

Whitehorse, Yukon
Monday, April 30, 2007 -- 1:00 p.m.

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

Prayers

DAILY ROUTINE

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

Tributes.

Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Fentie: I would like to introduce Tanya Tungilik, a civil servant from Nunavut, our sister territory. As we all know, the pan-northern arrangement that we've had over time has been very successful for Yukon, so we would like to welcome our visitor here to the gallery.

Applause

Speaker: Returns or documents for tabling.
 Reports of committees.
 Petitions.

PETITIONS

Petition No. 2 -- received

Acting Deputy Clerk: Mr. Speaker and honourable members of the Assembly, I have had the honour to review a petition, being Petition No. 2 of the First Session of the 32nd Legislative Assembly, as presented by the Member for Vuntut Gwitchin on April 26, 2007. This petition meets the requirements as to form of the Standing Orders of the Yukon Legislative Assembly.

Speaker: Petition No. 2 is accordingly deemed to be read and received.

Are there any petitions to be presented?

Are there any bills to be introduced?

INTRODUCTION OF BILLS

Bill No. 104: Introduction and First Reading

Mr. Hardy: I move that Bill No. 104, entitled *Smoke-Free Places Act*, be now introduced and read a first time.

Speaker: It has been moved by the Leader of the Third Party that Bill No. 104, entitled *Smoke-Free Places Act*, be now introduced and read a first time.

Motion for introduction and first reading of Bill No. 104 agreed to

Speaker: Are there any further bills for introduction?
 Notices of motion.

NOTICES OF MOTION

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

THAT it is the opinion of this House that, pursuant to the provisions of Standing Order 75(2), the number of sitting days for this spring sitting of the Assembly shall be 32.

Mr. Hardy: 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 work in the Yukon arts community, 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 the 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.

Speaker: Are there any further notices of motion?

Are there any statements by ministers?

This then brings us to Question Period.

QUESTION PERIOD

Question re: Education reform

Mr. Fairclough: My question is for the Minister of Education. Last Thursday, I asked why the education reform project was, "shrouded in a veil of secrecy". The minister went on at great length, saying all was well; everything was unfolding as it should -- even more consultation. He appeared very happy. Now, the minister could have, and should have, informed this House that one of the two co-chairs had resigned. There was a veil of secrecy here. Not only had the co-chair resigned, but it was a co-chair put forth by the First Nations.

What is this government hiding, and why did the minister not tell the House of this very significant turn of events last week?

Hon. Mr. Rouble: Mr. Speaker, I will say it again on the floor of this Legislative Assembly that this government is committed to reforming education in order to best meet the needs of all Yukoners, including Yukoners of First Nation ancestry. We are committed to working on the education reform process, which is underway now -- community consultations are happening.

As I said the other day, this education reform project is bigger than one person. Certainly the minister has changed in Education. Other personnel have changed. This is a natural step in a long process. I wish the individual the best of luck. He has done a tremendous amount of work with the education reform group to date, and I wish him all the best of luck in his future endeavours and activities.

Mr. Fairclough: Inform the House of that event, Mr. Speaker.

It is no secret to anyone that the Yukon First Nations have been very frustrated with the education system for many, many years. The First Nations have high expectations from this education reform project. Now, their co-chair has resigned and the education reform project is on the road again. This minister did nothing to instill confidence, and he is off to a very poor start here today.

Why did the First Nation co-chair resign and what are the implications to the education reform project?

Hon. Mr. Rouble: Mr. Speaker, last Friday, the Yukon First Nations Education Advisory Committee met for the first time with the Yukon Association of School Administrators. That was a landmark meeting where people involved with First Nation education from Yukon's communities met with the school administrators to look at the issues and to work together to identify solutions and ways that they could go forward. It was a great meeting.

I am committed to this process, as are my other colleagues on the education reform executive group. As the member opposite mentioned, this was the Council of Yukon First Nations representative. It's not my place, as a minister of the territorial government, to make announcements on behalf of Council of Yukon First Nations.

Mr. Fairclough: I can't believe that answer is coming from the minister, Mr. Speaker. He says he gives direction to this reform project, and he couldn't answer the question here on the floor. Mr. Speaker, the education reform project team went out and consulted. They did a very good job, it would appear. They came back to their office, and now they're out consulting the same people they consulted with before. There's something wrong with this, Mr. Speaker. The only time you go back to the same people for more consultation would be to ask them for input on the recommendations. Mr. Speaker, the education reform team is consulting with the same people they did before, so obviously they have something for these people to hear and see. Will the minister confirm that the education reform project team has position papers and/or draft recommendations for people to react to, and will he table them?

Hon. Mr. Rouble: Mr. Speaker, I need to correct the member opposite. He said that I gave direction to the education reform group. That is not accurate.

The executive group provides direction to the education reform team. The executive group includes me, Chief Joe Linklater and Chief Liard McMillan. We are the ones who signed the last letter giving them direction. We are the principals behind this.

The education reform project is the territorial government and Yukon First Nations agreeing to work together to come up with joint solutions to address many of the issues in education today. We certainly have to involve Yukoners in creating and developing those solutions. We are not going to go out and say, "Here is the answer. Here are recommendations. Like it or leave it." We are going to have the input of Yukoners.

Question re: Dawson City care facility

Mr. Mitchell: I have some questions for the Minister of Health and Social Services about this government's decision to put the Watson Lake health centre on a fast track and put the Dawson centre on hold.

Three years ago, the Yukon Party promised new facilities in both communities. There was one for the Premier's riding and one for the Deputy Premier's riding. This year's budget has \$6.9 million for the Watson Lake facility and none for Dawson. I feel badly for the new MLA for Klondike who has to explain to his constituents why their health needs are no longer a prior-

ity to this government. We know that when things go wrong, it is never the minister's fault. There is always someone else to blame. Let's see who he blames today.

Why has the Dawson health centre been dropped from the budget?

Hon. Mr. Cathers: I need to correct the Leader of the Official Opposition. The tone that he is taking suggests that the government makes decisions based on who represents the riding. I would remind the member that we are investing in Watson Lake; the school that has been under discussion has been constructed in Carmacks; the increase to the assisted living for seniors in Haines Junction -- these are all examples of how this government is taking steps to address the needs of Yukoners in every area of this great territory. I would point out to the member opposite that in fact the Dawson multi-level care facility will be built.

Mr. Mitchell: That may have been the best non-answer ever provided by a minister.

Mr. Speaker, the minister has publicly blamed the former Health minister -- how convenient. In fact, all those decisions are made by Cabinet; all those changes would have come before Cabinet. That means the Premier knew about it; that means all the ministers knew about it. All these expensive design changes were approved by the entire Cabinet. The minister can't pawn this off on his former mentor. Dawson needs a new facility. They were promised one by the Yukon Party, and they still don't have one. While the minister is busy looking for someone to blame, residents in Dawson are left wondering why this promise hasn't been kept.

The Yukon Party government has \$85 million in the bank -- more than enough to build a \$5.2-million health centre.

Will the minister commit to spending some of this money that is growing mouldy in his pocket to getting Dawson's health facility started this year?

Hon. Mr. Cathers: Well, Mr. Speaker, that may have been a very cunning question, but I would have to point out to the member opposite that it does not reflect the facts, and I would encourage him to be a little more cautious in determining what the facts are before making representations such as that in the House. This government is the first government to step forward and commit to multi-level care facilities in communities outside of Whitehorse, where need exists. We have already commenced the construction of a facility in Watson Lake, which is well underway. Construction of a facility in Dawson will commence, but I remind the members opposite, as I said before, prior to that time, officials from the department and me and involving the MLA -- will be talking to the community once again. We want to ensure that the facility built in Dawson addresses their needs. That will be done, but I need to remind members opposite that the suggestion we're not investing in Dawson -- it is this government that stepped in to take care of the problems and to invest in fixing the problems that were not dealt with by the previous Liberal government, which allowed Dawson to sink deeply into debt and did not address the need for facilities such as a sewage facility. We're taking the action, and we will continue to do so.

Mr. Mitchell: Well, Mr. Speaker, I think the minister is just trying to drown out the question with non-answers. The Yukon Party government has plenty of money for the health care centre in Watson Lake. It's going to cost us at least \$10 million. The price has doubled since the original estimate of \$5.2 million, thanks to the Yukon Party's inability to properly oversee the project. At the same time, Dawson has seen its health centre yanked away. The minister can try to blame anyone he wants. It's time for him to start taking some responsibility. This government has \$85 million in the bank and is refusing to start work in Dawson. As the minister should know, there has been considerable money spent on the project in Dawson over the last few years. It would appear that this money has been wasted, because the minister has said that he plans to start over again with a new design. Can the minister tell the House how much money has been spent so far on this project that never got built, and would he make that information public?

Hon. Mr. Fentie: You know, speaking of mould, Mr. Speaker, the Official Opposition's attempt to create this opinion in the public is getting a little mouldy. But let's talk about what the government has done in investing in Dawson City.

This government has invested \$1.64 million toward operating expenses for the City of Dawson; \$1.315 million toward administration and other fees and internal costs; \$195,000 toward the planning for sewage treatment leading to a commitment of up to \$14 million for the City of Dawson to address the city's sewage problem, as court-ordered; \$1.1 million for the Klondike Institute of Art and Culture -- we're putting in a new education system in Dawson City -- and \$2 million of Dawson's debt absorbed by this government; and, Mr. Speaker, \$1 million invested in immediate capital needs for the City of Dawson. The City of Dawson has been well taken care of by this government.

Question re: Social assistance rates

Mr. Hardy: I have a question for the Minister of Health and Social Services. Under the current social assistance rates, an individual is entitled to a food allowance of \$37 per week. A couple with three children is expected to feed five mouths for \$185 per week. Let me ask the minister a very frank and simple question: does the minister honestly believe he can provide a family of five with a healthy diet for \$185 a week?

Hon. Mr. Cathers: I have to again remind the Leader of the Third Party that I appreciate his question and, in fact, we are reviewing the social assistance rate right now. We are reviewing it with a focus on two areas: the adequacy of those rates and, very importantly, assessing what the problems and challenges are that may be preventing people from moving into the workforce. It may be issues related to training or financial impediments. In the election platform, we committed to providing incentives to assist people to move into the labour force, because we want to help people and give them the hand up that they need and want.

Mr. Hardy: In the meantime, we're going to starve them as well, are we?

When the minister travels on government business, he can claim \$74.70 a day for meals, yet he expects someone on social

assistance to survive for two whole weeks on that same amount. A single mother with three children on social assistance gets \$640 a month for rent. We have looked at the Whitehorse rental market. If she crammed her family into a two bedroom apartment, the minimum it would cost her for a decent place is \$800 a month.

Does the minister honestly believe that a single parent can raise three children properly in an apartment that costs \$640 a month, if such a thing even exists in the City of Whitehorse?

Hon. Mr. Cathers: Again, I point out to the member opposite that we are reviewing social assistance rates, and again I must stress and emphasize to members of the House that there is emergency funding available at the director's discretion. If, in any way, shape or form, the needs of any family are not being met, the discretion is there to provide them with funding for food, for shelter, for infrastructure improvements, such as replacing the furnace or the washer and dryer. That is there and officials assure me that no one is being imperilled and forced to starve, as suggested by the member opposite. It is being addressed.

The Yukon social assistance rates are among the highest in the country, but we are committed to reviewing them, and are reviewing them to determine the adequacy and to identify what may be keeping people on social assistance, and helping them transition into the labour force where they want to be.

Mr. Hardy: This Yukon Party government has tabled five huge annual budgets without raising social assistance rates from where they were 16 years ago. It can give away hundreds of thousands of dollars in incentives to international mining companies. It can find \$15 million for energy infrastructure at the drop of a hat. It could put \$3 million into a railway study, and more than \$30 million into an athletes village without any discussion with Yukon people. Yet, it ignores repeated calls to do something to address the needs of people who are struggling to maintain a decent life for themselves and their families.

Instead of hiding behind another unnecessary review, will the minister finally take some positive action against poverty by bringing social assistance rates in line with the economic reality of this territory?

Hon. Mr. Cathers: First of all, I must begin by pointing out to the member opposite that his statement was incorrect. He suggested that we did not increase social assistance rates. We did. We doubled the amount available under what is referred to as the TSA, the territory supplement allowance, which is provided to persons with disabilities. That was provided to assist them in dealing with increased costs that are there.

We are reviewing the rest of the system right now. I must emphasize, again, to the members: emergency funding is available if any individual or family does not have the ability to address their needs within the current rates. But, aside from that, we are reviewing the system. We want to ensure that when changes are made they are made to update the system and to focus on giving people a hand up, not a handout, to empower them to move into the labour force and to have gainful and productive employment, which benefits them and their families.

Question re: Affordable housing

Mr. Hardy: Under the northern housing trust, the Yukon received \$50 million from the federal government for affordable housing. By some calculation that only the Premier understands, \$32.5 million of that money has been earmarked for Yukon First Nations. In spite of this government's appalling track record on affordable housing so far, I would like to remain optimistic about the Premier's plans for the remaining \$17.5 million of this northern housing trust money.

Will the Premier give his assurance that affordability under this program will be determined by the ability to pay, not by the previous definition used by the Yukon Housing Corporation, which is erroneously geared to current market rates?

Hon. Mr. Kenyon: For the member opposite, the \$34 million for what was then called the athletes village has produced two buildings: one will be turned over, or is in the process of being turned over, to Yukon College for their good use; and the Yukon Housing Corporation Board of Directors has in fact determined that the other one will be social housing for our seniors.

To correct the member opposite, the going rate, so to speak, or the guideline, is for 25 percent of an individual's income to go to housing, and that does not include heat -- 25 percent of income is the lowest in Canada as opposed to 30 percent in other jurisdictions. So we are very, very pleased to be leading in that direction.

Mr. Hardy: You only have to look around to realize that there is a serious shortage of affordable housing. The minister responsible for Yukon Housing Corporation has no credibility whatsoever when it comes to this affordable housing. We have debated this time and time again. We need to look at this from a whole new perspective.

Right now there is a building boom of sorts going on in my riding of Whitehorse Centre, where we are situated right now. There is a growing awareness of the need to make the city centre a place where people not only work and shop, but also where they live and take part in social and recreational activities. So far the government's main development initiatives have been in middle-class subdivisions or expensive building lots far from the downtown area.

Has the Premier had any discussions with the City of Whitehorse about how to integrate truly affordable housing into current and future developments in the downtown area?

Hon. Mr. Fentie: I think it is important that we recognize what is happening in the Yukon when it comes to the Yukon Territory addressing the needs of its citizens.

We are, over time, about to invest \$50 million of new money over and above the long list of social housing inventory that Yukon Housing Corporation has, and other facilities through the Department of Health and Social Services that are accessible for citizens who need housing of some sort here in the territory. Furthermore, Mr. Speaker, more affordable housing is in place today because of the investment up at Yukon College for seniors, for example.

We are in the Yukon certainly addressing the issue, and I think it is fundamentally a problem when we debate an issue without reflecting the facts. What's happening here in the

Yukon is growth; it is growth in many areas, not just in the middle class. We don't class people, Mr. Speaker.

We will address our obligations as we should. We are doing it by making land available. There is growth -- that means more housing is needed -- and when it comes to those who are challenged in our society, I think this government's record is commendable, considering the huge investment and emphasis placed on the social side of the ledger.

Mr. Hardy: I think the Premier needs to change his glasses, because there's a different reality out there. A number of the new residential developments in my riding are high-end condominium units. Last week in a radio interview, the architect of some of these projects recognized the need for a broader spectrum of accommodation, including truly affordable rental units, but it won't happen unless this government starts taking the housing needs of lower-income people very seriously. The federal government abandoned its responsibilities and the federal Liberal government abandoned its responsibilities for social housing in the early 1990s. With the northern housing trust money there is an opportunity for this government to take up some of that slack, though.

Will the Premier ensure that the income thresholds for the Yukon projects under the northern housing trust are fair and realistic so that low-income Yukon families will finally be able to find decent and affordable accommodation whether it's purchased or rental?

Hon. Mr. Fentie: First off, I understand there is development in the downtown core, whether it be in the riding of Whitehorse Centre or otherwise. Much of that development is private sector investment. The government is not dictating to the private sector what they should be building, but we are very encouraged by the amount of investment now flowing into the territory, especially in the real estate area.

With respect to the \$50 million of northern housing trust, \$32,500,000 of that fund is being earmarked directly to First Nations and First Nation communities. This will go a long way to address the Member for Whitehorse Centre's concerns, especially out in the communities. The remaining \$17.5 million will be invested in addressing the needs here in the territory in a much broader spectrum, where those who require affordable housing will have the benefits of this investment. It could be seniors and it could be others in our society, but also, in conjunction with that investment, there is the work on the social assistance front to help individuals. There is the possibility of accessing jobs in the territory and improving one's ability for housing here overall.

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

Mr. Inverarity: Mr. Speaker, I have a question for the minister responsible for the Workers' Compensation Board. Last week, I pointed out that the chair of the Workers' Compensation Health and Safety Board, a good friend of the Premier's, was given a big raise a couple of years ago by this government. He is now paid the highest wage of anyone who serves on any Yukon government board. On Thursday in the House, and in several media stories, the minister tried to blame the board itself for this decision. The rate of pay, of course, is

something that is decided by the minister and his colleagues in Cabinet.

In 2004, with no public announcement, the Yukon Party government and the Cabinet ministers decided, "Let's give this board chair a raise." No other board chair got a raise that day. Will the minister confirm that the decision to pay the chair of the Workers' Compensation Health and Safety Board \$500 a day was made by Cabinet?

Speaker's statement

Speaker: Before the honourable member answers, for the Member for Porter Creek South, I just would like to refer you to guideline number 8 for oral Question Period. It reads as follows: "A question must adhere to the proprieties of the House in that it must not contain inferences, impute motives or cast aspersions upon persons within the House or out of it."

I would ask the honourable member to keep that in mind in this line of questioning, please.

Hon. Mr. Cathers: Thank you, Mr. Speaker, and I thank the member opposite for his question. I must point out to him that for him to suggest that the raise given to all members of the Workers' Compensation Health and Safety Board was not warranted does not reflect the importance of workplace safety. We saw on Saturday the ceremony for the remembrance of workers injured or killed on the job. In the Yukon last year, there were five workers killed. This is an area of extreme importance. So as far as whether the chair and the board are doing their jobs, I would refer to stakeholders. I think stakeholders who have already commented in the public have made their opinions quite clear regarding the job the chair and the board are doing today.

Mr. Inverarity: Well, Mr. Speaker, I know the minister is pretty experienced, but he should know who sets the rate of pay for the chair of the Workers' Compensation Health and Safety Board. It's set by Cabinet.

On September 8, 2004, the Yukon Party Cabinet met and gave the long-time campaign manager a raise from \$300 to \$500. Now, there are 27 boards like this in the Yukon government. This is the only person who received a raise to \$500 a day. All the other chairs of all the other boards only make \$300. This particular raise is a 60-percent increase over everyone else.

Now, Mr. Speaker, the government can't have it both ways. There should be one rate of pay for everyone. Either this rate has to come down or the other boards have to go up. Let's try to make this a little more equal for everyone. Will the minister take it up with his colleagues and try to bring some fairness to what the other board appointments are being paid?

Hon. Mr. Cathers: First, on the one point, I am not sure what the member thinks we are debating. Yes, the rates are approved by Cabinet, if there are any changes.

Again, I would have to point out to the member opposite that for him to suggest that there is an issue about what the level of remuneration for each board should be set at, and what it is for this one or that one, is kind of a strange argument. I would point out that, in this case of the Workers' Compensation Health and Safety Board, the money that is paid into the fund is

stakeholders' money. It is money held in trust for employees if they are injured on the job. It is money allocated for properly administering the system and taking the proper steps to improve workplace safety and to regulate their performance under the occupational health and safety regulations.

I would refer the member opposite to stakeholders. The question is this: do stakeholders feel that the job being done by the chair and the Workers' Compensation Health and Safety Board is being done well? I think the answer is very clear: yes, they do.

Speaker's statement

Speaker: Before the member asks the new question, I would ask the honourable minister not to personalize debate. The Member for Porter Creek South is asking on behalf of the party, not himself.

Question re: Education reform

Mr. Fairclough: My question is for the Minister of Education. Now that one of the co-chairs has resigned from the education reform project, I assume that he will be able to comment on his previous role and add his own personal perspective to the discussion.

Will the minister please confirm that the previous co-chair is now free to comment publicly?

Hon. Mr. Rouble: I am not sure where this member is coming from or where he is going.

We put some very professional people on this panel. They are people with very good ideas about education, extensive knowledge about the Yukon and about education. They were put on the panel because they are respected people in our community with a great deal of knowledge. They have been applying this knowledge and using their contacts throughout the Yukon to develop the education reform project.

Frankly, I haven't heard personally from the outgoing co-chair.

Some Hon. Member: (Inaudible)

Hon. Mr. Rouble: Yes, or formally, for that matter. I look forward to having a chat with him to find out his rationale as to why he is leaving and what his future plans are. I know that he is a very busy man these days, and I wish him the best of luck for the future.

Mr. Fairclough: The Premier called this a major project and I'm surprised that the Education minister is still in the dark about much of this project itself. He also avoided the question so I have to continue along this line of questioning. I'm hoping to get an answer out of him.

I am astonished that a government who prides itself on open consultation with Yukoners would place this doom of silence on the former co-chair. So, will the minister assure this House and all Yukoners that he will lift the gag order on the former co-chair and restore openness and transparency to this process?

Hon. Mr. Rouble: I'm not sure which comic books the member opposite is reading to come up with phrases like "doom of silence" and "gag order". That simply isn't how we do business on this side of the government.

Mr. Fairclough: The minister could have answered that question with a yes or no, the previous question with a yes or no, but that didn't happen.

Let me continue. Now, if only the minister would be as open as the Minister of Finance when speaking about matters that have not yet been tabled before the House -- the Minister of Finance had no difficulty being open and transparent when discussing forthcoming expenditures, even if he has not informed Members of the Legislative Assembly.

Now, one might expect secrecy around the budget, but not around matters so important as our education system. Why the secrecy? Will the minister admit that this cloak-and-dagger approach to the findings of the education reform project is not in the best interest of Yukon, and will he lift the gag order in order for the former co-chair to speak publicly?

Hon. Mr. Rouble: The member opposite certainly has a lot of information about these so-called secrets. It isn't a secret. It's out there, and the member opposite knows about it.

Also, he is asking me to come forward with the findings. This government will not complete findings, the conclusion, until we've heard from Yukoners. The findings aren't there. The solutions are going to involve Yukon First Nations, Yukon school councils, the Yukon Teachers Association, parents and students. We're not going to come up with any grandiose idea and jam it -- excuse my language. We're not going to force any conclusions on people until they are developed. The whole process, the whole reason for consultation, is to include people in the decision making. That's where we are at. We will have the findings when the consultation concludes.

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

ORDERS OF THE DAY

Speaker: We will now proceed to government bills.

GOVERNMENT BILLS

Bill No. 5: Third Reading

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

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

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

Hon. Mr. Fentie: Mr. Speaker, the purpose of this bill is to seek the authority of the Legislature to approve interim spending for the government in an amount not to exceed \$422,495,000 for the fiscal year 2007-08. This will cover the timeline between April and June. This *Interim Supply Appropriation Act, 2007-08*, will permit government departments to continue to make expenditures in order to provide public services to Yukoners until the main estimates are approved and passed.

Mr. Mitchell: As we have previously stated, we won't spend a lot of time on this. It is necessary to keep government going. The Minister of Finance has previously said that this is non-discretionary spending. There were some questions here in the House earlier today regarding social assistance rates, and we asked questions last week regarding them. I guess I would like to suggest to the Minister of Finance and to the Health minister that giving people who are on social assistance sufficient support to actually properly feed, clothe and house their families should be considered non-discretionary spending. As easily as it was put into the warrants for \$300 million and as easily as we are going to pass this interim supply appropriation today, there could have been some money in there to help Yukon's least fortunate people, but there hasn't been. There could have been money to assist people with their childcare expenses, but there isn't; there isn't additional money.

The government continues to study these things and they talk about it and say they are looking into it, and yet they are able to make so many other decisions without a great degree of study. Again, to say that we are studying these things, and we are looking at the incentives to bring people back into the workforce, doesn't address the fact that while we are studying them, while we are looking for incentives to help those people who can get back into the workforce to do so, people are living at an absolute poverty level.

For the Health minister -- who has a fair bit of money in this budget -- to suggest that no one goes without and no one goes wanting because there is always money available for extraordinary circumstances and people can just make application, flies in the face of leaving people with some sense of dignity to not have to go back and virtually be begging for sufficient money to feed their children.

So we're disappointed, but we also recognize that that we have to keep the wheels turning and government moving along. As we said previously, we could have easily been in this Legislative Assembly a month ago for one or two days to debate an interim supply bill and we would not have had to go through all the charades about special warrants and listen to the Finance minister list how many times warrants have been used, as opposed to how many times a Yukon government has failed to table a budget before the end of the fiscal year.

Having said that, we will be supporting this, as we did at second reading.

Thank you.

Mr. Hardy: The NDP will be supporting the interim supply bill. We need to pay the bills and we need to get the money flowing out there.

Just as I have mentioned today, the social assistance -- the fact that it hasn't been touched in many, many years is a shame. The absolute increase in the budgets would have warranted some type of indication that those most in need would have had some assistance. But no party can stand here and act as if they are better than another in this matter. I say that about the NDP, I say that about the Liberals, and I say that about the Yukon Party. There is a shame that is cast over this Legislative Assembly because we've all been in government and we've all

failed in this area. It's bloody well about time, Mr. Speaker, that we start addressing the people who are most in need.

Childcare is another issue that has been hanging around for a long time -- long lists of promises from the federal Liberals never materialized. Promises from the Yukon Premier still haven't met the needs that are out there. Drug and alcohol treatment -- we have serious crises in that area. That's not being addressed. Working families are finding it harder and harder to pay the bills, mortgages have gone up, people are struggling, and we haven't even entered into a realm of talking about tax breaks in that area. If we are doing so well, we have to be able to give back more to those who need it, especially those who are actually paying or carrying a large percentage.

Communities -- lots of communities are neglected, Mr. Speaker, and we have to reach out to them. We also need to put money in research -- and when I say "research", I'm talking about health and the environment. We have to have more direction in that area, because the problems are mounting. Every day I read reports about the health concerns throughout the country -- not just in the north, but many people consider the territories, and the Yukon especially, as a canary in a mineshaft. What happens up here happens first and hits hard, and then it will filter down to the south.

We need to either work more closely with the federal government on research in the north, or take that initiative ourselves and move forward. I would like to see the government do that as well. We will be supporting the interim supply bill though.

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

Hon. Mr. Fentie: I'll be very brief in my comments, but I'm compelled to rebut some of the comments, specifically from the Official Opposition. First, I'd like to deal with the Leader of the Third Party. We on this side of the House know full well that this is a fundamental principle of the Member for Whitehorse Centre: taking care of those in need. I want to comfort him that the government has not lost sight of that fundamental principle and has done a great deal to ensure we take care of those in need. If one is to look at the overall budget, I think that speaks for itself in terms of the investment toward the Health and Social Services department. I also want to point out that there's much being done for those in need of housing.

When it comes to childcare, it's this government that has recently increased the investment in childcare by some \$900,000 annually, and we're doing more. We are investing in communities and have demonstrated that, whether it be a new airport terminal in Old Crow, bank stabilization to contribute to the community, a community centre in Mayo, a community centre at Marsh Lake, a significant investment in Whitehorse, investments in Tagish and Carcross, a community centre in Ross River, investments in Watson Lake -- investments in infrastructure that all communities need and require and all Yukoners utilize.

We are there with the member and the Leader of the Third Party, and we have demonstrated that with our budgeting prac-

tices. Also when it comes to the climate change strategy, there is a major emphasis and focus on the research and development side. As we go forward with our climate change strategy, our action plan --

This House, by the way, Mr. Speaker, has unanimously supported the aspect of this government and all governments in the future of Yukon, focusing on climate change, and we really want to commend the opposition members for recognizing that this is an important issue and joining with the government in addressing our obligations and responsibilities regarding climate change.

Now let me deal with the Official Opposition. The Leader of the Official Opposition has just put on the public record that there's nothing in this budget for those in need. I think the member should be challenged on that.

Over 30 percent of this budget is dedicated to those in need, whether they are sick or challenged in society -- including this government's increase for social assistance to those most in need. That means individuals in the Yukon with disabilities. We are doing more.

The members opposite don't recognize that there is a much broader issue here. It is not just social assistance rates. It is the full spectrum of challenges in Yukon society that we as government are addressing, including getting people off social assistance. I think that most individuals would want to aspire to be off social assistance, and we are working on that too. Once again, the Official Opposition is demonstrating to Yukoners that they have a propensity to be incorrect. I am just correcting the record for the benefit of the Leader of the Official Opposition.

This is the largest budget, mains to mains, in Yukon's history. It invests for those in need. It invests in health care. It invests in education. It invests in infrastructure. It invests in economic diversification. It contributes to a better quality of life. It contributes to protecting our environment. It contributes to good governance. It contributes to taking this territory ahead and forward, and building a better future. That's what is in the budget. Unfortunately, the Leader of the Official Opposition and his colleagues haven't recognized that. I give full credit to the third party. They at least stay focused and true to their principles.

Motion for third reading of Bill No. 5 agreed to

Speaker: I declare that Bill No. 5 has passed this House.

We are now prepared to receive the Commissioner of the Yukon, in her capacity as Lieutenant Governor, to give assent to the bill that has passed this House.

Commissioner enters the Chamber, announced by the Sergeant-at-Arms

ASSENT TO BILLS

Commissioner: Please be seated.

Speaker: Madam Commissioner, the Assembly has, at its present session, passed a certain bill to which, in the name and on behalf of the Assembly, I respectfully request your assent.

Acting Deputy Clerk: *Interim Supply Appropriation Act, 2007-08.*

Commissioner: I hereby assent to the bill as enumerated by the Clerk.

Commissioner leaves the Chamber

Speaker: I will now call the House to order. Government bills.

GOVERNMENT BILLS

Bill No. 4: Second Reading

Acting Deputy Clerk: Second reading, Bill No. 4, standing in the name of the Hon. Mr. Fentie.

Hon. Mr. Fentie: I move that Bill No. 4, entitled *Third Appropriation Act, 2006-07*, be now read a second time.

Speaker: It has been moved by the Hon. Premier that Bill No. 4, entitled *Third Appropriation Act, 2006-07*, be now read a second time.

Hon. Mr. Fentie: I am pleased to introduce Bill No. 4, *Third Appropriation Act, 2006-07*, better known as *Supplementary Estimates No. 2*, of the First Session of the 32nd Legislature.

This supplementary estimate serves two general purposes. First, it will detail the expenditure changes that require additional legislative appropriation authority up to this period of the fiscal year.

The second purpose of this supplementary budget is to provide the general public and this Legislature with updated information on the financial position of the Government of Yukon to the year-end. Since this appropriation request is based on the revised estimated funding requirements identified late in the fiscal year by the various departments, it should, subject to any final audit adjustments and revised expenditure lapses, closely approximate our expected year-end financial position that will be published in the fall.

This supplementary budget reflects the projected year-end financial position of the government to March 31, 2007, and is used as the starting point for the 2007-08 main estimates. This second supplementary estimate for the fiscal year 2006-07 seeks authority to increase operating and maintenance expenditures by just over \$5.7 million and to decrease capital expenditures by some \$37.5 million, for a gross expenditure decrease of \$31.8 million. The government's revenues, transfers from Canada and other third party recoveries are decreased in the total by a net amount of \$679,000.

After adjusting for expected lapses and the effect of changes in tangible capital assets, this results in a year-end forecast annual surplus of over \$46.5 million. This amount is significantly higher than the projected \$24.4 million outlined in last fall's first supplementary budget. The increase is largely due to lapses in both capital and operation and maintenance expenditures, which I will summarize later on in our debate. After these revenue and expenditure changes are approved, the net financial resources of the government to year-end are pro-

jected to be \$110,800,000; and the accumulated surplus, as of March 31, 2007, is forecast to increase to almost \$535 million.

While I do not want to get into an accounting lesson, I want to note for the members that due to newer, generally accepted public accounting rules, it is now mandatory to recognize large unconditional recoveries from Canada -- mostly, in this case, trust funds -- when we are eligible to receive them, as opposed to matching these recoveries with expenditures when the expenditures are made.

This new accounting requirement can present an element of volatility in the annual surplus or deficit recorded in the income statement and net financial resources position of the government from one year to the next, as large recoveries may be recorded in one year but not expended until subsequent years. That is a reality we have to deal with. We are able to manage this outcome and we present the overall year-over-year impact to the public in the long-term fiscal framework.

With respect to operation and maintenance, the \$5.7-million net increase identified in this budget is derived from a few main expenditure areas. Contrary to what the Official Opposition was saying, Health and Social Services had identified increases in programming amounting to over \$8 million. The Department of Education is requesting additional funding of \$1.8 million. These funding increases are offset in part by reductions in the funding required in the Executive Council Office owing to lapses in the northern strategy expenditures of \$2.7 million and smaller amounts in Energy, Mines and Resources and Tourism and Culture.

On the capital side of the budgetary expenditures, with a few minor exceptions, the departments have generally identified decreased funding requirements. The largest decrease of almost \$26 million is in the Executive Council Office owing to the appropriation lapses in the northern housing trust. This is what has created the anomaly we speak of, which, by the way, will be revoted in the 2007-08 budget.

As well, Highways and Public Works have identified a decrease of \$7.4 million in capital requirements. The areas of decrease are in the mobile communications solution and several other projects.

Similarly, Health and Social Services will lapse just over \$2 million in capital in the net fiscal year. Most of this amount is connected to the completion of such projects as Watson Lake's multi-level care facility.

Again, Mr. Speaker, I remind the Members of the Legislative Assembly that most of the lapsed funds are just matters of timing, and most of the expenditures will be reflected in the 2007-08 main estimates as revotes later in the year. These estimated lapses are already identified in the financial summary, which accompanies the budget document, to ensure that the Department of Finance is being as accurate as possible in the estimate of the government's financial position.

The ministers for the departments I have named, as well as the ministers for other departments who are requesting supplementary budget approval, will be pleased to provide Members of the Assembly with the complete details of their expenditure requirements in the department-by-department, line-by-line review in general debate. However, before I conclude, I will

provide you, Mr. Speaker, with some of the other budgetary highlights.

On the revenue side of the income statement, there have been some changes in the 2006-07 estimates since the first supplementary budget. Tax and other revenues have increased by just under \$6 million. Tax revenue has increased moderately by \$2.8 million. By the way, the tax increase also comes with the government committing to tax decreases for Yukoners. It is also predicted to be \$1.9 million higher due to a slightly higher interest rate than originally anticipated when the budget was originally developed.

As well, the government's cash available for investments has been higher than originally predicted. There has also been a significant increase in motor vehicle registrations of over \$700,000, obviously due to our growth in population and more people moving to and investing in the Yukon. Again, ministers will speak to this and other items as we move into general debate.

In closing, I thank you, Mr. Speaker. As Minister of Finance, I am very pleased with this supplementary budget and, indeed, the fiscal position of Yukon. Ministers and staff have worked very diligently to ensure that we achieve the necessary balance between sound fiscal management while at the same time ensuring a prudent investment in the social and economic fabric of the Yukon.

We, of course, are very proud of what we have achieved and intend to continue that trend of sound fiscal management throughout the next five years of our mandate.

Mr. Speaker, I will be pleased to discuss this budget in further detail when we reconvene to discuss it in general debate. Finally, again the government side has demonstrated that we are increasing investments across the spectrum in Yukon, whether it be in crime prevention and getting tough on crime with the safer communities and neighbourhoods program and our eight-member street crime unit here in Yukon, or in harm reduction, prevention and education for substance abuse in treatment and also through the course of correctional reform. We are also heavily investing, once again, in infrastructure. Some of the demonstrations here, Mr. Speaker, show that a number of the projects are going to be deferred into the next year, which is this fiscal year. They are revotes, and we continue to remain committed to investing in Yukon's future.

Mr. Mitchell: We thank the minister for that explanation and we do recognize that accounting rules have changed and that some of the ups and downs we see in the budget are due to the requirement to book monies as they come in, and there are some sizable trusts on transfers from the Government of Canada such as the northern housing trust, the health access fund and the northern strategies that will affect that when the money comes in but which has not yet been distributed.

We do want to point out that -- and I know the minister likes to correct the record and he will always get the last word. But in correcting the record, we have not said on this side that there was no money being spent on health or social services. What we're saying is that there are some areas where they continue to drag their feet and not spend the money. As we've been

saying -- we said it last fall, we've said it this spring, and we'll say it again today -- for some reason that seems to include childcare and it seems to include social assistance rates. We also heard from a lot of Yukoners last fall and a lot of people said that some of these things need to be addressed, and this supplementary budget, had the government chosen to spend the money, would have been yet another opportunity to do so. They haven't. It's not in the main estimates this year either, so I guess it will be yet another supplementary budget for 2007-08 before we can hope to see those increases.

To confuse people by suggesting that it's all about getting people off social assistance -- nobody disagrees with the fact that it's always more desirable for people to be in the workforce than to be on social assistance, but there is a whole plethora of reasons why people find themselves on social assistance, and they're not necessarily voluntary at all.

In the meantime, while the government is doing its very lengthy and detailed planning to see how they are going to create incentives and retool this situation, it would have been nice if they would have done something on an interim basis for those people struggling on these antiquated rates today. As has been pointed out here, there's no party, no government that's without fault in this area. All three political parties have been in government and have not sufficiently addressed this. But to simply look backwards and say, "Well, you didn't do it when you had a turn, and they didn't do it when they had a turn" -- it really doesn't do anything for the people today.

The people today are pretty disappointed when they hear there is some \$85 million in net financial resources, and they hear that the total financial position of the government -- counting all its assets -- is some \$500 million to the good. They want to know why they're living on \$37 per week. They're really tired of this did-so/did-not mentality of pointing the finger at past governments and saying, "You didn't do it when you had a turn. Your federal counterparts didn't do it when they had a turn." That doesn't really put food on anybody's table. That doesn't put anybody into any kind of affordable housing. So we don't think that kind of debate serves any productive purpose.

Again, we'll get into more of the details in Committee of the Whole. There are some lapses in this budget that will be revotes. I think we've mentioned some of them. There is the \$1.8 million for the affordable housing project in Haines Junction. It's unfortunate for those people that not one unit of affordable housing that was promised last year has been opened, because this government wasn't able to accomplish that. The money -- \$850,000, I believe it is -- for the community centre in Burwash is going to be a revote. It was announced last year. It didn't happen. It was announced this year, and we certainly hope it won't be getting announced for two or three more years in a row.

In capital, I see some \$2.1 million of lapses under Health and Social Services. I believe that may have to do with the health centre in Watson Lake. Perhaps I misspoke earlier today when I referred to that one as being fast-tracked, whereas the one in Dawson was slow-tracked. Perhaps it's slow and slower that we should be looking at.

There were many other projects that this government apparently wasn't able to complete, looking at the things that will be going to revotes. By the same token, there are many other things that Yukoners are looking for, and I look forward to getting to those in more detail in Committee of the Whole.

Thank you.

Mr. Cardiff: I would like to thank the Premier for the explanation about the new accounting that we're all getting used to over the last few years and the way that revenues and trusts are booked and his explanation of the lapses. I understand that, but it again comes back to how the government plans its projects. We just heard mention of the Watson Lake multi-level health care facility and how long it's taking for that project to come to fruition and the fact that there is money lapsed in this supplementary that will subsequently be revoted. There will be a lot more money for that project in the main estimates.

You know, it's inevitable that there will be lapses but there is a limit to how much money should be lapsed on an annual basis. I think it goes to the way the government does its planning for projects and its commitment to those projects. It's interesting -- and I'd like to thank the officials for providing these figures -- that the gross capital lapses for about the past eight or 10 years -- in 2005-06, \$50 million was lapsed and a little of \$20 million was revoted. In 2004-05, \$38 million lapsed, \$13.4 million of which was revoted. It just seems that if there was better planning on the part of government and their projects that they are putting forward, the services and the infrastructure that Yukon citizens are looking for -- government makes promises, they promise infrastructure in communities, they promise services, but they don't always deliver. What the government ends up delivering is a surplus, and hence we have more money to invest and collect interest on, as the Premier so rightfully noted.

The one thing that he did mention -- and I just put him on notice that I'm going to go here every time I get the opportunity -- is the fact that we have more tax revenue coming in -- and he had to mention the fact in light of income tax cuts that were promised to Yukoners.

I mentioned this the other day, and the Premier got up and went on about how the low-income family tax credit isn't clawed back, or the childcare money from Ottawa of \$100 a month isn't clawed back. I would like the Premier to go back and read our conversation from November 30 of last year and what it was that I asked for. He is just talking about promised tax cuts to Yukoners. All I asked for last fall was for him to consider raising the threshold for the low-income family tax credit. I don't think it is too much to ask, given the questions that have been raised by the Leader of the Third Party today and that have been raised in this House on a regular basis. I really wish that the Premier would go back and read over our conversation again from November 30. If he wants, I will send him a copy of it. I have it right here.

He talks about tax cuts and he talks about it in the context of tax cuts for all Yukoners, but I have to throw this back at him again. What I was saying was that both the Premier and the

Leader of the Official Opposition, in the days during the election last fall, were using a quote -- both leaders used this quote -- from Tommy Douglas. The quote is, "Societies will be judged by how they treat their least fortunate citizens." Well, governments will be judged by how they treat their least fortunate citizens as well. That is what we were talking about in November.

There have been no increases in social assistance rates, and was so rightfully pointed out, we are all to blame. Everybody can take credit for not increasing social assistance rates, but we need to do what we can do.

What I suggested last fall was if the government can make changes to the *Income Tax Act* to accommodate people who actually have a large income and are benefiting from these tax cuts, we need to consider the least fortunate in our society and do something for them, as well. He will remember the figures that, I think, were used.

The Premier's argument was for the basic personal exemption. It was going to increase from \$8,328 to \$8,839, increasing the credit from \$586 to \$622. It's not a lot of money when you are trying to put food on the table, as was pointed out by the Member for Whitehorse Centre today.

Cabinet ministers get more money for one day's meal expenses than people are expected to spend for one week. It is ludicrous.

I just have to go there one more time. The Premier can expect to hear me on this one for awhile yet. I asked him last fall to consider this and bring forward changes this spring. I just hope that he is going to provide an explanation as to why it is so hard to look after those who are least fortunate.

I look forward to getting into more detail. I have asked for information regarding the northern housing trust and the monies associated with that, which have been lapsed and will be revoted. I look forward to receiving that information from the officials once the minister gives his approval for that to come to us. I also look forward to finding out what the government's plans are for the remaining portion of that northern housing trust fund.

With that, I am going to sit down and give other members of the House an opportunity to speak.

Speaker: If the Premier now 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 comments. We on this side of the House all understand the themes that the Official Opposition and the third party are working on. I have to, once again, point out to them that when it comes to social assistance rates, the government has already increased it to those most in need. That's to those individuals with disabilities. There's a substantial investment in the social side of the ledger here, and we're going to do more. We look forward to the input of the members opposite in this area. But as all governments are responsible to do, we have to make sure that our investments touch all Yukoners and build Yukon's future for those in need, for those who contribute and for those who are involved in this territory, as far as improving

the quality of life overall. It's not a question of difficulty at all. It's a question of meeting society's challenges to various degrees of difficulty, if the members opposite want to put it that way, but it's about meeting the challenges. Once again, the supplementary demonstrates that in many areas the challenges are being met. The members are talking about lapses once again. It demonstrates that there continues to be a lack of understanding in the budgeting and the finances of the territory.

In fact, some of the bigger lapses are the direct result of the Auditor General dictating to Canada that when they set up trust funds, they must book the full amount in the year they are established, not amortize the fund over the timeline of the fund as created. Therefore, we are required to reciprocate and fully book a trust that is allocated to Yukon in the year that the trust was established. So it's merely an accounting measure, as directed by the Auditor General's Office. It has nothing to do with delays on anything. It's just simple accounting. Frankly, we're quite pleased with the tremendous increase in capital investment in this territory.

The members opposite want to make the case that there are delays because of poor planning. Well, let me point out to the members opposite that a few short years ago, the total Yukon budget was not even at \$500 million. We had the lowest capital investments ever experienced, and now there are budgets of over \$800 million, with record high capital investments.

And to say that bad planning creates delays when you consider that level of increase in investment, and the number of projects across this territory that are being done: a school in Carmacks, sewer in Burwash, sewer in Carcross, investments in Teslin, investments in Ross River, investments in Mayo. I just read out almost \$20 million of monies that we flow to Dawson City -- investments in Watson Lake, and look at the investments in Whitehorse. So, all the rhetoric is one thing, but at some point the opposition members are going to have to debate fully what is going on here with Yukon territorial budgets, and that is to demonstrate to Yukoners what they would have done and where they would have invested Yukon's money.

Yukon is in good shape, our quality of life is improving, we have one of the lowest unemployment rates in Canada, we have a growth factor, increased investment. We have risen in mining investment, for example, when it comes to impediments to that investment, from 43rd place to 11th place. When it comes to taxes in the Yukon we are fifth in the country for low tax rates, both individual and corporate, and the list goes on and on and on.

I respect the members opposite in their attempts to criticize, but the members opposite must realize that empty criticism is a dead-end street. Sooner or later that criticism has to be backed up with fact.

Motion for second reading of Bill No. 4 agreed to

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

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

All Hon. Members: Agreed.

Chair: We will take a break.

Recess

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

Chair: We will be discussing Bill No. 6, *First Appropriation Act, 2007-08*. We will proceed with general debate.

Mr. Mitchell: Previously, when we adjourned debate, I was asking some questions of the Premier regarding some First Nation issues. Perhaps I will stay with that theme for a few questions.

I had asked the Premier -- and I know he probably has an answer that he's ready to bring forward -- whether he would urge Minister Prentice to reconsider Canada's current position of refusing to apologize as part of the final settlement with First Nation people over the residential schools. I look forward to hearing the Premier's thoughts, as minister responsible for the Land Claims Secretariat and for First Nation affairs, whether or not he would be interested in adding his voice to those who have asked Canada to reconsider, based on the benefits that an apology might have for a lot of First Nation families whose lives were damaged by the residential school experience.

While we are talking about some First Nation issues, I would ask the Premier if he can update us on land claims. I know that federal mediator Gavin Fitch met not long ago with the White River First Nation and the Kaska First Nation. I am wondering if the Premier has seen any kind of final or interim report from those meetings. When he gets it, will he release the report to the public?

The Premier was holding up his platform from the last election recently, and I believe that that platform indicated, among other things, that the Yukon Party, if re-elected, would urge the Government of Canada to complete the unfinished business of settling the remaining three outstanding land claims in Yukon through the resumption of land claim negotiations and offer to act as a facilitator or mediator for the Government of Canada and the White River First Nation, the Liard First Nation and the Ross River Dena Council to resume land claims negotiations. I would ask how that is progressing. Is it underway? Has the offer been made? Were the other parties interested in taking the Premier up on that offer, if it has been made?

Also on the same theme, and we've talked about this before -- the Kelowna accord -- is the Premier in any way asking the Prime Minister to see this \$5 billion included in a future federal government budget? The Premier looks puzzled by the question. When the promise of some \$5.1 billion for Kelowna accord was made, it had not been in a budget as the Premier likes

to point out, but then there are things that we don't have in our budget, such as the \$10 million for the power line or the \$5 million for the Aishihik turbine, and yet we recognize that if a Finance minister makes that commitment, then it's a commitment of government; it's not something that we expect to not see happen.

It's said that it wasn't funded, it was an announcement of intent, and I believe that the Finance minister was actually a signatory to that agreement. The \$17.5 million that is being kept out of the northern housing trust fund monies from the \$50 million -- and we recognize the \$32.5 million is being distributed directly to the First Nations -- we believe that this money is not allocated anywhere in this budget.

Have there been any decisions made yet as to where that money is going to be spent? Rather than going on with a whole lot of questions, I think I would rather let the minister answer some of the questions I've asked, and then we can have more of a back-and-forth.

Thank you.

Hon. Mr. Fentie: On the first point of Canada's apology to Canada's First Nations for the residential school issue, jurisdictions don't dictate to the federal government, but I think, consistently, our position can be that an apology from Canada would be a positive. I will certainly discuss that with the federal minister at every opportunity. Right now, however, I think a priority is to finalize some of the outcomes around the compensation issues. I think that some of the steps that are being taken here are positive in nature.

The fact that the federal government wants substantiation of bills that are being forwarded to claims that are being attached to the overall fund is a logical step to take, but we certainly would want to see the compensation package move ahead so that First Nations in the country start to receive some of that package or compensation that has been awarded them. The apology itself is something that we can continue to work toward. I think it is understandable that that morally sets apart, in many cases, a government. We don't dictate that decision, but we can all collectively lend our voice to the fact that an apology would be a good thing for Canada to make, as indeed the church has.

So I'll move on now to Mr. Fitch. The emissary for the minister is, as I understand it, not due to provide his findings to the minister until June. We are one of three parties at the table. Our position is to conclude the unfinished business here; that is, the land claims with Kaska, Ross River Dena, Liard First Nation and White River. Of course the *Umbrella Final Agreement* is the guide for that negotiation.

I might point out that a tremendous amount of negotiation has already been done with respect to this particular land claim for White River and Liard and Ross River Dena. But I think it's in the best interests of all to allow Mr. Fitch to table his findings with the minister. I am sure the minister will relay to us the next steps, but I cannot guarantee here today that we would receive a copy of the emissary's final report. The emissary does not work for Yukon and has no direction from Yukon. We have engaged in discussions, along with the First Nations, but the

emissary works directly for the Government of Canada and the Department of Indian Affairs and Northern Development.

The Kelowna issue: I think it is important that we understand that there has been a tremendous amount of movement in this area. If we look to the federal budget of 2006-07, there is close to \$1 billion there that was allocated directly to -- I would say -- what was envisioned in Kelowna. Of course, this fiscal year there is an additional \$1 billion for a total of \$10 billion that the federal government is investing in Canada -- earmarked for First Nations here in the country.

If we round it out and use an approximation, since Kelowna, in two successive federal budgets, approximately \$2 billion has already been earmarked for First Nations over and above the traditional investments. Part of that, by the way, is our housing money -- the \$50 million that flowed to Yukon and the N.W.T. Nunavut, of course, got considerably more, given the housing challenges across what is a relatively new territory in Canada.

We have to put into context what is happening here in the country. There has been an increase of almost \$2 billion in federal investment that is earmarked directly for Canadian First Nations.

Mr. Mitchell: I want to thank the Premier for indicating that he will add his voice to those that are urging Canada to consider formally issuing an apology. If he does that by letter, I look forward to seeing a copy of that letter. If he does that at an upcoming meeting, perhaps he will apprise us of the fact that he is doing so. I think that is the right thing to do, and I am encouraged that the Premier thinks so too.

We have written to Minister Prentice, but obviously the Premier's voice would be heard a lot more quickly than that of an opposition leader. We look forward to seeing whether he will do that in writing.

Regarding the Kelowna monies, I guess the answer we got is: no, that is gone; it is something else. He has referred to \$1 billion in 2006-07 and \$1 billion in 2007-08, and then he said part of that money is the \$50 million in the housing trust. I think we can only count the money so many different ways. If we took that \$50 million and \$17.5 million was held out and \$32.5 million went directly to First Nations -- because the \$5.1 million was to go directly to First Nations -- then I don't think we should be counting the \$17.5 million that we are reserving, some of which may also benefit First Nation people. I don't think it specifically is going to go to the areas the Kelowna accord was meant to address, which was historical shortages on behalf of First Nation people.

On another issue having to do with dealing with the Government of Canada, I know that on January 6, 2006, there was a letter to the Premier of Yukon -- actually to all three premiers -- regarding a promise that the government was making in terms of their resource revenue-sharing agreement with the federal government. We know that the Premier doesn't like the current arrangement that Yukon has in some aspects. We know that he is happy to see a needs-based approach taken as opposed to a per capita approach, but one of the things that was noted in the letter from Minister Prentice is, and I quote: "We also believe it is essential to the economic development of the three northern

territories that they have a resource-revenue sharing agreement with the federal government." I know the Premier has stated on a number of occasions that he is not content with the devolution agreement's treatment of this area, nor the Oil and Gas Accord treatment that was signed in 1993 -- actually under a Yukon Party government, so that particular one was not a recent one -- and the devolution deal from 2001. I'm wondering whether he has taken Prime Minister Harper up on his offer to reopen negotiations from the Oil and Gas Accord of 1993 and the devolution deal of 2001. If so, how is that progressing? An update on that would be appreciated.

Regarding, again, a First Nation issue, I'm wondering whether the Premier can update us regarding Council of Yukon First Nations' need and desire for a new building, because their lease on the building they are in expires in the not-too-distant future. They have expressed a desire for something, preferably on the waterfront. Has the Premier reached any agreements with them? Has there been any finalization? There has been talk of Government of Yukon agreements to rent office space. Is there any progress to report on how that's going and, if so, what the arrangements are -- where it would be located, what the commitment is from Government of Yukon financially, either in dollars to assist CYFN in building a new headquarters building or in commitment for office space?

I asked a question last Thursday in Committee, but I did not get an answer, so I will ask it again. I will try to make it more specific. Will the Premier arrange to provide a community breakdown, department by department, to the members of the opposition in the interest of open and accountable government? We know that information is available on the government side. We think that all the MLAs in opposition would be more accurate in doing their job if we had that information. It has been done in the past by Finance ministers. Rather than getting it at the end of the session, we would ask if we can get it at the beginning. We would like an answer -- yes or no. Will we get it? We would like a timeline for when we can expect it.

I have some questions regarding the other commitments that were announced but are not in the budget. It is our understanding from briefings with officials that the \$850,000 for the community centre in Burwash is not in this budget. Could the Premier explain if it is a revote and if it exists? We were told in briefings that it is not in the budget. We would like to have some answers about that. Again, I will let the Premier answer these questions; then we will go back to some more.

Hon. Mr. Fentie: With respect to devolution, there is no provision for us to reopen, other than monitoring what the other territories may receive in resource revenue sharing. There is provision for us to reopen program dollars, such as fire suppression. There is a timeline built into the devolution transfer agreement. I believe, in the last six months of the first five years, we have the option to sit down with Canada to renegotiate those kinds of program dollars. We have a resource revenue-sharing arrangement with Canada that includes sharing those revenues with Yukon First Nations. If our sister territory, such as the Northwest Territories, achieves a better revenue resource sharing agreement, we will then exercise what is our

right as Canadians and Yukoners to sit down with Canada and get qualitative parity, as is the nation's principle.

On the Council of Yukon First Nations building, we have done an assessment for the Council of Yukon First Nations on available property downtown. That has been done. There is very little available. That is certainly something that we quickly realized. We've committed to being an anchor tenant in the building. But I know there are ongoing discussions right now with Canada. The officials are busy beavering away on the community breakdown. It is, once again, a sizable budget with another large, large capital investment. I am sure that in due course we will have that information from those hard-working officials.

I think that was about it. The member said that he had more questions, but I believe I have covered much of what the member wanted me to respond to.

Mr. Mitchell: Again, it's encouraging that the officials are beavering away. Perhaps after the Premier consults with the officials, he might be able to give us an update of a timeline when we could get that information. We know the officials have the capability of producing it and we would appreciate having it on this side of the House.

Regarding the Council of Yukon First Nations, I guess I would ask directly: when the Premier says that there's not much land available downtown, the Government of Yukon controls some of the prime real estate downtown along the waterfront. So I guess I would ask whether the Premier is considering any kind of an arrangement with the Council of Yukon First Nations to make use of some of the Government of Yukon's land in some form of cooperative arrangement with Council of Yukon First Nations. If the Council of Yukon First Nations is going to lease back office space to the government, then perhaps the government might make some land available. I'm sure that, no doubt, the minister has thought about this. I'm sure he has been asked by the Grand Chief. I would just ask the minister what his intention is in possibly doing that.

Regarding the resource revenue-sharing agreements -- and I understand that there is the ability within the devolution agreement to go back and readjust areas under programs. There is also, as the Premier indicated, the fundamental concept that if one territory is able to secure a better arrangement with Canada than has a predecessor over the course of time, then there is that ability to go back and look for parity or for the equivalent sort of arrangement.

There was certainly an indication in the Prime Minister's letter that the government indicated that it was important that they have a resource revenue-sharing agreement with the three territories. That's why I asked if there was anything more to it than that.

Again, the other question that I did ask, which the minister must not have caught in his notes, was about the \$850,000 for the community centre in Burwash. I'm sure the minister can come up with that answer very readily.

The recent agreement with the Yukon Employees Union, which has been publicly reported as being -- and I recognize that it's not ratified yet -- somewhere in the order of three years at three percent a year, or some nine percent, and I'm not sure if

that compounds or not. Again, it's not in the budget, and I'm wondering if the Premier can explain why it's not considered to be something that is anticipated and therefore the current year's portion has not been put in the budget. Obviously there's going to be an agreement.

Some things have not happened that we thought would happen, and one of them that I would like to raise is legislative reform. Last fall there was a commitment made at a meeting of House leaders toward addressing legislative reform. The commitment was that this would be done through the Standing Committee on Rules, Elections and Privileges and that it would be done prior to this sitting. In fact, it was specifically to take advantage of the expertise of the now recently retired, long-serving Clerk of the Legislative Assembly. That was the commitment, but the meetings were never scheduled and this was not done. I think that SCREP wasn't recalled for a meeting until the penultimate day this spring, the day before the Legislature started to sit.

Can the Premier update us on why this has fallen off the table and whether there is going to be some progress before the end of this session toward making some adjustments to the way we use our time in the Legislature, specifically if more things could perhaps be done in Committee?

I guess I would also ask, since I have talked about some federal things, about an elected senator. There has been a lot of talk about this. The Prime Minister has not yet brought forward any potential legislation or anything to try to address this. It would take constitutional change. He has recognized, in an appointment recently in Alberta, the existence of an individual -- I guess on a couple of occasions -- whose name had been put forward in Alberta, and I think it may even have been put to some sort of election or referendum.

Does the Premier have any plans to hold any form of election or to schedule something like that to replace the vacancy or to make a suggestion to the Prime Minister on replacing the vacancy in Yukon? Or has the Premier forwarded names to Prime Minister Harper for the next senator? I'll leave it at that and then we'll move on.

Hon. Mr. Fentie: First, land on the waterfront. The land on the waterfront is not the government's; it is the public's land. We, the government, hold that land in trust on behalf of the public. The decision we make on that land, once all matters have been concluded with respect to what we committed to the city and Canada Winter Games -- I think there is even still material on the property in question -- then we would work toward making a decision in the public interest. It is public land held in trust by the government. It is taxpayers' land. We bought it from the city.

In the budget process, there are always variances. The project for Burwash was worked on for a time. Values have to be analyzed and so on, and sometimes they just don't make the cut on the day the print button is pushed for the budget itself. Therefore we have been very clear with our commitment and we will proceed through what is always a budgetary process of variances. That would include the collective bargaining agreement. Of course we have to await ratification, and we are pleased, as far as the negotiations have gone, but it is now in

the hands of the membership of our Employees Union. The next step is to ratify, but once again this will be dealt with as we go forward with variances.

The elected senator -- there is no elected senator in the Yukon. That has never happened. I have voiced to the Prime Minister our concern here in Yukon with the retirement of the senator that, given the situation we're in -- and we only have one senator -- we are now underrepresented in the Parliament and in the proceedings of the federal government and we encourage the Prime Minister to recognize the situation Yukon is in. I wait for a response but, in all likelihood at this juncture, the best course for Yukon is to put some names forward at the Prime Minister's request for appointment. I understand the federal government's position of going to an elected Senate but, given the situation we're in, the Prime Minister and the federal government may find some latitude in that position so we can fill the vacancy.

Mr. Mitchell: Another area includes the cold climate innovation cluster, the research cluster. The Premier has talked about that project quite a number of times. He mentions it in most of his speeches and I think he may have mentioned it again in the Budget Address. I would ask what private sector interest has been shown in the cold climate innovation cluster? Who has been approached and has anyone actually pledged money? I would like an update on that as to whether this is still in the dreams stage or whether there is actual private sector interest in doing it.

Again -- some of these are not all in any particular order -- I'd like an update on the Dawson sewage project. The last we heard was that there were some costs put out for a one-cell project. There was some discussion of whether it be one cell or two cells. I believe that the location had been agreed upon, being out by the ball diamonds, but I know there were some difficulties and I'm wondering if we can get an update on that.

There was a committee struck with First Nations to review land applications that don't fall under YESAA. I am wondering what the status of that committee is. Has it been meeting and reviewing any of these applications? The minister may need updates from some of the other ministers on some of these issues. One of the things I know the minister can provide is ministerial travel over the past years -- can we get those figures from the departments?

Also, since we talked about one headquarters building for First Nations, there have been discussions over a long period of time by the Kwanlin Dun First Nation about their desire to have a cultural centre on the waterfront. They do, of course, have some land available to them on the waterfront. I know they were looking for funding support on that. I am wondering whether or not there has been any update on that?

Hon. Mr. Kenyon: Thank you very much for giving me the opportunity to give an update on the cold climate innovation centre and the related issues.

As I think most people know who have looked at this, the National Research Council has supported the development of clusters in British Columbia, Regina, Edmonton and St. John's, and they deal specifically with fuel cells, oil seeds, grains and

fish. There has been no commitment so far, at least formally, to a northern research cluster.

One of the things for people's edification is that the concept of a research cluster is to bring related research projects, capabilities and companies, et cetera, into a single area. For example, since Regina is a very reasonable place to look at grains and British Columbia is for fuel cells -- and to allow the synergy of multiple research facilities looking at the individual projects -- one of the things we have promoted has been the use of cold climate technology and cold climate innovation, both in terms of dealing with the effects of climate change and dealing with adaptation and the various challenges that that gives.

One of our concerns, of course, is that while we're trying to deal with our own challenges with the cold, people in the tropical areas are trying, of course, to keep the heat out and the cold in. It is, in many cases, the same technology. Now, there are some differences when you get into the nitty-gritty of it, but in general, it's the same technology. So we have proposed that we would be an ideal location for a research cluster that would be centred in Whitehorse. We've had extensive discussions with our colleagues in Nunavut and in the Northwest Territories and, given logistics of transportation and all the other good things that we have available to us, Whitehorse would be a very logical place to put this -- or at least in the Yukon. Things like road structure and road capability from Whitehorse and some of the communities, things like Internet structure -- as we've said before, the Yukon enjoys 98 percent of its residences and businesses having access to high-speed broadband Internet. The data is probably a few months old now, but compare that to approximately 62 percent in the Province of Ontario. We were quite surprised when we had a visitor from Edmonton a couple weeks ago who couldn't believe that we had broadband Internet access into some of our most remote communities when, in fact, he lived in a major suburb of Edmonton and he couldn't get broadband Internet.

So we have some things that would allow us a great deal of flexibility and a great deal of advantage in terms of dealing with that cold climate structure. The way we've gone about that -- we have looked at it through the Department of Economic Development and the strategic industries development fund and have contributed approximately \$153,000 to the cold climate innovation centre in support of the development of an investment-ready business case and securing of funding partners. Mr. Chair, that's the function of the Department of Economic Development. It is not to build such a structure any more than the rail study would prepare us to build a railroad; it allows us to look at the business case and to develop that investment-ready business case and look at securing funding partners. That business case would then be used to attract funding partners, industry participants and world-class researchers to actively engage in the innovation centre. So again, it's putting the people together in the right location and then giving them the information, the credence, the ability and confidence to see that this is something that's a very viable opportunity.

In detailed answer to the member's question, we have contracted with a project director to raise the profile of the innovation centre and we have used this person in targeted meetings

with potential industry partners and anchor tenants. This is not an easy program or a quick program, but it is one that will develop over time. We look forward to seeing fruition on that.

The Government of Canada, through the targeted investment program, provided an additional \$200,000 in support of this project. I am happy to report that -- in terms of the member's other question on ministerial travel, which I will get to -- I've had the opportunity now twice to meet with federal Minister Lunn and other federal ministers to discuss this project, to make them aware of our competitive advantages and our willingness to work on this very worthwhile project.

The funding for the project in fiscal year 2006-07 has consisted of \$200,000 from Indian and Northern Affairs' targeted investment program and a further \$153,888 from the Department of Economic Development. We are still working on private sector funding partners, and this is being done through the project director and is still in the discussion phase.

The federal target investment program has allocated \$600,000 over three years to the project development phase, and the northern strategy has suggested that the project reapply for funds in 2007.

This is a very good project and, as I have said before, will be the fifth project or innovation cluster. The use of an innovation cluster or a cluster of any sort is, in my opinion, a very, very good idea. In my previous life I had a very rare and good opportunity to attend at the chemical industry's Institute of Toxicology at the Research Triangle Park at Raleigh, North Carolina. At the time it was acting as a consultant for the Canadian Council on Animal Care and for the research community to look at the development of research facilities within the chemical industry's Institute of Toxicology.

A number of things came out in the proposals and in the development of that that were very, very useful. Unfortunately the Canadian project was eventually curtailed, and it wasn't completed, but what we learned from that cluster and from the development of that cluster was very, very telling. I remember the one complaint that we had was mostly from the people who had just moved in or who were just in the process of moving in. They had moved from a series of smaller buildings. This is in North Carolina where the director's secretary would have to take the day off when it snowed at all. There is obviously much better weather in that part of the world, but with smaller buildings they could actually go out and sit at picnic tables and meet to discuss projects. It's something that worked very, very well in their situation and in their venue. They had gone to a building -- and I forget the number of storeys, but it was something like 14 storeys -- and the biggest complaint was now they would get on the elevator and say good morning, and go up to their lab or to their office. In fact, the sharing of knowledge within that cluster was lost to a large degree. That was something that if we had gone ahead with the Canadian equivalent to this chemical industry's Institute of Toxicology, that we would have certainly had to address, and we would certainly want to look at this. Although, you have to admit, Mr. Chair, that it's a little bit harder to get lost in Whitehorse.

The feasibility steering committee, which exists, is made up of the National Research Council; Energy, Mines and Re-

sources of our own government; Yukon Housing Corporation -- obviously Yukon Housing Corporation would have a very major role in this -- and Industry and Northern Affairs. The Yukon Chamber of Commerce, of course, has to be a part of this. As well, we had private sector representatives from Skookum Construction, Pelly Construction and Northern.

The current interim board is chaired by our department, which coordinates the good work of this board. Other board members, of course, within that board are the Yukon Chamber of Commerce, Yukon College, the National Research Council and the Canadian Contractors Association.

We have looked at a number of different locations, as potential for this, but I should report to the member opposite because of his keen interest in this, that no site has been selected to my knowledge, although there has been talk of a wide variety of possibilities; for instance, the use of the bottom floors, or part of the bottom floor of the college building, the so-called former athletes village. It would be potentially a good location for that and, again, have a synergy and a symbiotic relationship with the other resources available at the college.

So, that's an update on the cold climate innovation centre.

In terms of another question the member opposite mentions about ministerial travel, I'm sure his colleagues will be happy to fill him in that that report is tabled every year. It's no secret -- or, again, it's so much of a secret that we publicly table it. One of the things that is necessary for our jurisdiction if we are to take our rightful place at the table in Canada, financially, fiscally and for business -- and every other aspect -- is to have our government represented. Unfortunately there is a cost to this. We tend to be a long way away from a lot of jurisdictions.

It is always interesting to go to some of these so-called federal/provincial/territorial meetings, or FPTs. We were very fortunate -- and I was very fortunate -- to host the ministers of northern development meetings about one and a half months ago in Whitehorse and to have people from Newfoundland, Nova Scotia and Prince Edward Island come here and comment about what a long way it is to come. I had to remind him, of course, that every time they call a meeting, I have just as far to go in the other direction. It is a fact of life. It's a fact of life for our federal MP, of whichever political stripe. It is a long walk to Ottawa. Again, I would point out to others on the side opposite that when criticism in the past has been levelled at our federal MP for the travel budget, one only has to look at a map to recognize that it is a long walk there.

Also in terms of ministerial travel, I thank the member opposite very much for opening the door to allow me to talk about the Pacific Northwest Economic Region. The Pacific Northwest Economic Region was founded in 1991. It consists of -- in legislation or orders-in-council -- British Columbia, Alberta and Yukon in Canada and, in the United States, it includes Alaska, Washington, Oregon, Montana and Idaho.

The board of directors consist of two elected members, by statute, from each jurisdiction, who serve as voting members on the board of directors. Many other jurisdictions will also appoint up to another two representatives to vote on any issues.

It also involves a private sector counsel who represents the private industry on the board and is able to talk to all of these issues.

The presidency of that does move around from jurisdiction to jurisdiction, and I'm very pleased, this year, as all the members opposite know, to serve as the president of the Pacific Northwest Economic Region, or PNWER. One of the things within that mandate is to attend meetings in both national capitals, as well as provincial and territorial and state capitals in all of the PNWER jurisdictions. This, of course, is a travel cost that is found in some jurisdictions, and you can lose that amount of money in a large jurisdiction a lot easier. Here it is a significant amount. I looked at that as an option and as a way to do that. While there are a number of ways, for instance, such as transferring a sum of money from the department into the PNWER offices in Seattle and then drawing on this fund as a trip we have made, I have made the personal decision that we would put those travel costs within the ministerial travel costs. Once those documents are tabled, I would suggest that the member opposite come back and review this part of *Hansard* to see that we did this in a way to be transparent and show what those travel costs are.

The best example of the last trip was to Victoria where we looked at the western hemisphere travel initiative where there is the requirement of passports. PNWER has been working very hard over the last two years to develop a smart driver's licence. Of course the Yukon drivers' licences are anything but smart. I won't even get into who can probably produce a better one. That's something that we obviously have to address, but we need to address it in terms of the overall picture. The State of Washington, for instance, cancelled an almost \$250-million program to revamp their drivers' licences two years ago because of the possibility of a smart driver's licence. Both Canada and the United States, of course, firmly believe that states, provinces or territories should not adjudicate citizenship. There are protocol issues; there are liability issues. Somebody blows up the Brooklyn Bridge; do you really want to have a Yukon driver's licence as part of that?

The PNWER meetings and such have put us firmly at the table to have these discussions. It's an exceptional use of travel time. I'm very pleased to announce that the State of Washington and the Province of British Columbia have instituted this. We had meetings with the head of licensing from the State of Washington. I've had meetings with Governor Christine Gregoire of Washington and with Premier Campbell in Victoria. The project is a go-ahead. Now, when we start developing our driver's licence, we will be able to do it with the full knowledge of what has happened in other jurisdictions and how that pilot project has worked. Again, this is another example of the ministerial travel. I urge the member opposite, when he asks for a breakdown in ministerial travel, that he look at the documents as soon as they are tabled and to think of all the good things that this will do. Regardless of the political stripe, travel is an essential part of that.

Mr. Mitchell: We can certainly see why the Premier is so keen on having this minister serving in his Cabinet, because he is able to go on quite thoroughly, both answering and

not answering the question. He can speak at great length about something, and he can speak at great length about next to nothing. But I think to summarize it, the question was: has there been any uptake and private sector investment in a cold climate research cluster? And I believe, to summarize what I think we just heard, the answer is no.

The other reference that the Economic Development minister made was to the rail study, and it's probably a very appropriate reference to tie those two together because I'm not sure whether there has been any uptake in the private sector in a railroad in Yukon, or passing through Yukon.

I would ask the Premier when Governor Palin is coming to talk about the rail study? When will the study be released? Same for the port study. I'm hoping the Premier can update us on that. I would point out, too, that we do want answers to these questions, and the Premier likes to talk about how it's the opposition's role to manage and budget our time. If we ask a very direct and brief question, such as "Has there been any private sector investment in a cold climate research centre?", we would appreciate getting an answer of yes or no or a dollar amount as opposed to a soliloquy about PNWER.

Just in case the Economic Development minister is still in the game, coming off the bench and pinch-hitting, I had better ask a couple of other questions because, while the Premier was fairly succinct with his replies, others may not be. I will ask about the status at this point of the Watson Lake multi-level health care facility. We asked this of the officials in the briefing, and they indicated that they didn't want to answer the question because it was more of a political or policy question. We wanted to know whether the amount in this year's budget was anticipated to be the total amount -- this additional \$6.9 million -- to complete the facility, and we asked for a timeline when it would be completed, if not in the current fiscal year. If it were to go into the next fiscal year, would there be additional money required? I'll ask that of the Premier or his colleague, the Health minister, because we would like to know those amounts, whether this \$10-million centre is going to perhaps become a \$12-million or \$13-million centre.

Similarly, we had some Q&A this morning in Question Period regarding a health care facility in Dawson City. There is no funding for that in the current budget. I know, Mr. Chair, that is of interest to you and your constituents, and perhaps in this arena, where we can actually get more detailed answers to questions, we can get an update as to how the re-planning of that facility is going. I think it was previously indicated by the Health minister that the former Health minister had enlarged this potential facility some threefold from its initial, planned size and that's why the government had to finally give up on it. I'm wondering whether we can get some details regarding that.

I do have some questions that I started on the other day, and the Premier didn't really like the questions. He likes to refer to qualified audits, and I've looked at those audits and noted the reason for the qualifications, as we've said, having to do with employee leave liability. And I would also note that the Auditor General, after making that note, at least on the year that she made it for a Liberal government, indicated that in all other respects, there was full compliance with all aspects of

accounting principles. So, it was the one issue and the one issue only that was pointed out.

I am wondering if the Premier would like to address the more detailed comments that were not just one paragraph at the beginning of an audit report, but quite a lot of details that the Auditor General put in her report on the transportation capital program and property management, Department of Highways and Public Works, dated February 2007.

He indicated, when I raised this on the last sitting day, that his government had actually laid out the audit plan for the upcoming years and had asked for this audit. I think actually it was the Public Accounts Committee under the chair of the former Leader of the Official Opposition -- the NDP leader. It is an all-party committee, so no one party or government should be taking credit for the particular audits that are coming forward because it has been agreed to by a non-partisan committee.

In any case, I would like to know if the Premier would like to comment on some of the findings in that report. It was a fairly scathing report. The government was spending money without Management Board approval. It was starting projects without the necessary environmental permits in place. They were sole-sourcing leased space, and it was pointed out by the Auditor General that this was a very, very poor way to get a return on the dollar when you are sole sourcing as opposed to putting it out to tender. There were leases being renewed in three-year increments for more than a decade or two, apparently to get around the requirement of going to Management Board for longer-term leases. The Auditor General said that was not a good way to conduct the government's business.

We have recently seen the problems with the ongoing debacle of trying to get the Thomson Centre back into service. I think it was some \$1.4 million worth of contracts put out on an hourly rate to repair the roof. Again, that seems to be a somewhat unusual way to take on such a big project. We know about the problems that have been raised by several members of this Legislature about the ongoing mould problems.

Basically, the concerns in this report talked about there being no overall strategy to complete projects, no overall space-acquisition strategy or plan. I know the officials have indicated that they are going to do their best to address this, but I would be interested in the minister's comments regarding those shortfalls.

They certainly took up a lot of space in the report. The report went on to talk about things like the Teslin River bridge rehabilitation. Even the lowest bid was some 38 percent over the estimates done within the department. The costs continue to rise. There was a whole series of areas under the transportation and highways portion of the department, as well as on the leases that went forward. I believe that they looked at about a dozen or so leases, and many of them were coming forward as sole sourced. Others were net leases, but they were all coming forward in these shorter increments.

There were parts of this report that said that expiring leases were not always flagged well in advance to ensure that all appropriate investment options could be analyzed when considering the replacement or renewal of the lease. In most cases, the

department requested information from the landlord only to enter into a new lease agreement to extend the occupancy of the lease property. That doesn't seem like very good business practice when a government takes pride in supposedly running things in a fiscally prudent way. There are many examples given.

In another case, as with the old courthouse in Dawson City, the department renewed the lease for two years in September 2005 despite a significant increase in rental costs, partly due to the Government of Yukon assuming responsibility for custodial and snow removal services, which were previously paid for by the federal government. Again, no improvements were made to address long-standing air quality and health concerns in this federal building.

We have seen too many examples recently of what happens when we don't address air quality and health concerns. Too often, we end up dealing with severe problems of mould. The rationale for decisions is not properly documented. It goes on and on. There is a lack of up-to-date information. It is really a pretty scathing report. I know that the Standing Committee on Public Accounts has made recommendations regarding this, and I am wondering if the Premier feels that this situation is something that is acceptable.

That has happened over the last four and a half years under his watch. I look forward to his comments on that. Now, I'd like to ask a couple questions -- actually, I'll sit down and let the minister answer.

Hon. Mr. Kenyon: Some of these questions are interesting. It's good to see that the Leader of the Official Opposition is continuing in his predecessor's footsteps by asking a huge number of questions each time and then being able to get up afterwards and say that something was missed. He threw out more information and more questions than are contained in the Gomery report and then he expects, in 20 minutes, to even begin to get answers to any of that.

It is important to look back, however. It is very important to look back to see where you've been. But somehow, at some point, you're better off, I think, to look at where you're going and why you're going in that direction. I won't get into Lewis Carroll again, for sure. I think the member opposite knows that quote all too well, over the years; if not, some of the media. But we have to look at where we're going and why we're going that way. For instance, when we look at the rail and port study and we try to examine where the department is going with that, I think it's important for everyone in the Yukon -- and hopefully the opposition -- to understand why private and public partners have to look at these studies and look at where we're going. The business, trade and investment opportunities in all of Asia -- but China in particular -- for strategic reasons, is a very important thing. It's always amazing to find the number of people in the Yukon who aren't aware of the fact that most of the ore from the mine at Faro actually went to Korea. That's simply a reality. Developing trade links to China and the Asian region is an important initiative for the Yukon. It manages Yukon's global economic risks by diversifying our trade partners. It builds trade and investment opportunities with growing eco-

nomics powerhouses -- and, boy, we know they're growing, and they are economic powerhouses.

Our close proximity means our products are quicker to reach Asian market than products from other regions of North America. I would submit that the opposite of that is true -- that we are a very likely access point. We are a part of that western gateway and perhaps could take our position as the major player in that western gateway. Asia requires considerable mineral resources in order to maintain that growth path.

It is interesting that it wasn't that long ago when General Motors or Ford would announce a slowdown and the price of zinc would immediately drop. The last couple of times there have been slowdowns announced by Ford and GM and others, and, in fact, the price of zinc has gone up. I've been there -- again, part of the travel parts that allow us to get a much more personal insight into what the demands are. Asia requires considerable mineral resources in order to maintain that growth, as I say.

Korea, as an example -- something like 97 percent of the raw materials it uses in its manufacturing comes from outside of Korea. Three percent of their resources is what they utilize. Their demand is huge, and zinc is certainly a big part of that, but so can be steel, so can be molybdenum, so can be tungsten -- 85 percent of the world's tungsten resources are in China. The other 15 are in the Yukon. We have to be aware of those things and some of our advantages.

China accounted for 70 percent of global growth in metal consumption in recent years. It is a huge difference, and in order to not sell ourselves very, very short, we have to recognize that fact and we have to look at what we can do to utilize those markets and to utilize the resources as a specific gateway.

Growing Asian economies are looking for partners to develop long-term secure supplies of mineral resources and other resources. Where are you going to mine -- in a very unstable part of the world or a very stable part of the world? Where are you going to mine or develop those partnerships -- in part of that stable area where you really are not sure if you have proper access to your resource, if you have a problem with not understanding that you have security over those resources -- for the Leader of the Official Opposition, I'll avoid usage of the word "certainty" because I know that's a tender word on the other side.

But you have to understand that this is why the Yukon has gone up dramatically in terms of an ideal place to work, to grow, to develop mines, to explore. Certainly, the Asian communities have recognized that and are coming here. It was only a couple short years ago when we were going over there trying to generate interest. Now, in fact, many groups are coming to Yukon to look around at our investment potential. As I say, lead, zinc, copper, uranium, iron ore -- there are just so many things that you can -- coal. These are in high demand in China and other countries. And with coal, you've got to look at the underlying part of that. We have coal that has extremely low sulphur. Don't equate coal, please, with the deep and dirty coal mines of West Virginia and the sulphur-spewing smoke stacks. Ours has extremely low sulphur and again, through some of the PNWER initiatives, we've brought people through the Genesee

Power Plant, a clean coal power plant, to show what can be done with modern technology that is very environmentally friendly. It's part of the solution. It's not all of the solution, by any means, but it is part of the solution.

That's why the Department of Economic Development allocated \$200,000 specifically in the budget for investment attraction. Most of that is targeting Asia and focusing on the mining sector. Interestingly enough, Mr. Chair, one of the nations that we have worked on, on this potential, has been the Netherlands. I suppose there are a lot of eyebrows going up right now. But if you think about it, the Netherlands has become -- Rotterdam in particular has become a shipping capital of Europe. What do they produce versus what they ship? The Netherlands has offered to help us in that regard and has attended numerous PNWER meetings and seminars. We're really looking forward to developing that relationship.

The economic situation in China, again, is a big part of this. We've seen a ten-fold increase in GDP since 1978. Exports for 2006 are estimated at \$974 billion USD. Imports are around \$778 billion USD. China's gross domestic product, at official exchange rates, stands at \$2.5 trillion. That's with a T, Mr. Chair.

The industrial production growth rate currently stands at around 23 percent. People say that China would be impacted by a U.S. recession. Well, it wouldn't be as hard hit as Canada, because only 21 percent of its exports go to the United States, in contrast to 84 percent of Canadian exports.

These are some of the reasons why we really do have to look at this access availability and the western strategy, et cetera. In the first place -- and the member opposite astutely asks us about that -- is the port access strategy study. It is important for the Yukon to have good, solid, stable port access. So, we jointly prepared, between Yukon and Alaskan governments, a review and complete analysis of that port access strategy. It was done with both governments in full cooperation. It was done in full cooperation with First Nations, with, interestingly enough, tourism groups and everyone else to get a look at how this would come together.

Ideally, we should jointly release this in conjunction with the Alaska-Canada rail feasibility study. They are tied together. They have worked together. When the time is right, we hope in the very near future, our Premier and Governor Palin are in discussions now to do that joint release, now that both studies are, in fact, complete.

Secure tidewater access is a prerequisite to the viability of many of our resource developments in the Yukon. Unlike previous infrastructure studies, the rail study is grounded in economic reality and will provide enough objective and quantified information to enable public and private investors to take a serious look at developing port facilities and related transportation links. Again, for the members opposite, our idea is not to develop a port. It is not the purpose of this study to buy land and build a dock, but it is the mandate of the Department of Economic Development to show that this is an economic and viable proposal that we can turn over to other groups.

I understand that, to the Official Opposition, this might be hard to understand since the previous Liberal government's

idea of economic development was to wipe out the Department of Economic Development and scatter its employees.

While I still wonder why, bringing these people together and looking at making the business case and really showing the private sector what we can do was a reasonable approach.

I would remind the members opposite that the call for proposals on this closed on January 10, 2006, so we are not really over the time on this. Yes, Sherwood Copper is in the process of working on some dock facilities down there. That is an individual project which, again, is shown as being feasible. As I say, we are not building something down there; we are showing the business case for it. I think Sherwood Copper has certainly understood that.

As I say, the rail and port studies are certainly in lockstep with what they are doing and where they are going. The *Alaska-Canada Rail Link Feasibility Study* came out of the original bill in Congress in Washington under then Senator Murkowski, which allowed a contribution from both the United States government and the Canadian government to come to the table to form a study group or commission -- although the word "commission" has some problems with some of our colleagues from the United States. While the Government of the United States certainly came to the table very quickly, the Government of Canada, for a wide variety of reasons, did not. So it was decided a couple of years ago that Alaska and the Yukon would come together on this study, tie it in with the port access study, and again -- not build a railroad -- but to show the business case, including technical, engineering, market and economic components that would help us in the future development of a rail or in general the transportation-dependent sectors of the economy. It provides an opportunity to examine the long-term, multi-modal transportation development potential of both Yukon and Alaska, and by default, of course, British Columbia.

I was given a bumper sticker, which I have up in my office, which basically says, "We're building a railway from Nome to Nova Scotia." That's what we are trying to do: link the two rail systems to allow us to take competitive advantage of the fact that, for instance, the port of Anchorage is five sailing days closer than Seattle, Tacoma or Vancouver. It is probably a little bit more than that to Los Angeles.

That is a competitive advantage that we would be able to take advantage of if we had a way to deal with material coming or going from that. So that's a part of the study. We have to look at whole transportation-dependent sectors of the economy. The study provides an opportunity to examine the long-term multi-modal -- up and down the coast -- and that's why we've involved not only Alaska and Yukon, but we've also involved British Columbia. The Yukon First Nations have been at the table all the way through this. We have had both the United States government and the Canadian government working with this, and through the good offices of the Pacific NorthWest Economic Region, we have also brought this project in great detail to Ottawa to the director general of surface transportation and the Minister and Parliamentary Secretary of Transportation. We've also brought it to state governments, and we've also brought it to the United States to various rail sectors there.

For instance, Mr. Chair, I give an example of one of the things that we're looking at on this. People say, who is going to build it, or how is it going to be built? I say we're not building the railway. We're showing the economic impact of this and the economic feasibility of this.

But one of the things residing in the United States, for instance, is the rail infrastructure fund or the RIF. Now, the rail infrastructure fund, as long as it is to the benefit of the United States, can be used to support rail infrastructure. I would submit that connecting Alaska to the Lower 48 certainly is a benefit in a wide number of ways. That fund currently sits at \$35 billion, of which a little over \$3 billion has been accessed. Is this something that we should be looking at? Yes. Is it something we should be studying and exploring? Yes. Is it something that's included in the study? Yes. Those are the sorts of things that this group has to look at.

The cost of the study is jointly shared with the State of Alaska and Government of Yukon. Our total over fiscal years 2005-06 and 2006-07, I'm very pleased to report, is \$2.35 million. Now, again, the opposition will -- and I think already has -- thrown figures around from \$5 million to \$2 million to \$3 million. Again, the philosophy of picking enough numbers -- at some point there will be something in *Hansard* that shows they're accurate.

The reality is that there is \$2.35 million in those two fiscal years for the study. I would submit that that is exceptional value for the dollar. We have the possibility at looking at, for instance, the Alaska gas pipeline. Yes, there will be a flurry of activity and construction at that pipeline. But once the pipeline is done, studies have shown that as few as 39 jobs at pumping stations will be all that come out of it. That is the simplistic way of looking at it. The reality, of course, is that by ensuring the pipeline is not a bullet line -- it doesn't just go straight through -- this allows us to take and access our own gas resources and put them in, and it also allows us to take gas resources out, which means that suddenly natural gas could be available at mine sites and lower their costs, or in Whitehorse or any other Yukon community and lower our heating costs in a more environmentally friendly way if it's done correctly.

All of a sudden the pipeline is part of it. There was an interesting discussion that I was able to have in Alaska. It was actually due to a lot of fog in the Juneau area and the Premier had to overshoot a meeting and I was fogged in. It gave me a good chance to spend about a half an hour with Governor Palin, who began to play the devil's advocate and throw the argument out that with a liquid natural gas pipeline going down to Valdez, an all-Alaskan route might be something that is beneficial. The reality, of course, is that it misses the ability to put Yukon gas in and utilize gas. It minimizes potential resources that could go to Alaska, and it also potentially shortens the lifespan of the pipeline because Yukon is not putting its resources into it. Hopefully we made an impact on that. It's part of the matrix, just as the rail study is part of the overall matrix in terms of our economic strategy. We have to look at all potential parts of it. For anyone to think or claim that it's a waste of money, I think, is sheer folly.

Mr. Mitchell: Well, the member may have reached a new low of speaking for that long and not answering any of the questions. He indicates that it is so difficult to address so many questions and of course, when we get brief answers we tend to ask fewer questions at a time, but when we know we are going to get quotes from Lewis Carroll or Shakespeare or what have you, and 20 minutes of historical data -- I think there were some references to reincarnation in there when the member referred to a former life. We can only look forward to the next one.

In any case, I'll try again and I'll ask a couple of questions of the Premier in his dual role hat-wearing as Environment minister. The climate change action plan, according to the strategy, is not meant to be completed until 2008. Why would it take that long? Is it because of the lack of investment? I noticed that there is \$145,000 in this year's budget for the climate change action plan. Perhaps if we were to throw in the \$182,000 that we have for new office furniture and computer systems, maybe we could get some quicker action on this plan so that we could do what Yukoners are asking for and actually start to make some progress.

Again, on that same topic, the \$5 million for the third wheel is not in the budget. Does the Premier, wearing his hat as the Environment minister as well, have any evidence that this third turbine at this point in time will actually reduce greenhouse gases? The Yukon Utilities Board said it wouldn't; it wouldn't do this for years. Can the Premier provide any proof to back up his claim that this is a greenhouse gas reduction project and that it's going to do so in the near term as opposed to years and years down the road? Is it possible that, on second sober reflection, he might think of some other things that he might do to have a more near-term effect on greenhouse gases?

I know it's very convenient to refer to anything that you may want to do as "climate change". And we know that he is quite proud of his federal counterparts, and we've seen that Minister Baird's proposal has been resoundingly panned by environmentalists such as our own David Suzuki, by former Vice-president Al Gore, who had some scathing comments about it being basically useless and a fraud, I believe he said, which is a word he probably couldn't even use in here when referring to things that happen here.

Hopefully this Environment minister really does care about having a positive effect on the environment and he will look for some action a bit sooner than 2008. Perhaps he could look at that \$5 million and find some other uses for it.

Hon. Mr. Fentie: I want to deal with the federal issue as it is today. I am not going to comment on what an American thinks or says about a Canadian plan for action. Frankly, Mr. Gore is entitled to his opinion. I think Mr. Gore is certainly trying to raise awareness on the issue of the global phenomenon of climate change, but I won't comment on his opinion of a Canadian plan, nor would I comment on an American plan. It is in the American jurisdiction and they have the latitude to proceed as they see fit.

I will say that we have to recognize what has really transpired here. The federal Liberals, for many years, have touted the tenets of Kyoto, but have done absolutely nothing to deliver

a plan on implementing the Kyoto targets. Now Canada finds itself in a situation where, years after the fact, the dates as agreed to in Kyoto are looming large and the reduction of emissions has not taken place. In fact, it is quite the opposite. Canada's emission factor has increased under the watch of the Liberals in this country.

Fast-forward to today, and we now have a federal government that has brought forward what they deem to be a plan. Again, at this juncture, it is very difficult to comment on that. We have experts assessing the plan in detail. We want to understand what the intentions and objectives are, especially as they relate to us in the north.

It may not be enough in some people's view; it may be enough in others. The debate will continue, not only nationally, but globally. I would close this particular area of my response by pointing out that at least Canada now has a plan, no matter what we or others may think of the plan itself.

As far as the third wheel, I think we have to understand and recognize that Yukon is growing. During peak demands here in the territory, diesel is burned to meet those peak demands. We had an option here to really reduce emissions. Now let me compare this. There is this investment possibility in light bulbs -- new low-draw, high-yield light bulbs. When you factor that in for Yukon specifically, given that the majority of our electricity is already produced by hydro, changing light bulbs does not really directly reduce emissions. Increasing hydro does really reduce emissions.

Let's now look at some of the examples. I said already peak demand. There are times at peak demand when diesel fuel is required to produce electricity. Now we have to consider the growth and where Yukon is going with mine sites coming on. There is a mine coming into production here in a couple of months, and there's the possibility of putting that mine on hydro in the near future. There's a community in the Yukon that right now, every day, is burning diesel fuel to produce electricity. We will effect emission reduction here in the territory of harmful emissions, in this case, carbon dioxide or CO₂.

So the investment for Yukon is one that will achieve an objective and meet our conditions as laid out by the federal government with respect to the eco-trust.

I think what the member has to consider when the member discusses climate change is recognizing that the action plan as listed in the budget is merely one area of investment.

But to really understand and move forward with an action plan for climate change, we have to modernize and update a significant biophysical database. So if the members opposite would look into the budget, they would see in detail that there is much more being invested toward climate change here in the territory. An example is another \$1.285 million this year on ongoing investments in out-years to modernize the biophysical database in Yukon that will help us in our climate change strategy and action plan to better understand what it is we can do to address this global phenomenon here in the territories.

So in taking the full equation or full picture in mind, one can see that there has been a significant increased emphasis on the Department of Environment, and I think it's clear that we're in sync with Yukoners. We not only started this prior to the

previous election, but we made it very clear in the election campaign what this government would do with respect to this issue. We laid it out for Yukoners, and here we are today.

I think if you look where Yukoners are at, this is a very important issue for them. The environment is a very important issue. So it's not just climate change. It's cleaning up contaminated sites. It's booking our environmental liabilities. It is celebrating our parks and promoting that aspect of Yukon's environment. It is continuing with increasing our protection through special management areas, harvest planning areas, habitat protection areas and so on. Mr. Chair, Yukon is second only to British Columbia in land base under protection. When you include very special areas like Old Crow Flats, we can see that the steps that are being taken are to further advance our ability to protect our environment and, indeed, to address climate change. The hydrology factor alone in Old Crow Flats is a litmus test, a measurement, a barometer of climate change and the impacts that are happening.

So I think, Mr. Chair, that the Official Opposition is somewhat behind this issue in trying to find a way to get engaged on the environment and advance the issue. They brought forward a motion here the other day that the government side supported wholeheartedly -- unanimous support in this House for the motion that related to climate change. I think collectively we all have a responsibility to address that, including each individual here in the territory to conserve and reduce, where they can, the consumption of energy that could lead to this continuing contribution to global warming.

However, for us in the Yukon and I repeat and stress this -- our emission factor is considerably limited in its contribution to global warming. The impacts for us in the north and in the Yukon are stark and severe. So we need to include such investments as adaptation. Our minister for the Department of Economic Development went into some detail around the innovation cluster and involvement of the private sector. That is about adaptation, because it's a research component that the member mentioned earlier. We should be doing more research. Well, here's an initiative for more research that leads to construction methods here in the Yukon so that we are better able to adapt and mitigate the issues of global warming.

Mr. Mitchell: I'm glad that the Premier and the Minister of Environment has decided that he cares deeply about the environment. It's encouraging. That didn't always seem to be the case. I know that the department was quite dispirited for a period of time. It's good to see that we talk about it a little more frequently now, as opposed to the previous two sessions when the department was called on the final day of the sitting. I'm sure it will be up sooner this time so that we can give it the time that it deserves.

I would remind the Premier, who is also the Environment minister, that that motion we agreed to said to urge the Government of Yukon to take immediate action. So that's why we were asking questions regarding not having an action plan ready until 2008. It didn't sound very immediate.

I would also ask the Premier if he can give us an update regarding the RSF, the rate stabilization fund. Can we get an update as to whether that would be continued after July when

the short interim extension, which his colleague, the Minister of Energy, Mines and Resources, announced recently, expires because people want to know whether their costs will be going up at that point in time?

I had asked before about the committee getting together with First Nations to look at decisions that don't fall under YESAA in terms of cooperative land use. I would note that we are concerned that, when the government recently chose to overrule the YESAA recommendations following their screening process in traditional Ta'an territory, no notice was given to Ta'an that the government planned to do this. Why not? Rather than simply issuing an announcement or a statement, why did the government not choose to meet, government to government, with Ta'an and explain to them why they had decided to overrule YESAA's recommendations or, for that matter, meet with YESAA to explain it or simply announce it?

I'll let the Premier answer those questions because they are specific to him.

Hon. Mr. Fentie: On RSF, yes, it's correct that an announcement has been made on an extension of the program, a program that has seen the corporation and the government together invest some \$29 million in what is called rate stabilization. The extension is to July 1 to provide time for the corporation to bring forward any and all options in addressing this issue of affordable rates. I might add and remind the member that the government already subsidizes power rates in the territory by paying a higher rate on all government consumption of electricity. So, there is a subsidy in place to assist Yukoners. But we want to see the options, and those include, but are not limited to, even the possibility of a rate reduction. But that's all part and parcel of the corporation's work that will hopefully be presented before July 1 for consideration.

The issue of the land committee is, I believe, a result of the implementation of YESAA and the discontinuation of what was then known as LARC -- the Land Application Review Committee. Therefore, it was recognized that there could be instances where YESAA does not apply, but access to land has been applied for. We are in that mode of discussing with First Nations how to address that. The government has dedicated its team to this, and I believe that the First Nations have or are very close to being able to provide us their membership on the team.

On the YESAA issue with respect to land in the Whitehorse vicinity, the land in question was already a third party interest. A number of mitigating measures had been put forward in the long discussion about this particular area of a third party interest, which is simply the transfer of lease to title. The mitigating issues have considerably shrunk the size of the land in question, addressing First Nation concerns. YESAA does not have a veto on Yukoners applying for and accessing land here in the Yukon. The YESAA board is to provide recommendations. The government, at the end of the day, must make the decision. In this case, the decision was to move along with this whole issue, given the long history of this particular piece of land being a third party interest.

Mr. Mitchell: There were some questions before, but the Premier either forgot to take notes or didn't notice. One was

about legislative reform and where we are going with the agreement that was made by all parties last fall to try to move forward with this. Perhaps he can come back to that. Also, it is the Premier I asked as to when he will be meeting with Governor Palin regarding the rail study.

Perhaps we could get back into the discussion about a situation we talked about earlier today, which was in regard to the needed improvements to childcare and social assistance.

I really would hope that the Premier can spare us the platitudes and talking about not picking arbitrary amounts and studying and coming up with incentives to get people off social assistance, and rather address the fact that while this is being studied and while the government is looking for programs to help people re-enter the workforce, those people are currently struggling a great deal on our rates. \$37 a day for a single person for food, \$390 for a single person for housing, and we heard earlier today how they go up to, I think, \$185 for a family of five for food -- it really seems insufficient.

So can the Premier give us a timeline? It's fine to say we're studying it -- we can say that about anything -- but is there a timeline for when we might have a more comprehensive solution to this brought forward? And in the meantime, will the Premier's government, with the vast resources -- some \$85 million of net financial resources at the government's disposal -- reconsider and do some interim adjustments to help get people out of this poverty they have found themselves in and not just talk about how it wasn't done by his predecessors, and it wasn't done by his predecessors' predecessors, and it wasn't done by his predecessors' predecessors' predecessor, which, I believe, counting backwards, was the Yukon Party government -- but rather, actually do something for people today.

Hon. Mr. Fentie: Well, we already have done something for people today, and there's a long list of that, including tax breaks, ensuring there are no clawbacks in some of the tax regime, and increasing SA for those with disabilities.

And I would point out, should the member wish to look at it on the basis of what's already invested and what's going to be invested, when it comes to the 2007-08 budget and the distribution of the monies for O&M, 56 percent of the total O&M investment in the 2007-08 budget is dedicated to health services. From that, there is: family and children's services, \$32.250 million; social services -- directly to social services -- \$22.939 million. These are increases, Mr. Chair.

These are increases that are doing something right now, and we are doing the work to address, in a broader context, the issue of our social safety net as it relates to social assistance and other matters.

I want to point out something else: given what we are doing in our efforts in the broader context, since 2005-06, our caseload has been dropping. The government's side can attribute that to the increased economic well-being of the Yukon. Our caseload has dropped from 576 in 2005-06, to 534 in 2006-07, to a projected 518 caseload for 2007-08. That is important because we now see that we are reducing the demand on the system and at the same time doing our work to calculate how to even further improve the situation for those who are going to have to stay in the system. That includes incentives to move

people off social assistance in a manner that they can enter the job market without any penalties and reduction of their ability to deliver a reasonable standard of living for their families. To suggest that the government hasn't done anything is wrong and incorrect. I have just demonstrated the government has. To suggest that the government is not going to do more is incorrect. The budget contradicts that statement clearly and unequivocally given our investment. You know, I would hope that the members aren't just trying to raise an issue -- maybe the members should tell us on this side of the House how much the social assistance rate should be. Maybe the member, when he talks about childcare would want to preface it by saying, "You know there has been a \$900,000-a-year increase under this government's watch toward childcare and now we are going through the full plan that was committed to Yukoners during the election campaign."

That includes wages for workers and for children under 18 months of age. It includes parents, increased spaces and partnerships with First Nation governments and communities for those spaces. The government is doing its work. It began with the first government -- this Yukon Party government -- when it came to childcare to actually step up and increase the investment in this particular area.

I think we are demonstrating to the members opposite that we are doing our work. The members opposite should demonstrate to the Yukon public that if they feel that they have a case to make, they should make it in the public. They should tell Yukoners how much they would put in social assistance and who would receive it. They should tell Yukoners what the members opposite would do in creating a system in society here where there are reasons for people to move off social assistance.

By the way, the Official Opposition has targeted a number for the area of childcare. We already know that it is far short of what will be required overall when one starts considering capital investment requirements for space increases, and the areas that are not peripheral, but are contingent on delivering a good health care system in Yukon. Part of that is that we have to address it in relation to areas of investment that we already are moving ahead with. When we consider the investment that is going into family and children's services, which is a total of \$32.250 million, it is a considerable investment that covers a number of areas, not just daycare. It covers child placement, early childhood and prevention services, justice, children's assessment and treatment services. These are all investments in an area that demonstrates the focus and social conscience of this government.

Chair: Before we continue, do members wish to take a brief recess?

Some Hon. Members: Agreed.

Chair: We will recess for 10 minutes.

Recess

Chair: The matter before the Committee this afternoon is Bill No. 6, *First Appropriation Act, 2007-08*. We will continue with general debate.

Mr. Mitchell: Well, that was another interesting soliloquy by the Premier when he was suggesting what the questions and the answers should be and how he would like to see the opposition conduct debate. On the one hand I think he said that he wanted specific targets for social assistance, and on the other hand I think he was chastising us for having had specific targets in our platform for childcare. I guess he wants to have it both ways.

Nevertheless, I am going to ask a question that I have asked before because I got to hear some lovely thoughts about why there are more things to do than just looking at light bulbs, and that was never the only thing we suggested should be done, but I didn't actually get an answer to the question.

Does the minister have any proof that he can table in this Legislative Assembly -- from the Yukon Energy Corporation -- that indicates that putting this third turbine into place years ahead of the schedule that they were looking at, and years ahead of the recommendations from the Yukon Utilities Board, will reduce greenhouse gases? Does he actually have proof of this?

Talking about all the other wonderful things that are being done -- for parks and game counts and all the other work done by the Department of Environment -- and we know that the officials do a lot of good work. But he hasn't answered the question. Does he have proof that this turbine will actually reduce greenhouse gases in the coming few years?

Hon. Mr. Fentie: The first offering of proof is the fact that we are increasing hydro capacity. Water doesn't produce greenhouse gases. In fact we probably produce more greenhouse gases in here than hydro ever will in a million years.

However, at the end of the day, we know that we burn diesel under peak demand. We use the Aishihik system, so not only are we increasing the hydro capacity at Aishihik, this investment will be a smaller wheel, therefore it will use the water available more efficiently because it's all calculated based on output, size of the wheel and the required volume of water to produce that output.

This may come as a shock to the Leader of the Official Opposition and the members opposite: the Yukon is growing. It's not reducing in size; it's growing. We can see that in all kinds of indicators. It includes large customers in that growth. As we go forward, it includes communities like Pelly Crossing being taken off diesel and put on hydro. So the proof is available to the members opposite if they had a clear understanding of Yukon today and where Yukon will be in the immediate to longer term future.

Mr. Mitchell: Well, it was a simple question. The Premier could have answered it by saying, "Yes, I have a document and I will be happy to forward it to you." So I guess the answer is no. He doesn't have proof; he just has speeches that he likes to give about it. It was a yes-or-no question, and we didn't get either.

As far as referring to capacity, actually I don't believe the third turbine increases capacity. I think it may increase the amount of energy that can be produced and it can be more efficient as the Premier has indicated. We've been told by Yukon Energy and Yukon Electrical that it doesn't actually change the

capacity; the capacity is determined by the head of water that's available from Aishihik Lake in the system and that's not something that the number of turbines that you put in there actually affects. I know it's a bit of a technical point, but I'm surprised to hear the Premier using it that way. When the Energy Corporation gives us briefings -- the correct sentence says, "No, it doesn't actually increase capacity."

Now, what would increase capacity, if there's going to be so many mines opening up, would be other power projects. Has the Premier discussed any plans about actually creating any new projects? Have any rivers been looked at in terms of potential dams? Has anything been studied? Eventually if there were to be enough mines open up over the coming decade that asked to be hooked up, there would be a shortage of capacity. There would be an actual shortage of the capacity to supply all of them. Perhaps he can tell us if there are any plans.

Hon. Mr. Fentie: The member has water capacity confused with electrical capacity. On the Aishihik grid, we have a water licence that dictates the water capacity -- the amount of water that the Yukon Energy Corporation can use. Adding a third wheel allows us to utilize the full extent of that water capacity to increase the production of hydroelectricity. Thereby, by definition, we increase our hydro capacity to produce electricity from hydro.

Are there future plans? Well, it begins with a commitment to Yukoners to work toward the development of a territory-wide electrical grid. Now, that means connecting the WAF grid -- the Whitehorse-Aishihik-Faro grid. And we're doing it in a way that will increase our ability to produce hydro and reduce our dependence on diesel. It is not only consistent with an economic infrastructure investment; it is consistent with our climate change strategy and one of the main goals, which is reducing emissions.

Now, I know that the members opposite are struggling with this debate, given their focus on using diesel. We know the Member for Klwane has an aversion to using water to the full extent. Burning diesel to produce electricity costs the Yukon Energy Corporation \$4 million plus, and that translates into millions of litres of diesel fuel, spewing countless tonnes of CO₂ into the air.

So let's talk about capacity as we see it. We believe that increasing hydro capacity is a good investment for Yukon, environmentally and economically. We don't believe in increasing. To the extent possible, we have to stop increasing the dependence on diesel to produce electricity.

Mr. Mitchell: We are clearly not going to get answers to most of these questions, but we'll keep trying -- perhaps another area.

In terms of the Whitehorse Correctional Centre, the Premier said something interesting the other day in debate. He said it wasn't a priority of his government to build what he kept referring to as a new jail. He said it was a Liberal priority, that it wasn't this government's priority and that they had other priorities. As a result of this government's inability to build a correctional centre over the last four and a half years, there have been hundreds of Yukoners who have continued to be warehoused, thanks to the Yukon Party government warehousing people, in

an aging, decrepit facility that provides very little opportunity for rehabilitation. It is overcrowded. It is not designed toward rehabilitation. It is an antiquated facility, probably reflecting the philosophy of the government, since they seem content to say it is not a priority to replace it.

I wonder if we could get an update, not to be told how much planning money there is -- we know there's \$3.24 million -- but what is the actual timeline as to what year the government anticipates opening up a new, modern rehabilitation-focused facility in Whitehorse so that the inmates have the ability to be treated decently and humanely and have opportunities for rehabilitation, and so the staff has a safe and healthy working environment. Is that year 2008? Well, we know it can't be, because there can't be a facility built by then. Is it 2009? It is not likely. Is it 2010? Are we going to be told that they will do that in their third mandate, in 2010 or 2011? They need a decade to plan it and then they will move forward and they will get it right in the third mandate. Is that going to be the hook? When are we actually going to get past the studies and the planning and get some sense of timelines as to when Yukoners can expect this facility to be replaced?

Hon. Mr. Fentie: Well, I'm awestruck that the member is now alluding to the fact that there is a possibility of a third mandate for the Yukon Party government. I want to thank the member for recognizing that.

The new correctional facility, which is going to be very modern and very focused on rehabilitation and healing, will be completed in the year it is completed. That is a simple response to the member. We are not going to guess at it. This isn't planning; this is not a planning investment. This is an investment that is a prerequisite to getting a tender-ready project. What we didn't do -- and the member conveniently omits this fact -- is invest some \$30 million in the former Liberal government's warehouse. The whole approach that was taken back then was minus the correctional reform process, minus doing the research on how corrections are being modernized, including in the supervision area. So we have taken the time and done the work.

When I alluded to where we chose to invest, instead of the Liberal warehouse we invested in correctional reform. We invested in substance abuse action. We invested in getting tough on crime, and we all know what is happening in today's Yukon when it comes to getting tough on crime as it relates to substance abuse with the safer communities and neighbourhoods legislation -- now fully implemented and in effect -- and, of course, the Minister of Justice's initiative of the street crime unit. We invested there. We invested in other facilities: community centres, schools. We invested in infrastructure. The list goes on.

The member also made a statement here that I hope is not the member's position on the environment he is talking about, because I would be very suspect of that statement considering that those who serve time here in the Yukon are doing two years less a day. There has been an increase in programming and there have been other investments in the existing facility to improve the situation there overall.

We are going to proceed with building a new facility, and it is going to be a facility that meets our arrangements, commitments and obligations with our partners through correctional reform. We didn't spend the time with an architect; we spent the time with the Yukon public and First Nations to go through the correctional reform process, as we said we would do day one of the last mandate.

And that's exactly how we went forward with this particular issue. We never said no to the fact that a new jail is needed; we just went about a process to ensure that what we build is going to achieve, to the greatest degree possible, improvements in our corrections system, modernize it, and get results from our corrections system.

So here we go again in general debate where, in most instances, these questions are much better left for the ministers in charge of line departments so we can advance debate and be constructive about debate. The ministers are more than prepared to respond to the members opposite when those departments are called -- in this case, the Department of Justice. I know the minister will have a great deal of material to offer the members opposite as they query the minister on the correctional facility, substance abuse action, correctional reform, getting tough on crime -- the broader spectrum of the Department of Justice and justice in Yukon. I would hope that the members have some questions that do justice to the Minister of Justice's leadership and hard work.

Mr. Mitchell: Well, I have to say I'm astonished. We've now reached new levels of folly, new lows in debate -- to be asking a question and have the answer be: "It will be completed when it's completed." We could just take that one answer -- I see there are several ministers chuckling at that one, saying, "Why didn't I think of that one?" They can just take that one answer and we can plug it in for everything. We could just say, "We have a series of questions." And then the Premier can stand up -- or for that matter, any member can stand up and say, "It will be done when it's done, and we'll let you know when you need to know, by the way." That's just absolutely phenomenal.

I am really, really leery of asking any more questions of this minister. I know he would like to see the questions posed in departmental debate, and then when we get into departmental debate -- as I recall from last year -- at that point he looks up and says, "You know, that's a question that you should have asked in general debate. We're here to talk about the department. That was a better question for general debate."

I know he had lots of experience being in opposition, and he probably misses it. He wants to ask questions but, as I said the other day, it's one of the few things that he hasn't been able to get rid of -- the fact that the opposition actually gets to ask the questions.

So I will ask another question. The minister can tell us if he is going to plug in his automated, ready-made answer. When will the Watson Lake health care facility be completed and why has the Premier allowed this to get so far out of control?

Hon. Mr. Fentie: If the member opposite is referring to taking care of seniors in rural Yukon as being out of control, that is the member's business.

Frankly, this project is proceeding along as it should. We are ensuring that, as the contract regulations state, to the extent possible, benefits are accruing to those in the community where the project is being built. Also, when we look at what has transpired here, no one knew that the hospital itself was structurally so far out of code that we couldn't even attach another building to it without first addressing the hospital. We made the choice on a priority basis for addressing seniors' needs. The construction is ongoing.

By the way, the members opposite, a short time ago, were trying to make the case that this whole project was sole sourced to a member of this government's -- in this case -- parent. This was ridiculous and demonstrates how members across the floor, and especially in the Official Opposition, conduct themselves when they talk about legislative reform. Here's a reform to make: let's deal with the facts. Mr. Chair, this would be a great reform for the members of the Official Opposition to concentrate on. They should practise in front of a mirror every day before they come to this Assembly. They should practise with the facts and look at themselves. It might help.

Let's go back to the project. The project is going to be built for seniors. There was a demonstrated need presented to governments long ago. Past governments completely ignored it. That is unfortunate. We didn't. We had enough intestinal fortitude to try to ensure that local benefit would accrue. That is happening. In the midst of it all, the project manager became gravely ill and passed away. I think the members ignore that fact. In doing so, they are actually criticizing Yukoners in general who commit themselves and work hard to deliver things that are needed for the people of this territory and in our communities.

So they can criticize the government all they want, but I would warn them that, in their haste to criticize the government, they are soiling the efforts of so many who are delivering so much to this territory. Unfortunately, the Official Opposition is more focused on something else, something other than the territory. If I were to say what that was, I'd be called to order.

Mr. Mitchell: I actually am astounded that the Premier would stoop to that level of personalizing debate in suggesting that the criticism of sole sourcing is criticism of someone's misfortune in becoming ill. I think it's wrong for him to do that today. I have a great deal of sympathy for the individual's family, as the minister should know, and it has nothing to do with that.

The Auditor General also criticized the sole sourcing and it's not a question to whom it was sole sourced, but rather the fact that it was sole sourced. The previous Health and Social Services minister indicated that they did that because it was convenient and they wanted to create employment in the community. I would suggest that when we get to projects of this size, we're not talking about FireSmart here; we're not talking about things that have, as a built-in component and as part of the description of the purpose for the project, the idea of creating work in local communities. We're talking about major projects -- regardless of whether they're in Watson Lake, Dawson, Whitehorse, Carmacks, Mayo or Haines Junction. The object

should always be getting the best dollar for the taxpayer and the best facility at the end of the day.

It's a proven fact that when you put things to competitive bidding, that's generally the way in which you achieve that and that's the unfortunate part. Again, the minister, the Premier, didn't answer the question. He still doesn't have an answer for when it will be complete because obviously, due to the tragedy involved, it had to be taken over by others. The question is: when will it be complete and how much will it cost at that point?

I might point out that the cost overruns and the cost miscalculations have nothing to do with the individual who was then contracted to do the work but, rather, for the job this minister's colleague, the former Health and Social Services minister -- and, I guess, the current Health and Social Services minister at this point -- did in being very inaccurate with the estimating process.

That is the real purpose of the question, since the minister likes to be told what the question and the answer is, or to tell others. That is the real purpose of the question and of the answers that we are looking for.

The minister talks about how he could better serve this Assembly and how he could better act in order to be more productive. Again, we have tried to get committees going and up and running to do just that. The government has dragged its feet and has not been interested in doing it, just like they drag their feet on legislation, on all-party committees on appointments, and the list goes on.

I would ask the Premier when we can expect to see new legislation to replace an aging *Children's Act*. This affects all kinds of issues. It affects children in care, and grandparents' and other relatives' rights and ability to look after family members. I would be interested in hearing who the Premier would like to blame for the delay on that. Perhaps he will blame First Nations or other parties. When are we going to see a revised *Liquor Act* as opposed to one that changes two words to address, admittedly, something we can support on this side? There is a lot more that needs to be done than changing two or three words in an act to look after one aspect of it.

We haven't had answers as to whether or not we will see a revision of the *Worker's Compensation Act* this fall in the Legislature. The minister responsible has blamed the people who were conducting the act review. That act review started under the now-minister's supervision when he was not yet a minister. He hasn't been blamed, but we have blamed the citizens who were chosen by stakeholders. They have come forward with a very extensive report.

This is the end of April. We have May, June, July, August and probably September and maybe even October before we are back here in the fall. We have been told that the fall is the sitting in which we usually have legislation come forward. Does the Premier think that his government can come forward in five or six months with legislation, based on the fact that we have had an extensive consultation done and the review group has reported its results?

We've talked about the need for an animal protection act. We keep opening up the newspapers and listening to the radio

and we hear about outrageous things that are being done to pets, to domestic animals and to animals that are used by industry. Yet, we see no progress on that. We just see the reports, and people come up to MLAs on the street, they come up to members in opposition and say, "How can this go on? When are we going to have a revised act?"

The *Landlord and Tenant Act* is not working very well for tenants; it is not working very well for landlords. It's not a one-sided equation. We have heard how tenants are living in sub-standard housing, windows are not being replaced and wind is blowing through cracks in walls. We have also heard that landlords don't feel that they have sufficient authority to deal with problem tenants that they may have, short of non-payment of rent. That is about the only thing they do have recourse for, but not the way in which their premises are being looked after.

A whistle-blower act -- when are we going to see that? Perhaps we should have an all-party committee on appointments act. When are we going to see these bills? Are we going to see them this fall or are we going to see them next fall, or is the answer going to be the answer we got earlier: it will be ready when it's ready. Perhaps those are some questions the minister can answer.

Hon. Mr. Fentie: I am glad the member has put some of these items on the floor.

First off, this side of the House is very careful in drawing conclusions from what the Leader of the Official Opposition and the Official Opposition bring to this House -- very careful.

Once again, I guess I could throw back at the member opposite: when are we going to see this legislative reform that the member alludes to and that begins with our conduct here in the House? I hope the member gets my point.

The member once again made a statement about sole sourcing on a project in Watson Lake. How can the member stand on this floor and say that project was sole sourced when there have been tenders advertised on that project as far back as a year ago? People have bid on them. The member made the point that the tendering process was to get the best return to the taxpayer. That's exactly what took place. Tenders have been out, work has been done and, once again, that is why we are very careful about drawing conclusions from what the Official Opposition brings to the House.

The member made mention of the Workers' Compensation Health and Safety Board. And here's why we're very careful, Mr. Chair. It wasn't that long ago that the Leader of the Official Opposition was here in this Assembly with correspondence from the Ombudsman's Office. He did not fully provide this House with that correspondence in detail, and he was trying to make the case of wrongdoing at the Workers' Compensation Health and Safety Board, to the point where a board member was irate enough to come here and accost this Leader of the Official Opposition right outside of this Chamber. And the member knows full well that that took place.

Recently, the Member for Porter Creek South has been chastised by board members for criticizing the board for a program that isn't even implemented -- another example of why we're very careful with what the Official Opposition brings to this Assembly.

And now we're into this debate about a per diem. Conveniently, the members opposite do not articulate the full story. This was not an individual increase. It was an increase to the board itself and, at the same time, the board was reduced in size. And this is employers' money to start with. Furthermore, when the members equate this board to other boards, there are totally different mandates and conditions that we must abide by. This is employers' money invested to address the workers of this territory and their health and safety. It's also clear, by the reappointments and support of labour and the employers -- the business community of this territory that pay those bills, including the per diem -- that the remuneration is consistent with the product delivered.

So the Official Opposition -- though, with all due respect, we accept their questions and endeavour to answer their questions -- had better recognize, in debate, the position it is in.

We will continue to start, work on and deliver projects to their conclusion, as we are required.

The member opposite also has to recognize that there has been a dramatic increase in capital investment in this territory at a time when we have other challenges, which we are meeting. We have nothing to be ashamed of when it comes to our capital investment in this territory. The stimulus that the capital investment has created is touching Yukoners throughout this territory, from Old Crow to Watson Lake, to Mayo, to Dawson and to Ross River.

There was another attempt today on the floor of this Legislature with respect to Dawson City. We all know what the impetus was for that approach in questioning. It was to try to somehow separate our good colleague from the Klondike and put him in a position, creating a perception that Dawson City is getting absolutely nothing from this government. It is another issue as to why we are very careful about what conclusions we draw from what the members from the Official Opposition bring to this House.

Some Hon. Member: Point of order, Mr. Chair.

Point of order

Chair: Point of order, Mr. McRobb.

Mr. McRobb: On a point of order, I think I just clearly heard the Premier break Standing Order 19(g) regarding imputing false or unavowed motives. He said that he clearly knows what the opposition was up to in Question Period today and then he spelled out his version of what he thought happened. He outlined what was, in his mind, a motive.

Chair's statement

Chair: The Chair will determine whether or not that is a point of order. I will get back to members tomorrow.

Hon. Mr. Fentie: So, Mr. Chair, we on the government side aptly pointed out to the members opposite that there is a tremendous amount of investment in Dawson City. Not only did we have to step forward and provide the necessary resources for the City of Dawson to continue its daily operations, but the government absorbed debt. The government has committed up to \$14 million to deal with Dawson City sewage issues as was court-ordered.

The government has stepped in to assist the City of Dawson with its failed recreation complex, and we immediately provided them with a \$1-million investment for the City of Dawson in their fiscal package.

The point we are making goes back to legislative reform, and what is the very basis for that reform in debate? That is to debate the facts. If the members want to change the facts, do it out in the public. Stand up in the public domain and make your case, but this is not debating the budget. Mr. Chair, on the government's side, we are more inclined to debate the budget.

Let's go to another issue: whistle-blower. As I recall, there was an arrangement in this institution to proceed with that. Who bailed on that arrangement? It was the Official Opposition by putting up more conditions and, of course, we understand why they are doing that. The government side will continue to work with the members opposite cooperatively when there is reciprocity in cooperation. But we will challenge the opposition when they have put on the public record matters that have to be challenged, and we will continue to do that as a government because it is our job. It is our responsibility to ensure that Yukoners are informed correctly. I would hope that that is the position and the view that the members opposite take.

So, let us go back to the project. The project in Watson Lake is to address a need of seniors as we are doing in Haines Junction with an investment in assisted living, as we do here in Whitehorse by focusing on the needs here, and we all know where that is at.

Mr. Chair, we have a pod that we can open in the existing extended care facility. The minister and the department are working on that. We are addressing the structural issues in the Thomson Centre. The department and the minister are working on that. We are assessing the needs for Teslin for the possibility of assisted living, and we continue to do our part and deliver on our area of responsibility and obligation to Yukoners.

So, does the member want to continue what I would call a very limited debate in its contribution to Yukon and the public interest? Or, would the member like to move on to department-by-department, line-by-line debate? That is the appropriate approach.

It's obvious that the Leader of the Official Opposition has nothing left for general debate, and we're going in circles -- or, the member opposite is going in circles. I think the member should either pass on the baton to the third party for general debate or move that we go into department-by-department, line-by-line debate. That would be the appropriate thing to do, considering the member's statements and what has been put on the public record.

I can go on and on about this, Mr. Chair, but I think it's time for us to relay to the members opposite exactly where we're at when it comes to extended care, because that is the opener for the member opposite, as it relates to this particular area, and specifically in the member's erroneous points being made on the project in Watson Lake.

Mr. Chair, in this 2007-08 main estimate, on operation and maintenance, the government -- the territory -- is investing \$23,710,000 million in continuing care. Under this government's watch, since 2005-06, which was at \$20,460,000, we

increased it to \$22,451,000 in the last fiscal year, and we've increased it again, in O&M, to \$23,700,000 plus in investment in continuing care. This is O&M. This is programming. And we can factor in the capital of a multi-level care facility in Watson Lake and opening the pod in the extended care facility in Copper Ridge, providing more beds and more capacity for continuing care, and addressing the structural issues in the Thomson Centre, which are issues that were bequeathed to this government.

There is assisted living in the Member for Kluane's riding, as far as taking care of our seniors is concerned. There is further assessment of the issues in Dawson City, and we all know, by the way, that there is already a facility there taking care of seniors. It is part of a \$23-million investment in this territory for helping out our seniors in communities. Let's get with the program and start debating the budget as it is and not what the members opposite want to invent.

The member says to this side of the House that they ask the questions. That is correct, but we also, on this side of the House, table the budget. The budget is a big one with a tremendous amount of detail in it. I think it behoves us all -- this institution and the public -- to have the members opposite debate the budget instead of going in a circular discourse that serves no purpose.

Let's break down the percentages for the members opposite, because it might be simpler. This is O&M -- strictly operation and maintenance, program delivery. Fifty-six percent of the operation and maintenance budget for 2007-08 is dedicated to Health and Social Services. Family and children's services, out of this total O&M expenditure, receives 16 percent. Continuing care receives 12 percent. I would hope that this helps the members opposite with their issues. I think it's critical that we recognize what we are doing.

Under our minister's leadership, we will see that if we take the percentage change -- and now I'm going to deal with capital. I am going to get as many facts on the floor as possible to help the Leader of the Official Opposition through his legislative reform process and whatever else is going on. If we look at the change from 2006-07 to 2007-08, when it comes to our capital investment in family and children's services in social services, in continuing care and in overall health services, there is a 53-percent increase.

If we look at the change from 2006-07 to 2007-08 when it comes to our capital investment in family and children's services, in social services, in continuing care, and in overall health services, there is a 53-percent increase, Mr. Chair -- a 53-percent increase in this area. The members opposite stand here and berate the government side on our social conscience and our investment on the social side of the ledger. It's a 53-percent increase from last year to this year -- some \$8.4 million in 2006-07 in capital to \$12.998 million this year. There is almost \$13 million in capital investment for Health and Social Services for families in need, children's services, and for continuing care and other matters.

These are the facts, not what the Official Opposition is trying to table here. We will challenge the Official Opposition

every time there is erroneous information brought to the floor of this House, as we should.

I encourage the Leader of the Official Opposition to recognize the error of his ways, to truly focus on legislative reform and the conduct of the Official Opposition. Truly focus on that, and the member opposite will find that the government side will immediately reciprocate the same. We will continue to conduct ourselves in a manner befitting this institution and the work we must do on behalf of the public in this territory.

I would apologize to anyone in the House if I may have gone on a bit of a rant, but it's time that the Official Opposition were challenged on how they conduct themselves in this House in debate.

Seeing the time, I move that we report progress.

Chair: It has been moved by Mr. Fentie 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

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

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., this House stands adjourned until 1:00 p.m. tomorrow.

The House adjourned at 5:30 p.m.