

**Whitehorse, Yukon****Tuesday, November 6, 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.

**TRIBUTES****In recognition of Remembrance Day and Veterans' Week**

**Hon. Mr. Hart:** Mr. Speaker, I rise today to honour the men and women who travelled to foreign lands to fight for freedom during the world wars and similar conflicts. The 11<sup>th</sup> hour on the 11<sup>th</sup> day of the 11<sup>th</sup> month marks the signing of the armistice on November 11, 1918 to signal the end of World War I.

At 11:00 a.m. on November 11, 1918, the guns on the Western Front fell silent, after more than four years of continuous warfare that was World War I. At one time the day was known as Armistice Day, and it was renamed Remembrance Day after the Second World War.

World War II ended on September 2, 1945. Remembrance Sunday is held on the second Sunday in November, which is usually the Sunday nearest November 11. Each year, Canada marks Veterans' Week from November 5 to the 11. This is the time when many schools focus on global history to better understand the past events that have influenced the world we live in today. Thankfully, young people today are spared from growing up during the world war conflicts, although the situation in the Middle East and other conflicts today are similar for some families with military personnel in active service today.

Veterans Affairs Canada has created a wonderful Web site called "Canada Remembers" in honour of Veterans' Week and does a very good job of sharing views and perspectives to the generation of young people whose only awareness of world wars is what they may have seen on television and that we wear poppies at a certain time of the year to remember.

The Canada Remembers Web site does a very good job of explaining what we are remembering and why it is important. The war has caused global recessions, which were felt at the international and national levels, as countries struggled to rise up out of the war economy with rationing commonplace in every household. Meatless Wednesdays were but one example of how the war influenced those who remained at home as everybody was involved in the war effort and was often asked to give up something in their life to help the troops over there. Sugar, meat, coffee, typewriters, fuel oil, gasoline, rubber and automobiles are other common items that the public was asked not to use -- or limit their use or consumption -- on specific days.

The world wars were tragic. That is without question. Families around the world lost loved ones and the futures they had planned together. Many people today only know a lost relative by a photograph and the proud stories told in reflection of happier times. Families lost more than fathers, daughters, sons and brothers. The war also took world scientists, teachers, artists, inventors, physicians, poets and all other skills and talents that could have contributed to a future that they would never see.

It is our proud obligation to honour and remember their lives and to ensure the world never forgets the duty paid to the free world by our soldiers and sacrifices that they made for us, our families and our nation. They paid with their lives for the democracy and freedoms that we enjoy 62 years later. Our recognition and honouring of their memory and sacrifice is a debt we will keep forever. We will never forget.

Thank you, Mr. Speaker.

**Mr. Inverarity:** I rise today on behalf of the Official Opposition to pay tribute to our Yukon veterans and to all veterans during Veterans' Week. We also want to thank those who have served and are serving in our Armed Forces and civilian support services.

We pause to reflect, remembering all men and women who have lived through and died in wars, in peacekeeping, and those who are still in the service of their country today.

Our veterans were young when they left their families and loved ones behind to fight for their country on foreign soil, never knowing when or if they would ever return home again. The suffering and hardships, injustice and the horrors of war -- and many of the veterans have paid the ultimate price of freedom for all of us.

I think I'd like to also mention today -- and for those of us who don't know -- that today is the 90<sup>th</sup> birthday of a long-time Yukoner and veteran, Mr. Joe Goodeill. He was actually president of the Royal Canadian Legion here 14 times, I believe, as was mentioned the other day at his birthday party. It is an honour to know him and I think we should all wish him a happy birthday today, on his 90<sup>th</sup> birthday.

My father is also a veteran of World War II. He was shot down and wounded over Germany and spent three years in a prisoner-of-war camp. He was awarded the DFC, the Distinguished Flying Cross, and he is also 90 years old -- turning that age over the summer. He still participates in all the veterans' ceremonies in remembrance of his fallen comrades.

My son is also a veteran of the Afghanistan theatre of war and is currently serving in the Canadian forces out of Esquimalt.

It is important that we remember the sacrifices that were made by our veterans. It is also important that our children and their children remember the sacrifices that were made as the 11<sup>th</sup> hour of the 11<sup>th</sup> day of the 11<sup>th</sup> month approaches.

We stand in remembrance of these men and women, and we must honour their memory and give them the recognition they so rightly deserve, and never forget the cost of the freedoms we enjoy. We not only give our thanks but our respect

and our appreciation to all veterans, not only this week, but each and every day of our lives -- lest we forget.

**Mr. Hardy:** I rise on behalf of the NDP caucus to pay tribute to Veterans' Week. Canada's veterans have served us during two world wars and in other conflicts around the world, many of them -- it seems endless at times. They have established our reputation as a nation of peace in many peacekeeping missions. Canadians are eternally grateful to these men and women and commemorate their service and their lives.

Opposition to the conflict in Afghanistan becomes greater and our hearts go out to the Canadians who continue bravely facing a difficult and complex situation there that appears to be almost impossible to win. It is our hope for them that we will soon see an end to the Canadian involvement in this conflict and our troops can come home safely.

Mr. Speaker, why do we remember? Are wars increasing? Is death and injury escalating? Are we as humans evolving from a warrior perspective to a peaceful perspective? Can we stop this self-destruction? I think of our young people and our veterans, and I hope we can.

Unfortunately in this world today, intolerance of other people's differences, religious beliefs and countries continue to evoke war. Greed is also a factor.

Our veterans who have returned from Afghanistan face a health care challenge in Canada. The Auditor General said in her report two weeks ago that the demand for health care for veterans, particularly mental health needs, is outstripping available resources. We trust that Veterans' Week sheds some light on why the Department of National Defence is failing to meet the needs of this new generation of men and women serving in Afghanistan trying to bring peace.

We must recommit ourselves to fully supporting the courage of veterans who are putting their lives on the line for our way of life. We also must make a commitment ourselves to work for peace and not for war.

Thank you, Mr. Speaker.

### **In recognition of National Down Syndrome Awareness Week**

**Hon. Mr. Cathers:** I rise today on behalf of the government to ask all members of the House to join me in recognizing November 1 to 7 as National Down Syndrome Awareness Week, a week set aside to educate Canadians about the rights of individuals with Down syndrome and to recognize Canadians living with Down syndrome for the contribution they make to our country.

Down syndrome is one of the leading causes of delayed development in infants, affecting one in 700 live births in Canada. It is not linked to race, nationality, religion or socioeconomic status. There is nothing a parent does or does not do during pregnancy that will cause Down syndrome. In fact, the exact cause is still unknown.

We have many Down syndrome individuals in the Yukon -- adults, children and infants -- and they all make a contribution to the territory with their own unique abilities and strengths. They are artists and athletes, students and workers.

It is our goal to help support and empower these Yukon citizens to achieve their full potential, lead independent and fulfilled lives and participate fully in the community in which they live.

I'm pleased to note that within the Yukon we provide supports and services to these citizens, along with many other community organizations and individuals who work hard to ensure there is meaningful inclusion within community life for those with Down syndrome. We must continue to do so.

We salute the individuals, their families, friends, and organizations here and nationally, who work very hard to enhance the quality of life for people who have Down syndrome and ensure their place within our community.

Thank you, Mr. Speaker.

### **In recognition of National Senior Safety Week**

**Hon. Mr. Cathers:** Mr. Speaker, I rise today to pay tribute to National Senior Safety Week. This week is dedicated to raising awareness of how seniors can help keep themselves safe from injury and abuse.

According to Statistics Canada, 93 percent of seniors over the age of 65 live in their own homes, a percentage that has increased steadily over the past three years. As of June of this year, 7.5 percent of the Yukon population was 65 years old or older. That's 2,426 men and women. Of those, 835 are over the age of 75.

Yukoners are notoriously independent, Mr. Speaker, and most of them live on their own with minimal supports. Unfortunately this can leave them vulnerable to scam artists or other criminals who view seniors as easy targets. That's why the Canada Safety Council has developed a list of tips to help empower seniors to live in safety. These tips cover all areas from advice on how to avoid disabling falls to how to secure their homes against thieves and how to use the buddy system while shopping as well as avoiding telemarketing scams.

I would like to invite seniors to take advantage of this information to improve their level of security. I'd also invite all those who care for seniors to see what they can do to help to improve the safety and security of our seniors and our elders. These men and women have lifetimes of accumulated experience, wisdom and knowledge and, of course, are all loved ones of someone. They have earned the right to feel secure and to feel safe.

Thank you, Mr. Speaker.

**Speaker:** Are there further tributes?

Introduction of visitors.

Returns or documents for tabling.

Reports of committees.

Are there any petitions?

Are there any bills to be introduced?

Are there any notices of motion?

### **NOTICES OF MOTION**

**Mr. Mitchell:** Mr. Speaker, I rise today to give notice of the following motion:

THAT it is the opinion of this House that

(1) the Yukon government be congratulated for implementing the Yukon Liberal Party's campaign position on increasing childcare subsidy rates;

(2) Yukon childcare workers are drastically underpaid and are deserving of a fair and reasonable remuneration for their valued services; and

(3) it would be a positive and constructive move if Yukon College explored the possibility of offering a degree program in early childhood education.

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

THAT this House urges the Yukon government to recognize and acknowledge that teachers, like other professionals, want and need the availability of ongoing professional development opportunities to promote excellence in the teaching profession by

(1) in conjunction with Yukon College and other educational partners, offering expanded teacher training for both pre-service teachers and those already actively employed in the Yukon, to ensure our teachers are able to maintain the highest level of qualifications, benefiting our children and the education system as a whole; and

(2) in conjunction with Yukon College and other educational partners, offering post-graduate level programs, based in the Yukon so that teachers who are already employed in the educational system can take advantage of and benefit from advanced educational opportunities.

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

THAT it is the opinion of this House that

(1) federal legislation to protect species at risk does not adequately address the needs of all Yukon plant and animal species;

(2) separate Yukon legislation is long overdue; and

THAT this House urges the Yukon government to assign a high priority to the development of a Yukon species at risk act so that legislation to protect threatened plant and animal species in the Yukon can be brought forward for debate and adoption during the spring 2008 sitting of the Yukon Legislative Assembly.

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

THAT this House urges the Government of Yukon to develop and adopt a Yukon-wide training and employment strategy that ensures that Yukon people who live in rural communities are able to participate as fully as possible in current and future economic activities in the territory, and that their families and communities will be able to enjoy the benefits of such activity.

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

THAT it is the opinion of this House that

(1) the penalties for cruelty to animals in Yukon are among the most lenient anywhere in Canada;

(2) a recent review of the *Animal Protection Act* said there was no formal policy with regard to the prosecution of cruelty to animals;

(3) this review also said the Yukon lacks enforcement programs, policies, staffing and funding to protect animals adequately; and

THAT this House urges the Yukon government to act without further delay to modernize animal protection legislation by providing steeper penalties for those who abuse animals and to provide appropriate funding and other resources to ensure that the law is properly applied and enforced.

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

Is there a ministerial statement?

This then brings us to Question Period.

## QUESTION PERIOD

### Question re: Government investments

**Mr. Mitchell:** I have some questions for the Finance minister. In August of this year, the minister learned that \$36.5 million the government had invested in bonds would not be redeemed upon maturity. In other words, we invested \$36.5 million and they agreed to give it back 30 or 60 days later with interest, and then they decided, for the time being at least, not to give the money back. The investment is in default.

According to the government's own public accounts released a couple of weeks ago, it is "still too early to determine the final outcome of the situation and the resulting financial impact to the government, if any. The government is actively monitoring the situation."

Can the minister tell us if this \$36.5-million investment has been repaid in full with interest?

**Hon. Mr. Fentie:** I think the first very important point here is that through the public accounts, as tabled here in the Legislative Assembly, all financial matters for fiscal year 2006-07 are fully disclosed and the scrutiny provided by the Auditor General, as I would point out, is very significant in that regard.

The investment by all governments, including the Yukon government -- which, since the Yukon government actually had a bank account, has been going on -- has been taking place.

The matter that we are specifically speaking of reflects a 30-day term note, which, under the situation that the banks and other financial institutions find themselves in, has been extended. So, to date, what we are dealing with is an extension of the maturity date and that is all.

**Mr. Mitchell:** Let's just take a look at the facts. The government invested \$36.5 million in a bond and couldn't get its money back on the due date. The investment, therefore, is technically in default. Now, Mr. Speaker, this is, as the minister says, part of a larger financial problem that came to light earlier this summer. For example, Redcorp Ventures Ltd., the company that is trying to reopen the Tulsequah Chief mine, ran into the same problem. Their exposure is even higher -- over \$100 million -- but they took a different approach than did the Premier. They held a news conference and announced the problem. Other public companies have taken that same approach. The Finance minister didn't bother to inform the Yukon public at the time.

When did the Premier find out about this problem, and why didn't he notify the public at the time that we might be out \$36.5 million?

**Hon. Mr. Fentie:** Unlike the member opposite and his party, we take the appropriate steps. Our disclosure to the public is here in this institution through the appropriate mechanisms such as the public accounts. It is not our job to disclose any matter through the media, as the members opposite tend to do on a regular basis. In many cases, the facts are definitely in question. So, Mr. Speaker, in this matter, here are the facts: the government has invested money since the Yukon government has had a bank account. The second point is this is simply a situation where an extension of the maturity date is what we're dealing with.

I would point out to the member opposite that surely the member would have recognized that in the public accounts when we tabled it on the very first day of this sitting. I notice that the member has picked up on a recent CBC report. My point is, once again the member thinks the media is the appropriate venue. The government side does not.

**Mr. Mitchell:** Well, Mr. Speaker, first of all, in the interest of accuracy, let's describe it as it is: it's an indefinite extension, not some extension of a particular time that we've asked for or been asked for.

Now, the Finance minister took a risk with taxpayers' money, and now we may be out \$36 million. That's what the government's own documents confirm. It's too early to determine the final outcome of the situation and the resulting financial impact to the government.

Redcorp held a news conference -- the Premier doesn't say a word -- yet regularly, when we're not in this Assembly, he holds news conferences on all sorts of matters to make announcements -- quite a difference in accountability.

Redcorp also told the public where the money was invested. The Premier has not done that. There are lots of articles on this. I'll file just one today.

Who did the government invest this \$36 million with, and why did the Premier not inform the public when the money was not returned on time?

**Hon. Mr. Fentie:** Well, once again, the member fails to reflect the facts as they are. The government did disclose this to the public through the appropriate mechanism, and that is through the public accounts.

The member also now has implied that this is an unknown timeline. Well, we do know that by December 14, a maturity date is expected.

Mr. Speaker, I want to point something else out. Under a former Liberal government, investments were taking place in this territory. The lofty earnings at that time, under a Liberal government's financial watch, were \$366,000.

Under this government's watch, in 2005-06, our investment earned the Yukon public \$3.9 million. Under our investments in 2006-07, the government investments have earned the Yukon public \$7.5 million. And year to date, in the fiscal year 2007-08, government investments have earned the Yukon public \$5 million already.

Now, if the member, in his irresponsible manner, is trying to raise an issue in the public that is --

**Some Hon. Member:** Point of order, Mr. Speaker.

### Unparliamentary language

**Speaker:** Order please. Member for Kluane, on a point of order.

**Mr. McRobb:** Mr. Speaker, using the reference "irresponsible" regarding another member's comments is clearly unparliamentary language in this Assembly.

**Speaker:** I agree with the member. Hon. Premier, you know --

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

**Speaker:** Order please.

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

**Speaker:** Hon. Premier, sit down please. The Hon. Premier knows better than this. Carry on, you have the floor.

**Hon. Mr. Fentie:** Thank you, Mr. Speaker. It would be irresponsible of the government to make any sort of assertion to the public. What we did is to disclose to the public, through the appropriate mechanism, the public accounts as audited by the Auditor General. I'll take the Auditor General's word before the member opposite's.

### Question re: Aboriginal women's centre proposal

**Mr. Elias:** I have some questions for the member responsible for the Women's Directorate. The federal government has cut \$5 million to the Status of Women Council. This caused the shutdown of 12 out of 16 regional offices, one of them being the Status of Women Canada B.C./Yukon office, a voice used to advocate women's equality rights in the north. To add to the problem, many women's groups are not eligible for charitable status.

The northern strategy trust has recently approved Advancing a League of Our Own: Aboriginal Women's Centre project proposal. However, the proposal's financial allocation was to be decided. Can the minister shed some light on what the financial allocation will be for the development of the business model for an aboriginal women's centre here in the Yukon?

**Hon. Ms. Taylor:** I'm always pleased to talk about furthering women's equality in the territory. Indeed it is very much a key mandate of the Women's Directorate and of the Government of Yukon.

On many occasions I have made known my personal and our government's concerns with respect to the funding reallocations with respect to the Status of Women Canada women's program with respect to the federal government. I continue to advocate for specific changes.

As a government, what we have done in order to meet our commitment to gender equality for Yukon is to make available new funding for women's organizations to help further their advocacy roles, as well as make monies available for research - programming dollars for women's organizations. I'm very pleased to inform the member opposite that, as a result of that particular funding, we have made available funding for five or six respective organizations, including Whitehorse Aboriginal Women's Circle, which will be receiving \$104,000 over the

next three years; likewise, the Liard Aboriginal Women's Society will be receiving \$104,000 over three years.

**Mr. Elias:** The minister has mentioned many short-term initiatives that are recognized and appreciated; however, the building of foundations that will stand the test of time is a different matter altogether. This past summer is the second time the north has been ignored by the federal government in funds for violence against women. A \$56-million announcement by the federal government for on-reserve shelters and issues clearly excludes the north. That's \$56 million in funding the Yukon is now missing out on, Mr. Speaker. The minister has stated the many letters written and lobbying of the federal government she has been doing on behalf of Yukon women; however, it doesn't seem to be having much of an effect. Since the federal government keeps cutting out the Yukon, will the minister influence her colleagues and Cabinet to spend some of the \$99.5-million surplus on addressing Yukon's women's issues for the long term?

**Hon. Ms. Taylor:** Mr. Speaker, as the member opposite alluded to, I have certainly written a number of letters. I have taken up the particular issue of making funding available for women's shelters that are situated off-reserve here in the Yukon as well as the rest of the northern territories. I continue to advocate on behalf of Yukon women and for Yukon women with respect to furthering women's equality here in the territory.

In fact, it was our government -- I will just remind the member opposite -- that actually reinstated the Women's Directorate as a full line department within the budget after it had been removed, thanks to the previous Liberal government. We on this side of the House determined the Women's Directorate as a stand-alone agency to be a commitment. We have done that. In fact, we have more than doubled the resources allocated to women's equality here in the Yukon. We will continue to make resources available, and I will continue to advocate on behalf of women with respect to issues pertaining to the territory as well as on the national front.

Mr. Speaker, I'm also very pleased that we did receive a commitment from the federal minister responsible for Status of Women Canada to address northern housing issues.

**Mr. Elias:** Instead of concentrating on the issues, women's groups are spending more time trying to raise funds from bake sales or garage sales, or any way they can. The minister has attended many women's summits and has been presented with recommendations as to what needs to be done and the key issues that need to be addressed -- women's economic security, the importance of supporting women in leadership positions, the treatment of aboriginal women in the justice system, to name a few.

Many of the summit attendees from the Yukon expressed disappointment in the federal minister ignoring their recommendations and cutting the Yukon out altogether. Has the minister heard back from her federal counterparts on a plan, and what has been done to address the Yukon's unique challenges and issues?

**Hon. Ms. Taylor:** As I just mentioned to the member opposite, we did in fact receive a commitment from the federal

minister responsible for Status of Women Canada in terms of bringing forward our concerns as expressed directly from the respective ministers responsible for women in the territories -- Nunavut, Northwest Territories and Yukon.

In turn, we did receive a commitment from the federal minister agreeing to take up the case and certainly raise it with her federal colleagues and address some of these issues pertaining to women's shelters in particular and meeting the needs of, in particular, victims of violence.

What are we doing as a government? I would just ask the member opposite to stay tuned. We have in fact issued a release on women and children and housing needs, including victims of violence. That is in fact our commitment to addressing housing needs in the territory.

#### **Question re: Homeless shelter**

**Mr. Cardiff:** Mr. Speaker, yesterday we brought issues to the Minister of Health and Social Services concerning facilities for children and youth in care. I'd like to revisit these issues in a different light today. We pointed out the need for alternatives to the children's receiving home, we've advised the minister about poor communications between the group home and its neighbours. We've also learned that a site has been chosen for a temporary emergency youth shelter in downtown Whitehorse. The current tenants have been given notice, the neighbours know about it. In fact, they even had a meeting about it last evening. Why is the minister reluctant to confirm that a building on Cook Street has been identified as a temporary emergency shelter for homeless youth?

**Hon. Mr. Cathers:** The member is not quite accurate in his assertion that the location has been identified. The site the member refers to is a potential location that has been identified, but is subject to confirmation. It is, of course, that the building in question is a Yukon Housing Corporation building and involves working with the tenant to identify other locations. The issue that relates to an emergency youth shelter for homeless youth who may be on the streets is the same as with the receiving home.

As I indicated yesterday to members in the Assembly, the most significant challenge we face is in identifying locations to place an emergency youth shelter, or to relocate children and staff at the receiving home while that building is repaired or replaced. Because there are not buildings constructed, vacant, and ready and waiting, it does require moving the current occupants to other locations, and of course we do have the issue of city zoning, which is a significant challenge.

**Mr. Cardiff:** I am pretty sure that the city, in discussions I've had with them, would be open to working with the government on those zoning issues. The minister has to deal openly with the sensitive issues that we're talking about today because they concern the public. Hiding behind a veil of secrecy only leads to rumours that can cause irreparable harm. Avoiding public discussion about projects and policies regarding displaced children and youth can only make it more difficult to develop public support. Neighbours need straightforward information about what is happening.

Does the minister or his department have a communication strategy to address neighbourhood questions about the establishment of facilities for children and youth?

**Hon. Mr. Cathers:** The member is not accurate in his assertion that a final decision has been made. The member is referring to the fact that neighbours of a potential location for an emergency youth shelter are aware that it is a consideration and the member is correct in that. It is a potential location. No final decision has been made. It is an asset of the Yukon Housing Corporation. The Yukon Housing Corporation, I am sure, will exercise its responsibilities in working with the tenant to find alternative locations.

Once further steps are completed in this area, and should it be determined as a likely location for this, then we will take the appropriate steps in working and consulting with the neighbours in this matter. The member, in terms of his lead into the question and suggesting the city is open in dealing with zoning issues -- they have indicated that they are, but we do need them to come to the mark in that area as well. We have made contact with the city administration and would again encourage them to assist us in this area, recognizing the limitations of their process. We would hope that we can work productively in this area and appreciate any assistance they can offer.

**Mr. Cardiff:** So the minister doesn't have a communication strategy around this issue, and neither does his department; he didn't say anything about that. Mr. Speaker, one of the goals of establishing residential facilities for young people is to help them integrate into community life. That process will be much easier if there is community/neighbourhood support. Neighbours need to know what impact a group home or a shelter might have on everyday community life. If there is an incident like the one I told the minister about yesterday, they need to know whom to call and what happens when they do call. They need to know what role they have as neighbours, and even how they can support the department's effort to help people in need. Will the minister give us assurance that any plans to establish a youth shelter or relocate the receiving home or set up a group home will include opportunities for neighbours to be informed about how the facility might affect them and what the government's policies are for such a facility and even how they may be involved?

**Hon. Mr. Cathers:** Mr. Speaker, I think I already answered that question for the member and indicated that once a location is identified as being a likely or the preferred temporary location for the shelter for homeless youth or for the alternative location for the children and staff at the receiving home to be moved while that building is repaired or replaced, once that work is done, the appropriate steps will be taken to engage the people in the nearby community and inform them of what steps will be taken.

I have to point out that the member's assertion that a final conclusion has been reached is not accurate. The finalizing of such details is what prevents us from making an announcement. In previous Question Periods, the members were calling on me to make the definitive announcement of when and where, and the member, in fact, has defeated his own argument by pointing

out that the Yukon government has to work with the people in the community. We have to work with occupants of a building. We have to take the appropriate steps, and that's exactly what we're doing.

#### **Question re: Mental health services**

**Mr. Edzerza:** Yesterday I tabled a motion calling on the government to take action on the urgent need for mental health services in the territory. Our caucus feels this is a very serious and important issue and we did not get answers to our questions.

I would like to follow up with the Minister of Health and Social Services on this long-standing Yukon problem. Exactly how many licensed psychiatrists, clinical psychologists and educational psychologists are currently practising in the Yukon, and how many of these practitioners actually live in the territory?

**Hon. Mr. Cathers:** The member suggested that he didn't get a response. The member ought to recognize in fairness that that is not accurate. He simply didn't like the response he got. I did inform the member of the steps we have taken to expand mental health. There's the hiring of a youth clinician -- the creation of that position based out of Whitehorse -- and the creation of a rural mental health clinician based out of Dawson City and serving those areas of rural Yukon, the announcement that I indicated to the member that we are providing the Yukon Hospital Corporation with \$200,000 to assist them in expanding the mental health capacity and doing renovations at Whitehorse General Hospital -- these are just a few of the examples of the work we are doing in this area, as well as the investment that we have this year under the territorial health access fund to assist in our increased programming for the early identification of challenges faced by youth with mental health issues.

We recognize the issues in this area and we are taking steps to address them.

**Mr. Edzerza:** The minister never really did answer the questions, and he knows that. If you go back and read the Blues, you'll very clearly come to the conclusion that there was a lot of dancing around the issue and not a real response.

The Yukon has a population of approximately 30,000, spread over a huge geographical area. We have a high rate of fetal alcohol spectrum disorders. We have high rates of alcohol and drug abuse. We have high rates of domestic violence and sexual assaults. We have many people struggling to come to terms with what happened to them and their families as a result of residential school experiences.

What is this government's strategy for recruiting mental health professionals to practise here full-time and to provide therapeutic services in rural Yukon communities?

**Hon. Mr. Cathers:** It is a bit frustrating to engage in debate with the member opposite. When I answer his question, he continues on with his script as if he'd received no response. The member knows that I have responded to this issue.

The rural clinician is based in Dawson City. As far as service in rural Yukon, that is a service that was not there before. We have created that. There will be further steps. We have expanded our support for mental health initiatives through the territorial health access fund, including the implementation of

the programming for early psychosis intervention, which is a program that will increase awareness, diagnosis, management, treatment and support for young people with early psychosis.

This program will include increased referrals, assessments and treatment plans for young people with potential psychotic disorders, including increasing services for clients, families and caregivers, increasing the capacity of clinical staff to be up to date with knowledge, policy development, and clinical interventions, and an increased capacity to engage with clients and families in mutual aid and support for each other.

As well, as I've already indicated to the member previously in this session, we have contracted with a second psychiatrist to effectively double the capacity in the Yukon system to provide people access to a psychiatrist. We are taking the steps. Under that contract, I believe that individual will be offering services - I think the effective date is January 1, 2008, so this will be in place very shortly. This is yet another expansion of these services.

**Mr. Edzerza:** I apologize to the minister for frustrating him with questions he can't answer.

Mental health simply has not been a priority of this government or previous governments. We have no medical or residential treatment facilities for children, youth or adults with mental disabilities or mental health problems. We have no proper treatment for inmates or former inmates with mental health problems. Follow-up options for clients of the Community Wellness Court or people coming out of substance abuse treatment programs are almost non-existent. We have no territory-wide program for psychological assessments and referrals. The government has done almost nothing to support community-based treatment.

What kind of tragedy will it take before this government makes mental health a priority and backs it up with the appropriate resources?

**Hon. Mr. Cathers:** The Member for McIntyre-Takhini is half right and half wrong. Instead of sticking to his script, if he changed his questions to reflect the response I have given, I think we would have seen a very different question here. The member has heard me list just some of the steps we've taken in this area.

The part that the member is right on is that mental health has not been a priority for previous governments. This government is taking the steps to address it. We have allocated resources to expand services in rural Yukon; we have allocated resources to expand services for youth. As I indicated to the member, we have a program currently in development to further expand those services. We have contracted with a second psychiatrist to effectively double the capacity of the system to deal with Yukoners who need those services and, as I indicated, we're providing approximately \$200,000 to the Yukon Hospital Corporation to assist them in renovating Whitehorse General Hospital to provide enhanced services for people with mental health disorders.

These are but a few examples of the action this government is taking to further increase the services in this area.

#### **Question re: Winter highway maintenance**

**Mr. McRobb:** I have another public safety question for the Minister of Highways and Public Works. Less than a year after the Yukon Party took office in the fall of 2002, it made an internal decision, changing the method by which our highways are maintained during winter driving conditions: out with the highway department's tried and true method of using rock salt and in came the untried salt brine solution.

This was confirmed by the former minister during debate in this House three years ago. This is no laughing matter, Mr. Speaker. It is time to test the new minister's knowledge of his portfolio, and I'm hoping he doesn't feel above this matter, as he was last week with a public safety issue concerning the parked speed plow equipment.

Can he provide this House with an appraisal of the salt brine program and its cost to Yukon taxpayers?

**Hon. Mr. Lang:** For the member opposite from the beautiful Kluane, the decision to go from rock salt to another process was based on modernization of our system and also from an environmentally friendly point of view. So it is again another decision made internally in the department and, of course, this side of the House leaves those kinds of decisions up to the capable people who run that department.

**Mr. McRobb:** Well, Mr. Speaker, that wasn't much of an appraisal. Once again, the minister is out of touch with his portfolio. I've listened to concerned workers in the Department of Highways and Public Works and I can tell you that they are not supportive of this Yukon Party decision to use a salt brine solution. I've heard concerns from motorists and representatives of the trucking industry who also believe that salt brine has caused excessive corrosion of their equipment. The same is true of the government's own equipment. Furthermore, it is believed to have caused premature corrosion of our highways and, therefore, accelerated resurfacing costs. On top of it all, there is a concern that it worsens the slipperiness of our highways during winter.

Again, Mr. Speaker, this is no laughing matter. Will the minister undertake to brush up on this matter and consider terminating the salt brine program?

**Hon. Mr. Lang:** Mr. Speaker, I certainly don't get into the day-to-day operational matters of the department. These are corporate decisions made internally.

I imagine that with the modernization of our ice control on the highways, our safety issues, environmental issues -- those are all decisions made within the department. I'm sure that if some of these questions are out there, the department will act on them. If it finds the new process isn't quite as good or as effective for the travelling public, it will be handled appropriately, but I'll leave that up to the department to make those decisions. It won't be me or the Member for Kluane in this House making corporate decisions for the department. The department is very capable of making these departmental decisions on every level.

**Mr. McRobb:** Well, Mr. Speaker, I can understand why the Yukon Party is trying to disclaim ownership of giving the direction for this new policy. This is a serious public safety

issue that again the minister is brushing off when he should be brushing up.

Use of salt brine has contributed to several motor vehicle accidents in the past few years. I am aware that some RCMP officers have attributed accidents to the use of salt brine.

Aside from the cost to the motoring public and the transportation sector, there is also the extra cost to Yukon taxpayers from the excessive corrosion of government vehicles, equipment and roads. People in the know estimate the needless and avoidable cost of this Yukon Party decision in excess of \$2 million. Does the minister not recognize the seriousness of this matter, and will he agree now to terminate the Yukon Party salt brine program?

**Hon. Mr. Lang:** Again, I remind the member opposite of the process. The process is that the Department of Highways and Public Works management is done internally by the department. They certainly would monitor any of the questions that the member opposite brings up. If there is a safety issue or any issue with how the roads are maintained, we appreciate any recommendations. Deciding on which surfaces or what we are going to do with those surfaces for maintaining ice control and minimizing the environmental impact on the road certainly won't be done by me in the House here. It will be done internally in the department. It's a very capable department.

I remind the member opposite and the Speaker that we maintain 5,000 kilometres of roads in the territory in all seasons. There are different tools for managing the road surface, and we use all of them to maximize the safety of the general public.

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

### Notice of government private members' business

**Hon. Mr. Cathers:** Pursuant to Standing Order 14.2(7), I would like to identify the items standing in the name of the government private member to be called for debate on Wednesday, November 7, 2007. They are Motion No. 183, standing in the name of the Member for Klondike, and Motion No. 208, standing in the name of the Member for Klondike.

**Speaker:** We will now proceed with Orders of the Day.

## ORDERS OF THE DAY

### GOVERNMENT BILLS

#### Bill No. 8: Second Reading -- *adjourned debate*

**Clerk:** Second reading, Bill No. 8, standing in the name of the Hon. Ms. Taylor; adjourned debate, the Hon. Mr. Cathers.

**Speaker:** Minister of Health and Social Services, you have 11 minutes, 48 seconds left.

**Hon. Mr. Cathers:** Thank you, Mr. Speaker.

It's a pleasure to rise here in the Assembly today to continue debate on the 2007-08 supplementary budget, the *Second Appropriation Act, 2007-08*.

The general operation and maintenance request for my Department of Health and Social Services is an increase of \$7,359,000, bringing the total revised vote to \$208,260,000, as well as an increase in the capital expenditure request of \$5.226 million. Our starting number at the beginning of the year of \$200.9 million in operation and maintenance is a significant increase in the operation and maintenance vote for last fiscal year, an increase of over \$25 million. This is further evidence of this government's commitment to enhancing our services in the area of health care and, of course, within social services, particularly to our most vulnerable within the health care system -- to provide services to those who need it, when they need it, in as timely a manner as possible.

Before continuing on with areas under my department, I would like to touch on a few areas related to my riding of Lake Laberge and begin with thanking the Minister of Highways and Public Works for the work that his department did in pavement rehabilitation on the Mayo Road, officially known as the north Klondike Highway. There is a very large and long stretch where asphalt was put on. It's certainly an area that I had raised questions about on numerous occasions. Previously I've had a number of requests from constituents and appreciate the investment that the minister and his department put in this area. I believe it was approximately \$2 million in investment in that area. It's much appreciated by my constituents and, again, my thanks to the minister.

As well, I appreciate the work that has occurred in the expansion of the cell coverage. There has been increased service within the Mayo Road area and I appreciate the minister's work in expanding that service. He has indicated that hopefully in the next fiscal year the service would be expanded in the Ibex area, as well as further enhancements in the Laberge area. I appreciate the work he and his department have done in this area.

Another area that relates to my riding is the *Subdivision Act* which, of course, has been tabled and debated in this Assembly. The changes that are necessary to fully implement the agriculture policy put in place in 2006 are of great importance to my riding, of course. Lake Laberge has the majority of the Yukon's farmers in it, and the agriculture policy as a whole, including this particular area, is important to the development of the Yukon economy and to the development of our own ability to take care of our own food needs. Of course, as I've mentioned before to members and reminded them, 100 years ago, the territory provided far more production in terms of taking care of the Yukon's food needs locally through being grown in the Yukon or through hunting, and the ability to provide vegetables and other products through farming has been demonstrated with the farming techniques of 100 years ago, so certainly we can come forward further in providing increased food production here in a more locally grown and environmentally responsible manner than shipping that food up the highway, as well as benefiting the economy and benefiting the security and safety of our food supply.



As well, I'd like to take this opportunity to again thank those who have participated in steps such as the Fireweed market and arranged the organization of it. It has gone a long way to enhance Yukoners' access to food. The mobile abattoir, of course, purchased by the Minister of Energy, Mines and Resources and his department, has enabled the Yukon, for the first time, to have in the Whitehorse area the capacity to slaughter and inspect red meat, thus enabling it to be sold in restaurants or on store shelves -- again, another step forward in enhancing the agriculture industry's ability to access markets and feed the needs of Yukoners.

I'd also like to take this opportunity to express my congratulations to Brian Lendrum and Susan Ross, who this year won the recognition as Farmers of the Year from the Yukon agriculture branch at an awards presentation this past Saturday night.

Now, I'd like to move on to some areas related to my department. This year has seen a significantly increased investment by this department in the area of childcare. We have gone far beyond what had been encouraged by members opposite and, despite their desperate attempts to claim credit for it, we have done the good work. We have worked with the stakeholders, we have assessed the needs, and we have invested appropriately, based on need -- again, far beyond the arbitrary commitments made by others.

Further work done through the Minister of Finance in the area of taxation is the *Income Tax Act* changes, which are before this Assembly, and which will provide for a further tax credit for Yukon families with children, as well as providing a tax credit for certain fitness-related programming and sports.

In this fiscal year we have -- with an opening date of November 15 -- provided the funding to open the remaining 12 beds at Copper Ridge Place, which will enable our system to address the majority of the waiting list for continuing care. Again, that will be opened on November 15, at an annual operating cost of \$1.4 million.

We've also been pleased to expand some of our services and technology in areas such as the expansion of telehealth, through funding from Canada Health Infoway, as well as the resources of the department. We have been pleased to provide new telehealth units in all Yukon nursing stations. \$1.6 million is provided from Canada Health Infoway and is 100-percent recoverable from that source, enabling the new units to be placed in nursing stations. If members or others have seen them, they will see that this is enhanced technology. It not only enables videoconferencing and videoconsulting, but, in fact, has little camera units to enable a nurse, physician or other attending individual to place those directly over a wound or other area and to digitally transmit a clear, close picture of that over the telehealth system from an area, or any one of the rural communities, into Whitehorse.

It is one example of how, despite the increased challenges that we face in health care -- in terms of rising costs and the growing challenges nationwide and in terms of finding health care workers -- that this is a significant manner in which we can address some of those costs.

In fact, we can see an improvement to the system by providing services in a more timely manner directly to rural Yukon. Of this cost of \$1.6 million to put it into place, there are operating costs associated with it -- I believe it is \$120,000 that we've allocated in this fiscal year to increase the services within telehealth; however, the operations costs are certainly money well spent because of the enhanced services and the enhanced ability to diagnose and treat Yukoners in a timely manner in all areas of the territory.

Mr. Speaker, other areas that I would like to highlight include the increased support through my department that we've been able to provide to many of the NGOs that assist us in providing a social safety net and continuum of services to Yukon citizens. Certainly without those volunteers, without the dedication of those NGOs, Yukon society would not be the place that it is today. There are many in all areas of the territory. There are some very visible examples, such as the significant contribution of volunteers to the Canada Winter Games, or the contribution of volunteers in assisting with flood relief efforts over the summer, as well as many others who often go unnoticed and are below the radar screen.

I would like to highlight a couple of those for which we have been pleased to increase our support recently -- Yukon Food for Learning, which provides breakfast, lunch and other food in Yukon schools. We have been pleased to increase the contribution that my department provides them by \$50,000 to a new level of \$91,750 per year. This morning I was also pleased to announce a commitment of an additional \$40,000 to Hospice Yukon, raising their level of funding this year to \$234,000. Again, through the dedication of these volunteers and the services they provide, we are very pleased to be able to provide them with further assistance in serving the needs of Yukoners.

I understand, Mr. Speaker, from your finger waving that I have run out of time. I thank members for their attention and it was a pleasure, again, to address the Assembly.

Thank you.

**Mr. Hardy:** I would like to begin in the short period of time that I am allowed to address the supplementary budget to start with an acknowledgement of the riding that I represent. I am very honoured to have represented this riding for not a very long time, really -- eight-and-a-half years. It is a riding that has been represented by the NDP for probably over 20 years.

Many people think it's the type of riding that the NDP naturally represents, which it is. It deals with many urban issues and problems. I have always considered the downtown riding of Whitehorse Centre as the only urban riding in the Yukon that is reflective of many of the problems that are experienced in many of the cities across Canada. The problems are quite extensive and there is always pressure on people who live downtown.

What does my riding face -- in the past, present and future? Poverty. The downtown riding has probably the greatest degree of poverty, homelessness and housing -- the variety of housing needed to make a sustainable and healthy community. Violence -- we face a huge degree of violence in the downtown core. Drugs and alcohol abuse -- it is probably the central place

in all the Yukon, where many people come from rural districts and other ridings around the downtown core and gather. Shelters, a lot of mental illness -- and a lot of hope. If there wasn't hope in the downtown riding, there wouldn't be people living there, and yet there is a growing population down there. We faced changes in the last few years, especially around the removal of many of the lower income housing, social housing, and it being replaced with middle-income, upper-income condominiums. There are very few rentals. A lot of the rentals are being removed.

We face challenges around hotels. Many of the hotels derive a very good income from social assistance. Most of them are in the downtown core. In some cases maybe that is adequate housing for people, but in almost all cases it isn't. But that's what we had resorted to down there, and you see it. Along with that come many of the problems.

Since the supplementary is really part of a whole budget, does it reflect or address the issues that my riding faces? I find it doesn't. It falls far short. These are problems that have been with us for quite awhile and have continued to grow. And every government grapples with trying to address them, but we are in a period right now in which there is a lot of money available, and we have the means to make the real change.

I look at the past budgets of previous governments, and there is no comparison, unless you go all the way back to the late 1970s or early 1980s. Mr. Speaker, I'm sure you remember what it was like then, with the tremendous opportunities for jobs and training. The money that was flowing through the territory was substantial. There was tremendous private investment and government investment, and there was a sense of buoyancy and optimism. We've come into another period where we have that optimism, and there are investments; mines are going in again. It has been a long time. People are being trained. Opportunities are there. There are advertisements in the papers for employment once again; however, the problems haven't changed. Twenty-seven years ago -- I'll just use 1980 as an example, just before it crashed. 1982, I think -- or 1983 -- was when it crashed here. It crashed all over western Canada, of course. We were very much connected with that. We had social problems then, and we have the same social problems. I think everybody in here legitimately tries to find answers to it, but we're not addressing many of them the way we can or should, and at times we're actually doing worse.

That's why we have debate in this Legislative Assembly. We have different viewpoints and hopefully we will bring forward good, constructive solutions that those people who make that decision try to move on.

My riding is, to a large degree, a microcosm or, seen under a microscope, an example of how bad the problems can get. Each of those problems costs us money down the road. If we don't address them now, they will cost us something down the road. The sooner we can address the problems when they start with people who are youth age, the better. We have many youth downtown who are homeless. The sooner we can address problems around drugs and alcohol at a younger age, the less cost it will be later on.

Unfortunately we often spend money not so much on addressing the issue or the problem, but on infrastructure. Let's put up another building -- maybe that will solve the problem. That doesn't always do it. We need programs. We also need to break out of our box of repeating what we have done in the past all the time if it doesn't work. If it works, absolutely let's use it again.

That's a challenge for elected people and that's a challenge for my riding. That's why we have the Downtown Residents Association trying to be involved in the work. That's why we have so many organizations downtown.

This budget falls far short of addressing almost all those issues. I don't know if it's from lack of vision, direction -- is this a grab-bag or ad hoc type of budgeting? Or is there really a concentric force moving forward to try to recognize how everything is interconnected -- social, economic, environmental -- and how, when we make our decisions, we have to keep that in mind?

Where are we going? We have a greater challenge in front of us today than any of our generations have ever faced in the past.

That's the environmental challenge. We have to be able to meet that challenge, but I think we're still operating the status quo. We're acting and behaving in this Legislative Assembly like it is not really going to affect us that badly, but this is the greatest challenge on the planet today -- not social issues, not economic issues -- pure and simple, it is environmental issues. If you do not look after your environment, you will not have your health. If you do not look after your health, you will not be able to work. If we do not look after our environment, your children will grow up with afflictions that you never ever wanted to see in anybody. I may sound like an extremist in this, but 20 years ago -- yes, you could have called me an extremist. Today, I'm just repeating what the scientists are saying, what people around the world are recognizing, and what's happening to this planet.

Twenty years from now, I may not be around to repeat any of this, and it may be too late. We may want to open a mine, but the area might be too polluted, too contaminated. We may want to have a healthy community, but we're dealing with so many health and social issues that we can't get a handle on it. What frustrates me -- and I see it reflected through budgets -- is the lack of attention in this area. Honestly, what does the environment section say? Let's take a look.

Everybody in here recognizes that there are problems with our environment, so what does the Department of Environment have in here? What changes have been made? What investment has gone into it? There is \$738,000 in operating and maintenance and \$563,000 in capital expenditures. This is a drop in the bucket compared to many of the other departments. The single most important issue facing us on this planet is the environment. Anybody in here who wants to debate this with me, any time, anywhere, I will quite happily do it.

I will not be blind and wander forward, debating issues, and not recognize the single most important one today -- global warming, pollutions, environmental health. This Department of Environment has no money in it. It can't do very much with this

amount of money -- \$23 million. We have a Health and Social Services budget of over \$200 million; in Education, it's easily over \$100 million -- and \$118 million in O&M. What does the Department of Environment have to work with to start to make changes, to start to lead the people to a cleaner future, to a greener future? \$23 million. Where is the majority of that money going? Operation and maintenance -- \$22 million there and \$2 million in capital, whether it's studies or whatever. So, it falls far short in that area. It's obviously not a priority. The future is not a priority if we're not looking at it in a better light. That's why I think this is a visionless budget. Sure, it addresses many issues and many that I feel are very important, and I applaud this government in some of the areas they've gone in. They know that. I believe the people on the government side recognize that I try to be fair and recognize some of their achievements, but I won't turn a blind eye to stuff like this.

There are reports that should be before the Legislative Assembly so that we can debate them and share our constituents' viewpoints and concerns, but they're not here. Why? Does the government not trust the opposition? Well, there might be a reason, but does the opposition not trust the government? Maybe we share some common issues there, but I would like to move beyond that a little bit. I would love to read the reports and give my input, whether it's regarding the *Children's Act*, the *Education Act*, the rail study or the nine-year review. There are many of them. I would like to have those and sit down and debate them in a manner that would be open, accountable and would hopefully make the report better. But all that happens, of course, if we don't get to see them, is resentment.

We have a multitude of unfinished projects. Why? The Watson Lake health project is one. I mean, if I were in government, I wouldn't know what to do. This is a project that has almost doubled in cost; it is not done. No one is in it. Let's just deal with it. Let's move on. Put it out to tender properly and finish it up. I'll applaud the government if they do that. Get that facility up and running, but don't continue with the way it has been going.

Dawson City's health centre -- where is it? It was dropped. Why? Haines Junction, they're not getting one. They're getting some residences, but they're not getting the facility that I understood was indicated to them that they would get. The Thomson Centre -- what has been going on? How many years must we continue with the Thomson Centre? It can easily be fixed. It could easily have been fixed. Where is the will? We need that space for the care of people, for whatever purpose has been designated. It has already been designated by the Health and Social Services minister, and I understand that and I'm not questioning that. But let's get it done.

Let's learn from past mistakes, like the bridge study -- \$3 million or \$4 million just gone, money gone that could easily have gone to so many other things. In the end, it cost -- I think my former colleague from Mayo-Tatchun said it was going to cost \$49 million. He was scoffed at by the Yukon Party government. It came in at \$50 million. I'd hire him to estimate my jobs for me. I sure wouldn't hire whoever was estimating the jobs on the government side -- the government was predicting \$25 million.

We have challenges with First Nation relations. That needs to be addressed. We, the NDP, have brought forward some suggestions in that area. We would love to debate them and not have them turned into motions to congratulate themselves, but to actually look at what we're bringing forward and see if the First Nations would like it, and if we could all be part of solutions to the problems that are facing this territory down the road. This budget doesn't meet it.

Housing -- the list is endless. I have a list of hundreds of issues. Can we do them all? Absolutely not. But can we plan to try to address many of them? Yes, we can. Do I see this budget addressing them? Some, yes -- many, no.

What is frustrating for me and what I don't see is the vision. I don't see where we're going with this type of budget. It's the most money this territory has ever been spending, the biggest surpluses we have ever had, and what do we have for it? We're still dealing with issues we were dealing with 22 or 23 years ago, and we're still doing it in an ad hoc manner based on trying to satisfy people with a piecemeal approach.

I say what we need to do is put it all together with a strong vision, but it needs to include all members in the Legislative Assembly. I hope that one day we will be able to go beyond what we are right now and bring everybody together for a future to be possible in this territory -- one that we all share and value.

Thank you.

**Mr. Nordick:** It is my honour and pleasure to rise today in our Assembly to support Bill No. 8, *Second Appropriation Act, 2007-08*. It has been over a year since I was elected in the riding of Klondike, from the period prior to the election, when I was knocking on doors to discuss the issues concerning my constituents.

Since being elected, I have held regular constituency meetings. During those meetings I have been able to hear concerns of the members of my riding. Just recently, on October 27, I held my latest constituency open house. I'd like to thank the individuals who took time to come and speak to me.

I will now speak more directly about this current budget. During the last election, the people of the Yukon endorsed the Yukon Party and said they wanted the Yukon Party to continue to implement the vision in the territory that I will outline: the vision for a better quality of life while protecting the Yukon's environment and wildlife and building a diverse Yukon economy.

We have been able to achieve this through effective leadership, political stability, cooperative governance and a strong fiscal management. The people of the Yukon directed us to continue with this vision, building the Yukon's future together, a clear vision for a bright future.

This budget builds on the previous budgets that have improved the lives of Yukoners. I am proud to be involved with this Yukon Party government in its second term in leading this great northern territory down the correct path of economic development while increasing the social side of the Yukon.

Our government has constantly, since election in 2002, provided the territory with sound fiscal management, utilizing

government budgets to create a sustainable and competitive private sector economy. The net financial resources reported in the 2007-08 supplementary estimates demonstrate this.

The year-end financial statements for 2006-07 represented the fifth successive time this government has received unqualified audits from the Auditor General of Canada. This means the Auditor General's Office believes our financial statements, as presented, fairly represent the government's financial position on a full accrual basis and that the appropriate financial controls are in place.

Mr. Speaker, I will now speak on the Department of Community Services. I'd like to thank the minister and his officials for the hard work that they have done and are currently doing to promote the sustainable health of our communities, to protect the broad consumer interests through the provisions of education, and to assist and enable communities and the people to protect themselves.

Community Services works in partnership with the Yukon Housing Corporation and the Yukon Liquor Corporation to support community development and facilitate the delivery of territorial agent services in the communities.

The operation and maintenance expenditures have increased \$2,783,000 from \$51,434,000 to a total of \$54,217,000. Capital expenditures have increased \$14,515,000 to a total of \$68,152,000. An example of some of the capital expenditures: we have inputted \$114,000 in the supplementary budget to a total of \$1,169,000 for the Golden Horn fire hall; we have allocated \$2,236,000 in the supplementary budget, total \$3 million, for the Carmacks sewage treatment facility. Under the municipal rural infrastructure fund, for the Mayo Community Centre we have allocated \$209,000, totalling \$686,000 for improvements.

For the Selkirk First Nation small-diameter piped water, in this supplementary budget we have included \$530,000 of the \$2,248,000 for this project.

We all know the problems we have with the City of Dawson's recreation facility. We have allocated \$286,000 for the short-term solutions to help the City of Dawson with that facility.

Na Cho Nyak Dun First Nation cemetery access road: the First Nation of Na Cho Nyak Dun received \$233,333 toward a \$350,000 upgrade of the three-kilometre cemetery access road located near Mayo at kilometre 47.5 on the Silver Trail. The road also acts as the access point for the First Nation settlement land area, which is currently under review for potential residential use. In this supplementary budget, we have allocated \$234,000 for that.

The Tr'ondek Hwech'in First Nation received \$150,000 toward a new playground to be constructed in Dawson City. As a culturally influenced resource with age-specific equipment, the playground will be located adjacent to the Tr'inke Zho Daycare centre. In this supplementary budget, we allocated \$150,000 toward that project.

Under the municipal rural infrastructure fund, for the Hamilton Boulevard extension, which is a joint project between the City of Whitehorse and YTG, we allocated \$875,000 for advancement of this project.

I'll move on to the Department of Economic Development. I'd like to thank the minister and the officials for the work that they have done to develop and maintain a sustainable and competitive Yukon economy.

Operation and maintenance expenditures for the Department of Economic Development have increased \$290,000 this supplementary budget, to \$6,695,000. I'll speak a little about regional economic development. The regional economic development fund has been increased by \$235,000 to a total of \$685,000 in this budget.

Some past community development fund proposals that were approved: the Dawson City Arts Society received \$14,000 for a jigsaw puzzle at the School of Visual Arts to promote the Yukon as a destination home for arts and culture, specifically Dawson City KIAC and the School of Visual Arts.

If anybody hasn't had the opportunity to take a look at that piece of art, it's a significant, beautiful piece hanging on the wall of KIAC right now. Mr. Speaker, another thing that the community development fund funded was the Klondyke Gold Panning Association. They received \$17,865 to purchase portable bleachers and picnic tables, and that was for the 2007 World Gold Panning Championships, which were a resounding success.

Mr. Speaker, the Yukon Volunteer Bureau received up to \$19,000 for training and implementation of community engagement techniques in areas of identification planning, decision making, and evaluation for sustainable and effective community development.

Under the strategic industry development fund, the objects of this fund are to identify, pursue and facilitate the development of strategic industry projects and economic infrastructure, facilitate the maximum of secondary benefits from strategic projects and also to increase awareness of the investment in strategic industries and strategic projects.

What are we to expect the outcome to be from this? We should see increased economic activities. We should see successful business arrangements that provide positive community economic impact. We should see positive long-term impacts on employment and wealth creation. We should see increased private sector employment, and we should see a more diverse economy between and within sectors. In this supplementary budget we have increased the strategic industry development fund by \$549,000, from \$1 million to a total of \$1,549,000.

Mr. Speaker, I'd like to move on to the Department of Education. I'd like to thank the Minister of Education, all the officials, the teachers, school councils and, of course, the parents and many other individuals who are involved in education to ensure that effective lifelong learning opportunities are available for all Yukon people.

In this supplementary budget, we have allocated another \$2,782,000, totalling \$118,676,000, for operation and maintenance expenditures in the Department of Education.

We have also increased the capital expenditures in the Department of Education by \$2,143,000, totalling \$12,127,000.

Facility construction and maintenance -- we have allocated \$283,000, totalling \$650,000, to the industrial arts wing venti-

lation upgrade at F.H. Collins. We have also contributed \$300,000 to review secondary programs.

Under advanced education, Yukon College, the School of Visual Arts, which is based in my community -- we have allocated \$205,000 in this supplementary budget. I believe they have 19 students currently attending this school. Next year, they're looking at another 19 new enrolments, and in the third year they're expecting 43 enrolments in that school. That is a major economic driver in my community during the winter season.

Community training fund -- the training for skills development is available from seven community training funds and four industry-specific funds. The total investment in 2007-08 is \$1.5 million. The total investment in the training fund, additional this year in the supplementary budget, is \$176,000.

There are three main types of funds: industry- or sector-based, community-based and project-specific. Our government wants to provide Yukoners with the best option to adapt to the changing world of work. Continuing education and training plays an important role in keeping Yukoners engaged in the workforce. Community training funds are important investments in our people, our workforce and our communities.

I'd now like to move on to Energy, Mines and Resources. I'd like to thank the minister also and all the officials who work in this department. They manage the Yukon's natural resources and ensure integrated resource and land use. They also promote investment in reasonable development of Yukon minerals, energy, forestry, agriculture and land resources.

The total operation and maintenance expenditures have increased in this supplementary budget by \$1,547,000, from \$35,147,000, totalling \$36,694,000. Capital expenditures have increased in the supplementary budget by \$424,000, totalling \$5,606,000.

Another important initiative is the Yukon placer regime. We committed a total of \$650,000 in two parts for the Yukon placer regime. The client services inspection branch will receive \$170,000 to hire qualified personnel to analyze and monitor information collected from water samples within areas where placer mining activity exists.

The Yukon placer secretariat will receive \$644,000; of that, \$164,000 is additional in this supplementary budget to complete its three-phase consultation process and implement the new Yukon placer mining regulatory regime. Implementing this new regime recognizes the importance of a sustainable placer mining industry to the Yukon, as well as the importance of conservation and protection of fish and fish habitat. I'd like to thank the officials and the Klondike Placer Miners Association for all the work they've done in finalizing this regime.

We have allocated a total of \$678,000 toward the Yukon mining initiative program. In the total capital expenditures in the Department of Energy, Mines and Resources, there is an additional \$424,000, totalling \$5,606,000.

I'll now move to the Department of Environment. I'd like to thank the Premier and his officials in that department for the work they are doing to maintain and enhance the quality of Yukon's environment for the present and future generations. In this supplementary budget under operation and maintenance

expenditures, we have made an increase of \$738,000, totalling \$23,053,000 toward the environment.

Under operation and maintenance, one example is environmental stability. \$533,000 is in the supplementary budget, totalling \$17,386,000 for operation and maintenance.

I see I only have five minutes, Mr. Speaker, but I have only gotten through about a quarter of my speech. I'll flip through a couple of pages and move on to Health and Social Services, because I would definitely like to thank the minister and all the officials in that department for the hard work they are doing to ensure quality health and social services for all Yukoners.

Operation and maintenance expenditures total \$208,260,000, which is an increase of \$7,359,000 in this supplementary budget.

Mr. Speaker, I'd also like to thank once again the Minister of Health and Social Services and the Department of Health and Social Services for the contribution of the \$300,000 toward the Tr'ondek Hwech'in First Nation to improve and expand childcare services in Dawson City. This funding will benefit the entire Dawson community. Childcare in Dawson City, as in other rural communities, is very important for working parents and I'm glad to see that our government recognizes the need for rural childcare in the community.

Under continuing care, we have allocated \$100,000 in this supplementary budget to advance the multi-care facility in Dawson City.

Under the Department of Highways and Public Works, I'd like to thank the minister and his officials for properly managing and regulating the transportation infrastructure, systems and programs. This year, in this supplementary budget, \$3,703,000 has been allocated, for a total of \$82,888,000 in operation and maintenance expenditures. Capital expenditures totalling \$553,000 now bring it to a total of \$72,885,000.

Mr. Speaker, I just wanted to say three more things before I sit down. This year in the supplementary budget, we've allocated \$298,000 for the Klondike Highway, \$1,190,000 for the Campbell Highway and \$1,353,000 for the Dempster Highway.

Under capital expenditures, we have allocated \$590,000, totalling \$2,101,000, to be spent on the Tombstone visitor reception centre. The total capital expenditure for the Department of Highways and Public Works is \$72,885,000.

Mr. Speaker, I'd like to move on to the Department of Justice. I'd like to thank the Minister of Justice and all the officials, for they are enhancing public confidence and respect for the law in this society. They are working toward an effective and responsible correctional system to manage offenders in ways that promote rehabilitation and ensure public safety.

In this budget we have increased operation and maintenance expenditures by \$1,474,000, totalling \$484,260,000, with capital expenditures of \$686,000, for \$4,458,000 in total. Mr. Speaker, community and correctional services provide programs and services for victims and offenders and, as its primary goal, the safe integration of offenders into the community as law-abiding citizens. The Whitehorse Correctional Centre is a multi-level correctional facility for adults serving sentences of two years less a day.

Under victim services, support services are offered to victims of crimes and victims of family violence; rehabilitation programs are also offered. We have increased the community and correctional services by \$434,000, totalling \$11,689,000. Crime prevention and policing has increased \$250,000 in this supplementary budget, for a total of \$17,826,000.

I'd like to thank the people in the Public Service Commission, the officials and the minister, for the work that they have done. I would also like to thank the Minister of Tourism and Culture and the officials in that department. They are generating long-term economic growth in export revenues for the benefit of all the Yukon through the development and marketing of the Yukon tourism industry. Their operation and maintenance expenditures have increased \$916,000, to a total of \$16,682,000, with capital expenditures of \$623,000, totalling \$6,078,000.

Mr. Speaker, for the historic places initiative, we have increased \$66,000 in this supplementary budget. The initiative builds on the existing heritage programs across the country. Its purpose is to create awareness of historic places and sights, set standards for sound conservation practices and encourage citizens to get involved in heritage conservation.

We have increased the arts fund by \$193,000, totalling \$693,000. The arts fund supports group projects that foster the creative development of arts in the Yukon and support the principles of Yukon art policy.

The arts fund will consider arts-related projects from art collectives, organizations, industry associations, and all other eligible groups considering or undertaking an activity related to literacy or visual performing arts.

I'd like to thank the minister and the officials in the Women's Directorate. They support equality for women. The total operation and maintenance expenditures for the Women's Directorate is \$1,204,000. In this year's supplementary budget, we have increased it by \$43,000.

The Yukon Housing Corporation --

**Speaker:** Thank you.  
Member for Mayo-Tatchun, please.

**Mr. Fairclough:** I, too, would like to respond to this supplementary budget that was presented by the government. In the past, Mr. Speaker, I have listed a lot of projects that my constituents have voiced to me, and I've let government know about them. They themselves said they wanted ideas on how to move things ahead in the communities. Sometimes it does get recognized and sometimes it doesn't. I'll give you one example.

For years now, I have been asked by a constituent in Pelly Crossing about highway safety. It was one little thing that I wanted done and I brought it up in this House many times. It was to put markers or railings on the Klondike Highway near Coffin Lake, just this side of Twin Lakes. Guess what, Mr. Speaker. It happened. Those railings are up. I would like to thank the minister for that.

My constituent has been driving by there for many years. She is an elderly person, and she is quite happy with that. It took a long time to get done but, in fact, it did happen.

I know what it's like to put together a budget, as I've gone through the process myself and I know what it's like to put together a supplementary budget. I know what it's like to deal with the departments and their needs -- as they've been saying for years and years. When times are tough, it is difficult to meet their needs.

Now that Yukon has seen more money than we normally do, I feel that a lot of their needs are taken care of. I know that some of them are ongoing forever and ever -- for example, when you're looking at upgrading computer systems within the departments. I know that's very important because there were often times that government computers couldn't even communicate with one another because some of them were so old, particularly in the Department of Health and Social Services. I know that has been changing over the last 10 years, and I'm confident that we're catching up, but we may not quite be there yet.

I've also had some major projects in my riding that I've been voicing for many years. Sometimes it takes awhile before the project gets done. One of the projects is the Carmacks school, of course. That has been on the list to be done since 1997, I believe, when the chairs of the school councils met and decided which capital project was to be done.

I've asked people in the three communities of Pelly, Mayo and Carmacks to be patient because government is going to follow this process -- and they have. The first one was Old Crow, and then Ross River and Mayo, Pelly and then Carmacks came along. It happened in that fashion also.

As elected members, we all strive to make our communities better and healthier. We look at the social side of things, we look at the physical layout of the community, and we look at capital investment.

I can't help but notice that again, in this supplementary budget, there are increased funds in Community Services that directly affect my riding. As you know, Mr. Speaker, my riding is fairly big in land mass; it takes up close to 25 percent of the total land mass in the Yukon -- not that I get to see each corner of it, or each end of it, because I don't. There is simply not much going on in my riding where it borders the N.W.T., for example, and it goes all the way up close to Old Crow. Every issue that has been raised in this House, my riding has similar issues, or is affected by them. They're vast; the communities are different and the needs are large. That's why, over the years, I have been asking governments to do certain things, and I do thank the ministers for their fight in Management Board to ensure these dollars are there.

For example, I think ever since I've been elected -- I know this is a local issue -- but it does receive government monies -- the sewage system in the community of Carmacks has been an issue. It's a multi-million-dollar project. The community has done a lot of consultation with governments and among themselves, to try to sort this issue out. It's a lot more complicated than most people think it is. People have waited for a long time, particularly to see other things happen, but they are on a waiting list because this project is not complete or hasn't been done. For example, the community doesn't want to put monies up to resurface a road until they put the sewer system in. The River

Drive road has been taking a beating for many years, and a lot of the trucks that go through the communities to the mining camps use that road.

I'm glad to see additional dollars here, and when we come into this department I'm going to question what exactly they're going toward. But we do have just over \$2 million in additional funding that has been dedicated to the sewage treatment project in the community of Carmacks. Also I'll be asking questions in regard to the road and street upgrades. There was a lot of reduction in this expenditure. I'll listen for the explanation that comes from the minister about whether or not this has been moved around within the department.

Now, Mr. Speaker, the other is in the community of Mayo. They do have additional dollars going toward their community centre, and I have to say it's a pretty fine facility. I just attended a potlatch there, a community function. The building did well for them. There was an additional \$209,000, and I know that there have been problems in completing that building as there are with many of the buildings in the Yukon.

Here's another one that is through MRIF. It has an additional \$530,000 in it. It is in the community of Pelly Crossing -- the small diameter piped water system. Both Little Salmon-Carmacks First Nation and Selkirk First Nation worked on this project because both were interested in having this system in their communities. This being a pilot project so people are going to be watching it. I know they've done a lot of work laying pipe this past year. I know they've gone through a lot of problems trying to drill under the river to have this water pipe go under the river to serve the houses on the other side. Two different crews were brought in to take on this task. The first one failed and the second one was to shove the pipe casing through, and they too ran into problems. So I'll be asking some detailed questions in regard to that expenditure.

Here's another one that I've been talking about quite a bit in the past -- I'm not sure if I mentioned it in the spring. There are monies that were not budgeted for in the spring but are in this supplementary budget -- it says it is to upgrade the First Nation cemetery road. The main reason for the road going in is because that is the way the community is expanding.

I've been fortunate enough to watch some of the construction of the Na Cho Nyak Dun administration building this summer. I've come in at the time where they've had the crane lifting up prefabricated parts of the building. I took a lot of pictures at the time and it seemed to me that the project was moving ahead fairly quickly. I mentioned before, Mr. Speaker, that Na Cho Nyak Dun was trying to use geothermal technology to heat and cool their building. I know that they ran into some problems with permafrost right there, even though this is on an upper ledge and it is on solid ground. I haven't been updated as to how advanced that system is. I thought they may have abandoned that system, but it was to service the administration building and many of the houses that are close to it. The last time I was there, the First Nation was continuing to build houses up in that area. They built a couple of subdivisions in there, and it is a great expansion to their community. I'm glad to see that upgrade of the road. I've been on it myself and it looks good and feels good to be driving on something safe,

because what was there before was basically a one-lane, dirt road. I'm sure the community of Mayo is appreciative of this.

The other one that hasn't been reflected in here -- and I've brought it up many times in the House -- is for governments to put monies into upgrading the road from Mayo to the lands and resources office that the First Nation uses now. They use it for general assemblies. It used to be the youth home in that community and, of course, it isn't any more.

We've all heard about the problems that Pelly Crossing has had with wastewater disposal. Again, this was not in the spring budget but we do have monies reflected here. I also want to get back a little bit to what was raised here by other members -- the initiative that Na Cho Nyak Dun put forward to try to do something different in regard to energy efficiency.

In the past, this government took on the task of trying to reduce greenhouse gas emissions and focus on energy efficiency in their own buildings -- in lighting, with the windows, insulation, and so on. That is reflected in a program in Yukon Housing Corporation right now.

I think more could have been done. I say this because geothermal technology is something we should be looking at because the cost of heating these facilities has gone up. It is a bit of a problem now for municipalities where they would like to do more in their communities but, because of these costs, they can't.

I will give you an example: phase 1 of the recreation centre in Carmacks was built. I asked that the government look at the operation of it. One of the things they saw in hindsight was that the building is not as energy efficient as they would have liked it to be. It is costing the village more for maintenance of this building. Now that there is an increase in the municipal block funding and in how they can spend their money, this will help. But I think we could have done more. I know it was previous governments but any building that governments help build, even if it is with the municipalities, there should be a focus on energy efficiency.

I know I have a couple of minutes left, and one of the main things I wanted to focus on in encouraging the government to concentrate on upgrading our roads. I know there is money in the supplementary budget for the Campbell Highway. When the Premier was in the community of Carmacks, it was very clearly voiced -- along with the communities of Faro and Ross River -- to complete the chipseal between Carmacks and Faro. It was brought in through a motion by the Member for Klondike also.

I would like to see that done and so would the tourists. I think it would be a boost for tourism. Little Salmon Lake is such a beautiful lake, and I don't think the campground itself is utilized to the potential it could be. But it could, if we increased the safety of that highway by chipsealing it.

I've also brought up many times the improvements to the Silver Trail, Signpost Road and so on. I would like to see that continue as well as some chipsealing in the community of Pelly Crossing.

We're spending millions of dollars here in Whitehorse. I know the minister says that it is a First Nation road, but there is

no reason why we can't, as a government, be putting money into that.

The other one that I've voiced here many times, and I'd like to do it again because it does have an impact -- Mr. Speaker, I have three minutes -- are the mining roads, or roads that lead to potential mines. In the past, government has relied on community organizations to apply to the rural roads upgrading program, and they can do a bit of upgrading there.

But I just want to mention a couple of things. One is that the community of Carmacks mentioned to the Premier the bypass road in the communities, where the trucks go across and around the community. That's important, and I think government needs to really look at that. And that requires a bridge across the Nordenskiöld River, which is not a large expanse.

Also, the single-lane bridge that goes across the Nordenskiöld now has a public safety issue. From what I hear from Highways and Public Works, it won't take much to have that disappear into the water.

Mr. Speaker, I know I don't have much time but allow me to do this. Last summer I was on the Casino Trail. I know this goes down the Tintina Trench, and it has the potential to have an extremely large impact on the mining community. My truck actually broke down right at the end of the road, and I had to come back to a mining camp, but I crossed about five bridges there and each one of them could use resurfacing -- just the planks on them. That alone would amount to small maintenance but it would help avoid larger maintenance. The other bridges are wooden bridges; they're not very sturdy and can't take much weight. More and more people are going out there doing exploration work and taking their equipment across. If there's anything in the spring budget cycle, I'd like the Minister of Highways and Public Works to perhaps fight and see if we can get some monies dedicated to improvements to roads like that.

I haven't much more that I can offer here, Mr. Speaker, but I guess I'm going to have to leave it to debate in the departments.

Thank you, Mr. Speaker, for allowing me to respond to some of the budget.

**Speaker:** If the member speaks, she will close debate. Does any other member wish to be heard?

**Hon. Ms. Taylor:** I have very much appreciated and have been very interested in the debate that has taken place over the last number of days surrounding Bill No. 8, *Second Appropriation Act, 2007-08*.

Without having to respond to a number of the questions that have been raised, I am certain that the Minister of Finance will be delving into some of the finer details of this specific bill in Committee of the Whole. I did, however, want to take the opportunity to raise a few points, and those pertain to vision. I know that one of the previous speakers -- I think it was the Leader of the Third Party -- made reference to the importance of a vision for the territory.

Indeed, if we do look back over the last many years in this territory's evolution, the territory has evolved. As a result of

numerous changes -- the settlement of land claims, of course, being by far one of the most important pieces of legislation, with the passing and consent of the *Umbrella Final Agreement* coming into being and the self-government and land claim agreements coming into fruition. Devolution of resources -- lands, minerals, waters -- from the federal government to the territorial government -- again, another defining moment in Yukon's history.

A number of visions have been articulated over the years, to be sure. A number of governments have held office over the last number of years, and each respective government, in partnership with other orders of government, has certainly set priorities and parameters to implement that vision. I think the vision for the territory certainly includes a number of various aspects, and certainly the vision for this government has been set out in our recent election platform, which was set forward for all Yukoners' purview in the 2006 election. That vision was articulated in our platform document entitled *Building Yukon's Future Together -- A Clear Vision for a Bright Future*. Housed within that platform, there are a number of various planks, which are further articulated into specific commitments to be defined and implemented over the next five years.

Having just surpassed our one-year anniversary mark, I am very proud to be part of a government that has worked toward meeting a number of those commitments. A number of other commitments remain. There is no doubt about that. Along the way there are rising issues of importance that are expressed by Yukoners and that we discovered through community tours and through other processes, and we continually work to address those issues.

To be sure, we have been able to make progress on a number of fronts. On one such front there was some discussion about the environment and the importance it holds in the hearts of Canadians. Quite clearly, I happen to concur. The environment is a very, very high priority of every Canadian, perhaps of every person in the world. Given the global changes, there is emphasis placed on what we can do to effect changes to the environment for the betterment of not just this generation but future generations.

I was just looking over this particular fiscal year, and housed in this fiscal year within the Department of Environment there are a number of significant investments pertaining to the environment and meeting our commitments on that particular front. This includes a Yukon climate change strategy that would be comprised of a number of components, including raising public awareness, reducing gas emissions, building various systems -- environmental, social or economic systems -- to adapt to the climate change that we have been experiencing. It also includes establishing Yukon as a northern and world leader in climate change research. Of course, we are clearly articulating each of these elements in the development of a climate change action plan, which we also committed to do.

As members opposite know, a plan is currently underway. We have held a number of discussions with Yukoners over the last year, to be sure, and we anticipate that that particular plan will set in stone our particular vision for the territory and how



we can work effectively to address climate change in our territory.

Within that plan there will be specific actions and initiatives to address some of these issues of priority, concern and importance.

In this fiscal year alone, there are dollars allocated for consultations -- as I just mentioned -- to be held in the public domain, resources for workshops, and hosting various meetings. One that we saw earlier this year was the Environmental Forum that was hosted by the Government of Yukon. I think that it was well attended with over 130 various stakeholders representing many different interests in the Yukon. There was great dialogue with great recommendations put forward by the public. Of course, dollars are available for public materials and so forth -- again, all making in the works a very effective climate change action plan.

In this year's budget, as I think I've made reference to as Minister of Tourism and Culture, there is also, I believe, \$400,000 or \$500,000 allocated for Celebrating Yukon Parks program -- again, taking the opportunity to raise public awareness about our territorial parks and how we as Yukoners can certainly enjoy those parks; also raising awareness to include a public outreach component in conjunction with the Department of Tourism and Culture; and how we can better share our resources and get the word out just how very important our park systems are, not just to Yukoners but to visitors worldwide who increasingly look to the Yukon as a destination of choice.

There are also dollars made available for a Yukon park enforcement program, and not just to promote security in our respective campgrounds -- although that is a very important role of the parks officers in terms of ensuring that experiences at our Yukon parks are not only safe and secure experiences but are family oriented and promote safety and security.

There are also dollars allotted for management planning for territorial parks that have been created under respective land claims agreements. Just to name but a few, there are those located in the Snafu and Tarfu lakes area, and Kusawa Lake.

I would remiss if I didn't mention that in this particular budget there are also dollars made available for the construction and completion of the Tombstone Territorial Park visitor reception centre. That particular initiative has been well underway for a number of years. We have been working closely with Tr'ondek Hwech'in in terms of coming up with a design that certainly respects the aspirations of the First Nation government, as well as looking to meet the needs of visitors and their experiences in the particular park.

There are dollars made available for improvements to our campgrounds and our recreation sites to ensure that both Yukoners and visitors alike have a very memorable time while they are here in the Yukon so that they can take back with them very memorable stories about their experiences in the Yukon and the wish to come back sooner rather than later.

One of the most significant boosts in funding in this year's budget pertaining to the environment was that made available for resource management inventories. In fact, there is \$1.285 million allocated for resource industries alone in this 2007-08 budget.

Members know full well that sound decisions, whether on land use planning or particular developments -- potential or on-the-rise developments -- require up-to-date inventories and information pertaining to fish and wildlife.

This amount of dollars has certainly helped the Department of Environment, their officials and other respective governments to be able to do the work required to make well-informed, thoughtful decisions.

Again, monies available for a harvest management strategy -- the Porcupine caribou herd. There has been a lot of discussion on that particular issue or area of importance to members over the last while as well.

So certainly there is quite a priority, an emphasis placed upon the Department of Environment, and I certainly applaud the officials within the Department of Environment for their expertise, for their technical assistance on issues of importance in helping us, the elected people around the Cabinet table, make those decisions at an informed level. It does require a lot of time and effort. It requires resources to be made available, and I believe that through the leadership of the Premier those monies are being made available.

There has been some discussion regarding this budget on issues that have been perhaps on the plates of Yukoners for some years. With respect to the Member for Mayo-Tatchun, he made reference to the school in the Carmacks area and he made reference to that particular project being on the books since 1997. I guess I'll just say to the members opposite that we were very pleased as the Government of Yukon to be able to respond to those particular needs. I think there is a beautiful facility in that community, and I'm sure that the student population and the residents of that particular area will make great benefit of that facility in years and generations to come.

Again, we were very proud to be able to make the resources available to ensure that that project came to fruition.

Likewise, another facility for the Mayo residents that has been on the books is a new recreation facility. Any of us who have had the opportunity to take part in any festivities in the old facility know that a new facility was much needed. I had the opportunity to take a tour through the recreation facility earlier this summer on my annual visit to the area, at which time I met with the elected leaders. I was so impressed and so very proud to see the pride among the residents in that particular area.

Another project is the Hamilton Boulevard extension. You know, Mr. Speaker, I have to say that in having gone back through reams and reams of campaign literature, it was even something that was promised, I think, back in 1996 by the person who is actually our Member of Parliament for the Yukon today. It's an issue. You know, the extension is going to go ahead. This is a very much needed initiative, so we're very pleased to make this initiative a priority. It has been a personal priority of mine, as the MLA for Whitehorse West and, as such, it has become a priority of this government, so there are monies in this supplementary budget that reflect that expenditure. Again, the Yukon government is paying the lion's share of that particular expenditure -- \$6.5 million of the \$15 million allotted for the extension. It is an investment that will be very much

appreciated by the residents of the area, in terms of providing an emergency egress route as well as providing a second route of access, alleviating some of the pressures we are experiencing with the continued growth up the hill.

Childcare is another issue that continues to be raised. I know that before our government came into office, childcare had not received an injection of funds for a number of years. In fact, I think it had almost been 10 years. It was our government that came in and actually raised the actual expenditures to childcare by, I believe, 40 percent. This particular supplementary reflects additional dollars, an additional \$5 million over five years. This is another pressing priority for our government in terms of being able to expand subsidies as well as the amount in subsidies, expanding dollars available to childcare workers and just making it more affordable and accessible for Yukoners.

I have a long list here, but certainly thanks to the good work of our Premier in being able to raise the bar in terms of making more financial resources available to Yukoner, whether it is through the territorial health access fund, northern strategy trust fund or the northern housing trust fund, we have certainly been able to address some of these issues of priority expressed by Yukoners, and this supplementary budget reflects many of those priorities.

I thank you very much, Mr. Speaker, and we look forward to engaging with others in terms of addressing the specifics in Committee of the Whole.

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

**Some Hon. Members:** Division.

### Division

**Speaker:** Division has been called.

### Bells

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

**Hon. Mr. Fentie:** Agree.

**Hon. Mr. Cathers:** Agree.

**Hon. Ms. Taylor:** Agree.

**Hon. Mr. Kenyon:** Agree.

**Hon. Mr. Rouble:** Agree.

**Hon. Mr. Lang:** Agree.

**Hon. Ms. Horne:** Agree.

**Hon. Mr. Hart:** Agree.

**Mr. Nordick:** Agree.

**Mr. Mitchell:** Agree.

**Mr. McRobb:** Agree.

**Mr. Elias:** Agree.

**Mr. Fairclough:** Agree.

**Mr. Inverarity:** Agree.

**Mr. Cardiff:** Disagree.

**Mr. Edzerza:** Disagree.

**Clerk:** Mr. Speaker, the results are fourteen yeas, two nays.

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

*Motion for second reading of Bill No. 8 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.

*Motion agreed to*

*Speaker leaves the Chair*

### COMMITTEE OF THE WHOLE

**Chair:** Committee of the Whole will now come to order. The matter before the Committee is Bill No. 7, *Fourth Appropriation Act, 2006-07*. Do members wish a brief recess?

**All Hon. Members:** Agreed.

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

*Recess*

**Chair:** Order please. Committee of the Whole will now come to order. The matter before the Committee is Bill No. 7, *Fourth Appropriation Act, 2006-07*. Before we commence general debate, the Chair would like to remind members of a certain procedural matter regarding the reading of supplementary budgets.

Once general debate is concluded, the Committee will only deal with those departments that have new appropriations identified in Schedule A. Should members wish to ask questions or make comments about other issues, such as revenues or lapses, they should do so within the context of general debate.

### Bill No. 7 -- *Fourth Appropriation Act, 2006-07*

**Hon. Mr. Fentie:** I am pleased to introduce Bill No. 7, which is the *Fourth Appropriation Act, 2006-07*, to the Committee of the Whole.

This bill and the accompanying supplementary estimates serve to close out the 2006-07 fiscal year. This supplementary appropriation is required in order to fulfill the requirements of the *Financial Administration Act*. It provides the statutory authority for the expenditures of one department that exceeded its existing vote authority. Passage of this bill will regularize an overexpenditure by the Department of Community Services in the 2006-07 fiscal year.

The total value of the supplementary appropriation before the members today is \$82,000 in operation and maintenance for the Department of Community Services. The department incurred this expenditure increase over its appropriation primarily in the provision of services to unincorporated communities. This is a very modest request, considering the size of the department's total appropriation for this year. My colleague, the Minister of Community Services, will speak to this in more detail in a few moments and will, of course, be prepared to answer members' questions at that time.

The remainder of the departments underspent their allotted sums. As stated in second reading, the bulk of the underexpenditure is in capital. Departments lapsed approximately \$39 million of the total capital expenditures voted. Given the potential for delays with major multi-year capital property, it is common

to experience capital vote lapses. A large portion of these capital lapses, about \$27.9 million, is simply being carried forward to this year as a revote and is included in the first supplementary for 2007-08.

Mr. Chair, this supplementary budget document before us today reflects the content of the 2006-07 public accounts. I do not plan to go into the public account details, as the members have already had the opportunity to review them, and I also provided a summary of the highlights in second reading -- actually, I did not do that, Mr. Chair, but the Acting Minister of Finance did an admirable job in providing those highlights.

I will reiterate, though, that with the net financial resources on a non-consolidated basis of over \$135 million at the close of 2006-07, which is \$36 million more than the previous year-end, this government is indeed in solid financial shape. As stated earlier, the bill before the members today is required by the *Financial Administration Act* in order to provide the necessary authority for the operation and maintenance overage in the Department of Community Services.

I will be pleased to answer any questions of a general nature with respect to this supplementary. Thank you, Mr. Chair.

**Mr. Mitchell:** I thank the Finance minister for his brief comments. We do agree that this is largely a bit of a bookkeeping exercise to close out the fiscal year 2006-07 -- I spoke to that at second reading -- \$82,000 in additional spending authority for the Department of Community Services, since there was an overexpenditure. And if we didn't authorize this, in effect, we wouldn't be in compliance, and then there would be that extra note in the Auditor General's report, and we don't want that.

I made the points that I intended to make at second reading regarding the other areas where we felt money could have and should have been spent, considering the large lapses that occurred in certain departments, including Health and Social Services -- some \$2 million in O&M voted spending and, again, a little over \$2 million in capital votes in Health and Social Services. I really don't want to go into detail on those points again, other than to say that the money clearly was there and could have been used for increasing the social assistance rates, dealing with the need for a youth shelter for youth at risk and a number of other areas -- childcare rates that we talked about at the time -- had the government chosen to make those decisions -- that it wasn't for lack of resources; it was for lack of will.

There is one thing that does concern me, Mr. Chair: a pattern of ever-increasing budgets, with this government making announcements. We see these announcements one, two, three times and more before we actually see the projects occur. So what happens is, we have announcements in advance of perhaps main estimates of a particular year on some big potential project, and then we don't see it occur. We see announcements again coming into a fall sitting and the announcements are often accompanied by a large cheque demonstrating what the government is going to spend money on, then we again get the announcement in the midst of a sitting, referencing a particular line item in a supplementary budget, and then often those projects or programs don't get started at that time and so they get announced again later. I guess the government is getting a lot

of bang for the buck, because we announce the same \$30,000, \$40,000, \$50,000 or the same million dollars again and again. It's an interesting way of doing it. It's perhaps misleading to the public who, when they hear an announcement, expect that the event is going to be forthcoming in a quick manner.

I would also just take this opportunity to again ask that the government consider the provision of briefings on supplementary budgets, as opposed to simply main estimates. I think it would allow all of us on all sides of the House to make better use of our time, because the budgets themselves do not necessarily have a great level of detail. Without that other information, we often ask questions and then the answers are provided in sometimes a bit of a condescending way that says, "Well, this is what it means, not that."

It would better serve the public, in a cooperative spirit, for members on all sides of the House to arrive with that better level of detailed information. The government certainly has the officials who are capable of providing it, and, in fact, briefings are provided for some of the bills that come forward but not necessarily in any relation to the requests of the particular bills that we are looking for the briefings on, so again it is just a request.

I recognize that there have been past patterns of other government's that also haven't provided those briefings, but rather than get into, well, it not being done by a former NDP government or not being done by a former Liberal government, let's see if we can improve the process by providing consideration for that to occur in the future.

Other than that, I think it mostly has been said. The Finance minister made reference to the public accounts. We did raise an issue of funding that we think is at risk as a result of information in the public accounts -- and having to do with the asset-based commercial paper -- and we do recognize that there is a putative date, December 14, when the Montreal group -- I'm not sure of the official name, but I believe there was a group of officials and bankers who are hoping to have some more definitive information on the status of many of these financial instruments by that date. Right now that is just a working group and a hoped-for event.

There are increasingly more and more public comments by some fairly authoritative figures in the financial communities expressing concern about this not only in Canada but in the United States and in world markets.

We are concerned that investments that were meant to be short-term investments now may take years to be repaid, if they are ever fully repaid. That is a concern. We would question -- when you are looking at 30- and 60-day investments, which basically have to do with cash flow and not having more funds on hand than one needs, but having them on hand when one does need them -- for the relatively small differences in the rate of return that we are going to get over that period of time, why would there be an increased risk undertaken, rather than perhaps dealing with Government of Canada bonds and other instruments that are -- I won't use the term "safe as houses" because that seems to be at the core of this, that things are not necessarily as safe as houses. Rather, they are as safe as the Government of Canada, I guess is what we would have to say.

With that, I will allow the Finance minister to respond. I hope he will take the opportunity to respond to the matters at hand rather than giving us a history lesson of a time before any of us were sitting on this side of the House.

**Hon. Mr. Fentie:** Well, I always thought that the member opposite, the Leader of the Official Opposition, was very receptive to those history lessons, given the principle that to know where you're going, you must know where you've been. In the case of the Official Opposition, where the Liberal Party of this territory has been was not all that positive for the Yukon. Time and time again, we've seen a demonstration under this member's leadership of the Yukon Liberal Party that nothing has changed. The government side is merely trying to entice, encourage and change for the better. So, history lessons are intended to be constructive.

Considering history, the member has delved into a little bit of recent history with respect to the issue of investments by government. The member has made a suggestion -- here's why history lessons are important -- that there is a risk here. Why didn't the government invest in things like Canada savings bonds or Canada treasury bills?

Well, I want to point out to the member -- and this is something I hope the member will absorb -- that the rating on these investments in the marketplace was exactly the same as Government of Canada treasury bills -- I repeat, Mr. Chair: it was exactly the same as Government of Canada treasury bills -- and, in many cases, often higher than bankers' acceptances, provincial paper, and commercial paper of corporations.

So the risk factor of investment in this area, I would submit, was zero, considering the member's point about the Government of Canada treasury bills. However, the anomaly, the unforeseen circumstance, is one that the overall market is dealing with. I want to caution the member to take this position of risk and to enter into debate in a speculative manner because all we know to date, and all we are dealing with to date, is an extension of maturity.

The government has not lost one penny. In fact, I pointed out to the member in Question Period that, under this government's financial management, significant investment earnings have transpired for this territory.

Here's a little more history. In the past, under a Liberal government financial management approach to Yukon finances, investments did take place and revenue was earned -- a paltry \$366,000, almost \$367,000 in a year. Under our watch, if you go back to 2005-06 -- I'm going to repeat this, because I want the member to understand why we're doing this, that it is relative to benefit to Yukoners. In 2005-06, the investment earnings were some \$3.9 million. In 2006-07, the investment earnings were some \$7.5 million; rounded off, that's about \$11 million of earnings in two years. This is compared to \$366,000 in one year of earnings under a Liberal government watch. In this year to date, it is approximately another \$5 million in earnings. So the investment issue here is for us relative to the benefits accruing for the Yukon.

So I hope that that will put the member's mind at rest with respect to this issue.

The comment in terms of lapsed monies and moving monies around that the member opposite has related to, in many cases, Mr. Chair -- I would hope that the member understands this as part of the requirement of financial management in the Yukon -- is that spending authority is provided in this Assembly. So it isn't a question of moving money around; it is a question of going through the required processes, getting spending authority and investing accordingly. I think we've demonstrated that, in many cases, lapsed monies are due to ongoing projects; and the bulk of the capital reflects that. In other matters, there are good reasons why. The government has a plan and a vision and where it invests its money is directly related to that plan and vision.

Mr. Chair, the member also took exception to the government announcing things, but it wasn't that long ago that the members opposite were accusing the government of being -- how was it? Secretive, closed, not informing the public. But today we're hearing -- and this was a statement by the member -- that we consistently announce things in the public. I guess the point there is that the member was mistaken, and in history, one learns. In this case I think the member has learned that we're not closed and secretive, but we make every effort to announce to the public, to Yukoners, what it is their government is doing.

Furthermore, what we're debating here in Committee is one department's overexpenditure, which, again, we have dealt with accordingly with respect to the *Financial Administration Act*. The good news about this is the Department of Community Services recognized needs in unincorporated communities and it certainly did what was required to address circumstances that transpired during the course of the fiscal year 2006-07.

I hope the member understands that the history lessons provided by the government side are intended to be constructive. In the spirit of being positive and cooperative with the members opposite, I just hope that they will someday do some good.

**Mr. Mitchell:** There can certainly only be one Mr. Fentie, Mr. Chair. We wouldn't want to be cloning him.

Let's answer these in a bit of a reverse order. First of all, the minister made reference to the one line item for new spending, the \$82,000 in communities. I believe, if he checks the Blues, he will probably see that we spoke to that at second reading and we in fact said that these were no doubt important things to do and we supported the fact that the government had done so. We're *ad idem* here; we're not going to disagree on that one. We can tick that off the Finance minister's list of lessons because we didn't need to learn it; we actually had spoken to it.

In terms of moving money around, the minister made reference to how we actually vote for specific things in this Assembly and we don't get to move them around. I guess the lesson there, since we're having history lessons, would be the number of times over the past couple of years, starting with the main estimates for the year in question and again with each supplementary budget that we suggested to the government that they could do better -- that they could address the need for ad-

ditional funding in areas such as social assistance, childcare and youth at risk.

The point of the discussion is that each time the minister in that particular fiscal year brought forward another spending bill, another estimate -- and I believe that this is the fourth one -- he had another opportunity -- sadly another lost opportunity -- to address these serious and important issues to Yukoners. Clearly, since the government was unable to move forward expeditiously with some of their other capital projects, the money was available. It wasn't that money was so tight that there was no alternative. That was the point we were making and it really remains unanswered. This government chose not to try to improve the situation for people in 2006-07 who were on social assistance, chose not to try to improve the situation for families who were struggling to afford childcare, chose not to try to improve the situation for childcare providers, and chose not to try to improve the situation for childcare workers. They had the opportunity and they chose not to. That was the point.

The Finance minister made the comparison that the bond rating agencies had, in effect, given the same rating to Government of Canada treasury bills as they did to some of these asset-based commercial paper instruments. That is correct.

However, incorrect is his assertion that, therefore, the risk factor was zero. That's wrong. The perceived risk factor may have been very small since there is never a zero risk factor. Anything including something backed by the Government of Canada could theoretically go unpaid if there were to be a true calamity and a true meltdown, but the risk factors are generally very low for those kinds of instruments.

He said the risk factor was therefore zero. Well, it's *prima facie* evident that it wasn't zero because billions of dollars are going unpaid right now in the financial markets. He made reference earlier today to an extension of the term. Well, it wasn't a voluntary extension. It wasn't an extension where the Government of Yukon said, "You know, we put this money in the markets for a 60-day term but let's leave it there for six months or perhaps six years."

I would compare it to if a Yukon family put money in one of the chartered banks, in a savings account, at a low rate of interest because that money is always readily available and you don't take a lot of risks so you don't get a lot of return on your investment. Then the time came to pay the hydro bill or the time came to pay the phone bill and that Yukon family went into the bank to withdraw the funds and was told by the bank manager, "I'm sorry, we don't have your money here today, and we won't have it tomorrow, and we won't have it next week. But we may have it three months from now." That would be, to say the least, disappointing to that Yukon family who thought they were going to pay their bills on time to be told by the bank that their money was currently unavailable but might be available at a future date.

In point of fact, there have been times in history, in 1929 and in the early 1930s, when there were bank collapses and people didn't get paid back. We certainly don't expect that to be the case now and we certainly hope that we don't see those kinds of repercussions in the financial markets.

The minister is wrong in not looking at history if he says the risk factor was zero.

Clearly the risk factor was more than zero because he can't withdraw those funds this week or next week, from what we've heard. Other than that, we indicated we were in support of this measure at second reading and I'm sure the Finance minister will have more history lessons for me, but I have nothing more to say at this time.

#### Chair's statement

**Chair:** Order please. Before we continue, the Chair would like to remind members not to refer to each other by name.

**Hon. Mr. Fentie:** I have to respond in this manner: the member made reference to the government's investment in the area of subprime mortgage or asset-backed paper investment and correlated that to why the government didn't reference this point -- why the government didn't instead invest in Canada treasury bonds?

The point made here is the government invested in something that had the same rating as the Canada treasury; therefore, the risk factor differential, given the member's point, is zero. They're the same. It wasn't the government side that said we should have invested in Canada treasury bonds; it was the member opposite. I just wanted to make that point.

The other issue is that the member brought up childcare. I know how the member has tried to take issue with this, but the government has invested \$5 million more in this mandate into daycare. That's a substantial increase that has been put into the system. The members opposite were only going to put \$2.5 million more into the system.

Regardless of the debate here today, the government side has doubled -- invested twice the amount -- what the official opposition said they would.

I can recall in the discussion during the campaign of 2006 that we stated clearly that we believe the Liberals have fallen far short of what must be provided for the system. Again, we can readily refute these claims by the member opposite. The work is being done on many fronts. To suggest that the budget of 2006-07 has fallen short of Yukoners' expectations makes me wonder if the member has been around the Yukon lately. Has the member looked at where we're going with the increasing private sector and the investments there that are ever-increasing? There is a tremendous demand for workers in this territory. Has the member looked at the move in education, what we're doing there -- with the increased investments in health care for Yukoners, the increased emphasis on the Department of Environment and its work, or the focus on climate change and the strategies therein and the strategic action plan for implementing our climate change strategy? Has he looked at our continued investment in building our government-to-government relationship with First Nations? It's all in the budget.

What does it do? Well, the budget and its investments in general, in total, are creating a better quality of life for Yukoners. That is hardly a negative, Mr. Chair. It's hardly a situation where Yukoners are opposing where their government is in-

vesting the resources available to this territory. I would suggest, though, that the evidence clearly shows that the investments begun under this government's watch in 2002, carried forward to 2006-07 and are producing the desired results as we intended and as we committed to the Yukon public. I think that the demonstration of the election in October 2006 and what transpired clearly reflect that Yukoners agree.

**Chair:** Is there any further general debate? Seeing none, we will proceed to Vote 51, Community Services.

### **Department of Community Services**

**Hon. Mr. Hart:** Just for the members opposite, I too will try to keep my speech relatively short, considering all the discussion that has taken place on this particular aspect, as well as the information I did provide during the second reading. As I mentioned in second reading, I did provide a fairly detailed breakdown of expenditures resulting in the \$82,000 overage with regard to Community Services -- although some members on the opposite side did not read the Blues and asked for it again. I'm more than happy to discuss any specific item that the members opposite bring up, and I look forward to the support of the action.

**Chair:** We will now proceed line by line. Vote 51.

#### ***On Operation and Maintenance Expenditures***

***Total Operation and Maintenance Expenditures in the amount of \$82,000 agreed to***

#### ***Department of Community Services agreed to***

*On Schedule A*

*Schedule A agreed to*

*On Schedule B*

*Schedule B agreed to*

*On Clause 1*

*Clause 1 agreed to*

*On Clause 2*

*Clause 2 agreed to*

*On Clause 3*

*Clause 3 agreed to*

*On Title*

*Title agreed to*

**Hon. Mr. Hart:** I move that Bill No. 7, entitled *Fourth Appropriation Act, 2006-07*, be reported without amendment.

**Chair:** It has been moved by Mr. Hart that Bill No. 7, entitled *Fourth Appropriation Act, 2006-07*, be reported without amendment.

*Motion agreed to*

### **Bill No. 8 -- Second Appropriation Act, 2007-08**

**Chair:** We will now continue with Bill No. 8, *Second Appropriation Act, 2007-08*.

**Hon. Mr. Fentie:** I am very pleased to introduce to Committee of the Whole Bill No. 8, *Second Appropriation Act, 2007-08*.

This bill and accompanying supplementary estimates detail the expenditure changes that require additional legislative appropriation authority for this fiscal year. They also provide an update on the financial position of the government itself.

By means of these supplementary estimates, we are asking approval to spend an additional \$25.1 million in operation and maintenance and \$27.6 million in capital, for a total of just under \$52.7 million.

Revenues and recoveries, in total, are estimated to increase by \$17 million to \$841 million. Over \$10 million of this increase is derived from recoveries on capital projects revoted from the previous year. The bulk of the remaining increases are derived from the recoveries in the departments of Community Services and Health and Social Services.

A large component of the increased recoveries in Community Services is from Canada for flood recovery resulting from the much-needed flood assistance that we are offering to residents of the Southern Lakes, Liard and Lake Laberge areas.

In Health and Social Services, there is a relatively large recovery from Canada related to the Infoway electronic health records project, and increased recoveries from third parties in Canada derived from reimbursements of the increased costs of providing services.

The result of all these requested and expected changes is that the year-end annual deficit is expected to be just under \$14.8 million.

I would like to take this opportunity to briefly explain how changes to the accounting rules prescribed by the Public Sector Accounting Board can affect our annual surplus or deficit. Of particular note is the accounting treatment of transfers from Canada.

The government side believes -- and I think we all understand -- in the matching principle -- matching revenues with expenses -- as a basic, general, accepted accounting standard. However, recent developments prescribed by the Public Sector Accounting Board generally require that governments record and disclose revenues in their financial statements when they become available, rather than when any expenditures are made against these revenues. This creates a timing difference in the recording of revenues vis-à-vis associated expenses.

Now, there is no doubt that the Yukon has benefited from significant trusts. These include the \$40-million northern strategy trust and the \$50-million northern housing trust received from the federal government. In most cases, the Yukon government has been required to record these as revenues in the year eligibility was determined, prior to any expenditures being made against these trusts. As revenues have been recorded in prior years and expenditures recorded later, it is to be expected that there will likely be fluctuations in our future statements of annual surplus or deficit.

I provide this background information so that the members and the public can better understand the annual financial surplus or deficit for this fiscal year. It is also important to view the government's financial picture in terms of multiple indicators.

Other important financial indicators are the accumulated surplus and the net financial resources. Accumulated surplus at the end of this fiscal year is forecast to be over \$531 million, and the net financial resource position of government to year-end is projected to be a healthy \$99.5 million.

The Yukon is one of only two Canadian jurisdictions having net financial resources, as opposed to net debt -- significant, Mr. Chair, considering the distance we've travelled and from where we've come.

This is a very important indicator of our financial health, as it means we have more financial assets than liabilities. I think that is simply understood.

As members know, revotes are a recurring item in the first supplementary of the year. Revotes in O&M and capital total approximately \$30 million of the budgetary authority sought. This supplementary budget also contains a provision for Yukon government employee wage increases. As members are aware, there was ratification of a renewed collective agreement earlier this year, requiring additional funding for employee compensation.

In my second reading speech -- which I will again state was not mine but was delivered by the Acting Minister of Finance, who once again did an admirable job in my stead. She highlighted many of the initiatives in this supplementary budget related to sport and culture, health and safety of Yukoners, childcare and education, as well as the environment. In the interest of time, I will not reiterate them in Committee. When we are in line-by-line debate, we will of course cover these initiatives and others in great detail.

This supplementary budget also reflects an increased investment in infrastructure to support the Yukon contracting sector. Capital spending is forecast to be \$240 million once this supplementary budget is approved. A few of these important infrastructure investments include \$1 million for the Robert Campbell Highway this fiscal year, which is the beginning of an investment of over \$31 million to improve and upgrade the Robert Campbell Highway in support of healthy, viable Yukon communities and economic growth.

There is \$875,000 for the work on the Hamilton Boulevard extension. There is \$800,000 for newly approved projects under the municipal rural infrastructure fund and \$738,000 for the Whitehorse Airport parking lot expansion.

Mr. Chair, members will note from the supplementary estimates that departments have identified a number of reduced funding requirements. Most reductions are lapses due to timing issues and, as a result, the expenditures will be reflected in the coming 2008-09 estimates or as revotes in the future.

At this point, Mr. Chair, I think there is little more that needs to be said about this supplementary budget. I am confident we will get into its contents in great detail in the days ahead and I look forward to those discussions. I must point out, however, that this supplementary once again demonstrates the direction the Yukon Party government is taking the territory -- a positive direction, building a better quality of life for Yukoners. I would be pleased to address any questions from the members opposite at this time.

**Mr. Mitchell:** It's with great pleasure that we enter into general debate on Bill No. 8, the first supplementary estimate for 2007-08.

First off, I just would like to point out for the record that, yes, we're aware of the accounting changes that have been implemented over a number of years based on the Auditor Gen-

eral and others making recommendations for public accounting to be done in a different way. However, you have to take the good with the bad and the sweet with the sour. When the minister was booking those large trusts from the Government of Canada -- the \$40-million northern trust, the \$50-million northern housing trust -- the Finance minister at the time was very pleased to report on the surplus situation that the government found itself in. Although it is a result of the same process, if you're going to make a whole lot of news about surpluses when they occur due to revenue being booked, then I guess you have to accept the fact that, as in this year as a result of the expenditures now coming forward -- whereas the revenue was already booked -- there is in fact, as the minister says, a \$14.7-million or almost \$14.8-million deficit projected in this current fiscal year.

So, that's the reality of it and there is no reason to belabour the point any further.

One of the things this budget does do is it continues to show the reliance that we have on revenues received from Canada and, as the minister has often pointed out, Yukoners deserve to have the same level of services as any other jurisdiction in Canada has, and we agree. However, we do note that, as a percentage, our reliance on Canada continues to remain fairly constant, I think. If you look, for example, at the increase in federal revenues from the 2003-04 main estimates to the 2007-08 year as presented in this supplementary budget -- I believe it's a 51-percent increase in revenue coming from Canada. The federal contribution, as a percentage of the total budget in 2007-08 is some 78 percent. In fact, if you were to subtract other revenue, such as Shikwak revenue, that is not generated within our borders, the territorial percentage falls to some 18 percent.

We are still reliant -- some 80 percent or more -- on Canada. Even in an era where we have tremendously high prices for base minerals -- again, record territory we are entering into for the price of gold and I think it was some \$820 million odd today -- we still have a way to go.

Again we see, as the minister has pointed out, several million dollars additionally from Ottawa that have arrived since we met last spring. In 2003-04 the revenues from Canada were, I think, \$435 million. Now they are showing at \$657 million if you add in all the different sources. In any case, this is a large chunk out of a billion-dollar GDP. It's a huge increase that we've had over a number of years. This is perhaps the number one reason that our economy is in better shape -- that and the metal prices. We have continued to say so.

Five years ago the price of gold was \$260. Today it sits at \$815 or \$820. Silver, copper, lead and other metals have experienced similar increases. The Minister of Economic Development likes to talk about the fact that they are world metal prices and exist anywhere. I have an article here that was forwarded to us from the mine training office to everyone as part of the information they put out. It is an interesting article. I will file some copies for members' benefit, but I would point out that this article, which is from the Canadian Press and dated November 1, is entitled, "Mineral Exploration in Nunavut Booming". It says that this week the Government of Nunavut

released figures suggesting the territory is heading for its eighth year of record spending on mineral exploration out of the past nine. The sector that injected about \$26 million into the economy in 1999 is now expected to pump in nearly \$230 million in 2007. That's nearly one-quarter of Nunavut's entire GDP and a 17-percent climb from last year.

In the case of Nunavut they talk about -- and I don't want to read the whole article -- uranium driving it, but they go on to talk about other metals and, "High commodity prices have even spurred interest in lower value resources," says the article. "Nunavut has nine base metal projects, six companies examining nickel-copper deposits and two focused on iron. The activity is spread all over the territorial map." The article later on says, "The good times for miners aren't expected to stop any time soon."

The point I want to make here, Mr. Chair, is that it is not only in Yukon, but this is a phenomenon that is having tremendous impact on northern Canada, Nunavut, Northwest Territories -- indeed any area where there are large areas of potentially rich resources that have yet to be developed. Of course, it is happening here as well.

We heard the recent announcements regarding the work toward bring the Mactung deposit into production, and I know that in the early to mid-1970s, I, when I was in my 20s, had many friends working in Macmillan Pass at the time doing the exploration and the geology work for this. But the prices of the minerals did not allow for anything to come to fruition at that time. We see the Ruby Creek property in Atlin getting very close to a permitting situation. We see that that is happening, because price of molybdenum is over \$30 per pound whereas the price of molybdenum just a few years ago was sitting at \$6 per pound. That is a five-fold increase.

This is responsible for much of what we see.

Now, what we are also seeing is a government that has been unable to move forward in a timely manner with some of their larger capital projects. We've seen delay after delay in reaching a final project for the replacement of the Whitehorse Correctional Centre. From the time the project was commenced and the pad was prepared and work was being done in 2002, this government ended the project and went through a long process of re-examination and consultation -- and I believe there were some good things that came from that process. Some good input came from First Nations as well as other Yukoners.

However, hundreds and hundreds of thousands of dollars -- millions of dollars -- have also been expended on repairing the current aging facility as a result of the delay in moving forward with this project. So, we question the decision-making process, we question the stewardship, and we question the ability of the government to move forward with large projects.

There is \$99.5 million -- we could round it off, since it's a little over \$99.5 million -- in net financial resources. We tend to refer to it -- and the government does as well, so I think we're all accepting that that's what we're referring to as the surplus now, rather than the \$531-million accumulated surplus, which includes the value of a lot of our fixed capital assets rolled in that is different from the way things were done a

number of years ago when they were considered expended when government actually built an asset.

So, this is the closest thing we have to looking at the surplus. If not the largest amount in Yukon history, it's certainly the largest amount in recent memory. As a result, we have questioned this government's ability to make decisions and get them completed.

We saw the on-again/off-again decision-making on the multi-level health care facility in Dawson, and that facility is reflected again in this year's supplementary budget by a, I believe, \$100,000 expenditure, so we presume that this is again money for planning such a facility. While the minister is taking notes in a very joking mood and laughing at some of these concerns, we would ask him to give us some numbers on how much money has been expended on the previous planning process to date on that particular facility. We saw the difficulties that this government has had in completing the multi-level facility that was originally projected to be \$5.2 million, and now the multi-level care facility in Watson Lake has reached a sum total of some \$9.9 million. It's approaching double the original projection and it's still not open and serving Yukoners, although we certainly hope that will be completed this winter and that that needed facility will come into use, but again, there is inability to get that project completed.

I will move on to some other areas. I'll ask some questions, because I know when the minister is on his feet he'll want to respond to more than one issue at a time. The \$17.5 million for affordable housing -- could the minister give us an explanation of where that has gone? It sort of went into that surplus that the minister talked about. I'm making reference to the \$50 million in that northern housing trust and then there was a transfer to First Nation governments of \$32.5 million, I believe. That left \$17.5 million for the Yukon government. Could the minister just give us an explanation of how that's currently booked and where it's sitting?

Again, if the minister has any comments from his colleague, the minister responsible for Yukon Housing Corporation, or any other colleagues who may be looking at making decisions regarding this money, what does the government have planned for it -- or has any of it already been spent?

Several days ago I raised in Question Period the \$14 million outstanding from Ottawa for health care costs. I am wondering if the Finance minister has a timeline for when that money is expected to be collected. When he was having meetings with Minister Strahl, was the slowness of those payments -- and the minister has indicated that at one point the amount was \$20 million and that progress has been made. In any of the protocols that were signed and the memorandums of understanding, has there been any progress made in seeing these monies recovered more expeditiously than has been the case in the past?

I have already made reference to the \$36.5 million in the asset-based commercial paper, and the minister may want to speak to that further while he has the Finance officials close at hand. I would point out that there is a lot being said about this. I will read some things into the record, with the Chair's indulgence, and I have some other documents that I can file.



This one is dated today, from Reuters, and it states that grim warnings sent ripples through markets. It says, "Bleak warnings of more pain to come in the credit sphere snowballed on Tuesday and fears of subprime losses yet to be unearthed rattled money markets." Bank of England Governor Mervyn King said it would take months for banks to reveal their full losses stemming from risky mortgages. Former Federal Reserve chief Alan Greenspan said that the housing debacle was a major risk to the U.S. economy.

"Red ink flowed as IndyMac Bancorp Inc., one of the largest independent U.S. mortgage lenders, posted a third-quarter net loss of \$202.7 million due to mounting delinquencies and a collapse in investor demand to buy its home loans. The loss was five times larger than it had projected," and it goes on.

"The International Monetary Fund Chief Economist Simon Johnson said financial market anxiety may have entered a second phase that could cause more credit tightening. Meanwhile, Bank of England's King reminded investors the banking sector had a long slog ahead."

Now, the reason I raised that is, whether it be the Bank of England or the IMF or statements coming out of the United States, they are interconnected. The money markets, as the minister knows, are interconnected, and these are serious issues. I think the minister has made light of it a little bit when he indicated it was simply an extension of a loan and it would all be resolved by December 14.

I just wanted to point out to the minister that we are not simply fixating on one thing without due cause. Rather, when we went through the public accounts, it did concern us. I wasn't sure what the minister meant when he was referring to a CBC story today, because there have been stories for weeks and months about this. I realize when he came out of the House that a reporter we talked to earlier today had actually run a story on it before we got to Question Period. The minister apparently had a heads-up of an hour or more, and I don't think he was very convincing to Yukoners with his answer, having had that much time.

Other questions that we would ask about revolve around the minister's meetings with Minister Strahl and wondering when the Premier will be making public the nine-year review document that we know will be done.

Also, the three outstanding land claims that I referenced earlier last week -- the Fitch report -- did he have an opportunity to discuss those land claims at all with the INAC minister while he was here, and how is this issue being moved forward, or is it at this time?

With that, I know the minister has been taking careful notes, and I look forward -- eagerly -- to the history lessons and the great financial acumen and lessons that will be forthcoming.

**Hon. Mr. Fentie:** Well, that's quite a lengthy dissertation, so I guess it will require some history -- not necessarily a lesson, because the lessons are simply falling on deaf ears. But we'll get into some history.

The member began by -- I think the Leader of the Official Opposition was trying to make the point that what's happening in Yukon is simply due to external forces -- it has nothing to do

with what the government is doing. And he tried to make the case by demonstrating what was going on in Nunavut.

I found that very interesting because the member stated -- according to the report he was reciting -- that in the last eight to nine years there has been growth in the mining sector in Nunavut -- increased interest, increased investment. And I stress this point: "eight to nine years". If I could find it in the member's documents here -- but I believe the member did state that this is an ongoing increase in mining activity in Nunavut over the last eight to nine years.

Well, isn't that interesting. Let us now compare that to the Yukon. Why is it, then, that as recently as 2002 -- that would be five years ago -- the Yukon mining sector invested a mere \$6.9 million? Now, let's remember, the member said "eight to nine years ago" in Nunavut and in other areas. We've stated this ourselves. Investment in the mining industry was taking place, but not in Yukon. Proof positive -- in 2002, \$6.9 million invested in Yukon.

By the way, in 2002 there was a Liberal government in office here in the Yukon where this \$6.9 million mining investment took place, when the exodus of Yukon population was taking place; double-digit unemployment in the Yukon was happening -- and the member talks about fiscal management -- overdraft charges being levied against the government to pay for employee wages and other program and service delivery to Yukoners.

Now let's look at what transpired. An election took place in 2002 and Yukoners, tired of the exodus, the massive unemployment, the negative outlook that Yukoners had for their territory, the lack of vision and planning by the then Liberal government, cast the Liberals out of office and elected a Yukon Party government. Now, what has transpired since 2002? In 2003 we went from \$6.9 million in mining investment to \$18.1 million. In 2004 we went from \$18.1 million to \$22 million. In 2005 we went from \$22 million to \$50 million.

Now I remind everybody in the House, Mr. Chair, that the Leader of the Official Opposition referred to a growth in Nunavut that goes back eight to nine years. In the Yukon that growth began five years ago. We were shy four years of that investment, and I think we all know why. It is more than just ironic that this significant change in interest and investment certainty for Yukon took place with the election of a Yukon Party government.

I'll go further: projections show that if you calculate exploration, development and production investment in Yukon today in the mining sector, we are heading to the \$200 million threshold.

I think the member has really made a boobo in this regard in trying to make a case that the government in office today has had nothing to do with what has gone on. The member does this in many cases, in many examples, continually trying to create some fantasy that certainly isn't the reality of today in the Yukon Territory.

Now, the member once again has referred to federal largesse. Well, we have absolutely no qualms about stating that we were very effective in negotiating the appropriate fiscal terms for the Yukon Territory, which has allowed us to take

budgets that were at a mere \$400 million to \$500 million, lacking in a litany of areas in addressing Yukoners' needs and in building Yukon's future under the former Liberal government's watch. We today have exceeded the \$900-million threshold.

Now, that negotiation with Canada was relative to what we are entitled to in the north, in the Yukon, in the N.W.T. and in Nunavut. That's money, that's resources being invested in delivering programs and services to Yukoners, but also in increasing our capital investment -- stimulating. I would repeat the word for the members opposite -- stimulating the Yukon economy. That's one of the things that was lacking. There was no stimulus.

It's all relevant to cash flow, Mr. Chair. We, the Yukon Party government, significantly increased the cash flow available in the Yukon, stimulating the Yukon economy, creating a positive outlook for Yukoners, creating certainty for the investment community, and look at what's going on.

Let's just take Whitehorse, for example, and all the construction that is happening. It's not all government construction; it's private sector investment -- building buildings and contributing to the Yukon economy.

And let's do another comparison. The government's net capital investment for 2006-07 is some \$130 million -- approximately. That's our net capital investment for stimulus. In today's Yukon, one sector is going to increase that investment, and that is the mining sector. There is close to \$200 million of investment in total, which is now creating benefit and opportunity for Yukoners.

So, again, the member's point that it's all government -- thanks to our national government -- is, in fact, incorrect. And furthermore, I would point out that Yukon's revenues continue to grow, whether it be corporate tax, personal tax -- these are good litmus tests for what's happening in the economy. Under the negotiations that have taken place with Canada, we will retain 30 percent of that continued growth of own-source revenue.

Mr. Chair, I think that's a pretty good financial picture for the Yukon as it exists today, and going forward it can only get better because the private sector is continuing to grow and take on more and more of building Yukon's economy, as we said we would do.

As a government, we've also reduced taxes. In this environment of continued growth in investment and development and job creation in the Yukon, we've reduced taxes for Yukoners and for Yukon companies -- putting more resources into the hands of Yukoners and the private sector for further stimulating our economy.

So when we put it all together, the Yukon has really turned the corner in the last five years. Unfortunately, we missed out on four years of investment and growth because of the inadequacies of former governments' policies and management of Yukon affairs.

Now, there is the issue of the jail. The member says that the pad was ready and the building was going to be constructed. It was another warehouse for Liberal catch-and-release justice. That is not what the Yukon Party government intends to do. We set out on a process of correctional reform. I

notice that the Member for Porter Creek South finds great levity in this aspect of Liberal catch-and-release justice, but that's what has been going on. It has been a revolving door in this territory, creating 80-percent-plus recidivism in Yukon. That is unacceptable. Under the Minister of Justice's watch, we have set about the process of correctional reform.

Another point to be made is that obviously the Leader of the Official Opposition takes issue now that we are going through this process. It is a needless delay and we should have built a new jail by now. In the same breath, the Official Opposition will say that the government does not consult. I must remind the member that correctional reform has been another example of the significant consultation this government undertakes with First Nations and Yukoners. It is producing results. We will, through our efforts and the leadership of the Minister of Justice, finally move this territory away from Liberal catch-and-release justice.

Mr. Chair, the member makes a point of the net financial position as being our surplus. No, that's not correct, Mr. Chair. What it is, is our -- let's call it our cash position versus other jurisdictions, which have debt. Yukon is one of two jurisdictions in Canada today with a net financial position that is not debt. It is cash available. Mr. Chair, we take great pride in that fact; unlike those five short years ago when we were paying overdraft charges under Liberal financial management. The accumulated surplus that we have is some \$540 million. That's important, because that is what the Yukon is worth: our net cash position, plus all other assets related to what is a surplus position. This is another significant milestone for this territory.

The member got back into this issue of a subprime investment and called it a loan. We didn't loan money. This is not a loan. It is a standard practice by all governments to invest cash available. In doing so, it creates earnings for Yukoners. The former Liberal government invested available cash, and it earned a total in 2002-03 of \$366,000. Let's fast-forward to Yukon Party government financial management: ever increasing earnings, Mr. Chair, to the point where we in our first fiscal year -- with a territory that had no cash, was in terrible financial shape and had limited options fiscally to address the problems that existed in Yukon and stimulate the Yukon economy -- earned in investments \$793,000.

In our second year of budgeting and ongoing negotiation with Canada -- another history lesson for the member -- getting what is our right, being able to provide a standard level of services and program delivery to Yukoners and actually create an economy, we increased \$830,000. In 2005-06, \$3.9 million. In 2006-07, \$7.5 million of revenue accrued from investments by the very capable people in our Department of Finance. This year to date, there is approximately another \$5 million in revenue for the Yukon through investments. So to suggest that we've loaned money is erroneous; we've invested money. We've already gone through the discussion about how this investment was equivalent, given the same standard, the same rating, as even Canada treasury bonds. Now, here are the facts. The fact is we're dealing with a maturity-date issue. That maturity date is now to be extended. The government has not lost one penny of this money; the government is going to work

within the process, which is ongoing, to ensure that we continue this trend of increased earnings for Yukoners through our investment practices as all other governments do. I guess the salient point is that we are continually increasing the fiscal capacity of the Yukon Territory -- not just by what we have negotiated in our just receipt from Canada, but in all other facets of earnings possible for this territory. That is what we intended to do when we set out in 2002 to lead this territory in a positive direction and build a better quality of life for Yukoners. That's what's happening today, Mr. Chair, and the Yukon Party government is indeed very proud of the results and the accomplishments to date.

I owe a great deal to officials in each and every department who have taken on the challenge of delivering what we, the Yukon Party, the elected government, want to see happening in this territory, also to the leadership, to our ministers and to our team in general. Things have certainly changed for Yukon in five short years. Too bad we missed those four years of investment and benefit that other jurisdictions were receiving while we languished under Liberal government management.

The land claim issue is an important one. We had a great discussion in our intergovernmental forum with Minister Strahl. We are advancing through the nine-year review. I can't say whether or not the report will be made public in the near future. It's in the hands of the federal government. However, we have tasked officials to get to work on what needs to be done in structuring a new mandate for implementation of final agreements and self-government agreements. That includes the work that needs to be wrapped up on the gross expenditure base. That would lead to, among other things, a new financial transfer agreement.

The \$17.5 million for the northern housing trust is in general revenue, where we are supposed to put it. That is normal accounting practice. Of course, Mr. Chair, we will be announcing to Yukoners where we are investing affordable housing money. I think that our minister responsible for the Women's Directorate alluded to an announcement that will be forthcoming shortly on addressing some of the affordable housing needs here in Yukon.

I hope that the member isn't just simply taking that as a history lesson, as he brought up the history of nine years ago in Nunavut and other jurisdictions, and that he is now reflecting on the facts and recognizing that there is a better way to lead the territory than past governments have done.

**Mr. Mitchell:** Well, regarding the point that the minister was trying to make regarding Nunavut and why they were doing better than us for longer, I guess I would provide the minister with two words: diamonds and uranium. If the minister looks at the article, he'll see that, of Nunavut's 135 active exploration projects, 49 involve uranium; diamonds come next at 41 projects, followed by gold at 25. So diamonds and uranium would be why things were busier sooner in Nunavut.

So while we're disagreeing, obviously the minister feels that we're proving his point and I feel he's not proving his point. But they go on to talk about the other base metal projects that they have going. The point I was trying to make is that anywhere where there are resources -- and every jurisdiction is

different -- things are busy. I'm not going to spend any more time on it.

The minister says the net assets -- "total net worth", I believe he used -- of the Government of Yukon are over \$531 million. Surely -- surely -- the minister is not now going to take credit for a change in accounting standards, based on the recommendations of the CCPAC -- the Canadian Council of Public Accounts Committees -- changing how the public accounts are kept, which has been occurring in jurisdictions across the country.

The minister didn't manufacture any wealth. If you went back 10 years and tried to restate the numbers, you would have the numbers of all those assets included. But we didn't do it that way before. In the year Elijah Smith Elementary School was built, it was expensed as an expenditure. Since then, that school, as other schools and other public buildings, has come back in to being included in the accumulated surplus.

The minister started talking about the numbers and said, "Now that we have this several-hundred-million-dollar surplus, how do we want to spend the money?" I believe his predecessor, the late Mr. Ostashek, the former government leader, chastised this Finance minister in a public interview for heading down a dangerous or potentially misleading path by trying to make the comparison in a different way, when it was the standards that had changed.

As for what else had occurred in prior years, I would suggest that part of the large picture in terms of why mining had ground to a halt in this territory -- and I saw the same thing happening when I lived in the Province of British Columbia -- can be summarized by three words with which the minister should be very familiar: New Democratic Party, his former caucus. He sat with the NDP government when the Faro mine closed. He was there when mining was going down further and further. He makes reference to a current member of the NDP. I will suggest that that member wasn't sitting there at that time, so I don't think that he should be blaming the Member for McIntyre-Takhini for his own past sins, so to speak. And yes, there was the highly successful forest commission that turned the forestry industry around in this territory under his good stewardship.

Regarding the lessons that the minister wanted to talk about and what was happening in the private sector, I'm quite aware of what was happening in the private sector. I was in the private sector while there was a formal Liberal government here, I was investing my money in the future of Yukon in the private sector, because I had confidence in the future of Yukon.

Other than that, I would point out that I didn't sit as part of a previous Liberal government. I can't answer all the minister's questions regarding what went on and the amount of overdraft charges that were apparently paid in one particular fiscal year. I don't see that there is anything productive in trying to do so. I wasn't here then. But he certainly was here, sitting as part of a New Democrat government when the mines closed down. Perhaps he'd like to explain his participation in that lack of confidence in the territory because he was there and was sitting on the government side, but flying a different banner.

As far as mining is concerned, I have great confidence in mining. If I wasn't an elected member of this Legislative Assembly and hadn't had the privilege of attending the annual mining conference, formerly known as the Cordilleran Roundup, in Vancouver at public expense, I would certainly have been investing in Sherwood Copper and other projects. I think that when one receives information based on one's public position, one does not do that and so I didn't. I certainly have been a supporter of mining for many years. I did so when I was in the private sector and I will do so while I am in the public sector.

Going back to questions, can the minister perhaps give us an update on the multi-level health care facility in Watson Lake, because it is his home jurisdiction? I am sure he has some of the latest information on it. The Auditor General, in her report on the Department of Highways and Public Works, was very critical of the overexpenditures and the amount of money spent sole-sourcing. As I mentioned, it was originally \$10.4 million for the construction of two facilities, one in Dawson and one in Watson Lake. We see that we are up to about \$9.9 million in Watson Lake and perhaps more, because there are some references to furniture and other amounts under the Health and Social Services budget and we really don't know, in the absence of a briefing, whether or not any of that is for the fitting out of that particular facility. We are certainly curious about the question the minister didn't answer, which was how much money has been expended to date in Dawson City to get back to the beginning of the planning process -- back to the future again -- in the Yukon Party's five years in office.

Again, as we said, under the leadership of the Member for Lake Laberge -- the Health and Social Services minister -- we have seen the costs for the Watson Lake project spiral. It was \$1.7 million in 2005-06, with an additional \$1.2 million in 2006-07, to \$6.9 million in 2007-08. The simple question is: when will it be completed?

Moving on to some other issues, I would like to ask the minister, since he's also the Environment minister, about the climate change action plan. When will that be ready because, as the minister has sort of said, and I'll paraphrase: "If you don't know where you've been, you don't know where you're going." I think there have been comments like that made by the Economic Development minister, so we certainly want to see the action plan so that we'll know where we're going. We'd like to know when we're going to see it.

The minister's colleague, Mr. Chair -- I can't refer to you in the Chair, but I believe a motion was recently tabled by the Member for Klondike -- I think would be the way I would make reference to this -- regarding urging the Government of Canada to give due consideration to build in Yukon the world-class, cutting-edge Arctic research station that was announced in the Speech from the Throne on October 16, 2007 -- that's the federal Speech from the Throne -- in conjunction with the Government of Yukon's establishment of a Climate Change Research Centre of Excellence for the north at Yukon College and its community campuses. Now, I know that's one of two motions called for the government private members' day tomorrow, but we thought we would ask now since we have the opportunity.

Has the Premier had any discussion with the Prime Minister about this federal announcement? The Environment minister discussed the Climate Change Research Centre of Excellence with Minister Baird in February. How much money did the Environment minister request for this project and has he in fact received any promised funding from Ottawa for it? What is the Premier's plan for funding this and has any private sector money been contributed to this project?

Yesterday, we were very pleased to see the announcement of the North Yukon land use plan. The draft plan has now been made public and is available for public consultation. It's a very large and comprehensive document. I know I've started to review it but, obviously, have not had an opportunity to do a very detailed review. I know that my colleague, the Member for Vuntut Gwitchin, has been keenly interested in this for some time. I believe he has made contributions to the process in the past and will no doubt have more to say about it.

The question I would ask of the Premier and Environment minister is: what other regional land use plans are nearing completion? Why is the progress so slow on these other plans? Is there enough funding from Ottawa to complete the plans? It would appear from the information we've seen in the past that, of the original funding for all these plans -- I don't want to put a figure on the record because I'm not certain of the figure -- a large amount of it has been expended, and we are just now seeing the first plan.

Has the minister made a request of Canada -- since there is an obligation for Canada to fund this under the land claims process -- to increase the funding to an amount that would be appropriate for completing the other plans? If so, what was the response?

Now there are some things that I want to speak to that I am pleased to see in this budget. I did mention a number of them at second reading, but I want to highlight them again. First of all, Hamilton Boulevard -- I am very pleased to see the additional funding and, although those of us in Copper Ridge were a little less than pleased with the force of the explosion a few afternoons ago when everyone came running out of their houses, we know that is the blasting process that has to occur and we're very pleased to see that occurring.

We are pleased to see the additional funding in the budget for the Carmacks sewer plant under the CSIF program. We hope that this will be sufficient to complete the project and that the residents of Carmacks will have a better facility as a result. Those are the two things that I wanted to speak to.

I made the mistake of waiting a little too long this morning to drive down Hamilton Boulevard and so I timed it wrong and got into the midst of the traffic jam that occurs between 7:40 a.m. and 8:30 a.m. You have to either go beforehand or you have to go afterward, but you shouldn't go in-between.

I know that the Member for Whitehorse West has made reference to it in the past as well. More importantly than an inconvenience are the safety issues; and there are several safety issues, and I want to thank the Minister for Community Services. I was perhaps tough in 2005 and 2006 in questioning him about the slow progress of obtaining the funding for this project under the MRIF program. We do give credit where credit is

due. I know that the officials have worked hard on this in the department and I know that the minister has kept his commitment to move forward with it. On behalf of my constituents, I want to thank him for doing so.

Again, the same minister did provide flood payments for residents of the Southern Lakes chain, particularly Marsh Lake. It is important and I'm glad to see that there is funding in this budget for that. I have spoken previously about the tremendous effort by Yukon volunteers, as well as the efforts within several government departments. I won't belabour the point here, except to say that the work done by EMO, the Department of Highways and Public Works and government employees went above and beyond the call. Then, after hours, we would see those same government employees, who were driving the trucks and dumping the sand earlier in the day, back volunteering. That does great credit to Yukoners and to the employees who work in the public service in Yukon.

We are pleased to see the funds in this budget toward implementing the collective agreement with the Yukon Employees Union. It is a positive thing. We are happy to see that.

So, those are all positives. The minister doesn't need to respond to those. I didn't want to give him too many questions at one time because I know it's tiring while he takes notes. There are some other questions, however, that I will ask. I know I'm down to my last few minutes at this point -- last couple of minutes.

Again, the potential replacement of the F.H. Collins Secondary School -- now, the Hold Fast report made reference to this as perhaps being a priority, as opposed to other projects, such as any other form of new school or educational facility up in the Copper Ridge or Granger areas. I'm wondering if there is anything that we can hear as to how that process is coming. Or, is this going to be another case where we spend money for many, many years on an aging facility, as opposed to making the tough decision to eventually look at a new facility?

In terms of general debate, we have not seen some of the legislation that we've long heard about appear on the legislative agenda this fall. So, I will ask the question for the spring sitting, which is, of course, traditionally the budget sitting, and we know there will be a very large main estimate to deal with. But not having seen the amendments to the *Workers' Compensation Act* come forward, can we expect to see that in the spring? Not having seen the *Children's Act* come forward, or the amendments to it, can we expect to see that in the spring?

There have been calls for revisions to the *Landlord and Tenant Act* from both the perspective of tenants who feel that there is insufficient protection for them in the current legislation, and also from landlords who feel they have been left in a difficult situation sometimes by tenants who have been less than satisfactory. Those are some of the questions.

How is the review of the *Liquor Act* going? I would ask about that. We have only had some very small amendments come forward in the past. I will give the minister a chance to respond. I know that the hour is late and he will no doubt want to answer a few questions and then reserve his comments for another time.

**Hon. Mr. Fentie:** Well, unfortunately, as far as the member's questions that have just been articulated to the House over the last number of minutes, I won't answer him because they're not within my purview. The ministers are all ready, willing and able when we get through general debate and into department debate to respond to all those questions.

I have to go back to the member's preamble, because the member once again has decided to lead with some comments that don't reflect what really has transpired here in the Yukon.

As to the mining sector, I want the member to explain to Yukoners at some point how it is, then, that the Yukon has risen, I believe -- from the survey of the Fraser Institute -- from a distant 60<sup>th</sup>-plus place of attractiveness for investment in the mining sector, to sixth worldwide.

I will leave that question with the member opposite; he might want to reflect on that.

That has all transpired over the last few years. The Yukon is now worldwide the sixth most attractive place for investment. The Minister of Energy, Mines and Resources has worked very hard on that and I congratulate him and his department for the efforts and what they have accomplished.

The member brought up Dawson City. There is a lot happening in Dawson City. One of the things is cleaning up the mess left by the previous Liberal government.

I have another question for the member to reflect on: why did the former Liberal government allow the City of Dawson to overextend its debt limit? Why is that, Mr. Chair? Is that sound fiscal management? How does that relate to the situation that the Yukon Party government, when we took office, inherited and had to deal with?

So many things are happening in Dawson: getting Dawson out of debt, dealing with the boondoggles in some of the projects -- and we all know the major criticism levied against the government side, especially the Minister of Community Services, for removing the then mayor and council and conducting a forensic audit. The results -- I think we're all aware of the results, which include charges being laid.

So the question to the member in regard to Dawson is: why did the former Liberal government allow the City of Dawson to overextend its debt limit as dictated by the *Municipal Act*? The law, in other words, Mr. Chair.

The member made the point about taking credit for the fiscal position of the Yukon.

Yes, the government will take credit. It won't take all the credit, but we will certainly take credit where credit is due. To suggest that the financial position the Yukon finds itself in is because of some simple change in legislation or some change in bookkeeping and accounting practices is ridiculous.

I have another question for the member opposite: explain to Yukoners why it is then that the Yukon Party government commenced with the largest capital budgets in history for ongoing years? They have been the largest ever. Also, I want the member to explain to Yukoners how we've gone from a \$400 million or \$500 million budget to \$900 million?

That's about a \$400-million increase. Does that not --

**Chair:** Seeing the time, the Chair will rise and report progress on Bill No. 8.

*Speaker resumes the Chair*

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

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

**Chair's report**

**Mr. Nordick:** Mr. Speaker, Committee of the Whole has considered Bill No. 7, *Fourth Appropriation Act, 2006-07*, and directed me to report it without amendment.

Mr. Speaker, Committee of the Whole has considered Bill No. 8, *Second Appropriation Act, 2007-08*, and directed me to report progress.

**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 now stands adjourned until 1:00 p.m. tomorrow.

*The House adjourned at 5:31 p.m.*