

Whitehorse, Yukon
Thursday, April 26, 2007 -- 1:00 p.m.

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

Prayers

Withdrawal of motions

Speaker: The Chair wishes to inform the House of a change that has been made to the Order Paper. Motion No. 90, standing in the name of the Member for Vuntut Gwitchin, has been removed from the Order Paper at the request of that member.

DAILY ROUTINE

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

Tributes.

TRIBUTES

In recognition of the National Day of Mourning

Hon. Mr. Cathers: Saturday, April 28, is the annual National Day of Mourning for workers who have been injured or killed on the job. This national day of remembrance was founded by the Canadian Labour Congress in 1984 and entrenched by the *Mourning Day Act* that was passed by the federal Parliament in 1991. At Saturday's Day of Mourning ceremony, we need to do more than remember those who suffered. We need to commit to keeping ourselves and others safe at work.

So far this year, more than 460 Yukoners reported being injured on the job. That's 14 percent more reported injuries than at this time last year. In the 15 years since the *Mourning Day Act* was passed, there have been more than 18,000 Yukon workers injured, the equivalent of more than our entire workforce. During the same time period, 47 workers died from work-related injuries and illnesses. Worse, these Yukon injuries and Yukon deaths have been preventable. These injuries and deaths are not statistics. These are our co-workers, our loved ones, our children, our neighbours. Hundreds more will be injured in Yukon workplaces during the coming year, and some will never fully heal. Saturday's Day of Mourning ceremony is our chance to stand together as individuals and as a community to commit to not let these injuries happen, to keep each other safe.

Mr. Speaker, I strongly encourage each member here and every Yukoner to show their support by attending the Day of Mourning ceremony, Saturday, April 28, 12:30 p.m., here in the Yukon government main administration building.

Thank you, Mr. Speaker.

Mr. Inverarity: I rise today on behalf of the Official Opposition to pay tribute to National Day of Mourning on April 28. National Day of Mourning commemorates workers who have been injured, killed or suffered illness as a result of occupational accidents and hazards. We in the Yukon join with the rest of Canada and more than 80 countries around the world

in paying tribute. All Canadians have the right to work in a safe and healthy environment. Safety on the job must be a priority for everyone and the responsibility for safety belongs to each of us.

Employers must establish and enforce safety procedures, provide ongoing training and correct unsafe working conditions. Employees must follow workplace safety procedures and report any unsafe work conditions. By working together, watching out for each other and enforcing proper safety procedures, then, and only then, can we hope to prevent workplace injury or death.

Almost every day a Canadian dies as a result of workplace accidents. In 2006, the Yukon had a record year of reported injuries at 1,984. Five Yukoners died on the job. We must mourn the dead and renew our commitment to our workforce to improve working conditions for all, keeping ourselves and others safe on the job.

More accidents are preventable by making the commitment that you and I will keep each other safe. We can save lives and prevent needless suffering by injured workers. Employers can benefit by not losing valuable and productive workers from the workplace.

The National Day of Mourning pins are available at many Whitehorse businesses. I've got one here. For a small donation toward the permanent Yukon workers memorial, please take the pin and wear it. Please join us in the National Day of Mourning ceremony that will be held this Saturday, April 28, at 12:30 in the foyer of the main YTG building. Light and add a candle to the memorial on behalf of an injured worker or a deceased worker's family who are unable to attend.

Thank you.

Mr. Cardiff: It is my honour today to rise on behalf of the third party to recognize April 28 as the Day of Mourning for workers killed or injured on the job. This day of remembrance was established by an act of Parliament in 1991 in response to work that was done by the Canadian Labour Congress. Since 1991, well over 900 Canadians have died on the job. In the Yukon, 47 fatalities have occurred since 1991. Last year alone there were six fatalities. That is a pretty shocking statistic. It is something that we all need to think about, and we must remember those people and their families.

In 2004 -- only three years ago -- the total fatalities in the Yukon numbered 23, less than half of our current total. After only one-third of the year has gone by, injuries so far this year already total 460.

There is much to be done to ensure that our workers are safe while they are making a living for themselves and their families. There can be nothing worse for a family than to have a parent or child killed or injured because they went to work that morning. Our profound sympathy goes out to dozens of families that have suffered from workplace injuries and death.

Prevention of possible injury or death of workers in the Yukon has lately been a focus of the Yukon Workers' Compensation Health and Safety Board, and we commend them for the public awareness campaigns and the work that they have done with employees on assessing workplaces and putting safety

measures into place. The passport to safety program provides training in safety measures in the workplace and the board's certificate of recognition is awarded to employers who have good safety records and have put in place plans and safety committees in the workplace.

I believe that there are some other initiatives that deserve recognition. The local Federation of Labour is doing a lot of work with regard to return to work, which assists injured workers in returning to the workplace. I think that is a very good initiative.

Working conditions are still not safe enough. Apart from direct injuries from machinery and materials used, there are more and more fatalities and injuries caused by environmental concerns. One of the most serious workplace injuries is from pollution caused by second-hand cigarette smoke.

It is well past time that all workers are saved from the many illnesses that are caused by smoking in the workplace. We look forward to the day when we will pass legislation that will protect all Yukon workers from this plague. It is our hope that this National Day of Mourning for workers will someday be a thing of the past and not needed.

Speaker: Are there any further tributes?
Introduction of visitors.
Returns or documents for tabling.
Reports of committees.
Are there any petitions?

PETITIONS

Petition No. 2

Mr. Elias: I have for tabling the following petition. "This petition of the undersigned shows:

"THAT the residents of Old Crow have been without a safe and proper recreation facility for many years and the community needs committed partners who will build a community recreation complex in Old Crow that will stand the test of time; and

"THAT building a multi-purpose community complex will replace many old and inefficient buildings and will substantially assist in developing successful young citizens, encourage community healthy living and contribute to long-term solutions to the needs of the community in social, economic and cultural areas;

"THEREFORE, the undersigned ask the Yukon Legislative Assembly to urge the Government of Yukon to become a major partner in the construction of a new community and recreation facility that includes a skating rink and a multi-purpose hall in the community of Old Crow."

I believe there are 105 signatures on this petition, Mr. Speaker, and it is important to note that the Chief and Council of the Vuntut Gwitchin First Nation have signed this petition.

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

NOTICES OF MOTION

Hon. Mr. Fentie: I give notice of the following motion:

THAT the Yukon Legislative Assembly, pursuant to section 2 of the *Ombudsman Act*, recommends that the Commissioner in Executive Council Office appoint Tracy-Anne McPhee as the Ombudsman of Yukon for a term of five years, effective April 9, 2007.

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

THAT this House urges the Government of Yukon to reduce the financial burden facing grandparents and other family members who want to care for their own grandchildren, nieces and nephews without requiring them to go through the complete process of applying to be foster parents.

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

THAT this House urges the Government of Yukon to comply with the *Environment Act*, section 46(1), and table the annual report of the Yukon Council on the Economy and the Environment, where the council reports on its annual review of the performance of the Government of Yukon in the implementation of the Yukon conservation strategy.

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

THAT this House urges the Yukon government to conduct public consultations on the *Human Rights Act* and bring forward amendments in the fall 2007 sitting that:

- (1) ensure the *Human Rights Act* is more consistent with human rights acts in other jurisdictions in Canada;
- (2) extend the timeline for filing human rights complaints; and
- (3) make the existing legislation that is 20 years old more relevant when it comes to protecting an individual's human rights.

I give notice of the following motion:

THAT this House urges the Yukon government to bring forward legislation in the 2007 fall sitting to amend the *Workers' Compensation Act* based on the recommendations provided by the *Workers' Compensation Act* Review Panel.

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

THAT this House urges the Yukon government to provide stable, predictable, long-term funding for non-government organizations that provide programs on behalf of the Department of Justice so that:

- (1) non-government organizations will not continue to suffer from a lack of funding security; and
- (2) these organizations can continue to serve Yukon people without having to spend much of their time looking for funding, operating with below-standard salaries and without appropriate administrative and training opportunities.

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

THAT this House urges the Yukon government to immediately contact Aurora College to reserve seats for Yukoners in

the addictions training program that begins in September at its Inuvik campus and to work with Yukon College to explore options for establishing a two-year certificate program in addictions counselling in order to:

- (1) respond to the training needs of addictions counsellors in all Yukon communities;
- (2) prepare addictions counsellors for proposed community addictions treatment centres; and
- (3) act on the objectives in the substance abuse action plan.

Speaker: Are there any further notices of motion?
Are there any ministerial statements?
This then brings us to Question Period.

QUESTION PERIOD

Question re: Education reform

Mr. Fairclough: Mr. Speaker, there has been a great deal of interest in the impending report of the education reform project, and I have some growing concerns over the government's handling of this initiative. The review of the *Education Act* is long overdue by some seven years, and now the education reform project appears to be shrouded in a veil of secrecy. Recently, the announcements on CBC would suggest that the report will be in the hands of the minister by the fall.

Can the minister now give Yukoners a date as to when the report will be made public, and when will Yukoners have an opportunity for input?

Hon. Mr. Rouble: This government is committed to reforming education by making changes to the system that will better serve the needs of all Yukoners. We can see examples of some of those changes just this past week where we worked with our partners at École Émilie Tremblay to enhance experiential education there. I have been working with my other partners in the executive committee on the education reform front. We have instructed the education reform team to proceed with consultations with Yukon communities. They began that the other day; there was a meeting in Faro. I expect to see a calendar of events in the newspaper in the very near future. They have been instructed to complete their consultations by the end of June and then to prepare their final report for the executive committee early in the fall.

Mr. Fairclough: The minister did not answer the question. People in the Yukon are anxious to have an opportunity to read and respond to the report's contents. Last week the Premier made reference to the Fraser Institute and a report that it produced on mining. Well, that same Fraser Institute also issued a very dismal report on Yukon education. Can the minister at least clarify for us if the education reform project is an arm's-length body or if it is under the direct umbrella of the department?

Hon. Mr. Rouble: The final report, which the education reform team is tasked with developing, will identify key issues and goals in education, outline barriers and recommend strategies to overcoming those barriers. Yukoners want to be a part of developing those strategies. We are working with the education reform team to develop such a process. Yukoners

have to be involved in taking a position on education and finding the solutions.

In specific response to the member's question, the education reform team responds to the education reform executive, which includes me and the chair of the Chiefs Council on Education, which is Chief Joe Linklater. The representative for the Kaska is Chief Liard MacMillan. The three of us have been working together to oversee and provide direction to the process.

Mr. Fairclough: In a letter from ATIPP, it says otherwise. The education reform project is at arm's length from the government.

I have spent some time reviewing the education reform project Web site. According to the timeline posted on the site, all consultations were to be completed by December 2006. There is no indication of anything happening beyond that date. I checked under events, and there was absolutely nothing, yet the minister told CBC Radio that there was a public consultation taking place in Ross River this week. The time for consultation is long over. The education reform project should now be reviewing those consultations and working to formulate a report. Why is this government allowing such an important project to be turned into a dog-and-pony show?

Hon. Mr. Rouble: Mr. Speaker, people of the Yukon have told me exactly the opposite of what the member opposite has just said. They want to be part of consultations. Consultation needs to include them in identifying the objectives of education, to recognize what all of those barriers to accomplishing that are, and to work together to develop strategies for overcoming it. Mr. Speaker, we need to involve all of our stakeholders and partners in education in these discussions. That needs to include school councils, it needs to include First Nation governments, it needs to include teachers, it needs to include parents. We all have to work together to come up with a solution that will best address the needs in our education system. We're all committed to finding the best education system for our Yukoners, for our young people, for our future.

I am anxiously awaiting an advertisement in the newspaper in the next few days outlining when all the meetings will be going on. Once we have the calendar complete, I will ensure that all members are aware of when and where the meetings are going to be held. I would encourage them to participate. They, too, can have a voice in education reform.

Question re: Education reform

Mr. Fairclough: Mr. Speaker, the education reform project has two phases of consultation. Simply put, they are pre-report and post-report. The pre-report is done. That consultation is done. How do I know this, Mr. Speaker? Well, it's posted on the Web site. Here are three of the 15 topics Yukoners wanted to address: (1) explore the creation of a First Nations school, similar to French immersion schools; (2) make curriculum changes that better reflect aboriginal cultures and language, highlight the contributions of First Nations to society, and illustrate history from a First Nations perspective; and (3) a higher level of parental involvement. There are 12 more, and I can table that too.

Will the minister stop this charade and stop playing politics with the education of our most prized possession, our children, and will he give Yukoners firm timelines when they will have an opportunity to participate in their children's education?

Hon. Mr. Rouble: Mr. Speaker, on December 11, 2006, the education reform team was sent a letter, which included specific direction to get out and consult with Yukoners on those specific issues. We want to hear feedback from Yukoners on exploring the creation of a First Nation school. We want to hear the involvement of Yukoners in making more decisions at a community level. We want to look at more open lines of communication and more meaningful collaboration between schools and First Nations.

On December 11, there was a letter sent to the education reform team directing them to go out and discuss those specific issues with Yukoners. We also informed them that we expected to see the consultation done by the end of June before people break for the summer and become involved in all of their other activities. We told them to prepare their final report to us by early fall. Those are the timelines, Mr. Speaker.

Mr. Fairclough: Well, it appears that the public is not to see any of this work. The minister already knows what the thrust of this report is going to be. He met with the team on November 21, 2006. Why did he send the project back out on the road to do what it has basically already done? Will the minister at least admit that the government is stonewalling the efforts of this project, and he is yet planning another project that will study the study of the *Education Act* review?

Hon. Mr. Rouble: Mr. Speaker, territory-wide, meaningful consultations with our partners in education are essential to the development of the education reform project. The Department of Education is doing some reforms on its own, as I have said before. Education is one of those things that is constantly developing, growing and responding. In this budget we are seeing enhanced funding for the Yukon First Nations programs and partnership unit. We are providing the Council of Yukon First Nations with funds to hire educational assistants to assist with the transition of Yukoners from outside of Whitehorse to come to schools in Whitehorse. We are seeing an expansion of experiential education programs. We are taking very seriously the issues that have been raised in the past, and we are coming up with ways to incorporate responses to those immediately. As well, we are significantly working with the education reform group to get their feedback and their insight so that we can make meaningful, lasting, significant changes to reform the education system.

Mr. Fairclough: Seven years have gone by -- and no *Education Act* review. For two years this government has been working on education reform and the public has yet to see anything. I want to remind the House that one segment of Yukon society is simply fed up with the smoke-and-mirrors tactics of this government. The First Nations want a say in the education of their children. Some have already spoken openly about drawing down education as they are entitled to. Others have adopted a wait-and-see position. Let me be clear: they will not wait much longer. They do not like what they see from this minister. There is a potential of a major upheaval in the Yukon

education system if the education reform project report is not dealt with in an open and transparent manner. Is it the intention of this government to drag its heels on this report to the point that First Nations simply throw their hands in the air and walk away from the minister?

Hon. Mr. Rouble: This morning I had the opportunity to speak with the chair of the Chiefs Committee on Education where we again reaffirmed our commitment to the education reform project and committed to working together to address the issues. Last week the Grand Chief, Chief Andy Carvill, and I opened the Association of Yukon School Councils meeting, where, and I'll paraphrase, he stated that failure was simply not an option in this.

This project is bigger than all of us involved in the project. It is essential to the future of the Yukon. It is essential to the future of all the individuals in the school system and all our kids. We are all committed to working together to make positive addresses and reforms to the system.

Question re: Thomson Centre reopening

Mr. Edzerza: I'd like to take the Minister of Health and Social Services back to the Thomson Centre for a moment. In a media interview that was published yesterday, the minister said that some of the recent mould problem in that building may have occurred in the upgrade of the roof. He also said that repairs to the roof and the building envelope cost taxpayers \$1.46 million. What steps have been taken to determine who was responsible for the latest problem with mould, and what does the department plan to do about recovering the additional repair costs from the Property Management Agency if that is where the responsibility lies?

Hon. Mr. Cathers: First of all, in answering the latter part of the member's question, I have to remind him that the Property Management Agency is an agency of the government. For a department of the government to be attempting to recover costs of something from the Property Management Agency would be a ridiculous concept.

In answer to the member's comments, as noted to the media, we are looking at this stage at how to address the most recently discovered challenges, including mould and structural issues at the Thomson Centre. A tender is out right now to address this. A company will review this and we will be coming forward with it.

As I noted previously to the House and the media, once Cabinet has reviewed the plan for opening up further continuing care beds and our next investments -- including home care, which will be an increased focus of this government -- we will be announcing it.

Mr. Edzerza: The minister said yesterday that there are processes for someone to complain about air quality in a building. This is a public building where government employees work and where members of the public come for outpatient services, such as physiotherapy and diabetes education. The minister knows that there is a mould problem, but he says it is up to someone to complain before air quality monitoring takes place.

The buck stops at the minister's desk, but apparently in this case it didn't even slow down.

Does the minister know of any complaints about air quality at the Thomson Centre since mould was first discovered there? In particular, is the minister aware of any ongoing action arising from any such complaints?

Hon. Mr. Cathers: I have to point out to the member opposite that, as I advised him the other day, any employee, whether a public or private employee, has the right at any time to complain to occupational health and safety branch if they feel that, in some way, their safety is at peril in a building, including those issues related to air quality.

I can now confirm to the member opposite, having checked with the department, that occupational health and safety branch has been reviewing the air quality on an ongoing basis. The areas of mould discovered are not in areas related to staff. The experts we have are confident that this does not pose a risk and we are acting based on that advice.

Again I stress to the member opposite that if any employee feels that their issue is not being addressed, they can, despite what has already been done, file a complaint.

Mr. Edzerza: Mr. Speaker, it's quite obvious that the minister is skirting the question. Yesterday, I asked the minister about the health risk to workers and clients at the Thomson Centre due to the presence of mould. The minister gave what seemed like pretty glib assurance that the level of mould is only a health issue for people in a fragile condition or those who are susceptible to respiratory problems.

It's hard to understand how he can come to that conclusion, since Property Management Agency has yet to hire a mould expert to see if the building deserves a green light to re-open.

Mould spores are minuscule, and they are airborne. Has there been any ongoing air quality testing during the repair process, and has any attempt been made to notify workers or members of the public who may have respiratory problems about the presence of mould in the building?

Hon. Mr. Cathers: This debate would go a little smoother if the Member for McIntyre-Takhini would, in fact, listen to my responses.

I must point out again that occupational health and safety branch has been reviewing this on an ongoing basis. For him to diminish their expertise in the area of air quality is simply uncalled for and unfair.

Mr. Speaker, the mould expert who is being hired is to look into the root cause of the mould to determine where in the building structure this is originating from and determine what has to be done with the structure to ensure that this never happens again and that this matter is once and for all resolved and that the Thomson Centre is once again open to assist us, fitting into our program of continuing care.

I must again emphasize to the member opposite that continuing care at the extended care facility is but one component of the increased investment our government is committed to making and will be making in the area of expanding services to seniors. A significantly increased focus will be placed on home care and on helping seniors and elders remain in their own homes for as long as possible, for as long as it is safe to do so and they wish to do so, with full support, and in an area where they tell us they would prefer to be.

Question re: *Workers' Compensation Act* review

Mr. Cardiff: Mr. Speaker, the minister responsible for the Yukon Workers' Compensation Health and Safety Board has finally received the long-awaited report from the *Workers' Compensation Act* Review Panel. Since the executive summary is 60 pages alone, I don't expect the minister has had an opportunity to read the entire document that carefully. However, I'm sure that he is just as pleased as we are that a grinding four-year process is finally reaching a conclusion.

But the ball is within the minister's court now. I'd like to know what instructions the minister has given to begin the process of drafting the necessary amendments to the act.

Hon. Mr. Cathers: I appreciate the member's question. He is quite right -- I am very pleased, as is he, that the process has finally been concluded and that the act review panel has finally submitted the final report. For the information of the members opposite, as they may have concluded, effective today the panel is dissolved.

I have already initiated a request for a meeting with the major stakeholders to discuss the panel's final report as well as the joint submission that the major stakeholders submitted last summer and the recent submission where they identified nine issues they would like to see dealt with more expeditiously than the amendments to the rest of the legislation. As I said, I initiated the request and I look forward to sitting down with them and discussing the next steps for moving forward in an expeditious fashion to draft the legislation and bring it before this House at the earliest opportunity.

Mr. Cardiff: I am glad to hear the minister is right on this file, because workers and employers have been extremely patient with the way the review has been conducted. They have also worked very hard and I am glad to see that he recognizes the joint submission that was put together by the stakeholders and that he is going to meet with them.

I would just like to reconfirm this: will the minister make a commitment to make sure that the stakeholders are properly consulted during the legislative drafting process so that the amendments he eventually brings forward have the considered input of the people most concerned with the legislation?

Hon. Mr. Cathers: In answer to the Member for Mount Lorne, we will indeed be working with the stakeholders. The legal drafting and putting the language into legalese will of course be done internally at some stage, but we look forward to bringing that forward to the stakeholders for discussion prior to it being implemented into law.

Prior to that, in determining the policy objectives, as I indicated, I want to sit down with the major stakeholders. I would point out to members that this is a process similar to what I did shortly after being appointed minister responsible for the Workers' Compensation Health and Safety Board last year. I sat down with the major stakeholders to discuss the draft occupational health and safety regulations, which had been in the process of development for approximately nine years. I want to personally give the opportunity to stakeholders to sit down and talk to me and for me to hear from them before we take the next step. We look forward to doing so and moving forward in as timely a manner as possible.

Mr. Cardiff: Because of the delays in getting the review completed, the minister has apparently indicated that we may not see the amendments to this piece of legislation until the fall of 2008. As he has mentioned, the stakeholders, which include the chair of the Yukon Workers' Compensation Health and Safety Board, the chambers of commerce and the Federation of Labour, wrote to the minister recently. They not only unanimously came up with recommendations on those 88 issues, but they also came up with a very positive and practical suggestion for speeding up the process. They have asked the minister to move on the nine priority items right away and table the amendments to those items in the fall sitting of this year. The remainder of the changes could be brought forward next year.

Will the minister agree to that sensible recommendation by stakeholders and bring forward the first set of amendments in the fall sitting?

Hon. Mr. Cathers: First, I would like to begin by correcting the member opposite. I did not, in fact, state a timeline of fall 2008 to my recollection. Certainly that is not a timeline that we are expecting. I believe he is getting that from a recent letter in which there was a concern from stakeholders that it might not be feasible to fully amend the legislation until somewhere around that time.

In answer to the member opposite, I will have to work with Cabinet and get final approval on the policy elements of this, but I am pleased to indicate to the member that I certainly appreciated the joint submission and the work of the major stakeholder groups in identifying nine priority issues. We will be giving positive consideration to that request, subject of course to Cabinet approval. We will consider their request and the timeline they have suggested.

As indicated, I want to begin the process by first sitting down with the major stakeholders, and then I must receive Cabinet approval as is due process.

Question re: *Human Rights Act* review

Mr. Inverarity: I have a question for the Minister of Justice. Earlier this week on Monday, April 23, I tabled a bill to amend the *Human Rights Act* to extend the time limit for filing human rights complaints. Currently, the *Human Rights Act* provides for a six-month time limit for filing complaints. The proposed amendment would see the time limit be extended to two years.

My question for the minister is this: does she believe that six months is a reasonable time period for filing human rights complaints?

Hon. Ms. Horne: Our government is concerned about the *Human Rights Act* and the ability of Yukoners to present their concerns to the board. We are addressing this and it is going before a board of -- this is only one part of the problem with the commission and it is going to be investigated fully.

Mr. Inverarity: The Minister of Justice has stated on several occasions that the government is committed to doing the right thing and doing things right. The executive director of the Human Rights Commission has been in the media recently calling for the complete review of the Yukon's 20-year old *Human Rights Act*. The executive director of the Human Rights

Commission further stated that the review would be a good opportunity to look at what is working and what is not working in other jurisdictions.

Will the minister commit to undertaking a review of the *Human Rights Act*?

Hon. Ms. Horne: Yes, we are exploring options about how to ensure that Yukoners, members of the opposition, the Human Rights Commission, the Board of Adjudication, and other stakeholders are part of this process. Our department is forming a board right now to explore these options and this will be taken into consideration.

Question re: Workers' Compensation Health and Safety Board, chair's remuneration

Mr. Inverarity: I have some questions for the minister responsible for the Workers' Compensation Health and Safety Board. In December 2004, the Yukon Party government quietly made changes to the rate of pay that goes to the chair of the Workers' Compensation Health and Safety Board. The rate of pay jumped from \$300 a day to \$500 a day. Now there are 27 other types of boards in the Yukon government, yet this government has only decided to review and increase the pay on that particular board. One has to wonder what the chair of the Workers' Compensation Health and Safety Board has done to merit such a pay increase -- I'm sorry; I'm really losing it here. It really upsets me.

But what a coincidence -- really what I'm looking for here is this: what is the justification for giving this particular board an increase over all the other boards in the Yukon?

Hon. Mr. Cathers: That was rather a strange and hard-to-sort-out question from the Member for Porter Creek South.

I would remind him that the issues related to honorariums and boards -- there are policies that apply to this. In fact, this is a board that is very important to the operation of the Yukon. It is very important to workers, and it is very important to employers. I would remind the member opposite that in the past few years all members of the Workers' Compensation Health and Safety Board -- the chair, the alternate chair, the members representing employers and labour -- have done a wonderful job in moving together toward a far more collaborative relationship than had been the case 10 years ago, for example. It was not that long ago that the relationship between employees and employers on WCB was very adversarial, and the work that all of them have done in moving together and jointly addressing issues should be commended, and I commend them for that.

Mr. Inverarity: Mr. Speaker, in 2004, with no public announcement, the Yukon Party Cabinet met and decided to give the campaign manager a raise from \$300 a day to \$500 a day. This is the most expensive board appointment on the government payroll. This person must be doing some exceptional work.

Let's review some of his recent accomplishments as chair. Employers are now paying some of the highest assessment rates in Canada under this chair's leadership. Workplace injuries are skyrocketing under this chair's leadership and administration costs for operating WCB went up 25 percent -- from \$5

million to \$6.7 million -- in the year after he received his big increase. If anything, the salary for the individual should probably be reduced given his performance.

How can the minister justify this big increase to this long-time Yukon Party supporter?

Hon. Mr. Cathers: This attack on individuals is simply inappropriate. For the member opposite to use his position in that manner is, frankly, disgraceful. I would remind the member opposite that the individual in question -- when he was reappointed -- was jointly nominated by the chairs of the Yukon Federation of Labour and Yukon Chamber of Commerce. Clearly, the major groups -- employer and employee -- feel that he is doing a good job. Perhaps the member opposite should take up the suggestion the president of the Federation of Labour made in the media not so long ago that the member take a course to understand this process. Clearly, he does not understand the fact that the rates set for payments under WCB are set by the board. They are independent of this office.

Mr. Inverarity: Mr. Speaker, there are lots of people who do important work chairing government boards. They look after the Housing Corporation, the Liquor Corporation, the Yukon College Board of Governors and the Yukon Fish and Wildlife Management Board, just to name a few of the boards. These are all very important jobs and the chairs make big decisions on large sums of money. Did the government give them a raise? No. The only chair out of all these boards chair needed to get an increase from the Yukon Party government is the person who happens to be the campaign manager for the Yukon Party.

Perhaps the minister can answer this question: since this big increase in pay to \$500 a day, how much has this individual billed the government in his salary since he has taken over?

Hon. Mr. Cathers: Again, Mr. Speaker, this is absolutely appalling, coming from the Member for Porter Creek South. It's clear why he has tabled apology legislation. He needs to make use of it himself. He should apologize for his attack on this individual, who clearly is respected by both labour and employers. Otherwise, they would not have jointly nominated him for reappointment as chair.

Speaker: Time for Question Period has now elapsed. We will proceed to Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT BILLS

Bill No. 6: Second Reading -- *adjourned debate*

Clerk: Second reading, Bill No. 6, standing in the name of the Hon. Mr. Fentie; adjourned debate, Mr. Cathers.

Hon. Mr. Cathers: It gives me pleasure to rise in the Assembly today to wrap up my remarks on the 2007-08 main estimates. I'd like to briefly recap on a few issues that I've mentioned earlier, as well as a few new topics before my time runs out today.

A few areas in the budget specific and very important to my constituents that I would like to highlight -- and for which I

would like to commend my colleagues who are responsible for this investment -- include a thank you to the Minister of Highways and Public Works for confirming that his department will continue resurfacing the Mayo Road in this fiscal year, and a thank you to the same minister in his capacity as Minister of Energy, Mines and Resources for the continued work done by him and his department to implement the new agriculture policy and ensure the successful operation of our new red-meat abattoir. As well, I would like to again thank the Minister of Community Services for the continued investment in upgrading the equipment of our volunteer fire departments by providing the Ibx volunteer fire department with a brand new, \$185,000 fire tanker truck, replacing the antiquated one that they had before.

As those who have had to experience a fire know very well, Mr. Speaker, this is of tremendous importance. The volunteers from all our volunteer fire departments are tremendously important and very much appreciated when they step forward to assist those whose homes or outbuildings are on fire.

I would also like to thank the same minister for the continuation of the domestic water well program. I would also again encourage the City of Whitehorse to work with the Department of Community Services and accept the offer the government has extended to provide funding to extend this program within Whitehorse city limits, as it is very important to my constituents who live there.

In my few minutes remaining, I would like to briefly touch on the areas under my responsibility for workers' compensation and I thank the panel for submitting their final report. I look forward to moving forward expeditiously with stakeholders on the completion of amendments to the legislation.

In the 2007-08 budget for the Department of Health and Social Services we have over \$200.9 million in operation and maintenance and a capital budget of just under \$13 million. This represents a very significant increase over the last fiscal year, clearly demonstrating the commitment that my colleagues and I in government place on this area. The investment ensures the strength of our health system and our social programs. For those whose math may not have noted it, the increase is \$25.27 million in operation and maintenance alone in this fiscal year, which is over a 14-percent increase by our government as a part of our continued investment in ensuring that this remains strong.

I understand my time has run out. Thank you, Mr. Speaker.

Mr. McRobb: I have some general comments to start off with. It's my understanding this is the ninth Yukon Party budget before this Assembly, if you include the original term of the Yukon Party government from October 1992 until September 1996. If you total up the amounts of each of those nine budgets, you would arrive at a figure close to \$5 billion, a staggering amount. It's rather disappointing to discover that out of that \$5 billion there is not one penny to raise social assistance rates in our territory.

It's fair to conclude that the Yukon Party has very little concern for the least fortunate in our society within our territory.

Another observation is that there is nothing concrete in this budget to address climate change. I expected much more from this government, especially considering that it is sitting on an \$85-million surplus and was recently the beneficiary of \$5 million from the federal government in the form of eco-trust fund, as well as other revenues. This government had a choice to go big or go home on climate change. Unfortunately, it chose the latter. There was the glorious opportunity to really signal to the world that the Yukon government took this whole matter of climate change seriously.

One possibility that occurred to me about what this government could have done in budgetary terms was to announce a huge program to address a concern that is pretty high on the public's priority list. I was expecting some announcement in the magnitude of, let's say, \$100 million to address climate change over the next four or five years, which is something that was quite possible. Mr. Speaker, such a new program could have included new programs and initiatives, such as the many identified in yesterday's motion debate. It could have enhanced and expanded existing programs to insulate homes, such as some of those within the Yukon Housing Corporation. I will give an example. I am aware that some of the programs to retrofit houses and improve the energy efficiency of homes only apply to a portion of Yukon people. There are limits, income thresholds and certain types of constraints that withhold these programs from the general public.

If the government were serious about climate change, it could simply have enhanced a lot of existing programs, but it did not. It was a missed opportunity and I think it is one that all Yukoners will find regrettable.

The second item that I want to address is the Yukon Party's use of special warrants. This is a further example of the Yukon Party's disrespect for this Assembly and the members elected to serve the public interest within the opposition. To spend public money without debate is simply inexcusable. That is why we are here in this Assembly, especially in the spring when the budgets are brought in. We are here to debate the public expenditures, and to bypass this process through the use of special warrants could be called "undemocratic". This isn't the first time this has happened. As a matter of fact, under Yukon Party rule it is the business-as-usual, common practice. My conclusion is that it is very disrespectful of the government.

The third item I want to address is the late recall of this Assembly. I have heard several excuses from the government side about why this was done. First of all there was the Canada Winter Games, then the departmental officials weren't always available, although that is a real questionable one too. Finally the Premier said that he wanted to get it right. Well, on the latter point, first, there are several items missing from this budget that have already been announced. Several items that were announced were covered in last year's budget, so obviously the budget wasn't done right. An example of something missing is any funds for the Aishihik third turbine, the \$5 million that was announced. That's not in the budget. An example of something

announced as a budget highlight that's not in the budget is the funds for the "seniors complex" -- and I'll put quotation marks around that because really only the Yukon Party refers to it as such; it is really affordable housing -- in Haines Junction. That was paid for in last year's budget yet it is a budget highlight in this year's budget, so it wasn't done right. All told, all three excuses simply don't wash and one has to wonder what the real reason was.

Regardless, let's look at the ramifications. It puts the whole spring legislative calendar well into June, whereas the spring sitting is usually concluded in mid-May. I recall sittings that ended in April and even on May 1.

This presents a number of difficulties that could have been easily avoided. For instance, public service employees and departmental officials must be on-call during the whole sitting to assist the ministers in answering departmental questions, and for other reasons. Second, the general public usually has better things to do in the last half of May and early June, such as tourism business operators and people who work on the land and simply cannot continue their ordinary level of attention toward what is happening in this Assembly. It is well known in the Yukon that our way of life is typically geared toward the summer months and here we are this sitting overlapping that.

I see a clear pattern forming with this government -- now in its fifth budget -- that the fall sittings overlap into Christmas and the spring sittings overlap into summer. Typically there is a part of each sitting where the public is focused on other matters and away from what is really happening in this Assembly.

Again, we have to ask why this is done. Does not the Yukon Party government want the public to know what is going on in here? Or does it only want the public to know what the Yukon Party wants the public to know through pre-announcements and so on up front? Once the opposition learns about more concerns in the budgets, which come out later on, that falls in the overlap period. I'll leave it up to your imagination, Mr. Speaker. This Assembly could have been recalled at least a month sooner, and should have been.

I want to talk about the Yukon Party's approach to governance, and especially with respect to the budget. We in the opposition benches are still waiting to receive a very important piece of information. It's called the community breakdowns. In this document the capital expenditures for each community are listed, and this information is not available in the budget book.

The government knows we need this information. We request it each and every year. It was accepted practice before Yukon Party rule, but it was changed by the Yukon Party and now the Yukon Party blocks this information. This is wrong.

The material was requested during the budget lock-up on April 19. I requested the material, in fact, and the Finance officials said it would be ready by Monday morning. Instead, on Monday morning I received a note from the officials indicating that a request would have to be put to the Premier's office. Our leader requested it during his budget reply speech on Monday. Has it been received? The answer is no. The Yukon Party continues to withhold this imperative information from all members of both opposition parties. We know it is sitting in on the Premier's desk.

Obviously, this government is not as open and accountable as it says it is. On several occasions, the Premier will say in the media how open and accountable his government is and how it has nothing to hide. If he is right, then why is he hiding this information? This is information that we need to hold the government accountable. I see a direct contrast between what is being said and what is really happening.

We need this information to do our work. Constituents are asking me what is in this budget for them. I am not able to tell them much without the community breakdowns, Mr. Speaker. This information is not all in the budget book. Usually, only the major expenditures are. Quite often, some projects are part of line items in the budget that aren't broken down in that material.

It also forces us to do our budget reply speeches, such as I am giving now, without knowing what is being spent in communities in my riding. All other members in the opposition parties have been forced to suffer accordingly, yet on the government side, each and every member has a list of community breakdowns and is able to include those items in their speeches.

What is wrong with this picture? The Yukon Party talks about improving communication in this Assembly, but does not deliver. Talk is cheap.

Let's move to departmental briefings. Well, under the Yukon Party rule, the departments aren't allowed to give hand-out material any more. Again, this was accepted practice before Yukon Party rule. At least that is happening now. I stopped in on Tuesday morning at a Tourism and Culture briefing and asked officials if I could get a copy of their material handouts and I was told that they had none. We know from past practice that when we are told that, it is a direct order from the deputy minister who receives orders from the Premier.

So, in other words, the Member for Watson Lake is telling departmental officials to not give the opposition parties budget material handouts. That is wrong. Why is the government muzzling its departments? It is part of our job in the opposition to first know what is up in our critic areas and then follow up with any concerns that are important to the public. By concealing this information, the whole process is stymied.

The Yukon Party will say that we get a budget book; however, as stated, not everything we need to know is in it. I want to state that we take our responsibilities seriously and want to do the best job we can. The Yukon Party is interfering with that. It should simply not be allowed. It shouldn't be tolerated. That is the justification to call them on it at this time.

There is another similar instance. The Yukon Party withholds responses to questions we pose to departmental officials, as it has in the past. During the departmental briefings, we ask officials for information. The departmental officials usually have that information ready for delivery within a few days. Sometimes they have it the same day, because quite often the information is close at hand.

But under Yukon Party rule, members in the opposition benches don't receive that information when it's available. It's withheld. Where is it? Sitting on the minister's desk, collecting dust. When do we get it? Well, at best, usually after the department is called and after the ministers deliver their depart-

mental presentation, we get a pile of material. But guess what? A green light comes on and we have to stand up and talk. There is no time to review this information before our only opportunity to critique the department comes up. Is that fair? No. No, that's not fair at all. It's something else much worse.

On one occasion I'll never forget, the responses weren't provided until the whole sitting had already ended. I got them in June, and the sitting ended in May. This should not be allowed.

Before the Yukon Party was elected in 2002, there was a much more open process. This information was provided as soon as it became available, or at least within a few days. That's reasonable. But to hang on to it for several weeks is inexcusable.

Another example of how, under Yukon Party rule, we've taken a big step backwards in democracy is identifying the legislation to come forward in the sitting. The previous government called together the opposition House leaders before the sitting even started and said, "Here's what we plan to bring in during the sitting." They would identify the legislation. If there was a question mark about a certain piece, we'd hear that it was still a question mark. That's fine. But under the Yukon Party rule, we only find out on the last day. Today, coincidentally, happens to be the last day and there was no further legislation introduced. So we have from the government only three house-keeping bills, aside from the budget stuff.

I will point out, Mr. Speaker, how the members of the opposition parties will actually outnumber this government in terms of the number of pieces of legislation introduced in this sitting.

Already we're tied at three and, should the third party introduce its smoking legislation, it will be four to three, opposition versus government, in the number of pieces of legislation. Yet on the opposition side, look at the difference in resources -- wow. The government side has hundreds of public servants working in the departments who can draft legislation. The opposition side has to struggle with a meagre budget and do a lot of the work itself. I'm talking about elected officials. So there's a huge disparity there and it really indicates that this government is again not prepared to roll up its sleeves and do the hard work of government.

On a related matter, policy work -- wow. I only have limited time to talk about this area, Mr. Speaker, but policy work is very important to Yukoners and there's almost a complete void of policy work under Yukon Party rule. Instead, we get spending announcements willy-nilly, without any policy framework at all. Just look at yesterday's announcement of giving a mining company \$200 million for exploration work. That's not contained within any policy grounded in public consultation. There are countless others but, as mentioned, I don't have time to go there.

I want to return to the departmental briefing issue, because today there was a further example of what the opposition parties must contend with under Yukon Party rule. We were given the wrong briefing schedule two days ago by the Yukon Party House leader's assistant. We showed up at 11:00 this morning for a briefing with officials from Highways and Public Works.

Instead, we are greeted by officials from the Department of Economic Development. It was too late to change up at the last second and the briefing was cancelled. I asked the officials when they found out there was a change in their schedule. We were informed it occurred more than a week ago. Well, immediately I said, "We were informed only two days ago by the Yukon Party about which department would be up at 11:00 today." Of course they shrugged their shoulders and we left. Well, it doesn't say a lot for how this government treats those who are tasked with the heavy responsibility of holding it to account.

I think one can start to draw conclusions about the character of this government. When you add up how it treats the opposition parties with budget briefing scheduling, withholding information requested during budget briefings, including the material handouts and responses to questions and everything else -- no community breakdowns -- this government would only, deservedly, get a failing grade for its performance. And that's sad. Whether Yukoners understand it or appreciate it, it's sad because it means this territory doesn't have the proper checks and balances on how it spends its budgets.

The government side makes a big deal about the opposition parties' position on public consultation, and I want to address this next, because it's clearly my opinion that this government really only consults on matters that it wants to delay, or wants to set up as window dressing to create the public perception that it is out consulting.

Many of the more important matters never see the consultation light of day, and there was a recent example: how the government spent the \$5 million from the federal government eco-trust fund on the third wheel Aishihik dam. This is a matter that Yukoners would have loved to have had some input into. We have already identified all kinds of better ways of how that money could have been spent. Yet, was there consultation? No. Was there a rush? Well, obviously not, because this turbine can't start producing for a number of years. What is the rush? It's not even needed. So, when one looks in contrast at some of the immediate things that could have been brought in, such as expanding some of the existing programs so more people are eligible to apply or introducing some of the new programs that even other governments are doing, it's rather easy to conclude that government really should have opened the door on that matter.

Instead, we see the minister is busy attacking the opposition and trying to make it appear as if the opposition is confused in its position on public consultation. If you look beyond that first ply of thought, you will soon discover that it is referring to two different parties, and the opposition isn't a unified force. There are currently two parties within the opposition benches, not one. Furthermore, there is a huge difference in the issues themselves, and some deserve consultation and some don't. As I started out, I mentioned how sometimes consultation is used to delay dealing with something. I would urge anyone listening and anyone reading this *Hansard* at a later date to think about this when they hear about the government referring to this "confusion about public consultation".

I want to touch on the issue of legislative reform, because Yukoners are interested in this matter, and they haven't heard much from the government or anybody else for several months now.

In the fall, we came to an agreement between the two parties in opposition and the government's side on the length of the fall sitting, and we gained a couple of concessions. One of those concessions was equalization of the Standing Committee on Rules, Elections and Privileges. The government agreed to that, and the sitting length was reduced from 30 days to 12 days. We gave the government's side kudos. We knew that in order for the Yukon Party to realize that we are gracious when it comes to concessions, we had to give credit where credit is due. Sometimes that is given out too often without justification.

It was agreed that there would be a meeting in late January. Did that meeting occur then? The answer is no. Did the meeting occur? Well, yes. When? Well, it happened the day before the spring sitting started. Did that allow time for the introduction of any reform measures into the spring sitting? The answer is no. Well, was that discussed before? Yes, it was. That was the whole intent of trying to meet early. In fact, we wanted to have a meeting before the conclusion of the fall sitting, in December. The Yukon Party would not agree to that, but it offered up the end of January. As you know now, that didn't happen either.

So, here we are back to the same old process without any improvements. I might add that it doesn't look like there is going to be a meeting before the end of this sitting. It is unlikely that we will see improvements in time for the fall sitting either. I will put it out there. I will put a challenge out to the Premier right now: surprise me.

I do want to talk about some of the good items in this budget, but first I want to talk about my concern about some of the items that are missing. As mentioned yesterday, there were several initiatives and projects that could have been undertaken in my riding, the Kluane region. As part of the climate change initiative there was a small district heating system in Beaver Creek, where the heat from the existing diesel generator is wasted. It is a very small project that would do a lot of good.

In Burwash Landing, the chip-boiler district heating system has an expansion plan gathering dust that could be funded. That's not in the budget. I mentioned geothermal possibilities in Destruction Bay, and I learned while attending last night's function in Haines Junction, which I should mention in a moment, that there is indeed a geothermal application on the government's desk from the Kluane First Nation that, as far as we know, is unfunded. It is not in this budget.

Finally, the Haines Junction warm-water well project has a lot of possibilities for district heating and further development of the well.

Let me just take a moment out to mention this wonderful conference that is taking place in Haines Junction and wrapping up today. It started on Monday evening, and it's a conference on park co-management with officials from across the country. It's my understanding that nearly 100 officials representing virtually every park in Canada are on hand in Haines Junction to discuss the whole matter of co-management in

parks. It is also my understanding that this conference is the first of its kind in Canada.

Given the situation with Kluane National Park and how it's co-managed by Parks Canada, the Champagne and Aishihik First Nations and Kluane First Nation, and the whole process set up to manage it through the Kluane Park Management Board, it provides an excellent example of what park officials from across the country need to learn. It is taking place in the beautiful convention centre in Haines Junction, where people can look out the windows and see the magnificence of the St. Elias Mountains, which are located within the park. So there is a real connection between what is being discussed and what people can see right through the windows. I attended the welcoming on Monday evening, and it was absolutely fantastic. I have to thank the organizers and participants of this event for an excellent job. I also attended the dinner and ceremonies last night, and, again, the people in Haines Junction have done a wonderful job of putting together this landmark event. I certainly would encourage them to keep on with their efforts and do it again, because all the attendees I spoke to last night were just having a great time, and they had said they had learned a lot. It was a great experience, and many of them are returning to the territory.

Something else I want to get on the record is that the spring sitting is usually my first sitting of the year, but this is an unusual year. It's actually the third sitting I have attended so far this year. I was in the House of Commons the day after it opened at the end of January and I actually attended Question Period on two consecutive days. I want to thank Yukon MP Larry Bagnell for his tremendous support. I got to meet a lot of people and get a tour of the buildings. It was a time I'll never forget. The second occasion occurred on opening day in the Alberta Legislature after I attended a caucus meeting of the Alberta Liberal Party, and I want to thank its leader, the Hon. Kevin Taft, for inviting me to be part of the caucus discussion, and also thank their House leader for introducing me during their proceedings and all the other members and staff who gave me a tour of their legislature and the surrounding buildings.

So, it was actually my first opportunity to have outside contact with other caucuses because, as we know, generally our time is constrained and of course there is no budget for outside travel for members, at least in the opposition party. It's different for government-side ministers to travel as supposedly part of their departmental responsibilities. If they care to drop in on their party offices, then I suppose they can take advantage of already being there to do that, but it's quite different for us in the opposition. We don't get that opportunity and, just in case members are wondering, this was a trip that I paid for myself. There were no taxpayer funds involved at all.

I did mention that I wanted to talk about some of the good news and I've only got about three minutes left. I want to first acknowledge the Haines Junction affordable housing complex - I referred to it earlier. This money, though, was voted last year and it is not in this year's budget. But I also want to say again, as I did last year, that this project is not really what the seniors in the Kluane region wanted.

It's only a start, and people really want to know where the rest of the facility is. It was envisioned there would be additional phases -- phase 2, phase 3, maybe even phase 4 -- to actually bring the structure up to what the community wanted. Unfortunately, there are no funds in the budget. When I heard the announcement, I thought, "Okay, there's phase 2." But after further analysis I determined it wasn't phase 2 at all, it was just a reannouncement of phase 1 from last year. That was rather disappointing.

I want to also mention the youth-elder activity centre in Burwash Landing. I think this facility will be great for the community and much appreciated by the people who use it. However, I can't say this with complete certainty, but it too appears to be a revote from last year. You will recall the fiasco within the Yukon Party ranks a year ago when the former Education minister announced funding for a Burwash school. Things flared up and then later the government announced, "No, no, that was for a Burwash elders facility", and there was money allocated in the budget for it. I checked on this recently and it was confirmed that money was never spent. I had a recent conversation with a reliable source and discovered that some money was spent last year on engineering and design -- I think it was about \$250,000 -- and this year there was about \$850,000 spent on materials. After the materials arrive, there will be a further appropriation for labour to actually construct the building. However, the Kluane First Nation is required to pay for a certain percentage of the whole project. I have some questions around this, because all of this wasn't pointed out in the government's news release 07-057 on April 13. It was just good news. I will further point out that the press release says, and I quote, "This will be the largest indoor gathering place along the northern portion of the Alaska Highway."

Well, I checked that last night and found out it's not true. This won't be the largest gathering place. This building is chopped up into various uses. Part of it will be a daycare; part of it will be for elders and part for youth and so on. There is no large room. The only large room is in the Jacquot Building, and it's not large enough to accommodate meetings like potlatches.

Mr. Speaker, I see that my time is up. I feel that I have put a lot of concerns on record and will continue to do so for the remaining days of this sitting.

Hon. Mr. Lang: Again, I will be short in my support of this budget.

As the member opposite has stated, this is the ninth financial record we have put on the floor of the House. At the end of the day, I've been very pleased to be part of the team that has put those budgets forward.

My responsibility in Energy, Mines and Resources speaks for itself. Over the last four years, we have been working to build up the resource part of the equation in the Yukon. Of course, that has been proven with the economic upswing we have in exploration dollars and the optimism out there, whether in the forestry industry, oil and gas or mineral resources. There is definitely a marked improvement over the last four years.

When we were re-elected last fall, I also got the responsibility of Highways and Public Works. We worked with the

Auditor General to do an audit on the department to better manage the department and also to get an independent overview of the department from a management perspective. Of course, we got the report and it was tabled here. We are working with the recommendations of the Auditor General. The Auditor General had some very interesting overviews of the department, and we appreciate it and are working toward addressing some of the issues that were pointed out. Some of the issues had to do with bridges, not only their maintenance, but also their lifespan. Of course, we looked this year at resourcing that overview. \$17 million has been put toward the maintenance and upgrading of bridges in Yukon to make sure that the travelling public can be confident about our corridors and highways.

We have a very lengthy highway system that involves almost 5,000 kilometres of roads in the territory. We have been working at some of the roads, like the Campbell Highway, over the last couple of years -- to try to bring that highway to a standard that's acceptable to Yukoners and make sure that that corridor is available and ready to go to work when all the exploration and all the work being done in southeast Yukon area make it open and ready to go to work. We're committed to do that.

When we were elected this fall, we also were looking at a five-year mandate and we were elected with a majority government. The people of the Yukon spoke, they wanted a continuation of the good governance that was offered in our last mandate, which was a four-year mandate, and we're addressing that issue.

On this budget we have issues of quality of life. How can we contribute to a better quality of life in the Yukon? That's one of the things we do as a government. We do that by targeting \$650,000 in the budget, Mr. Speaker, and targeting initiatives for recruiting older workers to look at coming back into the workforce.

There is \$4 million for the Whitehorse waterfront project. That is an ongoing project that has been an ongoing project since I was young. What do we do with our waterfront? We are working in conjunction with the city, First Nations, ourselves as a government, the general public and stakeholders to move forward with that.

Certainly the Carcross waterfront hasn't been ignored, Mr. Speaker. That's going to become a resource engine for that area. White Pass is bringing the train back into Carcross. I think the commitment is that 20,000 guests are going to be coming to Carcross this year and certainly the money is being spent there on the waterfront to bring Carcross up to a standard that can take advantage of the growing population, growing tourism dollars that are going to be spent in that community.

We have, of course, the \$1.1-million commitment for museums and First Nation cultural and heritage centres. Our Minister of Tourism and Culture has been very active out there, making sure that our museums are not only upgraded, but are financially independent so they can do the job that they do in taking care of our museum items and also the cultural end for First Nations. We have done that, Mr. Speaker.

We're looking at finishing up the Mayo community centre, with \$477,000 committed to Mayo to finish that fabulous com-

plex that was built in our last mandate to address the issues in Mayo -- from a community association and community club and also the growing interest in that area that is going to mean an influx of individuals and people to work in the area there, and they will have a community complex that will stand out and will encourage people to live in the community. That money has been committed by this government.

Of course, we have the \$1.8 million that we've committed, like the Member for Kluane said, for our seniors housing in Haines Junction. We're very actively looking at the Teslin situation and looking at finishing the extended care unit in Watson Lake. That's a priority of this government. Of course, Dawson City needs the same. The extended care and senior care in these communities are real priorities to Yukoners and, in turn, very much of a priority for us as a government. Of course, we have the visual arts school in Dawson City. That has been ongoing work that this government has done with the group in Dawson City to bring another financial engine to the community of Dawson City. That is up and running as of this year. They're going to have staff on board, and they're going to start with the visual arts concept in Dawson City. That certainly is a commitment this government has made.

Of course, we have the safety of our communities. We address that on a daily basis. We see that. This government, through the capable Minister of Justice -- with the \$400,000 for operating the *Safer Communities and Neighbourhoods Act* office, we've addressed that. We've resourced that with \$400,000. Of course, we've brought the RCMP street crime reduction team into the scenario, and we've also put \$478,000 in this budget to fund that. Mr. Speaker, there is nothing that we in the Yukon have to address more seriously than our communities. They have to be safe, Mr. Speaker.

Our health and human resources strategy is ongoing with \$2.1 million. Yesterday we talked about the environment. The environment was and is a huge priority for our government and, of course, for all Yukoners, and for Canada. They have done polls, and the average Canadian is very aware of the environment and very concerned about what direction our society is going to go to address our impact on that environment. In the Yukon we have a very small population, but we have a large landmass, and we have to deal with the impact on the environment from southern Canada and the United States. We in the north are being affected more, and it goes right around the northern regions of this planet. So, how are we going to mitigate the situation? How can we address the situation on Herschel Island? How can we resource things like putting together the almost \$1.3 million for fish and wildlife habitat surveys, including the Porcupine caribou herd management plan with the Vuntut Gwitchin? And what are we going to do with other animals and how are we going to mitigate the impact that we see on our communities? And, of course, in our society, how do we bring our parks in? How do we celebrate Yukon parks? Twelve percent of our land base is set aside for parks and park management, so we have to spend some resources to bring that into the public focus and get the general public to understand that we are working on our parks and that these

parks do exist in our territory. And they are a fabulous asset to this territory.

And, of course, we have the other resources. Look at the private sector economy. What do we do? The Member for Kluane mentioned a \$200-million grant to the mine at Minto. I was a little set back when he mentioned the \$200 million, but, in fact, those are resources given by Economic Development to work with the mine, as we do in all partnerships, in moving forward in the development of that mine.

The Minto mine is on selected land. It is on Selkirk First Nation land. It will mean to the First Nation resources coming into the community in royalties of roughly \$3 million a year. There will be \$3 million coming in to the Selkirk First Nation for the life of the mine, which is seven or eight years at this point. There will be roughly \$21 million coming to the First Nation, and they will be able to work with \$3 million on a yearly basis. There is also the opportunity for the First Nation to contract to work at the mine. I think that, at the mine now, at least 25 to 50 percent of the employees are from Pelly and the Selkirk First Nation, and they are working very positively with the corporation.

As we as a government move ahead with planning, we look at these resources. We look at the budget. It will be debated in the House at the department level. The opposition will participate in those discussions.

To shorten the debate this afternoon, I would like to say to my colleagues that this is a job well done. I would like to say to the Minister of Finance that the resources are in place to do what this government has set out to do. It is through the hard work of not only the Minister of Finance, but also his department, and of course our partners in Ottawa that these resources have been freed up. We are a part of Canada. Southern Canada, Ottawa and the government of the day have recognized that. We have a working relationship, through the Premier's office, with the northern premiers. That has borne fruit and financial success. We work with other jurisdictions, such as the State of Alaska, B.C. and Alberta. When we're working with Ottawa on issues that affect us, invariably we have overlapping issues and responsibilities with other jurisdictions. By working as a unit, there is more work done at the end of the day.

In closing, I am totally in support of this budget and I look forward to working with this government. I would like to thank the good people of Porter Creek Centre who made the decision to re-elect me to represent them, and I look forward to the next four years working with this group of individuals to make the Yukon even a better place to live -- a place where there are, as you can see today, the opportunities for our kids to come back and work in this great territory, where we are working with industry, working for the environment. All these things as a unit are not insurmountable. We can solve the issues as we work through the issues. There are always challenges. We can't please everybody all the time but, at the end of the day, I think the Yukon is in good hands. We have a strong bottom line, we have resources, and we are going to move forward and prudently handle those resources to maximize the benefit to all Yukoners.

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

Hon. Mr. Fentie: First, I want to extend the government side's appreciation to the members opposite for their input in responding to this year's budget, the fiscal year 2007-08. Respectfully they have discussed many areas, but I want to keep my rebuttal short and specific to what we have gleaned as main themes that the opposition is attempting to establish in the public domain.

It begins with the Official Opposition who -- although, for example, yesterday a good solid approach to one of the areas of emphasis in this budget, the environment -- had a good solid approach in bringing forward the motion, establishing the fact that we must continue to focus as an institution and as a territory on climate change. We find great value in that, but there has been an inordinate amount of time spent by the Official Opposition on procedural matters -- procedural matters as defined conveniently as the Official Opposition's view on how government should operate. I can say to the Official Opposition that procedurally, the Yukon Party government will continue to work within all of the confines that we are obligated to. We will continue to work hard and get things done.

We have no desire to change procedure because it's obvious in today's Yukon that procedure, when it comes to finances and the investment here in the Yukon from our finances, is working quite well. The evidence speaks for itself. I need not go into detail.

The Official Opposition also in their responses, in many cases and in many examples, focused on a jail. I have to make the point here that it's obvious that would have been the Official Opposition's, the Liberal Party's, choice of investment. They would have invested in this project that they had designed in early 2000 for a new jail, and that's the choice they made.

We, however, made different choices. We chose not to invest in a warehouse. We chose to invest in correctional reform. We chose not to invest in another warehouse. We chose to invest in community centres in Marsh Lake and in Mayo. We chose not to invest in a warehouse in which to warehouse individuals in the corrections system. We chose to invest in a new airport terminal in Old Crow, runway upgrades, and bank re-stabilization for the community. We chose to invest much more in our health care system instead of in a new warehouse to house inmates. The list goes on. So the choice is clear. The Official Opposition, with their procedural focus, thinks that our budget should have had much more emphasis on a warehouse to house our inmates, and I did not really hear a lot from the Official Opposition on options of where they would be investing the territory's substantial fiscal capacity here in leading the territory into its future.

The third party also constructively brought forward such items as smoking-ban legislation. I think the government has been clear on how we recognize the constructive approach, but what is disturbing in the debate, as far as response to the budget, is that it appears the third party is demonstrating that they would oppose investment here in the territory, would oppose immigration, would oppose visitation, would oppose eco-

conomic growth. They seem to have issues with that, and unfortunately this budget does invest a great deal toward those areas for the future benefit of Yukon -- and indeed, Mr. Speaker, visitation, for example, is a huge emphasis in this budget, given the focus on tourism and culture. That indeed includes First Nations and the values of culture that we are preserving and protecting.

Overall, I think it's clear that we need to move on and get into the budget debate itself so the government side can help provide information to the members opposite about where the money is being invested, why it's being invested there, what it's doing, and so on.

The next point is that there seems to be an attempt to create the view that the budget lacks direction. Well, I think the direction of the budget is clear. The direction is forward. The direction is moving ahead. The direction is advancing the Yukon and building Yukon's future. That direction is very clear, not only in all the past budgets, but also in this budget. Let's not forget that, on October 10, Yukoners voted and Yukoners decided to have political stability, continuity of policy and consistency of direction. The direction is clear in the budget. The direction is forward.

To accomplish that, the government has chosen to set out four main areas of investment for the territory to keep that direction going forward, to keep advancing and building Yukon's future. Those four areas are: quality of life, the investment and emphasis on our environment, diversifying a private sector economy and creating growth there, and good governance. I could be here for days reciting all the areas under these four main themes of investment that are helping to create this forward direction. When it comes to quality of life, there is a long list of investment from many departments in the government that contributes to a forward direction and increasing and improving the quality of life for all Yukoners.

Let us understand that, as we continue to build that future, we must never ever diminish our emphasis and priority placement on quality of life. That is one of the reasons why we are here and it is one of the reasons why we make choices like community centres, infrastructure, health care and education versus flawed investments like building an old-style warehouse to house inmates.

Mr. Speaker, the emphasis on the environment under this Yukon Party government, contrary to many of the statements being made by the members opposite, is very clear with this government. The first point I would make is that, under the Yukon Party watch, the Yukon has achieved something of great significance nationally. When it comes to land base under forms of protection -- over 13 percent of Yukon's land base today -- including areas like Old Crow Flats, which makes up some 8,000 square kilometres -- are now protected, second only in the whole nation to British Columbia. That has happened; we've reached that threshold under a Yukon Party watch. I bring that point forward because it demonstrates clearly the emphasis that we have placed on our environment, and we're going much further.

Climate change, indeed, is an issue. We in the Yukon all experience here those impacts of climate change, whether it be

the spruce bark beetle infestation in the southwest Yukon, the issues in north Yukon that the Vuntut Gwitchin experience, especially the elders noticing changes in their environment -- the melting of permafrost, the receding icecaps -- which, by the way, has created somewhat of an opportunity to better understand the history and culture of this territory, because the melting of icecaps and glaciers here in Yukon is exposing some very important archaeological artifacts and other indicators of just how rich Yukon's culture was for thousands of years.

Also, Mr. Speaker, you'll note, in this forward direction we are taking the territory with this budget, a large investment in modernizing our biophysical database. This probably is one of the most important investments that we can make at this time in conjunction with protecting and conserving our environment and our wildlife: understanding more clearly the impacts of climate change on our wildlife and on our environment. In doing so, we will be better able to research and develop mechanisms and tools of adaptation and mitigation that will serve us well, now and long into the future.

There's much more in our environment that we are investing in, such as celebrating Yukon parks, given that vast expanse of Yukon that we now have under protection.

There is no doubt that diversifying the private sector economy is throughout the budget and emphasized in many areas of investment, whether it be economic infrastructure, training, attracting more people to the territory, marketing the Yukon, building our economic strengths, focusing on strategic industries, developing our resources, enhancing tourism, investing in such things as a visitors centre in Tombstone. This is all part and parcel of that very fact. Of course, there is the ongoing investment in this forward direction of information and technology, and continuing with the community development fund. All these areas are helping to increase and diversify our private sector economy as part of one of the main areas of investment for a forward direction for Yukon. All these things can only be made possible, however, by practising good government -- a tremendous amount of investment in this pillar of good governance. Some examples are, of course, a significant investment in the public service, because our workforce here in government is essential to delivering those programs and services for Yukoners that contribute to quality of life, addressing the issues that we want to address in our environment, helping to build our strong and robust, diversified private sector economy. That is one example.

A heavy investment in training Yukon residents, for example, is another area of good governance, and indeed the \$32-million plus being invested for First Nations directly -- for affordable housing for First Nation communities. These are some of the examples.

I also want to touch on our fiscal relationship with Canada. This budget reflects what we have sought for some time now since the former federal Liberal government decided to cease a principle-based fiscal arrangement with the territories. We have achieved, once again, a fiscal arrangement, a funding formula with Ottawa, that is principle-based, that is gap-filling, so we in the Yukon can deliver comparable programs and services to our citizens that all other Canadians enjoy.

I think it is important that we recognize that the Official Opposition here in the Yukon has to start reflecting on these types of issues, because it was the Liberals in this country that cancelled the principle-based fiscal arrangement.

Mr. Speaker, that is something that created a huge and negative impact on Yukon's capacity to deliver those programs and services, to build a future, and the direction then was in reverse. The difference today is that Yukon is going forward. Our successive budgets have been forward budgets investing in Yukon's future, taking and advancing the territory to where it should be and ensuring that we can realize all our potential and ensure that we do what is necessary to assist citizens where needed. Our investment in our social safety net can only be reflected on as a huge step forward -- also in health care and education. All these areas are contributing to this forward direction.

I look forward to a very constructive debate with the opposition members on this budget.

Once again, the Yukon Party government has tabled a record-sized budget for this territory. We have done so by increasing investments in many areas, but at the same time we have certainly maintained a very healthy financial position for year-end. In fact, with all the increased investment, with some \$862 million of expenditures for this fiscal year here in Yukon, we still retain a net financial position at year-end of some \$87.5 million.

All that I have relayed and all that we have in the budget reflects a forward direction for Yukon. That is what Yukoners want; that is what we are delivering. Mr. Speaker, the debate now must begin.

Speaker: Are you prepared for the question?

Some Hon. Member: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, would you poll the House.

Hon. Mr. Fentie: Agree.

Hon. Mr. Cathers: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Kenyon: Agree.

Hon. Mr. Rouble: Agree.

Hon. Mr. Lang: Agree.

Hon. Ms. Horne: Agree.

Hon. Mr. Hart: Agree.

Mr. Nordick: Agree.

Mr. Mitchell: Disagree.

Mr. McRobb: Disagree.

Mr. Elias: Disagree.

Mr. Fairclough: Disagree.

Mr. Inverarity: Disagree.

Mr. Cardiff: Agree.

Mr. Edzerza: Agree.

Clerk: Mr. Speaker, the results are 11 yea, five nay.

Speaker: The yeas have it. I declare the motion carried.

Motion for second reading of Bill No. 6 agreed to

Bill No. 5: Second Reading

Clerk: Second reading, Bill No. 5, standing in the name of the Hon. Mr. Fentie.

Hon. Mr. Fentie: Mr. Speaker, I move that Bill No. 5, entitled *Interim Supply Appropriation Act, 2007-08*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 5, entitled *Interim Supply Appropriation Act, 2007-08*, be now read a second time.

Hon. Mr. Fentie: It is indeed my pleasure to introduce Bill No. 5, *Interim Supply Appropriation Act, 2007-08*. This act requests spending authority which, in total, is not to exceed \$422,495,000 and is for defraying the several charges and expenses of the public services of Yukon payable for a three-month period April 1, 2007 through to June 30, 2007.

Of this total amount, \$285,411,000 has previously been authorized by a special warrant as outlined in Schedule C of the legislation. The amounts for operation and maintenance are \$276,345,000 and the amount for capital is \$146,150,000. These amounts clearly can be defined as items that are of a non-discretionary nature.

The full details of these expenditures are also included in the main estimates and will be discussed and, I'm sure, debated at great length during general and departmental debate here during this sitting, the spring of 2007-08.

Thank you.

Mr. Mitchell: At this time we would just say that this is money that, as the Finance minister and Premier has said, is non-discretionary spending. It's required for the ongoing maintenance and operations of the Government of Yukon. We previously said that, had this House been called back into session before the end of the fiscal year, we would have cooperated in passing interim spending, and we will do so now.

Mr. Cardiff: Mr. Speaker, we will be supporting this bill because we know that people need to get paid, we know that there are other obligations to meet, such as annual funding for the Yukon Hospital Corporation and Yukon College. However, I think there are a few points that need to be made. Number one is that the Premier could have easily avoided the necessity of such a big interim supply by recalling the Legislature at a more reasonable time. Even with the impact of the Canada Winter Games, there was absolutely no reason for the Premier to be so late in calling the House back to debate the government's main estimates.

The interim supply is basically the first payment on the government's spending commitments. The Premier needs to realize that supporting this bill can't be interpreted as support for this government's spending priorities. Even though we just voted at second reading for the government's budget, what we are voting for is the fact that this is a record budget again -- \$860 million plus. Who wouldn't vote for that to go into Committee of the Whole and be debated? Because it needs to be debated.

On the government spending priorities, we do have some concerns with where their priorities lie. We want to talk about those. Some of those are things like social assistance rates, childcare funding and a youth homeless shelter.

The Premier will remember back to the fall sitting. Here we are again in the spring sitting and it's "legislative lite". I asked the Premier last fall to commit, when they brought in changes to the *Income Tax Act* last spring, to doing something for low-income Yukon citizens by making changes this spring to the low-income family tax credit.

We can see, this being the last day for the government to table legislation, that the Premier didn't take me up on that offer.

Another major concern we have with this interim supply bill is that there is nothing in it to ensure continuity of funding for NGOs that provide so much valuable service to people of the Yukon, on behalf of this government. It is completely unacceptable for these community groups to be forced to go through the annual turmoil of not knowing what their funding is from year to year to year. It is counterproductive; it is simply not fair to these committed, hard-working people. It is time for the Premier to get serious about how the government funds non-government organizations and community groups that rely on government support. These groups should never ever be put in the position of having to shut down their programs and lay off staff because the government can't get its priorities right and get its act together and call the Legislature back so we can approve funding.

If the Premier isn't willing to do that, then surely there are better ways of dealing with the groups that rely on government grants. If he insists on dragging his feet on when the sitting will take place, perhaps he should consider backing up the deadlines for funding applications. That way, community groups would at least have a pretty good idea of where they stand and what they can expect when the budget actually comes forward, and it would make it easier for them to arrange for interim funding if they need to maintain their operations until government funding is available.

The final concern we have about this very big interim supply bill is that it does absolutely nothing to allow contractors or suppliers to start getting things in place for what is already a pretty short construction season. This absence of comfort for the contracting sector is just a further irritant on top of the Premier's chronic delay in starting the spring sitting and getting his main estimates up for debate.

I think the Premier could have avoided this by calling the Legislature back early. We had another example of this this afternoon when the Premier introduced a motion appointing the Ombudsman, basically retroactively.

That was no need for that to happen. The Premier could have called the Legislature back in early April, late March, and we could have been here debating the main estimates. We would have still needed an interim supply bill, but at least we would have had a look at the government's spending priorities. There wouldn't have been a need to abuse the government's use of special warrants to ensure continuity of service and to ensure that some of these organizations -- like Yukon Hospital Corpo-

ration, Yukon College and the employees who work for the government -- could get a paycheque.

Special warrants are meant to be used in extraordinary circumstances. It says that right in the act. The only thing extraordinary about this situation is the government's inability to get its act together and call the Legislature back in an appropriate time to do its business. With that, Mr. Speaker, we will be supporting this bill, because we realize the need to make these payments, even though the government is basically using a special warrant to do that. We will be supporting this, but I needed to raise those concerns. I look forward to debating the main estimates later in the sitting.

Speaker: When the Hon. Premier speaks, he will close debate.

Does any other member wish to be heard?

Hon. Mr. Fentie: Mr. Speaker, I thank the members opposite for their brief, succinct comments.

I have to point out a couple of things, though, for the benefit of the third party.

Low-income family tax credit: we have that. I want the member to understand that here in Yukon we have a regime, the purpose of which is to assist low-income individuals by reducing their Yukon tax, which means the tax credit may be claimed by a tax filer. It will cap at \$15,000 or 80 percent of income taxes of an individual. So we have a system in place to help low-income families. We have gone further with the universal childcare benefit that ensures that this benefit is not an income determination for Yukon.

The member mentioned contractors. Well, Mr. Speaker, the interim supply bill includes a major portion of capital investment, and that is why it is on the front end and non-discretionary. It is for projects that are starting or ongoing now.

I understand the members opposite's problem here with the government side exercising its authority on when we convene the Legislature. That is our responsibility. That is our decision to make. We allowed our people in Finance and departments to take the time necessary to construct, once again, the largest budget in the history of Yukon. So I would encourage the members opposite to recognize that, as we stand here and throw out inferences and assertions, we have to reflect carefully on what it takes to create a budget in this territory during these modern times of sound fiscal management. There is no such thing as getting in a hurry when it comes to the finances of the Yukon by this government, and we will take the time necessary. If the members want to define that as "special circumstances", I encourage them to do so. But we as a government will continue to manage the finances in the manner that we have. I think we've demonstrated that we're capable. We have increased the fiscal capacity of Yukon. We have increased by hundreds of millions of dollars the investment in this territory, and if it means that, once in awhile, we will use a special warrant, so be it.

So that will conclude my remarks. The interim supply bill is merely one portion of the overall budget, and I think the main course of action here is to get into the detail of the main

budget so that all members on the other side of the House have ample time to engage with ministers on line-by-line debate for each and every department of the government.

Speaker: Are you prepared for the question? Are you agreed?

Some Hon. Members: Agreed.

Speaker: The yeas have it. I declare the motion carried.

Motion for second reading of Bill No. 5 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair: I will now call Committee of the Whole to order. Is it the wish of members to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair: I will now call Committee of the Whole to order.

Bill No. 5 -- *Interim Supply Appropriation Act, 2007-08*

Chair: We are discussing Bill No. 5, *Interim Supply Appropriation Act, 2007-08*.

Is there any general debate?

Hon. Mr. Fentie: I will be very brief. I am pleased to be able to provide Committee of the Whole with some introductory comments on Bill No. 5, *Interim Supply Appropriation Act, 2007-08*, before we move into general debate.

This appropriation act is required to allow the public service to continue to make certain expenditures while the main estimates for 2007-08 are being considered by the Legislative Assembly during this spring sitting. The interim funding requested is for the period April 1, 2007, until the end of June 2007. As stated previously in second reading, the total amount for which approval is sought is \$422,495,000, and it is made up of capital expenditure appropriations amounting to \$146,150,000 and operation and maintenance expenditures totalling \$276,345,000. The amounts required for this three-month period have been derived by canvassing all Yukon government departments to determine their minimal -- Mr. Chair, their minimal -- expenditure requirements for this three-month period. The amounts are significant largely owing to the fact that a number of government-funded organizations such as the hospital, the college, and some non-government organizations receive the bulk of their contributions, or their grants, in the

first quarter of the year. In addition, a large percentage of capital commitments and expenditures are also made during this period.

I look forward to debating interim supply with the members opposite, and its quick passage, of course, ensures that the operations of government continue in a manner as expected.

Mr. Mitchell: The Finance minister -- the Premier -- and I can certainly agree that we look forward to quick passage, because as he has correctly pointed out, it is interim supply and it is necessary to keep government functioning on behalf of Yukoners. So, I won't spend a lot of time speaking to it, because we will get into the main estimates where we will have an opportunity to get into the details.

I don't think it would make much sense to get into the details of what is needed for the months of April, May and June as opposed to what is needed for the year.

However, I do have a few comments I would like to make. The Member for Mount Lorne chose to make those comments before we just voted to move it into Committee and I choose to make them now. They are probably quite similar. Nevertheless, I do have to ask a few questions. The first regards this continued use of special warrants. They are called "special" for a reason; they are not supposed to be the ordinary.

The Premier indicated in his remarks a little earlier this afternoon that he had a few comments to make. He said that on this side of the House we are just asking questions about process and procedure as if we were reading the fine points of a contract and quibbling over whether we should spell something with "ou" or just with "o". I think that that is really not accurate. It does a disservice to this Legislative Assembly to indicate that following the customary procedures of tabling budgets in the Legislative Assembly and of looking for interim supply before the end of a fiscal year are just arbitrary, some sort of fascinating historical, archaic and arcane procedure that we don't really have to concern ourselves with now, and that good governance is all about just doing it whenever the Premier feels that it is convenient for him to do so. I think there are reasons why the Legislative Assembly is meant to approve spending, and we shouldn't be so dismissive of those.

On the March 31 delay, the Premier has indicated that we couldn't get in before March 31 -- the budget wasn't ready; the Canada Winter Games got in the way; the dog ate his homework or whatever it was. Perhaps he wasn't able to get the budget completed -- although there seemed to be an awful lot of people within the bureaucracy who said to us in those last few weeks of March, "When are you going in? I thought you would be in by now." They indicated their jobs were done in terms of getting the budget ready. That is sort of a questionable logic.

But what really couldn't be in doubt was that the same logic used to say, "Here are the amounts of special warrants that we will need to keep government functioning," could have been presented in the form of an interim supply bill.

It wouldn't have taken any more than the Premier to pick up the telephone and -- he doesn't even need to dial the first three digits because it only takes four digits within the building -- he could have phoned me, he could have phoned the Leader

of the Third Party and asked, "Would you be amenable to coming into the House for a day to pass interim supply?" I know what our answer would have been. It would have been "Yes", and I can't but believe that it would have been the same answer from the Third Party as well. That could have been done but it wasn't done. The Premier feels that it's unimportant, but we don't. We are meeting very late this year.

The Premier says it's a record budget. It's close to \$900 million, and by the time we get through supplementary budgets later this year, we will no doubt approach the \$1-billion mark, if not exceed it for the first time. We'll certainly be approaching it. That's a large amount in Yukon; it's twice what it was not that many years ago.

Telling us in his introductory remarks that he waits for the officials to tell him that the budget is ready, really brings into question the concept of leadership, because normally, whether you're the CEO of a corporation or the premier of a territory, the premier of a province or the Prime Minister of Canada, I would expect that you would actually tend to meet with your officials and say, "We need the budget to be ready by this point in time. Are there obstacles and, if so, we may have to adjust that by a few days." But you would actually provide direction. The Premier made it sound like he was just sort of sitting back, waiting for his phone to ring, for somebody to say, "Mr. Premier, we think we might have a budget by mid-April." That's a strange approach to things.

I would point out that the budget of the Government of Canada is a fair bit more sizable than the budget of Yukon, and the decisions that have to be made by the Prime Minister are, no doubt, every bit as complex and, we would suspect, more complex than the decisions made by the Premier of Yukon. The Prime Minister of Canada also has to deal with issues having to do with troops abroad and all kinds of other issues that we don't, fortunately, have to deal with in Yukon. Yet the House of Commons is able -- with their budget of hundreds of billions of dollars -- to publish a calendar. They publish a calendar -- I think it was published in November, and I have a copy here and I'll make copies available for the members opposite -- every year showing the sitting days in the coming 12 months.

Mr. Chair, 12 months -- and they're able to say months in advance, "Here are the days we'll sit, and here are the days we won't sit." Other jurisdictions do this as well. So surely, if the Government of Canada is able to do that, we might be able to get more than two weeks' notice -- and a tardy notice, at that -- from the Premier of Yukon, where we have 32,000 people. It would only, we would think, help the officials as well as the contractors, the NGOs, and everybody else, to know sooner rather than later when this would be occurring, because it's not only the members opposite who need that information -- there are NGOs that, as has been stated earlier, were faced with the possibility of having to issue layoff notices to valued employees to meet statutory requirements, and they didn't have any idea when there would be a budget and if they'd be included. So we would sure like the Premier to make a better effort.

There will be no Canada Games next year. I guess the request I would make of the Premier is this: can he make a commitment that next year we'll actually come in before the end of

March, before the end of the fiscal year, to at least table an interim supply bill and hopefully see a budget. I know he has very capable officials. So to say earlier today that he had to wait because the officials needed to tell him when they'd be ready -- it almost sounds like he's blaming officials for his inability to get things done on time. We know the officials will get it done. We know they have the capability. We don't think they should have to be viewed in that light at all. I don't think it's fair to officials.

Beyond that, I'm going to save my remarks for when we get into the main estimates. As we've said, this is interim supply. It's necessary to keep many hard-working officials working. It's necessary to get capital projects, at long last, up and going. We will, as we have said, support this.

Hon. Mr. Fentie: The Official Opposition is fixated on procedural matters. I can assure the House and all Yukoners that all required procedures have been followed by this government each and every fiscal year as we constructed and tabled our budgets.

Let me just give some brief history for the member opposite. In 1984-85, five special warrants were issued in this territory. In 1985-86, five more special warrants were issued in this territory. In 1986-87, one special warrant was utilized here in Yukon. In 1987-88, another special warrant was utilized here in Yukon. In 1988-89, another special warrant was utilized here in Yukon. In 1990-91, another special warrant was utilized in Yukon. In 1991-92, there was a special warrant. In 1992-93, a special warrant was utilized here in Yukon. In 1993-94, two special warrants were utilized here in Yukon. In 1994-95, three special warrants were utilized here in Yukon. In 1995-96, one special warrant was utilized here in Yukon. In 1996-97, there was a special warrant tabled here in Yukon. In 1999-2000, there were two special warrants. In 2000-01, there were two more. In 2001-02, there was another special warrant. In 2003, there were three special warrants utilized here in Yukon. In 2003, the final year of the former Liberal government, there were two more special warrants utilized.

The point I am making is that if we add up all the special warrants prior to this Yukon Party government and compare the number of special warrants we have brought forward, I think we can all see that there is certainly a clear indicator that past governments have utilized special warrants here in the territory on almost an annual basis.

I will go back to my procedural comment. I would hope that the Leader of the Official Opposition is much more focused on Yukon and Yukon's future, Yukon's citizens, Yukon's needs, Yukon's desires, Yukoners' view and vision of their territory and its future. I have not heard one Yukoner, in the decade I have been in this House, given this long list of special warrants that have been utilized, voicing any sort of issue about procedural matters. I have heard from many, many Yukoners that they wanted more done by the government when it came to the economy. I have heard from many Yukoners that they wanted something done about taking care of our seniors through the pioneer utility grant. I have heard from many Yukoners that they wanted us to deal with our corrections system. We've heard from many Yukoners that they wanted more in-

vestment in infrastructure. We've heard from many Yukoners that they want an improvement and reform in our education system. I've heard from many Yukoners that they value our health care system and the investments therein. I've heard from many Yukoners that they want more property made available. I've heard from many Yukoners that they want access to land and resources. The government side has heard from many, many Yukoners that they want a continuance of good governance, of the positive direction that the Yukon has been going and a continuity and consistency of policy that this government has brought forward. I have not heard a Yukoner wanting us to sit down here and spend our time redefining and reconstructing procedural matters for the Government of Yukon.

Mr. Chair, I think the problem here is that the members opposite have a great concern when the Yukon Party government engages with the public, because the members opposite have a view that they are the instrument of communication for the public. Well, our duty and responsibility to the Yukon public is not to lie supine at the feet of the members opposite, looking upward at the members opposite. We are here with equal status. The government side, with a majority, has been provided a mandate by the Yukon voter. We are carrying out that mandate. Here we are again with another significant investment in Yukon.

We will continue to engage with our public in all areas that we possibly can so that Yukoners are more informed, understand what their government is doing and know full well what their government intends to do. We will do it here in the Assembly with the members opposite. We will do it through the media. We will do it by announcements. We will do it by community tours. We will do it with one-on-one discussions as we go about our daily business here in the Yukon talking to Yukoners. We will continue to function in that manner. I think the Leader of the Official Opposition should look more toward establishing an alternative to this party, the Yukon Party, so that Yukoners even have a better choice in the next election, whenever that may be, of who they want to lead their territory.

Acting procedurally is not a course that will establish that alternative. A demonstration of vision for this territory will certainly help in that regard. A demonstration of leadership will help in that regard. A demonstration of understanding the finances of the territory and what should be done with them would help in that regard, but procedural matters simply are matters of opinion here in this House and they really serve no purpose in a discussion about Yukon's future and the public interest.

The member also made some points about contractors and so on. That's all being dealt with and taken care of. Like I said to the member a few days ago when the member was talking about disrespect for this Assembly, I didn't think that Yukoners would conclude that being disrespectful is about hard work and making things happen. That's not disrespect; that's delivery, that's commitment, that's responsibility and obligation. But we will, of course, discuss with the members opposite their issues and their problems with what's happening in the Yukon. I know that they had a great desire in October to achieve the seat of power. That didn't happen. That's not what Yukoners wanted. I

would encourage the members opposite to recognize that everything we are doing is in the public interest and we are carrying out our duties, as required, procedurally, legally, regulatory-wise, policy-wise, and so on.

So with the examples I have given of the use of special warrants, I am sure the Leader of the Official Opposition now recognizes the error of his ways.

Mr. Mitchell: Well, I'll tell you, Mr. Chair, the Premier must have been a delight to teach in high school. He must have been a lot of fun. His debating skills -- especially when it comes to obfuscation, switching the issues around and responding to one that wasn't really made versus another -- are second to none. I do chuckle from time to time. I do enjoy it, and if it would be known, sometimes we chuckle back and forth. I can't impute a motive, so I must correct the Premier and say he has missed the point, because I know he wouldn't do so intentionally.

But citing 17 years during which there were special warrants used, followed by several more years where he has used them, was not the point at all. The point was that we haven't, over the last few years, returned to this Legislature Assembly prior to the end of the fiscal year.

I'm wondering if the Premier can actually tell me: in how many of those 17 years under governments of three different political stripes was no spring session held prior to the end of the fiscal year? I know it happened once or twice in the spring when there were elections and the government changed, and that seems to be a pretty legitimate reason -- if there were to be a spring election and the government was surprised to find that they're not returned to office. But I don't think that in all 17 of those years we didn't sit in March. Now, I know I was looking in from the outside. I wasn't a member of this body, but as a member of the public who paid some attention to it -- having worked in NGOs, for example, where we were dependent on funding -- I know that in the vast majority of the years, this Legislature came back in February or March, but certainly before March 31, and it was the exception rather than the rule when it did not. So that was the point we made -- not questioning a count of how many times warrants have been used, but rather questioning the purpose of them being used. We would suggest that if the purpose is to avoid ever meeting before the end of the fiscal year, that's not the purpose for which they were intended.

Having said that, and again making the point that this does matter, on Tuesday night I had the pleasure of attending a presentation at École Émilie Tremblay, and a number of the minister's colleagues, several of whom are looking up now, also attended. It was a very interesting presentation.

I had somebody walk up to me when we got to the reception portion of the evening, after we had a very well-presented presentation about the goal of putting a new experiential learning program into place at École Émilie Tremblay. This person came up to me and asked, "When will we know about our funding?" She is a member of an NGO -- it happens to be the Fetal Alcohol Syndrome Society of Yukon -- and she said, "We have really gone through a difficult time because we were faced with having to tell employees that we didn't know how much longer

we could retain them. We still haven't been told what our funding was for the year." Since this was no longer confidential information, as the budget had been tabled, I said that I had asked that particular question at the briefing by the Health and Social Services department just that morning. They told us that indeed the funding for FASSY is in the budget this year, but it can't be found as a line item. You have to know where to look for it and the officials were helpful in pointing that out. Also, for another group that has asked the question -- Autism Yukon -- the funding is there.

When the Premier says that no one ever walks up to him and tells him that this is a problem, people do. Last year, I was called by the executive director of FASSY with the same concern, because they were getting to the end of the fiscal year. She felt that she had a legal requirement to provide notice to employees if she did not know if there would be ongoing funding.

There are two ways to deal with this. One is multi-year agreements. The other is to actually table the budget before the end of the fiscal year so that hard-working volunteers and hard-working employees in NGOs can have some certainty. If no one has said it to the minister, I can tell him that over the past two months I have heard it in the gym, grocery stores and hardware stores. Perhaps people are shy about addressing these concerns to the Finance minister, but they certainly do bring it up to other people.

Not one of these people came up to me and said, "Mr. Mitchell, I have an arcane, obscure, procedural question to ask you, because I am a scholar of parliamentary procedure and so I am curious, from an intellectual perspective, about when the Legislature will meet and the budget will be tabled." They all came up and said they were concerned because they didn't know if their funding was going to be there and they couldn't find out. They received some verbal assurances from government ministers that, "Don't worry, be happy, things will be okay, but we don't really know."

I can also tell you that quite a few contractors -- and I know a number of contractors. Having been in the real estate industry for a number of years, one meets subcontractors and contractors. They came up with some of these same concerns. For the minister to say that it's not a problem and it only concerns the eight people who are sitting on the opposition side of the House is just not a real representation of what the public is concerned about. If it is, then clearly the sliding glass walls upstairs are serving too frequently to keep the public at bay, and that's not what we should have.

As well, I would point out to the minister and to his colleagues who are happy to point out on frequent occasions that they have a mandate, that they had an election platform that Yukoners endorsed, that the election in fact elected 10 members on the government side -- I congratulate them for that -- and eight members on the opposition side. All these members were elected to represent their constituents. Somewhere around 60 percent of Yukoners did not endorse the Yukon Party carrying forward into its second mandate and did not endorse their platform. That is not to say that the Premier did not win the election but rather to remind him that just a little bit of humility

from time to time would probably be appreciated by the general public in acknowledging that there are people of different views out there.

With that, I will sit down and see if the minister can answer my questions. Number one -- the officials might have the information handy, and have helped him with this -- how many years was the government not able to come in before the end of the fiscal year and how many years they did out of those 17 years? The second question was whether he would commit to actually -- he doesn't have to give us the exact date, unlike Canada, which can give you dates a year in advance -- convening the Legislature before the end of the current fiscal year, next spring, for a spring sitting or, at least, for an interim supply bill.

Hon. Mr. Fentie: Mr. Chair, once again the member has confused what we were even discussing -- the issue about people and their view of special warrants. There are always those out there who have great concerns, and they should be. Concerned people are very important when it comes to the delivery of those services, such as NGOs delivering the programs and the services that they do. They are good NGOs because they are very concerned citizens and that is a quality that is, I think, very admirable and noble, being concerned about your fellow citizens. We know there are concerned people always.

Today in the Yukon, procedurally, the government side has the option of deciding when the Legislature will convene. For the member opposite, this government will continue that practice. Going forward, we will again next year decide what would be an appropriate date to convene the Legislature. Our purpose here is to ensure that we are delivering on the commitments that we made to Yukoners, that we are practising good governance, that we are investing in the quality of life for Yukoners, that we are continuing to grow our economy, and we are continuing to place a very high emphasis on our environment. That is what we are doing with this budget.

Unfortunately, we are talking again about procedural matters, and so on. The point I was making with the number of warrants is to demonstrate that all governments in this territory have used special warrants on an ongoing basis. It doesn't necessarily reflect on the convening date of the Legislature at all. We, in this instance, provided a special warrant because we chose to come in later in this sitting than earlier. If we are in circumstances that are similar in future years, we may very well decide to do the same thing. But the one thing we won't do is we will not devolve our option of when the Legislature will be called in. We will reserve that always. If the member wants to articulate to Yukoners that the Official Opposition would set firm dates for this Assembly, I would encourage him to do so, and Yukoners then can pass judgement on that decision. But here in the territory, I think it is incumbent upon a government to focus more on getting things done, ensuring that we work closely with our employees so that we don't get into situations where, as I understood the member's comments, they somehow resemble a directive or a dictatorial approach to employees and making demands.

That's not how we operate. The approach of this government is to sit down with officials, to engage with officials, to

solicit their input on what exactly we can expect to do and what the timelines are for us getting that done. We don't demand unreasonably that officials work 24 hours a day, seven days a week. That is something we would never do as a government.

If you follow the member's logic and consider all the work it takes to construct the budget in today's Yukon, they'd look at a calendar and say: "We pick that date. This is the date we are going in." What if it weren't possible? Then what would the members do? Would the members come in with half a budget? Would the members change their mind? I don't know. The point I am making is that we would not be dictatorial in our approach in working with officials. We believe in taking the time necessary to do the best job. That said, we ensure that that is the approach that our officials and employees can work under -- and that is, do you need the time, and if so, we will provide that time. We want the best possible job done. That's all this is; it's not about what government came in and when. It's not about using special warrants. It's about having some respect and an attitude towards our employees that is conducive to a productive workplace, a workplace that people might aspire to be in.

We want to improve always our relationship with the government employees of Yukon, and there is a good reason for that -- to get to where we are today, to the greatest degree, is the result of government employees working diligently, day in and day out, to ensure that we are providing good government, programs and services, building infrastructure, and advancing the Yukon forward.

I think we could probably spend a lot of time debating an opinion of how we would do things versus how the members opposite, should they ever become government, would do things.

Let me put it this way: if the Official Opposition were to become government in this territory at some point in the future and wanted to have set sitting dates and whatever else they would want to bring forward, that would be their decision and choice to make.

That is not something we said we would do when we went to the polls and called the election. We did not say to Yukoners that we will settle the sitting dates for the Legislature. We did not say that; we did not commit to that. We said we would continue to work hard and take this territory in the direction that we embarked upon in 2002. That's what we committed to do. That's what this budget does and, procedurally, that is exactly what we have accomplished.

Mr. Mitchell: I can see that we won't get far with this argument. I think it's all about leadership. The Premier indicated that he wasn't going to take a dictatorial approach to dealing with his officials, and that's encouraging. We certainly hope he won't. But we do think that normally one provides some direction.

Of course, if there are extraordinary reasons why budgets can't be ready by that time, you have to accommodate that. But this seems to be more of an annual event than an extraordinary event. That's unfortunate but, as the Premier said, that is his choice and that is what he chooses to do. He chooses not to be

concerned about those members of the public who express their uncertainty and their concerns. We won't belabour the point.

At this point, I think that probably nothing more would be served by us carrying on this dialogue because the Premier is clearly not interested in making any commitments toward next year. We will wait until next year and perhaps all the snow will be gone before we come into the Legislature.

If we move far enough forward in the cycle, maybe we will get to the fall. I recall that in the first year of his first term there was no fall sitting, so he did manage to get in earlier that year because his first sitting was the spring sitting.

In any case, we will reserve the rest of our comments for the main estimates, where we think there is a lot more that will be of interest to the public. We will have a lot more questions that the Premier can respond to. I'm sure the third party has some comments they would like to make.

Chair: Is there any further general debate? If not, we'll proceed with line-by-line.

Mr. Cardiff: I thought that the Premier was going to respond.

I have a question for the Premier and maybe a couple of comments. I made most of my comments in the second reading speech.

I mentioned in my second reading speech the bit about priorities and where the government's spending priorities were. I would be remiss if I didn't go back and explain this to the Premier.

When the government brought in the *Income Tax Act* changes last fall, they exempted the child tax credit -- and I appreciated that. What I asked him to do in the fall sitting last year was to increase the cap on the low-income tax credit so that it would benefit more Yukoners. Those are the spending priorities that I was talking about in the budget -- or the priorities in the interim supply bill.

But the Premier made a comment at the beginning about supplying money up front, and I recognized that in my opening comments -- the need to provide money up front for places like Yukon College and the Yukon Hospital Corporation. But the Premier mentioned that there were also non-government organizations that get their money up front, and that is when there is a need for a special warrant in the interim supply bill -- so they can also receive those funds on time, unlike the budget, and can get their money when they need it. It is unfortunate that there are some non-government organizations that are treated one way and other non-government organizations that are treated another way.

What I would like the Premier to do is give us a list. If he can't provide that right now, he could do it by legislative return at a future date. Which NGOs get their funding up front on March 31, other than the hospital and the college? If he could get that list to us it would be much appreciated.

Hon. Mr. Fentie: Mr. Chair, when we construct an interim supply bill, it is done through soliciting from all the departments their expenditure needs in their areas of purview and what their needs will be for a period of time beginning fiscal year April 1.

When it comes to non-government organizations, there are multiple departments that are investing in NGOs. Of course, a large number of the NGOs are being managed by and administered by the Department of Health and Social Services. I would submit to the member that I don't have a list, but many departments may know when NGOs require their funding.

The issue here is quite simple. All areas that require their resources in the first quarter of a fiscal year will come forward through interim supply, and that could be many. I don't have the number. It is the hospital, it is others, it is employees' wages, and it is in some cases capital investments for projects. But these are all items that each individual department will bring forward for the construction of the interim supply bill.

Can we get the member a list? Yes, but there is an easier way to do it. As we go into the debate of the mains, each minister could be asked within their purview what NGOs do they have and what NGOs are given their resources through interim supply. Of course, many contribution agreements dictate how resources flow. Some are different, for whatever reasons, depending on the needs and the application of the investment. These are all matters that dictate how the system works.

So again I repeat, what is in the interim supply bill? Non-discretionary -- where resources are needed in the first quarter.

Chair: Is there any further general debate? Seeing none, we will proceed with line-by-line.

Mr. McRobb: Mr. Chair, I request the unanimous consent of Committee of the Whole to deem all clauses, schedules and the title of Bill No. 5, *Interim Supply Appropriation Act, 2007-08*, read and agreed to.

Unanimous consent re deeming all clause, schedules and title of Bill No. 5 read and agreed to

Chair: Mr. McRobb has requested unanimous consent of Committee of the Whole to deem all clauses, schedules and the title of Bill No. 5, *Interim Supply Appropriation Act, 2007-08*, read and agreed to. Are you agreed?

All Hon. Members: Agreed.

Chair: Unanimous consent has been granted.

Clause 1 and 2, and schedules A, B and C deemed to have been read and agreed to

On Title

Title agreed to

Hon. Mr. Fentie: Mr. Chair, I move that Bill No. 5, entitled *Interim Supply Appropriation Act, 2007-08*, be reported without amendment.

Chair: It has been moved by Mr. Fentie that Bill No. 5, entitled *Interim Supply Appropriation Act, 2007-08*, be reported without amendment.

Motion agreed to

Chair: We will now move to Bill No. 6, *First Appropriation Act, 2007-08*. Do members wish to take a brief recess?

Some Hon. Members: Agreed.

Chair: The Committee will recess for 10 minutes.

Recess

Bill No. 6 -- First Appropriation Act, 2007-08

Chair: We will proceed with general debate on the *First Appropriation Act, 2007-08*.

Hon. Mr. Fentie: Thank you, Mr. Chair. I am extremely pleased to rise in Committee to present the introductory remarks for the 2007-08 appropriation act, more commonly referred to as the 2007-08 main estimates.

My speech to the Legislative Assembly on the first reading of this bill outlined in great detail the highlights of this first appropriation act for this fiscal year. I would like to summarize those highlights in this speech, as well as provide the members with a recap of the fiscal position of the government. However, before I do that, I think it is important to refresh the memories of the members of the Committee as to where we have come from as we enter into the first main estimate budget of our next five-year mandate. I will do that by reviewing some of the statistical and economic data over that time frame.

The past five years saw a remarkable turnaround of the economy of the Yukon. When the Yukon Party government first took office in the fall of 2002, people were leaving the Yukon in droves because of a downward spiral in economic activity. There were mine closures and the unemployment rate was in the double-digit threshold. Building construction was down and real estate values and real estate sales were flatlined.

At the beginning of 2007, this February in fact, the economic picture and the dismal economic and demographic statistics dramatically changed for the better. Employment is at an all-time high of over 15,000 employed Yukoners, with an unemployment rate of only around 3.2 percent, which means approximately 500 people unemployed. Compare that to the numbers in 2002, when the unemployment rate was at the 10-percent range, with 1,500 Yukoners unemployed. At that time, there were only 13,800 Yukoners gainfully employed here in the territory. That's a total of 1,200 additional jobs added to the economy over the aforementioned time frame. This ranks Yukon as the number one jurisdiction in terms of having the lowest unemployment rate.

What makes these numbers even more remarkable is that the Yukon population is also increasing.

According to recently released Statistics Canada figures, since 2001, the Yukon population has increased by 5.9 percent, to over 30,000 people as of May 2006. As we can see from the employment figures I just mentioned, all those people are gainfully employed. This is a remarkable turnaround and, indeed, what we on this side of the House would call a remarkable achievement.

As a result of the population influx and the employment statistics, residential and commercial real estate values have also increased dramatically, and lot purchases and house construction has been booming over this time period.

Another good indicator of the health of an economy is retail trade. For all of 2001, retail sales totalled of \$379 million. By 2006, this number had escalated to over \$450 million. This translates into an increase of over 20 percent in retail sales in the five short years that this government has been in office. The increase is reflected not in single retail sectors, but in all retail sectors in Yukon. The opening of new retail outlets, such as the

new Canadian Tire store and car dealerships, is a positive demonstration of the business community's investment confidence here in the Yukon economy and in Yukon's future.

The Yukon was built on mining exploration and production activities. Over the past 10 to 15 years, activity in the mining sector has waned to the point that there were no longer any hard rock mining claims in production here in Yukon. However, that discouraging picture is definitely changing. In 2006, exploration activity exceeded an estimated \$18 million, compared to an exploration figure of less than \$8 million in 2002. In 2007, we are expecting a mine to go into production and two more on the near horizon.

As I am sure my colleagues from across the floor will quickly remind me, mining activity is predominantly a product of world economics and mineral commodity prices, but my government can also take some credit for improvements in the policy and the regulatory regime, which paves the way for both exploration and development activity to occur. I need only to point to a recently released report by the Fraser Institute, entitled *Annual Survey of Mining Companies*, which ranks the degree of confidence that mining companies have with the policies and the regulations that govern the mining industry in any particular region in the world, Mr. Chair.

Confidence by the mining companies in the Yukon's mining policy has increased spectacularly during our watch. In 2003-04, the Yukon ranked 41 out of 53 countries included in the survey as a place for the industry to do business and invest. That was an abysmal standing and the ranking put the Yukon near the bottom of the world rankings as a place to undertake a mining operation with any degree of regulatory certainty.

In the recently released 2006-07 survey, the Yukon is ranked, Mr. Chair, in 11th place out of an expanded 65-country survey. That places Yukon in the top 17 percent, as opposed to being near the bottom of the pack as occurred a few short years ago.

I think, Mr. Chair, it's fair to say that this is a significant improvement in the standings and reflects very positively outside world determinants on the changes made by Yukon and its government over that intervening period. Over that time frame, we have instilled certainty and confidence for any mining company considering an investment in the Yukon. Thanks to my colleague, the Minister of Energy, Mines and Resources, we will be pleased to highlight the report in further detail and can provide the members opposite with further information about the changes made to instill this level of confidence in Yukon.

This confidence in our economy is not restricted simply to the mining sector. As outlined earlier, all sectors of the Yukon economy are doing well, and I expect that to continue as we benefit from the spinoff effects of both the tourism and business sectors as a result of the exposure from the Canada Winter Games and the excellent pan-northern marketing campaign that was undertaken by Yukon and its sister territories.

The Department of Tourism, in leading this campaign, ensured that the support from Nunavut and the Northwest Territories was a constructive support so that the north could showcase to the southern Canadians all we have to offer.

This was certainly demonstrated recently when my two colleagues, Premier Handley of the Northwest Territories and Premier Okalik of Nunavut, visited Toronto for a major national media marketing event. I was so very encouraged by the outcomes and the interest in Yukon and the north by southern Canada.

Furthermore, it is useful to note that these improvements in our economy have not come at the expense of increased consumer prices and inflation. To illustrate the CPI index, in 1992 it was at 100; in 2006, that index sits at 125.7. Comparing the same index with Canada over the same period reveals that the Canadian average index was 129.9.

What that means to those of us not familiar with this process is that Yukoners have a lower rate of price increases or inflation eating away at their earnings. Their fellow Canadians do not have that luxury. Put another way, relative to the rest of Canada, it is now -- and this is a significant factor -- less expensive to live in Yukon now than it was in 1992.

So in summary, I can state without reservation that Yukoners have benefited over the last few years from lower inflation in an economy that is clearly expanding and enjoying some of the best employment rates in the country. In fact, I think it's fair to say that we have achieved the best of both worlds. My colleagues and I are extremely proud of these achievements. All of this has been realized without compromising the fiscal position of the Government of Yukon or our social safety net for Yukon society.

Prudent spending decisions and the selection of appropriate investments have allowed the government to kick-start the economy over the past five years, while at the same time it ensured an increasing financial investment has been made on the social side of the ledger.

As Minister of Finance, I am pleased that we have been able to deliver an annual budget that ensures our net financial resources have remained positive and that both corporate and personal taxation rates have been decreased over this time frame. This budget continues with that theme of prudent and sound fiscal management.

Mr. Chair, I will now move on and provide the Committee with some of the budget highlights. Beginning with expenditures, the budget projects total expenditures of almost \$862 million. Of that, capital expenditures on a gross basis will be \$212 million, and operation and maintenance expenditures will be a total of \$649 million. As the Committee will note, capital expenditures have decreased marginally from last year's forecast expenditure levels of \$228 million, but they still remain high relative to prior years' budgets here in the Yukon.

Some of the highlights of the O&M and capital expenditures contained in this budget were indeed outlined in my introductory budget speech, so I have no need to repeat them at this time. These will, of course, be discussed further in general debate.

On the revenue side, I am very pleased to be able to advise the Committee that there are no tax increases in this budget. That is in keeping with our commitment to the Yukon public. Furthermore, the tax changes introduced in the areas of both corporate and personal income tax last year and the year before

will have the benefit of continuing to extend lower taxes for Yukoners and Yukon companies in 2007 and on into future years.

Tax and general revenues are projected to be just over \$91 million in 2007-08, which is about the same amount projected for last year; however, it is about \$3.5 million over the 2005-06 actual tax revenues.

The total transfers from Canada, which include such items as the Canada health transfer, Canada social transfer, as well as the formula funding grant, otherwise known as the TFF, and several other transfers will be \$593 million. Of this amount, the TFF is the largest component, at \$543 million, and is up from an estimated forecast value of \$517 million for last year. I will speak further to the TFF in a moment. One amount that is not shown in this budget is the \$25 million per year for the next seven years announced by Canada for infrastructure funding in the north. The federal legislation has not been finalized, so this amount will most likely show up in the next supplementary budget for this fiscal year.

But this budget does contain several of the new federal trusts set up, including \$5 million for the eco-trust, \$4.5 million for the patient wait-time guarantee, and \$284,000 for the human papilloma virus immunization.

Mr. Chair, before I close, I would like to quickly turn my attention to the long-term fiscal framework projections that are provided as supplementary information in the budget documents. I am pleased to present a very positive long-term fiscal forecast for the next three-year period. This framework projects that Yukon government will maintain a very healthy and positive net financial resource position in each of those years. While annual surplus and deficits will fluctuate over this time, we will maintain a significant, healthy financial position.

Mr. Chair, knowing that my time is now limited, I will move on to the TFF. I am very pleased to be able to advise the members that the federal government in a recent 2007-08 budget reinstated principle-based funding for the territories. This change, by the way, reverses an arbitrary decision by the former federal Liberal government that put the territories on an annual allowance -- somewhat colonialist, I may add. What was imposed was an arbitrary funding system that was not grounded in any defensible allocation mechanism. This budget reflects a significant change with our new fiscal principle-based arrangement with the federal government. Yukon and the north have achieved parity in many areas in our fiscal relationship with the federal government. I here today extend our appreciation to both Prime Minister Harper and to Finance Minister Flaherty for making this so and keeping their commitments.

I am sure the members have much to discuss. This is, again, the largest budget in the history of the Yukon, comparing mains to mains. The investments are many, the investments are large, and the investments are definitely taking the territory forward in a positive direction.

Mr. Mitchell: I thank the Finance minister, the Premier, for that overview. I don't really want to get into a big debate over statistics. The Premier quoted many statistics and they can be made to prove almost anything. There is no doubt that there has been an upturn in Yukon, there has been an up-

turn across North America. The Premier is right that in many ways, our upturn has been even better than national rates or the rates of other areas. But then, one would have to look at the fact of how much of our territory is dependent on natural resources. Obviously, mineral exploration is going to increase during times of literally ten-fold increases in the price of base minerals, as well as more than a doubling of the price of gold over the past few years. So that's not a surprise, and it's to all of our good fortune that that happens.

I am also glad to hear the Premier say that at least some of the credit should go to his government because that's dialling it back a little from some of the statements in the past when the Premier and the Minister of Economic Development wanted to take all the credit. Since we were described here the other day as an economic powerhouse in one of these speeches, I want to congratulate the Finance minister and the Minister of Economic Development for their roles in bringing the Dow-Jones Industrial Average to an all-time record closing yesterday over 13,000. I'm sure that people around the world appreciate their efforts in doing that. And the six-month high in the Canadian dollar -- no doubt they had a large role there as well. Anyway, so much for the levity today.

There are some statements that the minister just made that I want to make reference to. It's the second or third time we have heard this reference to the Fraser Institute, and his citing their recent reports. I would caution the minister that we might not want to be on the bandwagon so much for supporting the Fraser Institute because this same Fraser Institute recently came out with a pretty condemning report on our education system.

I think they rated the secondary school in Watson Lake at zero on a scale of zero to 10. I don't think that is the case. I have been in the school and I know there are lots of good things going on, but we have to be careful whose reports we want to cite. We have to take the good with the bad. If we are going to use the Fraser Institute as our authority, we might find that we are not very comfortable with them at other times. We can't just pick and choose. I would not want to do that.

In a similar vein, the Finance minister is continually referring to the Auditor General and the Auditor General's past reports and the qualified audits that have occurred under a number of governments in the past. He hasn't had that qualified audit. He has been booking sufficient funds for future leave liability. But I wonder if the Premier is proud of the comments and the report that came out from the Auditor General this spring, which we discussed in the Public Accounts Committee, on the transportation capital program in property management in the Department of Highways and Public Works in February of this year. There were some stinging comments in there having to do with lack of control, lack of overseeing and lack of ability to budget projects.

The Auditor General looked at project after project and found that these projects were coming in above cost. I expect that some are continuing to have problems since the Auditor General's report. The Tantalus School replacement in Carmacks is an example. The pre-tender construction cost estimates that were done were some \$8,395,000. The lowest bid received came in at 11 percent over that, at \$9,348,000. The original

target cost was therefore \$940,000 but the revised target total cost was \$11.4 million. I just wonder if the minister will be able to give us an update on what this is going to cost by the time it's finally done.

We used to listen to ministers stand up and talk about bringing things in on time and underbudget. Now we bring things in long past time and well overbudget. I believe this school was supposed to open at the end of August 2006. Then we heard in an update that it would probably be over Christmas of 2006-07. Then we heard it would be in the spring break of 2007 when the children would be able to move in.

Last Thursday, when I was chatting with one of the students, the young parliamentarians who came in, there was a young lady from Carmacks. When talking with her, the subject of the school came up and I asked, "What do you think of the new school?" and she said, "Well, I'm going to graduate and I had hoped to spend my senior year in it, but that didn't happen." Then she said, "They've told us that we're going to hold graduation ceremonies in there at least, but I'm not holding my breath because, so far, it doesn't look like it's going to happen. But perhaps we will at least get to graduate in the school."

I said to her, "Well, in any case, your memories" -- she was born and raised in Carmacks -- "are probably of the older Tantalus School, so maybe it's appropriate that you do graduate there, and you shouldn't look at that as a disappointment."

But there certainly was a disappointment in that community, because things are so far behind on that school and there is concern that there have been mould problems in the current school that people are using. We heard about other mould problems in the mismanaged project to repair the Thomson Centre and the problems with the roof. I think it was some \$1.4 million spent on roofing it, on an hourly rate, which is an interesting approach to doing a project of that size.

Again, we looked at the Mayo recreation complex, and the lowest bid received was some 16 percent over estimates. We just could go on and on. Whitehorse Correctional Centre renovations -- well, that's an odd one. Those are just renovations that were four-percent over -- but that brings me to another topic that the minister referred to a little earlier this afternoon. He has gone on at great length about how people on this side of the Legislative Assembly have talked about this project. Apparently, he said it would have been a priority for a Liberal government had we been elected, and they have other priorities that have to do with recreation complexes, schools, airport improvements, and many other areas.

I'm not certain what that message was because, sure, there are many priorities of government, but since the Premier likes to use this metaphor of warehousing people -- these are Yukoners, too. For the past four years and six months, they've continued to be warehoused.

Now we see \$3.2 million in this budget for planning and design work. I am wondering if we can get some timelines and whether the minister can speak with his colleague, the Minister of Justice, and find out if there has actually been a final decision made on the site, because that is something that Yukoners are interested in. I know the employees who are currently working in the current correctional centre are interested in it. If

the site hasn't been chosen, then I guess we would have to ask how far can we go in the design work, because obviously a certain portion of the design is going to be determined by the location.

We agree that people shouldn't be warehoused. They are Yukoners -- Yukoners who have in some cases fallen on hard times and run afoul of the law and, in other cases, perhaps they have behaved badly more than once. But they are not going to be made better by staying in the current correctional centre.

The sad thing is that after four years and six months, for any Yukoner who may have been sentenced in the courts -- and I don't know if anyone has been sentenced in the courts today -- but if anyone received the maximum sentence of two-years-less-a-day to be served in the territory, they can be guaranteed that they are going to be warehoused, as the Premier likes to say, for the next two years less a day, because there won't be a new facility opened sooner than that, that's for sure.

That is an accomplishment of this government, that in four years and six months we don't have a new correctional centre. That means that the staff is going to continue to work in a very, very difficult setting for the next three years, maybe four years. We don't know how long because the minister said earlier today that this would have been a priority of opposition governments, but it is not a priority of his government -- he had other priorities. It certainly sounded like this continues not to be a priority. That was news to hear that today, that the Premier doesn't see this as being very important and that the Premier sees this as being of low importance. That must be disappointing to the new Minister of Justice to hear that from her Premier.

Some of the things that were announced -- he talked about recreation centres, gathering places, and others. This may be technical, but I would ask, for example, about the \$850,000 for Burwash that is not in the budget.

It was announced as a budget highlight for the new centre in Burwash. We were initially pleased to hear that, but then we were told that it's not in the budget. We were told that twice when asking the question by Finance officials. Now, it was in the budget last year, so I'm presuming it's a revote.

But perhaps the minister can tell us whether, in fact, this money will flow this year and this project will go ahead this year or if we're simply announcing good intentions for the future. If the Finance officials didn't understand the questions that we asked and that our staff asked, then we apologize for that. But the answers we got were: "No, the money is not in the budget."

Some of the things the Premier said -- he said people made a choice during the election. But I don't believe that they campaigned on spending money on a third wheel at Aishihik or, for that matter, \$10 million for a transmission line. That wasn't something they put in their budget, so that's news since then.

Yukoners didn't get to know that. I happen to think that the \$10 million would be a good expenditure. It's not in this budget, but I don't disagree with it as being a good infrastructure expenditure. But I'm not sure that they had it in their budget. I see the Premier is looking at his platform. And I may be wrong, because it came out almost on the penultimate day. But I didn't think it said \$10 million toward the transmission

line. It may have made some comments about supporting transmission lines. I'm sure the Premier will respond and will have some answers for that.

Again, there are a lot of things we're curious about -- for example, the cost of the recent agreement with the Yukon Employees Union. From what we've read publicly, we think it's in the order of some three percent a year, times three years, at nine percent -- although I don't know how that works out -- if it's compounded or not. I'm sure the minister can give us some indications on that.

Again, from our questions of Finance officials, we understand that there isn't money in this actual budget toward that. Now, we know that the agreement was not yet ratified, but if there was an intent to settle somewhere in that range, we would have thought there would have been some sort of provision for that. But we were told that's not the case.

The numbers will be shifting as we go. Speaking of shifting numbers, we looked back at last year's budget speech and at the financial summaries in it. In the section that shows us long-term plans, there was, showing up under net capital expenditures for 2007-08 -- and every year going forward -- \$95 million. Of course now that we have the actual estimates, the capital expenditures are in the main estimates this year at some \$132 million, and then it's \$95 million going forward from there. I'm wondering if the minister can confirm that that \$95 million is really just a place-holder. It's sort of a base amount that we put in the years going forward. We get a little more specific with the operation and maintenance. We just leave the \$95 million as a set figure going forward, and then when we come to the actual year, we plug in the number that's being tabled. When the minister talks about the net financial resources on a go-forward basis and healthy amounts for years to come, actually, it's just a guideline once we get past the current year, because we have that place-holder in there, and those numbers can vary a great deal. I don't know if we can get a great deal of comfort out of that, other than, yes, since more of the capital budget is discretionary than the operation and maintenance, the Finance minister has the ability, should times be more difficult, to cut back on it.

Now, I wonder if the Finance minister can confirm something else. He talked about own-source revenue, and I think when he was giving the numbers, he said that it was pretty similar year to year. Last year, there was territorial revenue of \$91,564,000; our current estimate is \$91,467,000. Then he mentioned that it wasn't really much of a change from last year. It was pretty much flat -- zero percent -- but previous to that, there was an increase. I think he said earlier today that own-source revenue, as a percentage versus transfers from Canada, had gone up.

I'm wondering if it may appear that way because we don't yet have the \$25 million for this year's \$25 million on the infrastructure program. But, if we were to add the \$25 million, which we will get later this year, if that money had been added into the \$593 million of transfers from Canada, then, in fact, we would have seen territorial revenue as a percentage of the whole decrease. It's not showing because we don't have the \$25 million yet, but that's what they would have shown. So, again,

I'd caution the Finance minister on getting too eager to talk about some of these numbers because they are a bit of a moveable target.

I guess I would also ask about the \$5 million for the third turbine not being in the budget, and is that just because the eco-trust fund money has not yet been received so we do not want to put in the expenditure because we don't have the money? And if that is the case, I would just appreciate hearing that. It's just that when things appear in budget highlights but they don't appear in the budget, then we sort of begin to question why that is.

I have some other areas that I would like to get to. One thing that I will mention now is the community breakdown. I think it's important that I mention it here in the opening of my general debate. That community breakdown is very helpful to members in, number one, analyzing the budget, and, number two, explaining it to their constituents. We mentioned it during the briefings, and, of course, we were told that that is up to the political level to answer. And we know that the departments are able to create them, and when we have asked for them in the past some Finance ministers have made them available right away. Here I think we got it on the last day of the sitting last year. I am wondering if the minister could bring those breakdowns back sooner rather than later as it would in particular help new members on both sides of this Legislative Assembly. We have two new members on this side, and it would certainly help us. Perhaps the new members on the other side have theirs.

My time is up, but I will have more to say later.

Hon. Mr. Fentie: Well, I have to go first to the member's comments about the Auditor General and Highways and Public Works to make the point for the member's benefit that it was this government that brought the Auditor General in to audit Highways and Public Works.

We have an audit planned where the Auditor General will be auditing other departments. In fact, I think we are presently proceeding with an audit of the Hospital Corporation through the Auditor General's office. These are examples and demonstrations of this government's willingness, through sound fiscal management, to engage the Auditor General to do the work that provides us with more clear insights into the investments of this government in the many areas required of us. Also, we will have the Auditor General involved in auditing the Canada Winter Games, as an example.

So, stayed tuned, members opposite, because if -- and I'm going to give the member the benefit of the doubt -- the issues brought forward by the Auditor General are somehow the responsibility of this side of the House, because we demonstrated the necessary fiscal foresight to bring the Auditor General in on the government functions and finances and will continue to do that, it is probably one of the reasons why the finances of the Yukon are in better shape these days and it is probably why we are not getting qualified audits. We will stick to that course and plan throughout our mandate.

Mr. Chair, the member continues to discuss the jail. I know that the member is fixated on the former Liberal plan of building another warehouse. We did not go ahead with that project.

We chose to do other things. The member asked me what I meant by my examples of choices earlier in the House today. I will go over them again.

When we looked at the former Liberal government's plan for a new jail, it quickly became apparent -- and I believe at that time there was further expenditure on planning to reduce the cost of this facility -- it became apparent that this was not a modern, informed approach to building a correctional facility in the Yukon as the needs demonstrated were required here in the territory. So we chose to do something else. Instead of investing in the Liberal warehouse, we invested in correctional reform. That has led us to this investment here in this budget. The investment is a prerequisite for a tender-ready project for a new facility that will dramatically change corrections here in Yukon.

We did not choose to invest in the Liberal warehouse; we invested in community centres for Marsh Lake and for Mayo. We did not invest in the Liberal warehouse; we chose to bail the City of Dawson out of its fiscal predicament, including absorbing over \$3 million of the City of Dawson's debt. We chose not to invest in the Liberal warehouse; we chose to increase the grant to Yukon College. We chose not to invest in the Liberal warehouse; we chose to increase investments in health care. We chose not to invest in the Liberal warehouse; our choice was to invest in immediate needs in our schools. We chose not to invest in the Liberal warehouse; we chose to invest in the Individual Learning Centre here in Whitehorse, bringing Yukoners who may have quit school back into our education system -- and the list goes on and on.

I think the member gets the point, if the member did not understand previously. We are showing clearly a demonstration here of the choices this government has made on priority investments, and the Liberal plan for a new jail was not one of those priorities at all.

The member talks about what items are not in the budget. Fine, but we have made commitments on an ongoing basis, even beyond this budget, that will be delivered as we go forward through the course of this mandate.

I want to pick out one item that clearly has the member confused. It is here in our platform, in our commitment to Yukoners, that we were going to invest in infrastructure, and at the very top of that list of investments is the investment in the development of a territory-wide electrical grid. So that's what this announcement is all about. I hope that will alleviate the member's concern about it not being in the budget. It's a commitment to the Yukon public.

The Carmacks school -- how can the member stand on the floor of this Legislature and take the position that this school is delayed under this government's watch? To suggest that is ridiculous, Mr. Chair. The need for that new school in Carmacks goes back years. Mould was in that school years ago. It's this government that recognized that demonstrated need and moved immediately in the last mandate to ensure that the community of Carmacks, its children, its families and its citizens got the new school that it required. This is not a delay. This is acting on an issue that previous governments ignored completely. They ignored the community; they ignored the children, and

they ignored the fact that a new school was required. In fact, there were plans by previous governments to build an addition on the existing mouldy school. Enough said. The government side rests its case.

Mr. Chair, the member has some issues around budgeting. First I want to point out that if the Leader of the Official Opposition should be elected to government, in all likelihood, the Leader of the Official Opposition would become the Minister of Finance. At that time, the member can choose to manage the finances of the Yukon as the member may see fit. That would be the Leader of the Official Opposition's choice and decision to make, certainly not ours.

But this side of the House will continue to follow full accrual accounting. In doing so, we will continue to present to Yukoners full disclosure of the fiscal position of the territory at any given time. At the time of tabling a budget, yes, those values are projections. And there is good reason for those projections. The only way -- and I hope the member understands this -- we can achieve an actual value for a budget is post year-end, once the Auditor General has conducted the necessary work by the auditor's office to close out the year-end and qualify or not qualify the finances and the books of the Yukon.

Therefore, these are indeed projections, but there are a number of factors that create these values. The member got into a discussion about the targeted amount for capital of \$95 million and how that's changed relative to the budget versus the fiscal framework as shown by projection in a previous budget. Well, let's begin with just one item -- the northern housing trust, which had to be booked fully last year. Those are auditor rules. We must book a trust in the year the trust was established. Therefore, there is a whopping \$25-million revote added to the \$95 million because there is no corresponding expenditure for the trust when it was established last year, in the fiscal year 2006-07. There indeed, however, are corresponding expenditures in 2007-08. An example of that is the \$32 million flowing to First Nations directly for affordable housing in First Nation communities.

But these are matters of fiscal management and budgeting. If the member has questions about these things, I can then understand that there may be some issues around how the finances of the government work. We can offer further technical briefings on how it works, or we can go through the question-and-answer approach.

I am trying, though, very hard, Mr. Chair, to point out to the member opposite that there are other ways to engage in debate here. You know, there are some questions that should be asked. The question that should be asked is this: how did we manage to go from a time in this territory a few short years ago, when the government was paying overdraft charges, to be able to pay wages for employees and deliver programs and services to Yukoners, to where we are today fiscally? Now, that would be a constructive question. How did we get there? Our ministers on this side of the House and I could articulate for the members opposite how that was accomplished.

Now, Mr. Chair, I have to point out that the finances of the Yukon a few short years ago were not very healthy; they were not in a positive position, and that's a fact. We did not

fully report our liabilities, and we were struggling in this territory. The levels of investment were a mere \$400 million to \$500 million at that time. Today, we have tabled a budget of some \$862 million, a \$300-million increase, on average, and a much healthier financial position. There's a great question for the member opposite to ask. How did we accomplish that?

We could pass on to the members opposite some insights into that type of sound fiscal management, Mr. Chair. Furthermore, during this time of growth in fiscal capacity, the government also dealt with leave liability for employees, which was not there under previous governments. That was a whopping investment to make sure that employees' leave liability was covered, and we also stepped in to assist the Hospital Corporation and the college with their pension problems. We, the Government of Yukon, during that time of fiscal growth and well-being, also were able to deal with those matters on behalf of the employees of the hospital and on behalf of the employees of the college.

There is another question that the members opposite could ask: how did we manage to do this? The members struggle with the projections, the budgeting, the Auditor General and the issue of what the Auditor General does. Well, Mr. Chair, it's all fiscal management.

Mr. Chair, it's all fiscal management. The members opposite could give us some insight into how they would have managed the finances of the Yukon. That would be a great discussion to have.

Some Hon. Member: (Inaudible)

Hon. Mr. Fentie: I can hear the kibitzing from the Member for Kluane. That brings me to a point I must make. When we discussed the environment and the investment -- and when we continue to discuss it in this budget -- the Member for Kluane brought forward an issue of carbon neutrality. I would like the member to explain to the House this shift in position. It wasn't that long ago that it was the reverse when it came to the Member for Kluane. It was about stopping using the water in the Aishihik system and burning diesel. That is some \$4 million plus worth of diesel burned instead of using the full capacity of the water licence at Aishihik Lake. That spewed thousands of tonnes of carbon into Yukon's atmosphere. This was the Member for Kluane's position a few short years ago. Now, it's carbon neutrality. I would hope the member can shed some light on that change. Was it the influence of the Leader of the Official Opposition that led him to this shift in his view that hydro is better and carbon neutrality is better than using diesel? That would be an interesting debate and discussion to have.

The long and the short of it is that we would like to engage with the members opposite on a level of constructive debate that provides Yukoners with something of great value. Let's go back to yesterday. We demonstrated that here yesterday. Removing all the political nuances and angles, what we accomplished yesterday was something of great importance to Yukoners. This institution committed itself to work harder to address the issues of climate change for Yukon. That is a noble, commendable approach to be taken by the members of this House. We need more of that.

We will do that with the third party when it comes to banning smoking in public places. That is a given. We will work with the third party on their position of children in care, which is exactly what we are accomplishing today in partnership with First Nations. The point is that there are examples here in this House where we as members have gotten together, stood down the partisan rhetoric and all that and focused on delivering the goods to Yukoners.

Today, the government's side is doing exactly that with the budget that we have tabled -- some 862 million examples of delivering the goods to Yukoners.

Thank you.

Mr. Mitchell: That was quite an interesting soliloquy. The Premier would like to both ask and answer the questions. That would go back to the theme we were citing earlier where he no longer feels the need to have the Legislature sit. He can debate the budget with himself and he can say, "Mr. Finance Minister, what do you think we should do about this?" And then he can say, "Well, Mr. Premier, I think we should do that." It is sort of using both sides of the brain or personality. It is quite interesting. He wants to ask and answer the questions, and I would suggest to him that if he wants more opportunity to ask questions, then he should come sit on this side of the House. If he would like to see us have more opportunity to answer questions, then we will go sit on that side of the House. In the meantime, despite his impatience and despite his desire to be the arbiter of which questions are appropriate and which aren't and in what order they should be asked, it doesn't work that way. That is at least one aspect of this institution that he hasn't changed yet. In fact, we get to ask the questions and he gets to answer them. Well, he gets to answer or not answer them; he gets to respond. That is the way it works.

There are some things I would like to ask about. I wrote recently to the Minister of Indian and Northern Affairs Canada, the Hon. Jim Prentice. I'm bringing this up because we have had apology legislation tabled by the Member for Porter Creek South in this Legislative Assembly.

I wrote and asked the Hon. Mr. Prentice whether he might reconsider Canada's position of refusing to apologize as part of the final settlement with First Nation people, and include that, along with the settlement, because there was a lot of hurt done. And that hurt is not the responsibility of this Conservative government of the day. It is hurt that was done over many years and under the watch of many federal governments. But First Nation leaders, both at the local and national level, have indicated that they would feel a lot better, that money does not really resolve the problem. There is no amount of money that can redress the issues of suffering in residential schools and the issues of abuse that occurred and the issues of being punished and prohibited from practising ancient customs or speaking one's language. But there was a sense of apology, and an apology that was made, I might add, to other Canadians who were treated wrongly in the past by governments in terms of people who were wrongly interned, just because of their backgrounds. That was done, and yet this has not happened -- no residential schools apology is the position of the federal minister.

I would like to know whether our minister who is responsible for this area will encourage his federal counterpart to do the right thing and to apologize. It is something that has been done by leaders across the country calling for it. In fact, since he has talked about what he sees as shortcomings of the former federal government, the former Liberal federal government had put in place the groundwork for the precursor in the November 2005 agreement in principle which led to the final agreement. As Anne McLellan, then Deputy Prime Minister, wrote, "there is a need for an apology that will provide a broader recognition of the Indian residential schools legacy and its effect upon First Nation communities," once a final settlement is reached. Considering we have some 23 percent of Yukoners who are of First Nation background, and many, many families have been scarred by these events, I am hoping that the minister responsible will put that on his agenda. I'm looking forward to hearing him speaking to it.

The minister has mentioned the booking of the \$25 million in one year as part of the money from the housing trust that appears in the following year as the northern trust monies -- and yes, that's true. One of the things that has been very beneficial to this government is that large sums of money are booked in one year, and then there is a deliberative process that one goes through before the money is disbursed. And it does help to keep the books in a positive light.

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

Chair: It has been moved that we report progress on Bill No. 6, *First Appropriation Act, 2007-08*.

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order.

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

Chair's report

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

Mr. Speaker, Committee of the Whole has considered Bill No. 5, *Interim Supply Appropriation Act, 2007-08*, and directed me to report it without amendment.

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

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

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

The House adjourned at 5:32 p.m.