educators are trying hard — and they like to tell us that we said that but they don't like to talk about the fact that we said that a 58-percent graduation rate is completely unacceptable — completely.

Let's look at the Auditor General's report on Highways and Public Works from three years ago.

It said, "Up-to-date procedures are needed to guide building development work."

In paragraph 44, it said, "A key activity of the Department is to manage, on behalf of government departments and agencies, an accountable process for exploring options, planning, and developing facilities to meet their accommodation needs. It strives to manage the outcomes of projects in terms of quality, cost, and timeliness."

In paragraph 64: "Sole-source leases. The Department is required to conform to government policy to ensure that leasing activities are carried out in a fair, fiscally responsible, accountable, open, and competitive manner. However, we found that the Department had entered into nearly all of the recent leases on a sole-source basis — most of them to extend the occupancy of the same property."

The recommendation was that, "The Department of Highways and Public Works should establish policies and procedures to guide its staff in acquiring space. The Department should ensure that leasing activities are carried out in a fair, fiscally responsible, accountable, open, and competitive manner."

The recommendation in paragraph 86: "To ensure it is accountable to the legislature, the Department of Highways and Public Works must provide members of the Legislative Assembly, government, and other decision makers with complete, accurate, timely, and balanced performance information resulting from the Department's activities."

Mr. Speaker, I could go on with more from that report but I think the point is clear that the Auditor General, again, found that this government is not being accountable for how it was spending its money. So we see a pattern here. We're now getting all the advertisements for the first-ever billion-dollar budget. Well, if we weren't accountable a year ago for a budget that has risen now to \$978 million with the supplementary budgets, I'm not sure how adding \$25 million to the total is going to suddenly make government accountable for how the money is being spent.

Finally, to what I know is the Premier's favourite topic — the Auditor General's report on the Yukon government's investment in asset-backed commercial paper. These are the investments that the Deputy Premier told Yukoners were guaranteed by a bank, but they were not guaranteed by a bank. The Deputy Premier still refuses to explain why she made those

statements that turned out to be so wrong in this Assembly. Again, no accountability.

In that report's conclusion, paragraph 24: "Yukon's *Financial Administration Act* prescribes the investments that the Government of Yukon can make. We found that the Government's investment in summer 2007 in two asset-backed commercial paper trusts that were set up by non-banks (total value: \$36.5 million) did not meet the requirements of the Act. When this report was written, the Government had not yet received any payment of principal and interest from these two trusts, and it has not determined the financial impact this may have. We also found that the Government has made prior investments in asset-backed commercial paper issued by trusts set up by both banks and non-banks. These investments also did not meet the conditions set out in the Act. It is important that the Department of Finance manage the investment of public money prudently and in accordance with legislation."

What did the Premier say? He said, "That's her opinion. We have others." He has also gone on to say that everything's fine. We were going to get our money back in December originally, in January, in March, in the fall. We still don't have our money back. We're beginning to see the first of interest payments, but it's interesting because almost every other public company, or Crown corporation, agency or arm of government across Canada that has invested in these non-bank-sponsored asset-backed commercial paper investments has written down their investments by 40, by 50 percent. We took a 17-percent write-down in last year's public accounts. That was some \$6.2 million of Yukoners' money that has been lost. There's more to come, Mr. Speaker, because the money is not there.

It's obviously not there because if it were there, they would simply give it back like they were supposed to — to all the investors. So what we're relying on now is the hope that the money managers can produce the revenue to grow the money back over the next eight years — and we've all seen how good those money managers have done over the past three, four and six months. We've seen the failings of relying on them.

The Premier can say, well, everybody has been caught up in this, but we didn't need to be. If we had followed the regulations that were already in place, it need never have happened. The Premier can say that other governments over the years invested in these kinds of instruments. There's not a one of them that ever failed to have their money paid back, Mr. Speaker, not a one of them that lost one thin dime. So year after the year, the auditor gives this government a failing grade for how it manages Yukoners' money.

Let's talk about accountability to this Chamber, and what this Assembly represents. Let's start with the fact that even before we came into this House to debate the budget, more than \$230 million of it had already been approved outside of this House by special warrants. It's an incredibly dismissive way to run a government, and it has become common practice under this Premier. It has been done every year this Yukon Party government has been in office, except in 2003 — its first full budget.

Mr. Speaker, a disturbing characteristic of most second-term governments is that they become arrogant and they begin

to ignore what people think. They think they know what is best for people, and they make decisions without asking other people's opinions, just their own. This is certainly the case; it has become the case with this Yukon Party government — \$230 million has already been approved — more than 20 percent of the entire year's budget with no public scrutiny, no comment or debate whatsoever from the people's elected representatives here in the Legislature. It really demonstrates how little respect this government shows for this House and for the elected representatives in it. A few years ago when the Premier bypassed the Legislature in a similar fashion, he described it as an effective way to manage the public's money. It is effective all right, but it's also arrogant, undemocratic and completely unnecessary.

The Premier's excuse in the past for why he does it is that one time during the 1990s, there was a case where opposition members filibustered an interim supply bill and prevented it from passing. But we remember the incident that the Premier refers to very well. The Premier was then part of an NDP government at that time. The opposition at the time was the Yukon Party, led by the late Mr. Ostashek. Mr. Ostashek talked out the clock one day and the NDP was unable to pass an interim supply bill. The result was technically the government ran out of money.

Mr. Speaker, the only party that I know of that has ever shut down an interim supply bill in Yukon is the Yukon Party. You would never see us do it, and I think I can say the same for the NDP, because we have too much respect for this Chamber — something which has been in short supply across the way. I'm not surprised by the Premier's "my way or the highway" approach, but it's completely unnecessary, and it demonstrates once again the failure of the government to work cooperatively with all the other parties in this House.

The government could have and should have passed an interim spending bill. We have one in front of us. It would have enabled us to raise questions about it before it was passed. There was no need for special warrants, Mr. Speaker. Those special warrants are supposed to be used for special circumstances, when the Legislative Assembly is unable to debate spending. The decision to use them this way shows this government's lack of respect for the democratic process and disregard for the public trust. So the minister and his colleagues haven't mended their ways since the \$36.5-million investment scandal and that's unfortunate.

Again, all the Premier had to do this year was call the opposition parties and get a commitment for interim spending authority to see it through until the full budget was passed. Did he do that? Did he pick up the phone? Did he knock on the door? No, he refused to cooperate with the opposition parties. He talks about cooperation on the radio and to the newspapers, but we never hear from him.

One of the main duties we have as MLAs is to decide how to spend the taxpayers' money. It's our job to weigh different options and decide how best we can serve the public. We should do that in front of the public, as we are doing today.

Instead, this Yukon Party government makes these decisions in secret and with no public debate — \$230 million al-

ready approved without one word of public discussion or debate.

Pre-announcements — this move is another way this government demonstrates how little it cares for this Assembly. A couple of weeks ago, the Premier gave an address to a local business conference, the Chamber of Commerce. He told the audience the capital budget was going to be \$240 million, and he outlined several of the items in detail.

The Premier spoke again last Wednesday at a luncheon, the day before this Assembly was due to sit. Here's how it was billed in the invitation that went out from the chamber: "This represents a unique opportunity for the business community to not only hear the budget before it is presented to the House, but to ask questions and to provide feedback." That's how the luncheon was billed to the public. It might as well have said, "Come and see how the Yukon Party government has no respect for the Yukon Legislative Assembly."

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

### Point of order

**Speaker:** On a point of order.

**Hon. Mr. Cathers:** The Leader of the Official Opposition has made a number of accusations, but I think with this he has really crossed the line. Suggesting that members of this party and this government have no respect for the Legislative Assembly is clearly in contravention of our Standing Orders, and I would ask you to have him temper his remarks and withdraw that.

### Speaker's ruling

**Speaker:** Actually, I agree with the interjection that the honourable Leader of the Official Opposition has stepped over the line. The honourable member knows it. The Leader of the Official Opposition has the floor. Please carry on.

**Mr. Mitchell:** Thank you, Mr. Speaker. I'll rephrase it. It might as well have said: "It doesn't matter what the Assembly will think when they get around to seeing the budget, because we will talk about it, and we will announce it as we please."

A fundamental part of the democratic process is to announce spending decisions and the budget first in the Legislative Assembly. That has been the practice of governments across Canada for many, many years. Under the Yukon Party government that has, more and more, not been the case. Over the last few weeks, we've seen millions of dollars in announcements outside of this Assembly prior to the budget speech. That's clear — specific amounts, announcements of things that are in the budget.

There was a time when a Finance minister would be called to resign if, by mistake, he made reference to an item in a budget. Now we're getting budget announcements.

It leaves the public to wonder why the Premier is operating in that manner and can't be bothered to make budget announcements here first.

There is a simple way to demonstrate that the Premier and this government want to respect the traditional process in the Assembly: they cannot make budget announcements outside

the House until the budget has first been released here in the Assembly in front of the people's elected representatives. This government seems to have forgotten already whose money they are spending. It is not their money. They are elected to look after it; we are all elected to look after it, in trust and on behalf of Yukoners.

When the government makes budget announcements outside the House well before they happen inside the House, there is the danger that the representative role of each and every member of this House is undermined. Ultimately, among the public, respect for the institution is diminished and our Assembly becomes irrelevant.

Reliance on Ottawa: while there are many items that the Yukon Party is trying to highlight in this budget, there are others that they are not talking about, hoping that the public fails to notice. One of those is the government's continued and increasing reliance on transfers and recoveries from Ottawa for the lion's share of our spending.

Now, the Premier says, "Hogwash." He said it the other day. He says that we deserve our share. The answer is yes, of course we do. However, this Premier is the one who made all the noise about the Yukon standing on its own two feet, and how under his government we would become more self-reliant. He's the one who said he was concerned about the spending trajectory of the previous government. He's the one who said he would diversify the economy and increase our self-reliance. That hasn't happened; in fact, the opposite has occurred.

This government promised to move away from relying on Ottawa to fund our operations. Eight or nine years ago, Yukon generated 15 or 16 percent of our own revenues. Under the Yukon Party government, that number is now down to just over 11 percent, 11.4 percent in the budget documents in front of us. We are, in fact, more reliant than ever on the Government of Canada to fund our much-needed services. The pie may be bigger, but under this government the slice that we're providing is actually smaller than it was under previous governments.

That's why we said it was a made-in-Ottawa budget. It confirms that this Premier has given up any hope of diversifying Yukon's economy. It relies heavily on Ottawa for funding, and the budget demonstrates that the Yukon Party is content to simply distribute money from the Government of Canada, instead of developing an economy that can stand on its own.

The budget is bigger simply because Ottawa is sending more money. Transfer payments are up another \$48 million this year, and our own percentage of revenue is down from last year once again — 11.4 percent is all of the budget revenue that is generated locally.

After six years of the Yukon Party government, we are more dependent on Ottawa than ever before.

The Premier will come back and say we want to give it back, that we don't want to take it; perish the thought that the Liberals should ever form government. That is not true, Mr. Speaker. Of course we need to be able to provide the services in Yukon that are provided elsewhere, but for goodness sake we also need to show our contribution and we also need to grow our independence. Otherwise, where does this all end? At what point does it turn?

Speaking of principles the Premier has abandoned, let's look also at the massive growth in the O&M spending of this government. You could always count on the Premier or his former colleague from Dawson, from Klondike, coming into the House to say, "O&M bad; capital good". That has now been reversed. This Premier has presided over the largest growth in the size of the Yukon government in history. Even accounting for the changes resulting from devolution, the increases are staggering. Three-quarters of this budget is spent simply maintaining the government itself. This is quite a reversal for the Yukon Party and for this Premier — one of many, I might add. So I guess the stimulus isn't just in capital like it used to be; it's just in spending money.

Let's talk about managing money. While the Premier seems fixated on how much money is being spent, I'm more concerned with how the money is being managed. The reality, of course, is that the much-ballyhooed \$1-billion budget is only \$25 million, at the end of the day, larger than last year's budget by the time you add in the supplementary budgets we've seen, the spending for the year in total. That was confirmed in the warrant issued recently and in the second supplementary that has come forward along with this budget. So the government has already shown that last year is up to \$978 million — it may reach a billion by the time of the year-end, if we get another supplementary budget.

The government has already demonstrated with the Watson Lake hospital fiasco that it's not accountable and responsible when it comes to spending taxpayers' money. This is the same government that lost over \$6 million, at minimum, on bad investments over the last couple of years. So with this kind of track record, we don't have much confidence that the government will manage the money wisely.

Speaking of the Premier's adventures in investing, it's now 18 months since the Premier forgot to follow the FAA and got \$36 million worth of taxpayers' money tied up for eight or nine years in these bad investments. We can't access it; we don't know how much if any we'll ever get back. He said it was guaranteed by a bank and it wasn't. The Deputy Premier said it was guaranteed by a bank and it wasn't. Neither of them has explained that in this Assembly. "They can't explain it," the Member for Mayo-Tatchun said. There is no explanation.

That money could be put to good use. For example, it could be covering the \$30 million cost overrun on the new correctional facility, compared to what was first projected seven years ago, or it could be used to start building F.H. Collins this year. But it can't be used for either of these purposes because we can't get our hands on it. We can't access it. We're going to receive interest payments but there's no principal. Later this year, in October, the government is going to be forced to admit that we've lost even more money. The financial sections of Canada's newspapers have been full of reports of companies and government agencies reporting their year-end financial statements. They're writing down their ABCP investments to about 50 percent or 60 percent of their value. For us, that would mean a loss of up to \$15 million to \$18 million, thanks to this Premier forgetting to follow the rules, thanks to this investment strategy.

The Premier wants to wait until fall to tell Yukoners what he already knows — that we've lost millions more dollars. So we'll ask about it then because Yukoners are very concerned about this issue. We'll wait until we see the public accounts this fall.

Well, let's talk about deficit spending versus surplus spending. Let's look at the Premier's claim that this is a surplus budget. Under the current set of accounting rules, the Public Sector Accounting Board, it's correct. The bottom line is that there is going to be a net surplus to the fiscal year.

But let's just look back at how things were done before. This is only because the government has been able to amortize the cost of capital infrastructure over a number of years. All past governments were not able to do this. They were not able to count the schools, the health care centres or the housing. Anything that they built was expensed.

The Premier likes to compare what is happening now with what was happening then, but it is apples and oranges. In the past, governments had to put those expenses on the books in the year the money was spent. Under the old rules, this would be a deficit budget. It would be quite a big deficit budget because, in effect, we are spending over \$1 billion — \$1,300,231,000 — and our total revenues — own source, transfers and recoveries, third party — \$962 million. So we are actually spending \$41.2 million more than we are taking in. We did it last year too. The 2008-09 forecast says that we spent \$960,861,000, but took in \$913,723,000. With the update, it is \$978 million. We spent more money last year than we took in. It would have been a deficit budget if we could not amortize the capital expenditures into the future.

The Premier is unwilling to admit that our net financial resources will decline for the second straight year. I guess this fact doesn't mesh with the way he is seeing himself as being a competent fiscal manager. Why let the facts get in the way? But the fact is we're spending faster than the money is coming in, and the sustainability of that will only exist if we continue to get increasing transfer payments indefinitely into the future.

Now I'm not saying that you can't do this from time to time, and maybe this is the year to do it. I'm just saying, be up front with Yukoners and tell them that's what we're doing — that we're spending more money this year than we're taking in because the need is great, and we want to create jobs. But we can't do it forever.

Reannouncements: this budget is, of course, full of items that have been announced before. The Campbell Highway reconstruction has been announced several times over the last two years. The new correctional facility has been announced several times. Lot development in Whitehorse — most of the money lapsed and was not spent last year, so it's going to be revoted.

Money for Whistle Bend, Takhini North and Arkell are right back in this year's budget, with the government announcing it as if it's new money. Of course, the money for the Whitehorse airport terminal expansion is in the budget again this year. It couldn't be spent last year because the Yukon government was in court with the Kwanlin Dun First Nation. The Yukon Party failed to live up to responsibilities it had under the



Kwanlin Dun land claim agreements, under the Yukon asset construction agreement, and it ended up in court — again, a mismanaged situation that cost Yukon taxpayers money and caused a year delay in the upgrade to our airport.

Now, that brings us to a really favourite topic of late and the favourite tactic of this government, which is taking credit for stuff that's not actually even in the budget. For example, in the budget speech there is reference to Mayo B. The Premier talks about millions of dollars that are going to be spent on Mayo B and portrays this in the budget speech as if it's part of the budget. But it's not. There isn't one dollar allocated in this year's budget for this project. That may change later this year, if the federal government comes up with money in the green infrastructure fund. But, again, that's the Premier's economic development plan — we'll go back and try to get the funding from Ottawa — but why is it in the budget speech, if it's not in the budget?

There is also mention of the grid extension from Pelly Crossing to Stewart Crossing. Again, it's not in the budget.

The northern strategy trust was established by Canada as a contribution toward the implementation of the northern strategy, a strategic plan for the development of Canada's north. The trust originally comprised \$120 million, with \$40 million each allocated to Yukon, Northwest Territories and Nunavut. Each territory was given broad discretion for determining how its share of the trust would be used to advance the objectives of the northern strategy.

In Yukon, the northern strategy trust provided \$40 million in funding over three years. In 2006, just over \$9 million worth of projects were approved. In 2007, projects worth close to \$16 million were approved. In 2008, no projects were approved, and the final \$15 million has been rolled over into this year. What happened after that? There has been no indication that this funding is going to continue beyond this year. It's interesting to see that what the federal government is doing is giving with one hand and taking with the other. We have new funds; this one has disappeared. Perhaps the Premier will be able to enlighten us on the future of this program.

Another announcement that is of interest, Mr. Speaker, is the location of the northern economic development agency. The 2008 Speech from the Throne committed to the creation of a new regional economic development agency for the north.

Budget 2009 — the federal budget — provides \$50 million over five years to establish the new agency. What communication, what lobbying, what has been taking place with regard to the location of this new agency? We know that the Northwest Territories has been pushing hard for this in the Senate and at the premier level. We'd like to know what's happening in terms of Yukon's view of where this should be located.

Something else that Yukoners are concerned about is electricity — prices and reliability. We hear it every day. Every MLA does. I'm sure that members on the government side hear it as well. More than once in this Assembly, we've had to shut down proceedings because the lights go out; the power goes out; we can't record *Hansard*. The budget contains no relief for electrical consumers who are suffering under ever-increasing power bills. The Yukon Party has raised rates by 15 percent

and another 15 percent is coming on July 1 because of the elimination of the RSF. While increases have already hit, the minister's long-promised rate reductions haven't really materialized.

On May 14, 2007, in an interview in the local media, the headline read, "Electrical Rate Reduction Targeted and a Rate Stabilization Fund Extended."

"Energy, Mines and Resources minister Archie Lang ... " Excuse me, the Energy, Mines and Resources minister, the Member for Porter Creek Centre — excuse me, Mr. Speaker. When you're reading these articles, that slips in. "... announced today that the Government of Yukon is targeting a rate reduction for electrical consumers in early 2008."

It is now early 2009 and there is no sign that the minister's promise has yet been fulfilled. Is it any wonder that the public has trouble believing this government when it makes these promises, because they're not fulfilled, just like the phantom Dawson health centre which has now emerged yet again in the budget? That was a \$5.2 million health centre from, what, four or five years ago at this point? When the minister isn't busy forgetting to fulfill these promises to reduce people's power bills, he's busy trying to get the lights back on.

Another issue we're hearing more and more frequently from Yukoners on the doorsteps, on the streets, among small business people, is keeping the lights on. Why have we been experiencing multiple power outages across the Whitehorse-Aishihik-Faro electrical grid? No doubt the minister responsible will tell us that this isn't his responsibility; that it's the Yukon Energy Corporation that's responsible. It's between a Crown corporation — it's not the government — and Yukon Electrical Company Ltd., a private company. Well, those are facts, Mr. Speaker, but Yukoners aren't buying it, because they know that the Yukon Energy Corporation is fully owned by the Yukon Development Corporation, which is nothing but an arm of government. We know that when there's good news — a new extension to a power grid — then the government has an awfully short arm. The Premier's right there in the photo op to have his picture taken throwing the switch. He doesn't say, "I can't do that; that's a corporation and it has nothing to do with me." The Premier's right there. When the power goes off 37 times in 52 weeks, it's a Crown corporation.

Mr. Speaker, Yukoners are not interested in a baffling discussion of acronyms. YEC, YDC, YECL, YUB, RSF — they just want the lights to stay on. They want to be able to work on their computers, work in their shops, shop in the stores, cook in their homes, heat their homes without having the power go off. They don't want to worry about having to replace expensive appliances that are damaged by lengthy low-voltage brownouts that end in blackouts. They want the minister responsible for the Yukon Energy Corporation and the Yukon Development Corporation to do whatever is necessary to make this simple request happen. And what we've heard from the Energy Corporation is that it should have started six years ago.

Well, it's an interesting length of time, because this reinvestment in infrastructure that should have started six years ago coincides with the tenure of this government. We've been suffering power outages all too frequently. It may be an inconven-

ience for some; it's a matter of a lot of lost revenue for others. Businesses have had to close a number of times, because the minister can't keep the lights on. It's a health and safety issue; it's an issue for parents who need to heat baby formula, and it's an issue that frustrates every Yukoner. If the minister doesn't believe so, then the next time I get voicemail about this subject, I'd be more than happy to forward it to the minister's telephone line.

Now, health care. Health care costs continue to rise. There was a news release the day before the budget from the Minister of Health and Social Services to highlight the fact that health care funding was up \$20 million over last year. So, the government wants to highlight that spending is going up. Spending pressures in the department are going up; they're spending more money. Of course, the budget for health is \$229 million. That's actually only \$3 million more than what is now forecast for the whole year.

Over the course of the year, millions of dollars were added to the budget in supplementary budgets, so we have gone from \$226 million, which is what it looks like is now going to have been spent during the past year, to \$229 million, which is only a one-percent increase according to the budget documents. We know that this is less than the rate of inflation, so there will likely be millions more added again over the course of the year.

We have talked a lot about education here today. I know the Minister of Education is always happy to talk about education; not always happy to act about education, but he likes talking. He keeps telling us that he has issued us multiple invitations to talk about it. Well, Mr. Speaker, we are disappointed that this budget fails to address the recommendations made by the Auditor General of Canada in her recent report. This budget fails to move the education system forward. The minister is ignoring the recommendations of the Auditor General by refusing to set targets for graduation rates. We keep asking him to set targets and he refuses. He thinks it is humorous to quote from various things said in the media and in Public Accounts where we said we are not holding the educators responsible for his failures, that we are not going to say that the teachers are not doing their jobs. He thinks that is funny.

It's not funny to the parents of the children who are failing. So, we've moved from not completing the *Education Act* review, which is actually mandated by the *Education Act* but has never been completed, to spending several years on the education reform process, only to move on and now we're working on New Horizons. What has all this endless review, reform and horizon gazing done in the classrooms? Because that is where it matters.

Our teachers are dedicated but they are tired of hearing about all of the great plans only to hear that we're going to study it some more, study it longer. Teachers don't want to hear that 40 percent of First Nation students are all who have been graduating. That 58 or 60 percent — depending on the period of time that you look at — is all that the graduation rate has been.

This minister's answer today to the Member for Vuntut Gwitchin when he raised the issue of the abysmal aboriginal graduation rates was to tell him that if he had paid attention

he'd have heard that there was an MBA program announced just this morning. So, Member for Vuntut Gwitchin, tell the parents of the children who aren't graduating that if they just get patient they can get an MBA.

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

**Mr. Mitchell:** Excuse me, a master of education. I misspoke myself. I'm sorry. I'm sorry. They will get a master of education program right after they fail to get a grade 12 diploma. Thank for you correcting me, minister.

The budget speech contains more fuzzy words and little action. We still don't have a plan in place to improve those graduation rates.

Some other things that people have already raised with us, Mr. Speaker, include the highways department where there appears to be a six-percent reduction in the budget for maintaining Yukon's highways. And yet we hear that people are concerned about the condition of the highways. They were concerned last summer from driving the highways and they are concerned this winter when we had all the snowfall. What we are looking at is a six-percent reduction in maintenance. So we're not sure how that is going to improve the highways but we look forward to hearing it. We've heard more complaints than ever about how the roads are being maintained. With the record snowfall this winter and the possibility that there is already planning going on in other departments for possible flooding this spring, it just doesn't make much sense to cut the maintenance budgets.

Other things that appear to be missing, again, as I said earlier, there's no movement on providing the funding to the City of Whitehorse for the increased bus service and the possibility of the free bus service, which the city is now looking at putting in place. But they are going to need the funding to do it. The government says they've got lots of money — they could try putting some toward that.

The Internet pipe to Vancouver and Alberta and points south: we have always built roads to resources, Mr. Speaker, and there is money for that purpose again in this budget. But, Mr. Speaker, we need to do that for the information highway too. More and more independent contractors and small businesses depend on this. Over time, we need to pursue the knowledge-based economy because it is more flexible and it is more resistant to economic downturns in cycle than is a resource economy. Make no mistake: it is not a question of replacing one with the other; we can do both and we need to do both because we have to become, over time, more self-reliant and less impacted by these global cycles.

There are cuts to Kaushee's Place, the women's transition centre, of 13 percent and to Skookum Jim, down 79 percent, and the Salvation Army, the social services portion, is down 69 percent.

Now the Minister of Health and Social Services was very quick to claim that he would provide more funding later in the year — well, why not just put it in this budget? Why should these agencies sit there now wondering how much money and when it will be provided? Why not put it in the main estimates?

We've heard quite a bit about how ineffective Yukon driver's licences are to be used not only for identification but

even for driving and renting a car in other jurisdictions. Anyone who has travelled and rented a car has certainly had people stare at that licence and wonder whether it is actually a legitimate licence. There is no funding to improve that in this budget.

There is no mention, whatsoever, of land claims — in terms of moving forward with the three unsettled land claims. The Premier has tried to lay this at the feet of the federal government but the fact of the matter is that there has been no progress on these claims in six years since the Yukon Party took office.

There are things, of course, as I have said, that we can support.

We're not going to spend a billion dollars without there being some positive things — some highlights. We have said, for example, that we're glad to see the government finally moving ahead on F.H. Collins. I think there is \$400,000 in planning ahead for the new replacement school. Now mind you, having looked at the planning money that we previously saw for the Watson Lake and Dawson City health care centres, the planning money that we've previously seen for the correctional facility, we're going to believe it when we finally see it.

But hopefully there will be a better approach — that it won't be the old approach, where we might see it by 2020. But it is important. We know that Yukon families are looking forward to new facilities.

The Slims River bridge — thanks to our American neighbours, who provided us with the funding to complete this project — will be a positive for people travelling the north highway and, of course, people travelling on to Alaska.

The Yukon government providing \$4 million in funding over five years to the City of Dawson to make improvements to the Art and Margaret Fry Recreation Centre, so that it will finally be fully usable, as it was intended — that's a positive.

I've already mentioned the Hamilton Boulevard extension, which will be completed this summer for an additional \$1.75 million. That will benefit the residents of Granger, Copper Ridge, Arkell, and McIntyre by providing a second way out. It is a safety issue and a traffic issue, and we're glad to see that going forward, hopefully without any more blasting or other incidents.

The good energy rebate program being extended for the 2009-10 fiscal year.

The children's receiving home — we had a lot of discussion in this Assembly last year over the mould in the existing home. It was raised by the Member for Mayo-Tatchun and raised by the Member for Mount Lorne. We're glad to see that that's going to move ahead.

The support for the construction of the Kwanlin Dun First Nation cultural centre on the waterfront and the Champagne and Aishihik First Nations cultural centre in Haines Junction.

We're going to see the support that is there for road improvements across the territory on the Campbell Highway, the Shakwak project, the Atlin Road, which is not in our territory — well, the part of it that they're doing, of course, is in the territory, but it feeds to areas where Yukoners may work.

That's the \$14.9 million for the mobile communications system, including cell phone expansion to Ibez Valley and Lake Laberge.

There are many good things in the budget, and I do want to say that I can see in this budget that many, many officials have worked long and hard to come up with good projects to put into the budget.

In the Premier's own riding, the construction of a 12-unit seniors housing complex in Watson Lake and yet another one in Teslin, like the one that exists now in Haines Junction. These are good things.

We want to see, however, that they get done on time and for the money that has been budgeted, not constant cost overruns and delays.

Mr. Speaker, there is money for the Olympics — and we are very proud of our Olympians — there is money to support Yukon's participating in the Olympics and hopefully to generate some increased tourism to Yukon as a result. On a lighter note, I guess that budget item also holds a few clues about when the next election might be, because it looks to be fairly safe to say that the next Yukon election won't be happening until after February of next year. Maybe the government will decide to roll the dice sooner, but they certainly seem to be gearing up for the Olympics. In fact, there appears to be a contest going on to see which minister can spend the most of their budget on ensuring that they get front-row seats at the games.

#### **Speaker's statement**

**Speaker:** Does that not speak to motive, honourable member, when you make an accusation like that?

**Mr. Mitchell:** Mr. Speaker, it was meant to be humorous, not an accusation, to talk about all the announcements, but I hope that it will be taken in that spirit.

**Speaker:** I would remind the honourable member that one side would see humour where the other side would see insult, so just please keep that in mind. You have the floor.

**Mr. Mitchell:** Thank you, Mr. Speaker. There has certainly been lots of humour coming from both sides of the House in recent days.

Mr. Speaker, we've covered some ground here today, and hopefully we've given the Premier some food for thought and some suggestions for changes to the budget. In particular, we'd like to see funding put in to address the concerns of non-government organizations that are not certain what their final funding will be. We'd like to see more movement toward a new and green economy which, by the evidence of what's happening elsewhere in Canada, in the United States, and particularly in Europe, is a win-win, because it actually creates lots and lots of new jobs in the process of improving the health of our environment. We'd like to see some real numbers toward jobs coming forward from the announcements across the way. We know that we're not allowed to amend the budget to add any spending to the budget, but we do know that the Premier can move money around by cutting something, perhaps, that he knows is not likely to go ahead this year, and putting it elsewhere by tabling a supplementary budget. So we hope that the Premier will consider that.

The Premier knows my phone number; he knows our numbers. If he truly wants us to support his budget, he could try acting on some of the suggestions. We're willing to meet whenever he is.

One billion dollars, it has been said, is a lot of money for 34,000 people, and a lot can be accomplished. It can make a real difference in people's lives if it's invested wisely and spent carefully. If it's not spent carefully, if it's doled out in a way that only a few benefit, then an opportunity will have been wasted. So again, we look forward to the Premier's response to our suggestions.

Thank you, Mr. Speaker.

**Hon. Ms. Taylor:** It is indeed my honour and privilege to be back in the Assembly and to address the budget that was tabled in the Legislature last Thursday by our Premier.

First of all, I would like to offer my humble thanks to my constituents for their input and their support over the last six and a half years. The riding of Whitehorse West comprises the neighbourhoods of Arkell, Logan and a very large portion of Copper Ridge, and we have very much seen considerable growth in this particular area over the last number of years — a real indication of the value that people place upon our community. It's a great place to live, to raise a family as well as to retire.

It comprises two important institutions as I would coin them, those being Copper Ridge Place as well as l'École Émilie Tremblay. I have really enjoyed the privilege of serving as the representative for Whitehorse West, including raising issues of importance to my respective constituents and having the opportunity to work for them to address each of those issues, whether it is a territorial, municipal or federal-related matter.

Over the years I very much enjoyed the opportunity of becoming more acquainted with Copper Ridge Place, a home for many residents, which provides a full range of specialized care for seniors, elders, adults and children. Copper Ridge Place — for anyone who has had the privilege of being able to step in those doors — is really a special community within the Copper Ridge neighbourhood. It's essentially a community within a community. I would like to offer my recognition and thanks to the staff of Copper Ridge Place for their dedication to each of those residents and for making that particular facility a home for many.

As well, a big thank you to the highly treasured volunteers from the community who have given of their time to enhance the quality of life for those residents, providing or assisting with recreational programs, special events, one-on-one visits, taking part in a number of different programs: pet therapy and many, many others.

I would like to also recognize and thank École Émilie Tremblay for the continued hard work bringing quality education to their students. It has never ceased to amaze me, the strong sense of community and commitment to French culture that is always evident in my work with École Émilie Tremblay. They are to be commended for their successes and for the expansion of the programs that they have been able to bring to their respective school.

I would also like to acknowledge and thank the Copper Ridge Neighbourhood Association for its work. Since its inception just a few short years ago, the association has undertaken a number of initiatives including fire abatement planning and work in the associated area and work on the proposed expansion of Lazulite Park. They have also participated in the school planning process in the Copper Ridge area and they have also taken part in city planning processes, such as the official community plan review that is well underway as we speak.

There are many other initiatives that the Copper Ridge Neighbourhood Association has taken part in. I would just like to acknowledge that this in fact is a great group of dedicated volunteers who have accomplished a lot over the recent years, and they continue to serve as an active grassroots organization dedicated to the well-being of our respective area. I have really enjoyed the opportunity to work with them over the years on these and other matters of importance, including helping them out at their annual barbecue which continues to attract hundreds of residents despite what the weather may hold, and we certainly saw that last year.

Today I am honoured to really speak to the 2009-10 budget that was tabled in the Legislature by our Premier in his capacity as Minister of Finance last Thursday. I would like to really extend my sincere gratitude to those officials — all those many officials in the government — for their contributions to the budget process. We all know that the budgets comprise a lot of work, a lot of dedication and certainly a lot of input by respective Yukoners. But really putting the budget together is the tough work indeed, and without those contributions of the officials, we wouldn't have a budget to table, and for that I would just like to extend my gratitude for the professionalism that our officials continue to demonstrate day in and day out. It has been a real privilege for me to be able to work with a great, honourable group of individuals.

The budget that I speak of today, of course, comprises the largest expenditure ever experienced in the Yukon Legislature. It comprises \$1.3 billion worth of various expenditures. It also comprises our seventh consecutive year-end surplus.

A great deal of the budget, as our Premier has articulated, is about economic stimulus. It's also informed by consultations with Yukoners. I have to say that there was a multitude of efforts put into the creation of this budget, of course, which included our annual community consultation, our annual community tour, on which we, as members of the government caucus, have the opportunity to go and discuss issues of importance with Yukoners in every single community. I again had the great opportunity of being able to go to many of those communities last summer — last fall — and got to hear directly from them. And you know, it's amazing, Mr. Speaker, for a population of just about 34,000, to have such a diversity in and amongst our community and in and amongst the respective communities. I have to say that we are so fortunate to have such a committed crew of individuals who have chosen to reside in the Yukon, who have chosen to contribute to their communities and to make the territory a much better place for all of us. Those contributions helped inform the budget process,

as did many other dialogues with key stakeholders, to which the Premier has also made reference in the past.

The budget really is about continuing to foster and develop the quality of life for Yukoners by investing in the social side of the ledger as well as protecting and preserving our environment. It's about responding to the current economic situation by making strategic investments in two particular areas: first, in the short-term, targeted investments create local employment. They provide spinoff benefits for local retailers and suppliers in the Yukon. Of course, over the longer term, these particular investments support our plan to grow, develop and diversify the Yukon economy. What it in fact entails is really an investment for the future.

So, Mr. Speaker, the budget contains investment in infrastructure to create immediate stimulus. It also creates stimulus for long-term economic growth. It includes highways, bridges, airports, green energy information technology and a renewed focus on communication infrastructure.

Social infrastructure investment includes schools, health centres, hospitals, treatment centres, correctional facilities, affordable housing, seniors housing and other public infrastructure.

Environmental infrastructure includes investments in our climate change delivery; for example, the Yukon Climate Change Research Centre of Excellence, the Yukon Cold Climate Innovation Centre, the Northern Research Institute and many others. It includes investments in sewage and wastewater treatment, green energy initiatives, solid-waste management and recycling, to name but a few.

In transportation infrastructure, we are investing an increase of almost 14 percent over last year for a total of almost \$57 million. This includes an additional \$1.75 million for the completion of the Hamilton Boulevard extension, slated to be open later this summer. I wanted to be very clear on this point that I have very much advocated for this as the number one initiative in my respective riding and that is the extension of Hamilton Boulevard. I have advocated and I've worked closely with my colleagues, and I have also worked closely with area residents to ensure this project does in fact move forward. So it is with great joy that I am able to say that we are looking forward to the opening of that extension this summer. It has been a \$15-million investment, cost shared among three respective governments, including the Yukon government covering the lion's share of about \$6.5 million. As well, the City of Whitehorse and the federal government have also contributed to this project.

But we really look forward to it, as has already been articulated by other members in the Legislature. The extension will really serve as an alternative route for emergency purposes, first and foremost, but it will also help alleviate some of the traffic pressures that we, as residents up the hill, sometimes do experience. So I'm very elated to be part of that grand opening of the extension, and we look forward to seeing the net results.

And I have to say that this has been an initiative, having gone through previous governments' platforms — election commitments — this has been on the books for many, many

years. It is this government that is actually going to be able to deliver this extension for the residents. And it is very timely, with the near-completion of the residential development in the area. But, of course, we have a new development in the area, when I speak of the Arkell expansion, otherwise known as the Ingram neighbourhood development.

This budget includes investment in airport infrastructure. It includes almost \$16 million for a major upgrade for the Erik Nielsen Whitehorse International Airport terminal building to maintain the Whitehorse airport's international status. This is a key piece of infrastructure, of course, when we talk about growth in our economy and especially growth in our tourism potential. We are very pleased to be able to work on those improvements and see those improvements come to fruition. It will, in fact, guarantee that Yukon will be able to receive international visitors via direct flights, such as Condor, that we currently receive. It is a market that continues to prosper and a market that continues to see growth in that particular market. As a result, we have been working extra diligently to enhance that market share and to grow that as a potential highlight in the growth of tourism.

Now, on the communications side, we're also investing almost \$15 million for the mobile communications system — a system that is very much utilized by emergency service personnel, the RCMP, ambulance service personnel and many others. This will be an upgrade of the system. It will be an enhancement of the system and one that has been in the works for a number of years.

Now, when we speak of developing our economy, this budget does make major investments in marketing, for example. It is one of the highlighted focuses of the budget — to promote Yukon as an attractive tourism destination while attracting investment and encouraging trade. These investments are primarily through the departments of Tourism and Culture, Economic Development and Energy, Mines and Resources.

Mr. Speaker, we will be taking the opportunity presented by the 2010 Winter Olympic and Paralympic Games to undertake what I would coin one of the largest marketing initiatives ever to be held in Yukon. To this end, we are investing just over \$2.6 million in this fiscal year alone to participate in the 2010 Olympic and Paralympic Games. Mr. Speaker, these games will help us market Yukon to a worldwide audience. Mr. Speaker, a lion's share of that will be going toward marketing and media activities dedicated to the Vancouver area, our gateway cities of Calgary, Edmonton and Vancouver and building on the success of the national marketing campaign that was undertaken in 2007. So, Mr. Speaker, we are, in fact, enhancing the budget.

I would also like to say that it has been this government that actually re-established the Department of Tourism and Culture after it had been dismantled under the previous Liberal government. Likewise, the previous Liberal government didn't see the importance of economic development, as they got rid of that one too. So it was this government that has actually re-established the Department of Economic Development as well as the Department of Tourism and Culture as two stand-alone departments.

Mr. Speaker, it is interesting — I was just taking a look at the budgets and comparisons — when we look at the Department of Tourism and Culture, for example, we look at the last budget that would have been tabled by the previous Liberal government in 2002-03, and then you compare that to 2009-10. Back in those days under the previous Liberal government it was all under one umbrella called business, tourism and culture. So when you look at the budget and where it was then and then you look at where it is today, there has actually been — just in the Department of Tourism and Culture alone, never mind the expenditures made by the Department of Economic Development — almost a \$5-million increase over the last six years under this government's watch — certainly a demonstration of the very importance that tourism and culture contribute not only to the economic, but also the social well-being of the territory.

Mr. Speaker, under this budget we also have an additional \$500,000 that will be put toward overseas tourism marketing in order to enhance again the awareness of Yukon as a destination of choice and to promote unique tourism experiences. We are also providing \$100,000 in additional funding to the Yukon Convention Bureau to market the territory. This means building upon meetings, conventions and incentive travel, for a total of \$300,000 for the Yukon Convention Bureau. They have done a significant job over the last number of years building upon the awareness of Yukon built through significant events, such as the Canada Winter Games, exploring the importance and the opportunity that sports tourism alone contributes. This particular organization has done a wonderful job and, for every dollar invested, there are many more in return.

Now, Mr. Speaker, before I leave Tourism and Culture, I also wanted to make reference to significant investments in arts and culture that have been made over the last number of years. I'd just take a look at investments such as Culture Quest, a new touring artist fund, enhancements to the Artist in the School program from \$25,000 to \$100,000, new investments to the Yukon arts funding program, which provides longevity and stable funding for arts organizations, and of course that in turn has turned into an increase in delivery of arts funding made available through the fund itself.

We were able to deliver, or announce, new increases to these respective areas by almost \$600,000 about a year and a half ago. Again, that is long-term, sustainable funding that is an investment, that helps export our artists and our cultural industries to take their professions outside of the territory, not only serving as cultural ambassadors, so to speak, but also building upon our economic success as a great place to visit, a great place to invest, and of course a wonderful place to reside as well.

New investments, such as the \$150,000 in new funding, is being dedicated to operation of the Old Fire Hall as a cultural venue in the territory. This has been a great collaboration and a very unique partnership between the Department of Tourism and Culture as well as the Yukon Arts Centre and the Whitehorse Chamber of Commerce. It has not only provided an additional venue for presentations to be made, exchanges to be made, but it has also served as a great gathering place that ac-

tually drives more visitation to the downtown core, which is very much appreciated by the Whitehorse downtown merchants and so forth.

And of course, these investments also build on the long investments that we have made along the Whitehorse waterfront, including the Carcross waterfront, for a total of about \$21 million, if I'm not mistaken, which has seen significant improvements along the Whitehorse waterfront and the Carcross waterfront, driving more investment to the territory, more visitors, but also instilling a unique sense of additional pride in our respective community citizens, as well.

And building on that, of course, there are also dollars allotted for the construction of the Kwanlin Dun First Nation cultural centre, as well as the Champagne and Aishihik First Nations cultural centre and unique opportunities to be realized and recognized, as well. So we are very excited to be able to contribute to those initiatives.

Over the years, we have enhanced funding substantively to Yukon museums and First Nation cultural centres ranging, of course, from the newest one to join the family of cultural centres and museums, which would be the one administered through the Vuntut Gwitchin First Nation. I had an opportunity to be at the opening of that facility last year, and they've done an amazing job in collaboration with Parks Canada, Tourism and Environment, and we're very pleased to be able to provide ongoing core funding to the Vuntut Gwitchin First Nation to go toward the operation of their centre as well.

Through the Department of Economic Development, we are very pleased to continue with its great efforts to promote partnerships as well. When we speak of partnerships, we look at partnerships garnered through the continuation of the community development fund. In fact, we have \$3.3 million allotted in this budget alone.

The community development fund was one of those initiatives that was also dismantled by the previous Liberal government, but we were very pleased to reinstate that and enhance the funding available. It has been very well received by community organizations, municipal governments and First Nation governments in being able to access readily the available funding for strategic investments in their community. Likewise, investments for FireSmart were able to enhance and grow. I know up in my constituency, Whitehorse West, funding has been made available each and every year for the intended purposes of having fire abatement performed in the area. That is very much appreciated as well.

We have \$6.5 million available for information technology. That is one thing that we did make as an early investment in our government's early mandate — to enhance investment significantly in the IT sector. As a result, we've been able to grow that sector; we've been able to grow and build upon the local capacity that's made available here today.

There is \$987,000 for the Growing Forward initiative to support agriculture and again, that is another growing industry that we've seen in the Yukon. We've seen it flourish and we see there are many opportunities to expand upon potential in terms of bringing food security, but also in terms of expanding their markets. There are millions of dollars available through

Yukon Housing Corporation for new green home construction, home rehabilitation and energy retrofit. Our government has enhanced this funding by millions of dollars, that which was reflected in last fall's supplementary budget, and supports green energy, supports a thriving construction industry, and we see even more potential as we proceed with enhanced investments in green, super-green technology.

Targeted investments such as these do create jobs. They create employment in our communities. They make a contribution to our manufacturing and retail supply sectors, which is very much appreciated.

Infrastructure in the communities includes about \$10.45 million investment in land development in rural Yukon. It also includes \$18 million for land development in Whitehorse, including \$8.2 million for the development of the expansion of the Arkell subdivision. You may know that this area, which is otherwise known as the new Ingram residential development, will comprise a mix of high-density housing, including townhouses, duplexes, and single-family homes, for a total of up to — I believe it's just over 226 dwelling units on 130 lots, of which I believe 38 will be designated for single-family homes.

A lot of work has been undertaken to date on this particular project — water and sewer, shallow utilities, road construction. They've all been undertaken — my apologies — they certainly will be undertaken later this year through the tendering process. And we're looking to have lots readily made available for this fall — probably late fall.

But, again, it just reflects the very importance of the area as a thriving area to reside in, and we think that this will, in fact, bring more affordable housing, as well, by concentrating on high-density housing in the area.

As well, there is \$10 million available for engineering design and on-site utility services for the Whistle Bend subdivision in Whitehorse, which we know could potentially house up to 8,000 additional individuals — so, again, building on the theme of providing readily accessible, more affordable, housing in the Yukon.

And when we talk about preserving and protecting our natural environment, we are investing many millions of dollars toward green infrastructure improvements — \$3 million, for example, for the selection and planning of an appropriate option for treatment of Dawson sewage; another \$5.5 million for the Carmacks waste-water treatment centre, and we hope to see its completion this year.

Other investments include the establishment of the Climate Change Research Centre of Excellence at Yukon College, in conjunction with the Yukon Cold Climate Innovation Centre, as well as the Northern Research Institute and many others.

As well, there are also dollars made readily available for site assessment and remediation under this unit, which was just formed less than a year ago. We are now enhancing that with an additional \$200,000, I believe, to the tune of just over \$600,000. Again, building on our commitment to enhance and preserve our pristine environment.

One of the most important environmental initiatives has also been reaching consensus with Canada and affected First Nations on the preferred closure option for the Faro mine,

which will maximize local job opportunities and will bring with it a cost of \$30 million per year for the 15-year construction phase and another \$10 million for the 15-year period — Mr. Speaker, not only addressing liabilities of the past but also creating local employment through many jobs in the years to come.

Mr. Speaker, this budget also speaks to a number of other initiatives. It speaks to the animal health program of almost \$320,000 to be made available for a new unit comprised of a chief veterinarian officer as well as technical support staff and associated capital improvements as well.

This government also has seen fit to enhance the support of recycling initiatives and, of course, this budget also reflects an investment of just under \$600,000 in recycling improvements, which include core funding to our community recycling depots, it includes a new school recycling action plan — which we are very excited about and have been working with the Department of Education and the respective schools to implement. It also includes dollars to be made available for transportation of goods and so forth. So we are very pleased to be able to continue to assist recycling efforts that also help to divert thousands of tonnes of materials from our respective landfills.

Mr. Speaker, I would also be remiss if I didn't mention investments in climate change-related initiatives. On February 12 of this year, our government was very pleased to release the government's climate change action plan, which comprises 33 priority actions based on the four goals as outlined in the climate change strategy, those being to enhance our knowledge and understanding of climate change, working to improve our ability to adapt to climate change, reducing greenhouse gas emissions and establishing Yukon as a northern leader for climate change research and innovation.

Now this builds upon work that is already occurring in many departments and agencies throughout the government. In fact, there are approximately 80-plus initiatives already underway. In terms of adaptation, we know that work is being undertaken, for example, to test different road surfaces in order to determine strategies for the reduction of permafrost degradation on our highways. We're providing support to study climate change impacts on major watersheds, such as Yukon River, through the use of traditional knowledge as well as scientific monitoring.

Through Energy, Mines and Resources, there are investments for the conducting of the Yukon forest health risk assessment. We are continuing to invest in Yukon's fish and wildlife inventory, which is critically important to the way in which we can and certainly will adapt to climate change challenges. We are also helping support, through the use of northern strategy funds, a number of community sustainability and adaptation plans. The City of Dawson is but one of those communities that has taken on that work. As I mentioned earlier, there is the creation of a Yukon Cold Climate Innovation Centre, which is really a great partnership between industry, researchers and government, whose mandate is dedicated to creating commercial solutions to cold climate issues affecting northerners.

We are working to reduce greenhouse gas emissions in the Yukon through energy efficiency, conservation and the use of renewable energy — and I know that there has been much spoken about energy and much to come, I'm sure — but when we look at the extension of the transmission line, for example, to Pelly Crossing, that has resulted in thousands of tonnes of CO<sub>2</sub> being emitted into our atmosphere.

It has also removed a community such as Pelly Crossing from having to continue using the less-than-clean diesel. These are just but a few examples.

So this budget includes, also, approximately \$600,000 for the creation of a climate change secretariat to oversee the government-wide implementation and coordination of the government's response. Mr. Speaker, it's unfortunate I'm running out of time, but I did want to draw upon the fact that there are significant investments, comprising health, on the health side of the ledger: \$20 million in new funding compared to where we were a year ago. This speaks to a number of key initiatives that we have heard of, including the very successful 811 health line, which provides toll-free access to health care advice, symptom relief and information on a 24/7 basis. I've heard from many constituents that this initiative is working very well, and it has helped many parents, including me, over the last little while, in addressing issues of concern. There are also monies being made available to address wait times, which we have also heard.

We are also addressing new funds for non-government organizations. There is a lot to be said about the investment in these organizations such as the Child Development Centre. Our government has increased and certainly is very appreciative of the work that they conduct on a day-to-day basis. We are very pleased to provide an additional \$100,000 for a child psychologist in this budget, which enhances and grows upon the enhancements already made to this organization.

Likewise, when we look at Kaushee's women's transitional centre as well as Help and Hope for Families Society, Many Rivers Counselling Services and many others, this budget certainly reflects the importance that these organizations play in society in communities today. We are very pleased to be able to commit to them multiple-year funding as I'm sure the Minister of Health and Social Services will be articulating as well.

I also just wanted to say that investment in women's equality is of utmost importance to this government. Again, it was this government that reinstated the Women's Directorate after it had been dismantled by the previous Liberal government.

This budget reflects increases, for example, to the prevention of violence against aboriginal women fund and, in fact, it has been doubled to \$200,000. It's building upon our key core commitment to enhance aboriginal women's equality, working with aboriginal women and building upon those recommendations that have come out of those two recent aboriginal women summits held in Yukon in the last year.

The budget also articulates the dollars for the women's equality funding program, as well as funding made available for several key women's organizations in the territory — something that was never done before, Mr. Speaker.

In fact, not only did our government reinstate the Women's Directorate, we have more than doubled the amount of funding made available for women's equality. And that does not even address the many units of affordable housing that our government has undertaken and is about to undertake — for example, the 30-unit, family-focused housing initiative, which will target single parent families. We know that it is by far the largest gap in affordable housing that remains to be seen. We are going to be proceeding with that building later this year.

So again, in terms of addressing violence against women, we are getting at the root cause of violence against women. Of course, having affordable, secure housing is a key determinant in addressing women's equality.

We need to address education, as has been articulated by our Minister of Education, and in fact, over the years, we've seen a 30-percent increase in education investments.

Mr. Speaker, seeing the time is up, I commend this budget to all of the members, and I thank you for the opportunity.

**Mr. Cardiff:** Well, Mr. Speaker, I think it was said earlier today that it's nice to be back here in the Legislature, and engaged in a debate about the public's business and the spending priorities of this government. I'd like to start today by thanking the residents of Mount Lorne — the constituents there — for their support for me as their representative, and for the many conversations that we get into, whether it be in the grocery stores, or at sled dog races, or on the street, or at the many events around the territory. I'd like to say that it is truly an honour to be their representative, and to represent the beautiful riding of Mount Lorne. Driving home every evening I look at the natural beauty — the mountains, the snow, the wildlife that crosses the south Klondike Highway on occasion, or runs by the community centre or through my yard. It is truly a wondrous place that we live in, and we really enjoy the fresh air and the wide open spaces and it is truly an honour to live there and represent the residents of Mount Lorne.

The Premier has tabled the largest budget in Yukon's history, as he puts it. It is over \$1 billion — a large amount of that money comes from the federal government. It is interesting, the Premier, when he was first elected, talked about reducing our reliance on Ottawa and federal funding, and it seems in some respects we have come more and more to rely on it. I think that if there is one area the Premier can take credit for, it is for the job that he has done in securing funding, and I think that the funding from Ottawa is a good thing. I'm not criticizing the fact that we get more funding from Ottawa, but what I am saying is that the Premier was of the opinion that we should reduce our dependence on Ottawa and diversify our economy and have more revenue coming from local sources, and that doesn't appear to be the case.

So what does this budget accomplish? What is it going to accomplish? How are we going to measure the success? How we measure that success will be something that will happen in the future, but I hope that the government will monitor the progress of its spending, and provide feedback to the public and to members of this Legislative Assembly about the expenditures that they're making, the accomplishments or lack thereof,



where things need to be adjusted so that we can make the progress that we're all looking for as Yukoners.

There are definitely some good measures in the budget. We support things like improving water quality in communities. Yesterday was World Water Day, and improving water quality in communities, dealing with problems of sanitation and sewage treatment facilities in rural Yukon should be a top priority for this government, and it's good to see that it has finally hit the radar screen in a larger way. I think that members on this side of the House can take credit for some of that, for the questions that we've asked and the encouragement that we've provided to ask this government to move forward to make water and sanitation a priority.

I think the budget definitely spends on some big, flashy projects. We've got the jail; we've got the airport facility, the new terminal building — the correctional facility/treatment centre, I should say, as opposed to the jail, I suppose, which is a real big project with future implications for future budget years as well, obviously

But this budget also neglects some other values. It neglects gender equality; it neglects environmental protection and green job creation. It doesn't do a lot for creating rural jobs or investing in human infrastructure or social capital. So is this a stimulus budget? In some ways it is. As a construction worker, I can see that investing in infrastructure like highways and buildings does create jobs. Those workers spend money, and that money goes around in the economy and creates wealth in the community of the Yukon.

There's a lot of money that's going to be spent and it's going to create some short-term jobs. But it's not very stimulating in terms of what could be done with \$1 billion. The Premier seems to think that, because of this budget, everything is rosy and, like the Prime Minister, he seems to be extremely optimistic — maybe a little too optimistic, in fact.

So we have to remember that this is the people's money. It's the taxpayers' money. And, over the next few weeks, we're going to go over this budget with a fine-tooth comb. We'll give it the praise that is deserved, but we're also going to examine it closely and look for the social content and raise those issues because that's what people expect of New Democrats — we need to point out where the money is being squandered and we need to offer realistic alternatives.

I'd like to talk a little bit about the importance of the non-profit sector, because I think that's one area where this government has fallen short. If you look at funding for NGOs, you'll see that in a lot of areas the funding has either declined or it has stayed stable.

I think that the non-profit sector and non-governmental organizations have a lot to contribute to the economy here in Yukon. They provide for a lot of employment. That is where you will see — and that's what I was talking about earlier — gender equity to some extent.

There are a lot of women employed by the non-profit organizations in a lot of cases. I think the government needs to ensure that there is growth in that sector — costs rise for non-governmental organizations just like they do for any department in government. And it could have been part of the gov-

ernment's response to the economic situation that we face now, ensuring that those people also get increases in their budgets to ensure that they have the ability to pay their employees and give them the ability to deal with the increased cost to provide for raises for their employees and to deal with the increased costs.

Now the governments around the world have crafted various different responses to the situation. Some areas are being hit harder than others. People are losing their savings. We hear that on the street — people are fearful for their families, for their retirement, and they are being affected by this. Some North American governments are talking about bailouts, giving money to keep corporations afloat and people in their jobs. I would say we should be insuring, as I said earlier, that non-governmental organizations as well are provided with adequate resources. We rely on these organizations to provide services that government would otherwise provide in a lot of areas.

We can change the roles, we can change the system to lessen the impacts — it has been said that the Yukon is immune in some respects, but I don't believe that it is. We have been affected. Last fall, exploration companies were shutting down early. We've lost 500 jobs since last year, and our rate of unemployment, while it's not as bad as other parts of the world and other parts of our country, is affecting the Yukon and it is affecting our economy. People aren't spending as much money out there, and it does affect the businesses here in the Yukon. I've talked to a few of them, and they all agree it has been a little quieter.

Personal bankruptcies in the Yukon are up by 200 percent. In the budget we see that Social Services is predicting a 22-percent increase in clients on social assistance — that is 125 more clients and many more people in poverty when you think of them as supporting children.

The Yukon government is budgeting a 16-percent decline in corporate income tax — that is \$200 million less revenue. The officials said it was because companies with head offices outside of Yukon have reported declines in profit so that our share in those revenues is reduced. So we are being affected by what is happening Outside.

Revenues for quartz mining fees and leases are down. Mining exploration is down. We may yet see that Canada and Yukon has been more affected by the subprime mortgage crisis than some may have thought.

We have been through boom-and-bust before. We have lived through more bust times than a lot of places. It is easy for governments to govern during the good times but it is much harder to govern during the tough times. It means that we have to get creative. We have to target the public's money in thoughtful ways and not just throw it away. So if I had \$1 billion — just like the song — I'd like to see us invest in social capital, in the non-profit sector, as I said earlier.

The Leader of the Third Party has asked questions about whom the Premier consulted with. The Premier talked about meeting with stakeholders to get input on how to manage local impacts of the economic global downturn. We wonder whether or not there were any NGOs at the table, whether or not they

had the ear of the Premier. We'd like to know who those stakeholders were that the Premier was talking to.

The non-profit sector is a huge creator of jobs and it improves our quality of life. Mr. Deputy Speaker, there are 628 registered and active societies in the Yukon of varying sizes, mandates and objectives. What does the budget contain for the non-profit sector? Generally speaking, freezes in funding. There are also cuts to the community development fund and it's clear that the Premier's version of stimulus is spending on big projects, and it's unfortunate because that's an opportunity that's wasted. It's unfortunate that the budget is not more balanced, that it doesn't invest in human infrastructure or social capital.

One of the things that I would like to see more money spent on is not just studying the issue of solid-waste management, but actually doing something. There is all kinds of money being spent on large capital projects, but we need to be more innovative. We need to be strategic and environmentally progressive.

When you look at the burning that takes place at solid-waste management facilities — I'd like to see an investment there in rural infrastructure of solid-waste management facilities and the staffing of those facilities to create employment in all Yukon communities.

It was interesting to hear the Deputy Premier talk about green jobs and what this government is doing for the environment. I think we could be doing a lot more. As I said, we applaud the money that is being spent on initiatives around clean drinking water and sanitation, but there is much more that needs to be done in the areas of drinking water and sanitation in other communities, as well as adequate housing.

I was at the Partnering for Success workshop that the chamber put on. There was a discussion there about some of the barriers to economic development. There were a few. One of them was access to training. We have Yukon College here in the Yukon. It does a good job, but there is still a need in our education system for it to be improved in the public school system and in the post-secondary school system, and we don't see, in this budget, a huge increase, or much of an increase at all. We see some monies being moved around and targeted, but we think that a lot more needs to be done.

Another area that was brought up as a barrier to growth in the business community, and small business, was the need for venture capital. The Premier was asked the question the other day about this at the chamber luncheon as well, and the Premier said that right now wasn't the time to put money into venture capital to create a venture capital fund, and pointed to, I believe it was, Dana Naye Ventures. If you look at the budget, there's a decrease in that area in this budget.

The other area, or one of the other areas that was brought up, was the need for adequate housing.

This government likes to claim that it has done a good job on that, but we haven't seen the results of that. I'll touch a little bit more on that a little later.

When we look at other jurisdictions, in the United States just today it was announced that there was a massive clean energy investment program that's targeted to create as many as

300,000 jobs. We need to do more. The Mayo B project is wonderful. It'll be a good project. It'll be clean energy. It's going to be expensive — and the Premier likes to talk about it — but there's no money in the budget for it. That funding is contingent on money coming from the federal government.

We need to invest in other green alternatives, in more wind power, in solar power and in geothermal. We need to get communities like Old Crow and Destruction Bay off diesel-generated power. We need to look at alternatives.

We've got a climate change action plan. It's one of the first things that you'll see when you go to the government Web site. Why not speed up its implementation? Why not create green jobs through those incentives? I think there is a lot more that needs to be done.

I'd like to go through a few areas in the time that I have left — a few of the departments — and just touch on some of the things that we see there.

In Community Services, there are minor increases over last year in both the O&M and the capital budgets. But, as I said, they missed an opportunity to invest in solid-waste facilities, in creating jobs, in diverting waste from those solid-waste facilities into recycling. There was an announcement last fall about this government's support of recycling, but it is very limited as to where that money is going and whether or not it is having the effect that it should have in communities.

The biggest item in Community Services is \$27 million for residential land development. That is an increase. It will be interesting to see whether or not all of that money gets spent and how much of it is lapsed. We will touch a little bit more on what goes on at land development when we get to the Yukon Housing Corporation.

The Education budget is pretty much flat line. There is just a little bit of an increase and there is some money there for the design of a new senior secondary school and maintaining the existing facilities that we have — patching them up and ensuring that they are safe, but we are not building new schools. We don't have any new major education initiatives being funded and when you look at the Auditor General's report on education, I think it requires more attention. We have lots of buildings and lots of schools; we have qualified staff and teachers in those schools, but we need more support for the education system so that our children can succeed. In times of economic uncertainty, this is the time when we should be investing in education in our communities, to provide opportunities for people to update their skills, to learn new skills, to diversify their ability to participate in the workforce. What do we see? A reduction to community training trust funds in this budget.

The Minister of Energy, Mines and Resources announced an additional \$1.1 million for the Yukon mining incentives program. That will stimulate the economy. It would be nice to see the government spend another \$1.1 million on training initiatives as well. I know the Yukon government has responsibility for type 2 mine sites and that the money flows from the federal government. The Premier talked about the Faro mine closure plan as an economic opportunity — \$30 million, I believe it was — \$30 million per year for the 15-year construction phase and another \$10 million for the 15-year period of ad-

justment. The government has the responsibility now for that mine site. They took over the responsibility of managing it, and it is an economic opportunity, but the Minister of Justice said the other day, look to "...the horizon and imagine tomorrow." It would be nice to look to the horizon and imagine tomorrow and we had that \$450 million or the \$150 million for a total of \$600 million. Imagine if we had \$600 million that we could spend on green initiatives, on education and on fixing sewer and water around the Yukon, instead of fixing up an environmental disaster like the Faro mine site.

So, it is an economic opportunity. It is going to create jobs. It's going to create jobs for a long time into the future, because it's going to take a long time to clean that up, and we need to think about those things as we move forward on other projects.

In Health and Social Services, the Premier said in his Budget Address that the government has increased the Health and Social Services budget by approximately \$20 million. By looking at the figures in the budget, we can't find \$20 million. We can find \$3.7 million.

Social Services, as I said earlier, is expecting a 22-percent increase in the number of clients receiving social assistance. Has the government budgeted for that? We don't see that.

In the Department of Highways and Public Works there is a lot of money for highways and bridges and for infrastructure. That all will go to create jobs. It will improve the condition of our highways. It will improve highway safety and the safety of the travelling public and visitors to the Yukon and that is a good thing. But is it investing in the social and human capital here in Yukon?

Maybe we could have taken some of that money and targeted it in other areas. There are also big increases for information and communications technology — that will be good. It will be good for businesses and their ability to do business both here in the territory and globally, nationally. And it will be good for education — for distance opportunities and for young people here in the territory to participate in the education system, not just locally here but nationally and globally as well.

I touched on the Premier's announcement about the Mayo B hydro project and the Pelly-to-Stewart power line. There is no money in the budget here for it. He likes to talk about it, but there is no money in this budget to do that. He is waiting on Ottawa. There is money for the Aishihik turbine project and that will hopefully be positive for our electrical grid, both for the consumers and for reducing our reliance on diesel.

When you look at the Department of Tourism and Culture, the Minister of Tourism and Culture talked about support for arts and culture and for tourism. When you look at it, Mr. Speaker, on page 15-15, you look at the arts operating fund, artists in school, touring artist fund — there are reductions ranging from 22 percent to 50 percent and it's strange. I would like to put the minister on notice that I will be asking questions about this because, when you look at the — just as an example, the touring artist fund is reduced by 50 percent, from \$200,000 to \$100,000 — go back five pages, and when you look at the touring artist fund, they're anticipating an increase in the applications received, an increase in the applications approved, they're expecting an increase in the dollars requested, and

they're also expecting an increase in the dollars approved, but it's not reflected in the budget line item. So we'll be asking the minister to explain how she can say that there's more funding and more support for the arts and culture industry, when in fact the budget appears to not show that.

When it comes to tourism, we need to be more creative. We need to get visitors to stay in the Yukon and spend their money, and as a matter of fact, there's another cut in the Stay Another Day program — arts-themed events — and that's what we need to do. We need to get those tourists to stay one more day, to spend more money in the stores in our communities, in the restaurants, to sit in the coffee shops and attract them to stay here and contribute to our economy.

I know my time is getting short. I'd like to touch again on one other thing I heard at the Partnering for Success conference with the Chamber of Commerce, and that was the need for good, affordable housing. This is important to small businesses because their employees need to have homes to live in. They don't just need to have homes; they need to have homes that are affordable, both whether you're buying or renting. They need to be healthy homes. A lot of our housing stock in the territory is getting old. Yukon Housing Corporation has a role to play in that. It's right in the act in the objects of the Housing Corporation. An Executive Council Cabinet has the ability to set direction for the Housing Corporation.

When you look in the budget under capital for Yukon Housing Corporation, what do you see?

You see reductions of 45 percent in the home repair loans program. This is the same program that, a short four or five months ago, I asked the minister why it was oversubscribed. It was because people weren't able to access funds in this program and yet they have reduced it. They put more money into it right after the Legislature closed in December so that they could ensure that people had money and that the applications that had been accepted, but that they didn't have the money for, were honoured.

But here, it looks like they didn't learn anything because there is a reduction of 45 percent. There is reduction to home repair enhancement loans and to energy management loans. There is a reduction of 42 percent to mortgage financing loans. When you look at mortgage financing loans, it's to assist eligible Yukon residents to become home owners by offering mortgages, including green home mortgages.

I just heard the Deputy Premier say that they were spending — there was more money in this budget for green homes, for green housing. She talks about the 30-unit family housing project. That's a good thing. And if it is built to green home standards or super-green home standards, that will be good. It will be good if it gets built. But this government's ability to manage projects, as we've seen over and over again — their track record hasn't been that great.

So when you look at this budget, I don't see that money for green home construction, and I don't see where it addresses the needs of youth. I don't see any money in this budget to support a youth shelter. The government finally got around, after six years, to some movement on the replacement of the children's

receiving home, but there is no money for a youth-at-risk shelter, despite pleas for a number of years now for this to happen.

So those, in brief, are some of the concerns that I have with this budget. I'd like to point out that I did applaud the government in some areas where I believe they are making progress. I think there's more progress to be made. I look forward to getting into the departments, to asking the questions, to receiving the briefings from department officials about a little bit more of the details of these budgets, and getting answers and hopefully contributing to making some positive ideas and contributions to the government's budget. Thank you.

**Hon. Mr. Kenyon:** Thank you, Mr. Speaker. It gives me great pleasure to enter the debate today on the response to the budget speech.

As usual, of course, I would like to thank the constituents of Porter Creek North for their support in the last two elections and the ability to represent them. It's a rather interesting riding, Mr. Speaker, from high-end to low-end, to bedroom community for businesses in primarily the Whitehorse area. But I'm always amazed at the number of people, for instance, who are involved in the film and sound industry. I am always amazed at some of the issues that crop up when knocking on doors and meeting people within the community.

I am pleased that we are moving ahead with a trail between Crestview and linking down into the other parts of Porter Creek. It's a dicey issue because it does transect the Alaska Highway but there are ways around this. Through the good work of the ratepayers' association — which I would encourage anyone in Porter Creek North to get involved in — it is finally going to be moving ahead — and with the good work of the city. It's a collaborative effort on that.

One of the things that always strikes me when I talk to people on the street is the lack of understanding of how governments work. I think this is a normal reaction. I had no concept of how things worked until you get into that process. So it's very easy to understand how members opposite sometimes get confused in terms of, well, this project, but there's nothing in the budget. There are very good reasons for that. That's why we have the budget debate that is now starting and will be moving along in the coming weeks. We look forward to those comments, those questions and to talk about the fact that some members opposite have talked about the declining real estate market, and yet I have a magazine that was thrown on my desk this morning about how it is not quite as hot before but that it is nowhere near cold. I think that is a good way to explain it.

Because of my responsibilities within the Department of Economic Development, I try to make it a habit of every place that I go, if I am talking to the owner of the business or the manager of the business, to ask them how things are going. I had a few car problems this morning and stopped and had everyone at the car dealership say, "You know, we're seeing an effect — a little bit — but in general, we're just about where we were last year. We're pretty happy about it."

So, again, it is difficult when you read the southern media, which talks about problems within Ontario and Quebec and within the United States, and conclude that those are problems

within Whitehorse. Will we be affected? Will we see an effect? Yes, of course we will to a degree but, for the most part, we are insulated and the budget released federally, now that it has passed and we can actually expect some of the projects to reach fruition, and with the budget that we tabled last week, I think you'll see that we will continue to be well insulated.

Through the current global economic situation, Yukon's economy, as I say, has remained strong, and this budget does represent what our government is doing to meet the new challenges by investing in Yukon's future.

Our territorial funding agreements continue to provide stability and security to Yukon's financial position now and in the future. Funds secured by this government are a result of this government's work to negotiate back into our formula cuts that occurred in 1995 under the federal Liberal government — cuts that were greater than those imposed on the provinces at that time. And, again, I think what most people don't understand is to really look at how the Liberal federal government of the day managed to deal with the deficit was to throw more and more onus and problems on to provinces and territories. And, sure, the federal budget looked a little bit better — the standing looked a little bit better — but the provinces and territories were absolutely torpedoed.

The funds flowing now from the territorial funding formula represent Yukon's rightful share of the national wealth. The opposition's criticism of the amount of money that comes from the federal government ignores the fact that many — in fact, most — of the provinces also have funding agreements and also are the so-called have and have-not provinces. It depends on how that wealth is distributed. To shoot at the territorial funding formula is, I think, is not a wise thing to do because it is so very easy to defend.

To meet the challenge presented by the global economic downturn, the Government of Yukon entered into a process to seek input from Yukoners. An internal committee of deputy ministers was struck and they were tasked with the mandate to monitor and assess economic trends related to the global situation and to identify and analyze Yukon opportunities to address impacts.

Our government also held meetings with key stakeholders, including First Nation chiefs, the Yukon Chamber of Mines, the Yukon Chamber of Commerce, the Yukon Contractors Association, the Association of Yukon Communities, the Tourism Industry Association of Yukon, and many others, to seek input on our fiscal planning process. The feedback from these groups played a major role in informing the 2009-10 budget that was tabled, and to ensure a net benefit to Yukon.

Our government has also tasked a strategic team of deputy ministers to plan and oversee key infrastructure initiatives in the Yukon. I'm very pleased to say that the Deputy Minister of Economic Development has been an integral part of that, and that's a nice change from the Liberal government days when, in fact, they disbanded the Department of Economic Development as their means to stimulate the economy. I am sure that many people are still scratching their head on that one, Mr. Speaker.

Our goal is to maximize benefits to Yukon labour and business by investing in strategic projects in a scheduled way

that will make the greatest use of all available Yukon labour and resources. The 2009-10 budget is the largest budget in Yukon history and it exceeds the \$1-billion threshold. The 2009-10 budget has been constructed to meet our challenging times and is an investment in Yukon's future.

Since taking office in 2002, our government has taken a cash-management approach to Yukon's finances. We have obtained a year-end surplus for seven consecutive years now. I am sure that the Minister of Finance will be happy to explain that to the Leader of the Official Opposition and that it has nothing to do with putting the value of buildings and such on to our books — which was, in fact, required by the Auditor General of Canada, who he so greatly admires.

We will continue to invest in long-term economic growth, create stimulus and keep Yukoners working, while maintaining that healthy financial position.

Investing in Yukon's future means investing in infrastructure, marketing, economic diversification, people — through education, training and capacity building — and Yukon's health and social services safety net.

I would like to give you a few highlights of some of our initiatives in each of these areas that we will be advancing in 2009-10. All governments in Canada, including ours, are focusing on investments in infrastructure to help counteract the impacts of the current global economic downturn. Investments in infrastructure create jobs, lots of jobs, while contributing to the longer term benefit of our territory. It will be jobs for major road building contractors, bridge builders, building construction contractors, heavy equipment operators, architects, planners, plumbers, pipefitters and for other skilled and unskilled labourers.

The multiplier effect and spinoff benefits from all of this infrastructure work will be substantial and will help sustain and promote our economy. Let me highlight a few of our major infrastructure initiatives. In transportation, infrastructure will be investing \$56.7 million, a 13.8-percent increase over 2008-09. Work will be done on the Campbell, Klondike, Dempster and Alaska highways as well as the Atlin Road and the north and south Canol roads. Again the work on the Campbell Highway, which the opposition likes to point out is in the Premier's riding, completely ignores the fact that there is a major mine going in there. They kind of like to get the product out, and maybe it has something to do with that, rather than some of the other comments that have been made.

Bridge construction includes a \$14.25-million replacement of the Slims River bridge under the Shakwak project. Investment in airport infrastructure includes \$15.7 million over two years in a major upgrade of the Erik Nielsen Whitehorse International Airport terminal building.

On the communication side, we are investing \$14.9 million for the mobile communications system, including the expansion of cellphone service to Ixof Valley and to Lake Laberge.

Economic Development is working to ensure that the cost of Internet service is comparable to that of the south, the capacity of the link to the south does not limit our use and that there is competition in innovation in the market for value-added services. I noticed several times the members of the opposition

have made comment that we have to get to work to join our Internet network skeleton in Yukon to the south. I'm sure when that happens, in about three months' time, they will take credit for the four years of hard work that the department has put into that project.

In partnership with Canada, we will be investing in a green energy hydro project at an estimated cost of \$120 million, known as Mayo B. I'm sure the Minister of Finance will be happy to explain that to members opposite when the time comes. The project involves the upgrading of the Mayo dam, as well as an estimated \$40-million extension of the Whitehorse-Aishihik-Faro grid from Pelly to Stewart Crossing, and that will join the northern and southern grids.

The expansion of hydro-generated power in the Yukon reduces our carbon footprint by displacing thousands of tonnes of greenhouse gas emissions each year, just as the extension of the Whitehorse-Aishihik-Faro grid to Pelly Crossing and Minto mine reduced Yukon's greenhouse gas emissions by 24,100 tonnes.

This new project will basically double the hydro capacity of the existing Mayo facility to 10 megawatts and is estimated to displace 65,000 tonnes of greenhouse gas emissions each year.

Mr. Speaker, the largest social infrastructure project will be the construction of the new correctional centre, which will replace the existing facility. Our government will be investing \$21.6 million into the 2009-10 budget to begin this major construction project.

Some community infrastructure highlights include a \$10.45-million investment in land development in rural Yukon and \$18.2 million for land development in Whitehorse, including 8.2 million for the development of 132 lots in the Arkell subdivision and \$10 million for engineering and design of off-site utilities and services for the Whistle Bend subdivision in Whitehorse, which may ultimately house 8,000 people.

Dawson City will be receiving \$3.5 million for the upgrading to Front Street and \$4 million over five years for technical and structural repairs for the Dawson City recreation centre.

We continue to promote and facilitate project filming in the Yukon. In 2008-09, 17 projects were approved for funding under the film incentive programs, providing \$213,000 in filmmaker support. Additionally, the television series, *Anash and the Legacy of the Sun-Rock*, has been approved for \$560,000 in production funding for an additional seven episodes. The \$2.8-million project is expected to begin filming in Yukon in the summer of 2009. Approximately 100 Yukon residents worked on season one.

We should note, Mr. Speaker, the last time that we really carefully evaluated the film and sound projects, for every dollar the government invested in these projects, the return is between \$9 and \$10 back to us — a pretty decent return.

The Yukon Film Society and the Northern Film and Video Industry Association are completing their comprehensive training program that includes workshops, mentorship and the production of three short drama films. The program will provide skills and experience that will enable film-makers and film crews to develop their careers. This training is being supported

financially by the Yukon Film and Sound Commission's film training initiative. The Government of Yukon continues to work cooperatively with the Yukon film industry in order to provide Yukoners with employment and training opportunities.

Further development in our economy includes major investment in marketing to promote Yukon as an attractive tourism destination, and attracting investment in the Yukon and to encourage trade. These investments are primarily through the departments of Tourism and Culture, Economic Development, and Energy, Mines and Resources, of course. We will be taking the opportunity presented by the 2010 Olympic Games to undertake one of the largest marketing initiatives of the decade. We're investing \$2,632,000 to participate in the 2010 Vancouver Olympic and Paralympic Games.

These games will help us to market Yukon to a worldwide audience. An additional \$500,000 will be put toward overseas tourism marketing in order to increase the awareness of Yukon as a destination of choice and promote unique tourism experiences. To attract more meetings and conventions to Yukon, we're providing \$100,000 to market the territory through the Yukon Convention Bureau. On seeking investment internationally, the work we've done to develop private and public partners to enhance business, trade and investment with Asia has paid off.

The Department of Economic Development will continue with its efforts to promote these beneficial partnerships. Two Chinese companies have purchased, outright, Yukon Zinc's Wolverine property and plan to invest \$240 million to bring the mine into production by the third quarter of 2010. Mr. Speaker, there is a 220-man camp being built as I speak.

China Mining Resources Group Limited purchased over 18 million shares in Selwyn Resources Limited. Yukon Nevada Gold and Northwest Non-Ferrous International Investment Co. Ltd. signed a \$3-million agreement to form a new Canadian company that will explore and develop mineral resources in the Yukon.

Tagish Lake Gold has accepted an offer of \$5 million of financing from Yukon Shaanxi Mining Co. Inc. Tagish Lake Gold is currently negotiating with the Chinese company.

Recently, Japan has also shown interest in investing in the Yukon. The department organized and hosted a trade, business and investment development information session in January 2008 to promote business and investment opportunities between Japan and Yukon. The success of this event generated significant interest between Japanese and Yukon businesses. This interest is leading to a Yukon-led business and investment mission to Japan which is planned probably sometime in September.

The development of Yukon's natural resources in a responsible and sustainable way is also a priority for this government in providing and improving infrastructure in support of mining, development and exploration and acts as a marketing tool to attract more mining companies to invest in the Yukon. Gold prices have held at a relatively high level, and the price of oil has fallen to the range of \$35 to \$45 U.S. As well, the Canadian dollar has decreased in value against the U.S. dollar. As a result of the depreciation of the Canadian dollar and the price

of gold, basically it has actually increased 17 percent since the March 2008 high. I think it was up in the range of over \$1,000 at that point. These are welcome developments for Yukon. So too is our \$1.1 million increase in funding for the Yukon mining incentives program — or YMIP — for a total allocation in 2009-10 of \$1.8 million. YMIP stimulates the discovery of new mineral occurrences and advances the existing discoveries to a mature exploration stage. This investment, combined with current geo-science databases, as a single regulatory process has made Yukon a worldwide competitor for investment in the mining sector.

Economic Development and Energy, Mines and Resources have jointly developed the Yukon mining portal, a Web-based site for mining stakeholders to access all Yukon mining investment-related information available from the Yukon government. The Web site will be completed by March 31, and has already been piloted and critiqued at the Prospectors and Developers Association of Canada meetings in Toronto.

Some specific initiatives our government will invest in, which target economic diversification, include a \$3.5-million investment in the Economic Development funding programs to support diversification. Since the reinstatement of the community development fund in 2003, a total of \$16.9 million in funding has been approved. This funding gets utilized in communities throughout the Yukon, putting people to work and providing long-term, sustainable economic and social benefits to Yukon communities.

Again, some of the Whitehorse media have completely missed the mark on this, and I'm sure the Opposition will have questions on that, and we'll be able to explain that there is no reduction in that fund. The article was completely in error.

There is \$6.5 million for information technology and assistance in construction with Kwanlin Dun and Champagne and Aishihik First Nations cultural centres. There is \$167,000 for the "Own the Podium" program at the cultural Olympiad featuring Yukon artists. I think all of us saw the importance of cultural events at the Canada Winter Games.

There is \$987,000 for the Growing Forward initiative to support agriculture, and we're working toward the implementation of Yukon's new *Forest Resources Act* to promote the development of the forestry industry in the Yukon.

To preserve and protect our natural environment, we are investing \$5.5 million for the Carmacks waste-water treatment system and a \$3-million investment for the selection and planning of an appropriate option for treatment of Dawson's sewage.

An exciting investment is the establishment of the Climate Change Research Centre of Excellence at Yukon College. The research centre works closely with the Yukon Cold Climate Innovation Centre. The Yukon government recognizes that the commercialization of cold climate technologies will provide important economic opportunities for Yukon and will contribute to the diversification of the Yukon economy.

One of the most important environmental initiatives has been reaching a consensus with Canada and affected First Nations in a preferred closure option for the Faro mine that will maximize local job opportunities and will cost \$30 million per

year for the 15-year construction phase and another \$10 million per year for the 15-year period.

Our government also places great importance on investment in people. As a government we have worked to ensure that our investment in the economy is balanced with our investment in the social side of the ledger. Our priorities of education and health projects include planning for the replacement of F.H. Collins Secondary School in Whitehorse, a new health centre in Dawson City, an estimated \$11 million for a 30-unit Whitehorse affordable family housing project that is already in the planning stage, and for the information of the member of the third party, that will be built to super-green standards. And we're also building to super-green standards in the seniors housing complexes in Watson Lake and Teslin. I should note, Mr. Speaker, when we first announced the movement to this technology, there was some concern expressed by members opposite that we wouldn't find the carpenters to work with those projects and that technology. Not only has a new carpentry instructor for Yukon College been hired, the program has been altered to get the people into that program more quickly. It is completely oversubscribed and there is already a significant wait-list. There has been no problem in fulfilling that obligation.

We've also got a recently announced economic stimulus package related to housing, Mr. Speaker, and no, for the members opposite, it's not in the budget. There will be an influx of over \$50 million devoted to social housing projects. The reason for delay on this, of course, is the delays federally in approving the budget in the Canadian Senate.

This includes \$50 million over two years for northern housing to be used for new and/or existing social housing construction or upgrades; \$860,000 cost-shared for renovations and retrofits on existing social housing units; \$360,000 cost-shared to be used for housing for low-income seniors; and \$70,000 cost-shared to be used for housing for persons with disabilities. This investment in social housing will help Yukoners on a fixed income to live with independence and dignity and remain in their communities, close to family and friends. This is good for the economy, because it puts construction workers and trades people to work quickly in both Whitehorse as well as outlying communities and will help the associated businesses that sell and manufacture building supplies.

Investing in people through education, training and capacity building are all important ingredients contributing to a healthy, sustainable economy and a better quality of life for all Yukoners.

Through the national Agreement on Internal Trade, the Yukon government is working with its federal, provincial and territorial counterparts to reduce barriers to trade and to labour mobility within Canada. What this means is that someone who is certified in one jurisdiction will now in fact be certified, after April 1, in all jurisdictions. There are some exemptions to that, of course, which I'm sure the members opposite will want to ask about.

The Department of Economic Development leads the Yukon's participation in the Agreement on Internal Trade, and last December Yukon became the first territory in the history of

the agreement to chair the committee on internal trade. I was very pleased to take the gavel from British Columbia and become that chair.

The department is coordinating the 2009 committee on internal trade meeting, which will be held in Whitehorse this June. It will be a great opportunity for the department and for all of us to showcase Yukon and our business successes. In order to build the required infrastructure and deliver the necessary professional and public and private sector services, Yukon needs a skilled labour force and skilled specialists, whether they be carpenters, electricians, heavy equipment operators, plumbers, engineers, geologists, medical doctors, nurses, teachers, social workers — all are going to be required.

Our government continues to work with First Nation governments in key areas that will contribute to their further participation in the Yukon economy. Accordingly, capacity development is a priority for First Nations and Yukon is assisting with initiatives through the northern strategy and the creation of an office within the Government of Yukon to promote First Nation capacity development. At the same time we continue to work jointly with the First Nations to ensure the federal fiscal priority in Yukon is the renewal of a responsible fiscal transfer arrangement with the self-governing First Nations. Adequate resourcing of self-government agreements will provide greater capacity for governance, as well as opportunities for Yukon First Nations to participate more fully in the Yukon economy.

Some education, training and capacity-building highlights in the 2009-10 budget include \$210,000 for labour market framework strategies for comprehensive skills and trades training, an immigration strategy, a national recruitment strategy, an employee retention strategy and labour market information. \$1.5 million is dedicated to community training funds. There is \$286,000 for the targeted initiative for older worker programs.

There is \$150,000 to implement a curriculum and special programs training initiative to provide training for counsellors, learning assistants and education assistants in dealing with the socio-emotional well-being of vulnerable students.

We are sending nurses to the Aurora College in Yellowknife to take the Introduction to Advanced Practice program, as well as expanding the nurse mentorship program to include licensed practical nurses.

Preserving, maintaining and improving Yukon's health and social safety net is of paramount importance to our government. We have invested millions in advancing this objective, and we've completed one major review project and are currently embarked on a second.

The first review, Mr. Speaker, was a major overhaul of the social assistance program. This government is the first Yukon government to reform social assistance since the inception of the program. It's very nice to criticize, but we're the first ones that actually got the work done.

The second major review concerns Yukon's health care system. We commissioned a report, the *Yukon Health Care Review*, which examined the current and long-term sustainability of our health care system over the next 10 years. The report is now being taken out to the general public, stakeholders and First Nations and municipal governments for comment and

review. Our governments will be utilizing the findings of the *Yukon Health Care Review* report to develop a business case to present to the federal government for the continuation or replacement of funds such as the territorial health access fund, a fund designed to meet the unique health care needs and challenges of the north. The 2009-10 budget will be investing millions more dollars in Yukon's health and social services safety net.

Highlights there include a \$3.5-million capital and \$924,000 O&M for four years to implement a teleradiology and echocardiology initiative to improve X-ray services for all rural Yukon communities; \$200,000 for the very successful 811 — please don't dial 911, that's 811. It is the health line that provides toll-free access to health care advice, symptom relief and information on a 24/7 basis from anywhere in Yukon; \$108,000 for an additional environmental health officer to monitor and address food and waterborne threats and illnesses; \$100,000 for a psychologist for the Child Development Centre; a \$176,000 increase in the childcare subsidy program; a \$612,000 increase for the Yukon seniors income supplement fund; and a \$2.08-million increase for the social assistance program, including the recent raise in the food benefit.

In conclusion, Mr. Speaker, this is a brief summary of what our government is doing to support the diversified economy. There will be many more initiatives that our government will be undertaking in 2009-10 but, given our healthy fiscal situation, consecutive surplus budgets, money in the bank, not having to go back like the previous Liberal government to draw on a line of credit to pay the bills, and given the number of economic sectors that are functioning well, given the stimulus that we've created by the largest budget in Yukon history, given the focus on infrastructure and investment in people, given the emphasis on marketing in the Yukon and marketing the Yukon Outside, and given the growing and developing workforce in the Yukon, we're positioned to meet the challenges of today while we continue to build Yukon's future. And I would suggest, Mr. Speaker, that in fact it is going to be a very prosperous future, a better and brighter future for all of us. Thank you.

**Mr. Fairclough:** I, too, would like to respond to the budget speech, to the budget that was presented to this House. I'll talk about my riding a little bit, like I do every time a budget is presented to this House, to perhaps give some ideas to the government about projects that could take place in the communities.

I would like to go back, though, and just talk a little bit about how the Yukon Party saw things when they first got into government. What they said — and they campaigned on — is that government is spending too much money; it cannot sustain itself; we need to find new ways of doing things; we need to improve the private sector and have more own-source income. They put it right into their budget speech.

They said this: maintaining the expenditure levels of previous budgets would have put the government in violation of the Yukon *Taxpayer Protection Act*, causing an election. They got around that, changed the way in which they did the books

and now when we look at it as it was explained earlier — and the public can see for themselves how the numbers line up — in the past two years, this year the amount of revenue that is coming in versus expenses is lower. Members opposite know that and even the territorial revenues are slightly lower over last year, but the transfers from Canada continue to increase. This is one thing the Yukon Party government is probably pretty happy with because, well, it is more spending in the territory, but what we haven't seen is that amount of income coming from the private sector.

And over the years of being elected into government, through two terms, not much has happened, and this must be bugging the Yukon Party government a lot. And there is hope that mines come into production and that the Yukon Territory would see more private sector here in the territory.

Compared to right back to, probably in the Ostashek days, before 1996, 1997 and on — probably into the early 2000s — the own-source revenues are definitely down compared to back then. I know the members opposite know this — when we talk to the business community out there, they're fully aware of this. And it's not exactly booming out there. There are more people in the territory, and I'm hoping that we could put Yukoners to work. That's what we'd like to see.

I mean, the newspapers today show that an Outside company is getting the contract for the expansion of the Whitehorse airport. We've raised this type of issue in the past where an Outside company would be building these major projects in the territory. I used the Carmacks school as one such project, where an Outside company came in and said they would hire locally. They hired a few people, but it just wasn't the treatment I think people thought was going to be put in place. So, here we go again. We're faced with that.

Like this year, last year — in 2008-09 — we're seeing a greater expenditure of money versus the amount of revenue that is being pulled in. It's clear. Anybody can read this, Mr. Speaker.

I'm sure Yukoners are quite happy with the fact that we have more money to distribute across the territory. Now, what is going to be challenged, I guess, is what is in there for them? What really took place with a budget like this, being the largest budget in the territory's history, is that it did raise expectations.

Yukoners are going to see and hold government accountable to their words about improving the quality of life in this territory. We're going to go there, and I'm hoping that perhaps the Minister of Finance could explain what his words were back then versus what they are now.

Yukoners really believed that the Yukon Party was going to do something. If you can recall back to 2003-04, when this Yukon Party government said, when it comes to development, that the forestry industry in the Yukon will thrive by '05 — what happened? Okay, great, we'd like to see this industry pick up and move along, but it didn't happen. And now we see some new wording in the budget again that maybe, perhaps, the forest industry is going to have some attention paid to it. But they were supposed to thrive by '05 and it didn't happen. So what is the Yukon Party saying? Well, other things are going to happen in the territory. But I think Yukoners have caught on to what



the Yukon Party has been doing, and do not, in my view, trust what is being said — and things that they should be doing have not happened.

I'll give an example. There was supposed to be a major review of the *Education Act* every 10 years — in 2000. Well, it's started. That process started in 2001, and a lot of work took place. That government got voted out of office and the information used didn't go anywhere. There were no amendments to the *Education Act*. In the meantime, Yukoners' frustration builds when it comes to education — it built. Yukoners could understand that the system was failing them and they needed action. They needed government to do something and work with the communities. The First Nations, for example, went to the great extent of perhaps looking at running their own schools, to drawing down education under their *Final Agreement*, knowing that it would take a lot of commitment, a lot of resources — financial and human. That process is still on with a number of First Nations. How could the Yukon Party let this happen? How could they let it happen? So out of all this process was born the education reform project.

I believe that more should have been discussed and included in the *Education Act* review than there was. Yukoners, communities, talked about the holistic approach to education right down to how parents have been involved or should be involved, but those discussions were not in the mandate of reviewing the *Education Act*, and thus the education reform project was born.

Once again, Mr. Speaker, the education reform project raised high expectations that this government was actually going to do something. We have a number of processes taking place in the private sector, with forestry supposedly to thrive by 2005. We've got the education system — expectations have been raised and when it came right down to it, the Yukon Party government didn't even take that information back to Yukoners. Isn't that something? You spend all that money on education reform and you don't go back and say, "This is what we found." It didn't happen. Can you imagine that? I know the Minister of Education is laughing at it, but it is not a laughing matter. They didn't take it back to Yukoners. I think the Minister of Education across the way is questioning that, but that didn't go back to the public. The education reform project — the findings — did not go back. It is puzzling the minister. If there was more engagement in this process, perhaps we would have seen more work done on that front. Now what we are asking the minister to do is stop the studying; make some decisions. Now New Horizons is born and what do they say? It is a multi-year strategy, and who knows what the minister is going to do except perhaps ignore some of the major findings in the education reform project as he proved today. He proved that today. Isn't that something?

The Education minister said here — and I can bring back quotes out of *Hansard* — that the whole issue of governance was actually part of the process. And then, in stepped the Premier and he said that it wasn't and that it was off the table for talks. That's right in *Hansard*. I mean, words are there on paper.

So the Education minister was reeled in and had to take the side of the Premier and that what was what was said today, again — that the whole issue of governance is off the table.

This Education minister wants to have a top-down approach in how education is run in the territory. Whereas, the governance model was a bottom-up approach — totally different and involves community people more in the design and administration of programs — that was a big change. And that is what they did — they raised expectations and then popped the balloon. No, it is not going to happen; we'll do other things. We're going to study more and talk to our many partners in education — over the next several years. In the meantime, we get a 40-percent graduation rate with First Nation students. A minister can't be proud of that and he has got to do something about it. That is why we keep bringing it up in Question Period. Something has to be done. We asked for action, and nothing. The Education minister doesn't seem to put the importance, in our view, on this issue, and actually have some targets to meet. We gave an example of how, in other places, ministers have put out targets and said that if they couldn't meet it, that they would resign. They worked hard to meet those targets, and actually met them. Go back and look at what the words are in *Hansard* today.

Now, Mr. Speaker, I've gone through the budget speech that the Premier presented in this House, and throughout the speech, in a few places, he talked about the quality of life for Yukoners. Quality of life for Yukoners — they've got a whole page on "a better quality of life." I went to a meeting in Keno — and I'm sure the members opposite are quite aware of the frustrations of those residents in Keno City. Yes, only about 25 people live in Keno City, but they should have a voice, and what they're saying is that nobody is hearing what they have to say, and development is taking place without their input.

Well, why would any government that wants to improve the quality of life not talk to the people? Why would they do such a thing? When you talk to the residents of Keno, they talk about quality of life, what they've worked on for the last 25, 30 years. The way things are, yes, there are businesses up there and there are people who are trying to make it. It has gone from a mining community — and there is still a lot of mining and some of the residents there still mine and do some placer mining — to one of a tourism destination, which government supported. They put lots of money into it over the years; they've built the infrastructure; they have one of the most beautiful museums in the territory and anybody who has gone through it would say, yes, that is in fact true. It is those residents who have maintained and brought quality to what they have today.

It was a couple of weeks ago that I was up in Keno talking to the residents there, and they had already known about the amount of money that was being used to support the winter Olympics in Vancouver. They cited the \$2.6 million that Tourism and Culture wants to use to promote Yukon. They want to promote Yukon as a destination; they want to promote Yukon as a pristine environment and what do you do when you promote, say, Keno City, which is beautiful — it is a beautiful place and a beautiful drive — when it has changed so much that it is not that any more. Perhaps it could be simply by talk-

ing to the people. There are only 25 people there. It doesn't take all that much to talk to them.

I say this, Mr. Speaker, for a very good reason. The whole issue of mining in and around that area is a big one. We are talking about Mayo B; we are talking about transmission lines and so on, and it is to support mining. The community residents support mining — they do — but there is a lot to talk about and government said this. They said, “Why don't you get everybody together — stakeholders, those who are going to be affected by the project — and let's sit down and talk. Let's do that.” So, you know, I'm really impressed with the residents of Keno and how much homework they've done on this project. So, they carry out — “Okay, it's the Yukon government that asked. Let's throw invitations out, and let's have a meeting.”

So they invite the federal government, so they invite the mining company, so they invite Tourism and Culture — by the way, Mr. Speaker, they did call for a meeting with the Minister of Tourism and Culture and they weren't even given a phone call back and nothing ever happened out of that. Isn't that a bit embarrassing?

But they did call this big meeting here, and it was great. I went and sat and basically listened to it. But, you know, the people who were missing were those from the Yukon government. I couldn't believe it. They couldn't believe it. Even the federal government made it. They did have one person there, I have to say. It was a community resident of Mayo from the mining recorder's office. But that person certainly couldn't take and answer questions that the residents had.

Now you can understand, perhaps, the frustration builds up in that small community. They want to be heard. That is kind of why I have brought forward the motion today to say that government needs to find a way that the community residents' voices be heard.

It was a shame that they weren't there. You know, they recorded everything and they were very well schooled in what they were looking at. They knew numbers and they knew maps and they had it together. I was impressed and I'm hoping to see this type of meeting take place with Yukon government because they have a lot to learn from the residents of Keno City.

What they have done in the past is try to offer some solutions. You know, they have an issue with the bypass road and they have an issue with where the mill is going to be built and they are trying to offer some solutions. But if no one is meeting with them, then it is hard for things to change.

There is much talk, as there is every time I go up there, about the highway and the road, the Silver Trail. I know the Minister of Tourism and Culture has been on that road and she knows the terrible shape it's in and how dangerous it could be. Right now if you were to drive over there, you would have to drive with extreme caution to go over the glaciers — because there are a few glaciers before you get to Elsa — be very careful in driving. You have to really reduce the speed and at one time — it's about 40 miles, I guess — it has taken them about triple the time that it used to take to travel to Mayo.

Part of the problem is when I went there in the fall, it was just like a big mud hole and there is no surface left on the road. I know government understands this and it's a costly thing, but

you know, it's the end of the line. There is all kind of mining potential up there and they're certainly not getting the attention that other places in the Yukon are getting. We're asking government to look at that carefully and perhaps support this small community, because they have support from the First Nation, Na Cho Nyäk Dun. There is a lot that I think government could be doing to ensure these residents are heard.

They ask for small things. When I was there, I took an interest in the noise that happened in the community. I know I've got — the end of the day is coming soon — but what they were doing was a fire drill practice, pulling the alarm to see if it would work. You know, when we think about what took place in Ross River, these types of things should always be in top working conditions. On the weekend, I went to a bonspiel in Pelly Crossing. I had some really good discussions with people there. But this issue came up and they said, you know, there was a fire once in Pelly — it was a woman who was talking to me — and she said she was so, I can't say excited, but she was so drawn into this tragedy of somebody's property disappearing that she couldn't remember the number to dial, so she went to pull the fire alarm, and it didn't work. When fire alarms don't work, there are always delays and things happen. A prime example is what took place in Ross River. When this happened, there was an elder who called me up — he was actually from Teslin, but lives here in Whitehorse — asking me to look into this matter because it was of extreme importance to that community that this does not happen again.

All the way from Stewart Crossing to Keno, the issue of the Silver Trail comes up constantly. I bring it up in this House year after year — put more money into it; let's make the road safer and do some reconstruction, some surface work. You know, some of it was done but they need to have this moved up on the priority list. I also gave credit to the highways minister in the last budget because I brought up the issue of non-incorporated communities that government takes care of. Well, this one happened to be a First Nation community and I asked this minister if he could do this chipsealing on this road that is in Pelly Crossing — it is basically from the bridge to the start of the Pelly Farm Road.

I'm cutting close to time here and I just want to finish this off.

When I went there, I was surprised that the work was done. Well, I thanked the minister for it and everything. Then I sat down and talked to someone who is involved with the project and, yes, they had nothing to do with it.

We paid for the whole thing and I know that the Yukon government does go to communities and they do chipsealing and road surface work and they should be doing it — particularly in these unincorporated communities that do not get block funding to address these issues like the municipalities.

**Speaker:** Order please. The time being 5:30 p.m. this House now stands adjourned to 1:00 p.m. tomorrow.

*Debate on second reading of Bill No. 15 accordingly adjourned*

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*The House adjourned at 5:30 p.m.*

**The following Sessional Papers were tabled March 23, 2009:**

09-01-108

Auditor General of Canada, Office of the: Public Schools and Advanced Education, Yukon Department of Education (January 2009) (Speaker Staffen)

09-01-109

Absence of Members from Sitzings of the Legislative Assembly and its Committees: Report from the Clerk of the Yukon Legislative Assembly on the (dated March 23, 2009) (Speaker Staffen)