Whitehorse, Yukon Thursday, May 1, 2008 — 1:00 p.m.

Speaker: I will now call the House to order. At this time, we will proceed with prayers.

Prayers

DAILY ROUTINE

Speaker: We will proceed with the Order Paper.

TRIBUTES

In recognition of Sexual Assault Prevention Month

Hon. Ms. Taylor: Mr. Speaker, May is Sexual Assault Prevention Month. On behalf of the Yukon Legislature, I rise today to pay tribute to all the people who work to eradicate sexualized violence and to those who educate the public about violence and sexual assault.

I also rise today to pay tribute to Yukon women and men whose strength and courage and response to personal experiences of sexualized violence have changed our personal, our legal and community response to this issue. The statistics on sexual assault show that assualt does not affect all Canadians equally. More than one in three Canadian women report having had at least one experience of sexual assault since the age of 16. Yukon's rate of sexual assault is more than double that of the provinces. Young women under 25 also report higher rates of harassment and sexual assault.

Gays, lesbians and bisexuals also report experiencing higher rates of victimization for violent crimes, including sexual assault and physical assault, than heterosexuals, according to new data from Statistics Canada.

Statistics like these can help us understand the severity and prevalence of sexual assault. Statistics, however, cannot tell us how it feels to experience violence or what it is like to feel fear either of a person you know well or of a stranger on a darkened street.

Sexualized violence and all of its social ramifications has no place in society. For this reason, the Yukon government supports a number of initiatives within government through the Women's Directorate, the departments of Education, Health and Social Services, and Justice, and through numerous agencies and non-governmental organizations to raise awareness and address violence in our communities.

This year the government is acknowledging Sexual Assault Prevention Month through the work of women's organizations and releasing new tools to support the work of violence prevention.

The Victoria Faulkner Women's Centre and Les EssentiElles are partnering to present a program of activities and events for the month. Events will include an evening of poetry, readings, singing, dancing and visual arts at the Yukon Arts Centre on Wednesday, May 21, at 6:30 p.m.

The organization's planned activities during the month of May will also include an artistic contest for teens on the theme of safe partying, violence prevention discussions in schools and self-defence courses for women. Later this month the Women's Directorate, in partnership with the Department of Justice, will also release two Yukon-relevant violence prevention videos and an accompanying manual to be used by front-line workers and those providing support to persons who have experienced violence.

The campaign materials are part of the government's longterm public education campaign on violence prevention and were developed by CORE — Circles of Respect and Equality — which is an inter-agency committee of 17 front-line workers dedicated to enhancing public education tools with Yukonrelevant content.

An inter-agency team of front-line service workers, otherwise known as the Yukon sexual assault response team, has also been established to promote collaboration among the many member agencies in order to investigate and successfully prosecute cases of sexual assault, while supporting victims through the process.

Building on this initiative, the Department of Justice also recently announced a new approach in collecting and protecting evidence. Kits on Ice allow for DNA evidence to be collected and securely stored for up to six months, allowing victims additional time to report their case to the RCMP without fear of losing evidence.

We applaud all of the many people in these and other progressive efforts for their continued dedication and their hard work to address sexualized and all forms of violence against women and children. I encourage everyone to take part in the planned events and to join the voices of men and women who speak out against violence in our communities each and every day.

Thank you.

In recognition of the Historica Fair

Hon. Mr. Rouble: Mr. Speaker, I rise today in recognition of the 10th annual regional Historica Fair. Each year, schools around the territory host their local Historica Fair; winning projects are selected and they are invited to participate in the regional Historica Fair here in Whitehorse.

The regional Historica Fair opened this morning at the Yukon Convention Centre with heritage projects from across the territory. Five of the students from this event will be selected to represent the Yukon at the National Historica Fair in a week-long culture camp this July in Victoria, B.C.

For Historica fairs, students create displays to tell a story about Canadian heroes, legends and achievements. Most of the students feature Yukon components in their displays. Some of these displays were purely visual and some included music, DVD presentations or even performances of songs, dances and plays. Mr. Speaker, it's great to see such excellent work coming from our young people.

I would also like to recognize the steering committee, the judges, the sponsors, the teachers and the parents who offered their support in making this event such a success.

But most importantly, I'd like to acknowledge the students for their hard work investigating history and putting together displays that tell some really important and engaging stories.

Learning about our history is an important part of celebrating our community and heritage.

Thank you.

Mr. Elias: I rise on behalf of the opposition to pay tribute to the Yukon Historica Fair. This is the 10th annual Historica Fair being held. There are approximately 120 students participating. These grades 4 to 9 students are from the communities of Dawson City, Mayo, Destruction Bay, Haines Junction, Pelly Crossing and Whitehorse. The fair is a learning initiative developed and sponsored by the Historica Foundation to help increase public awareness and interest in our Canadian heritage.

Our Yukon students are given an opportunity to explore the many aspects of their heritage and their efforts are presented in a public exhibition. The students have a chance to interact with fellow students from across the Yukon. They are interviewed on their projects and volunteer judges evaluate their work.

After the judging results, five students and their projects will be selected to join with 165 other students from across Canada for the National Historica Fair and a week-long culture camp in Victoria, B.C., being held in July.

I would encourage the public to drop by the Yukon Convention Centre and view the many projects and talk with the students. I was just at the fair and I must say that it was evident that the students put their heart and soul into their projects, which range from the great Rocket Richard to Roberta Bondar, the first woman in space, to individual family heritages, to our historic sites throughout our territory and the age-old trapping industry.

All the presentations were just wonderful. Congratulations to all the participants on a job well done. You are all winners.

In recognition of International Workers' Day

Mr. Cardiff: I rise on behalf of the Yukon Legislative Assembly to pay tribute to May Day, also known as International Workers' Day. May Day and the message of labour solidarity and remembrance of struggle are celebrated around the world, although the celebrations tend not to be as robust in North America as they are in other areas like Europe, Latin America, Asia and Africa. It is strange, because May Day actually came into being on this continent in response to the Haymarket affair in 1886 in Chicago after the unjust hanging of three labour activists.

May Day is an international celebration of the social and economic achievements of the labour movement. There are many gains that the labour movement has made to improve the general welfare of all people, including the right to organize and to bargain collectively; the eight-hour work day; pay equity or equal pay for work of equal value.

Health and safety measures to prevent injury and death on the job were the result of long, hard struggles by the labour movement. Unemployment insurance, minimum wages and other key components of our social safety net were all part of the struggle of the labour movement.

Labour has always played a major role in international issues of social justice as well. Inside South Africa, trade unions fought the apartheid system while outside labour from around the world increased the pressure so that finally after years and

years of struggle that racist regime was shown the door. Labour-sponsored boycotts have forced changes too. The California grape boycott led to significant improvements for workers in that industry. Just today, the Canadian Labour Congress sent a message of solidarity to the Zimbabwe Congress of Trade Unions praising their efforts to protect workers' rights, democracy and human rights in that country.

Labour has exposed sweatshops in multinational corporations who have profited handsomely from these "dark satanic mills" — that's a quote from William Blake's line about early industrial work in England. There are many challenges that labour and working people still face. The gap is widening between the rich and the poor — globally and right here at home in Yukon, Mr. Speaker. Labour needs to organize workers who aren't receiving their fair share of the benefits of their labour. Labour's chief mission from day one to the present has always been about challenging capital and about wrestling concessions that benefit working people. Labour's motivation is still relevant today: that a better world and a fair economic order is there to be created, built on cooperation, solidarity and participation and not profit, competition and greed.

The global environmental crisis we face makes it even more relevant that we work for a more equitable world and that we challenge the view that progress is built and measured on profit.

Speaker: Are there any further tributes? Are there any introductions of visitors?

INTRODUCTION OF VISITORS

Hon. Ms. Taylor: Mr. Speaker, I would ask all members of the Legislature to join with me in extending a warm welcome to Mr. Michael Kuhn, general manager of Fulda Reifen, and his wife, Suzanne. Welcome.

Applause

Hon. Mr. Lang: I would like the House to welcome my niece, Laura Lang, Hector Rowan Lang and Sophia Lang. *Applause*

Speaker: Are there any further introductions of visitors?

Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Mr. Fairclough: I have for tabling a portion of the Pan-Canadian Assessment Program for 2007.

Speaker: Are there any other documents or returns for tabling?

Are there any reports of committees? Are there any petitions?

PETITIONS

Petition No. 5

Mr. Nordick: I have for presentation a petition regarding the need to support Tibetans in their struggle. It is signed by 136 people.

Speaker: Are there any further petitions for presentation?

Are there any bills to be introduced? Are there any notices of motion?

NOTICES OF MOTION

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

THAT this House wishes the Special Assistant to the Yukon New Democratic Caucus, Mr. Ken Bolton, a happy 65th birthday and thanks him for his many years of service and wishes him well in his retirement.

Mr. Cardiff: I give notice of the following motion: THAT it is the opinion of this House that:

- (1) economic data from the 2006 census shows that median earnings among those in the bottom one-fifth of full-time fullyear average wage earners fell 20.6 percent;
- (2) over the same period, the median earnings among the top one-fifth of full-time full-year earners increased by 16.4 percent; and

THAT this House urges the Yukon government and the Government of Canada to address the widening gap between the rich and poor through a range of measures including progressive tax changes, introduction of an annual guaranteed income, and the creation of a comprehensive anti-poverty strategy.

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

THAT this House urges the Government of Canada to prohibit the use of food crops in the manufacture of biofuels until such time as it can be proven that such use will not contribute to human hunger or malnutrition anywhere in the world.

I give notice of the following motion:

THAT this House supports Private Member's Bill C-517 calling for the mandatory labelling of genetically-engineered foods, which would bring Canada in line with some 40 other nations that have legislation ensuring consumers the right to information about the food they consume, and urges the Yukon Member of Parliament to speak and vote in favour of Bill C-517 when second reading debate on it resumes in the House of Commons.

Speaker: Are there any further notices of motion?

NOTICES OF MOTION FOR THE PRODUCTION OF PAPERS

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

THAT this House do issue an order for the return of the Watson Lake co-gen study done for the Yukon government as referenced by the Minister of Energy, Mines and Resources in the Yukon Legislative Assembly on April 29, 2008.

Speaker: Are there any statements by ministers? This then brings us to Question Period.

QUESTION PERIOD

Question re: Education standards

Mr. Fairclough: The Council of Ministers of Education in Canada recently oversaw national tests in three core subjects. The minister here is part of this council. At least 85 percent of the children age 13 were tested in each reporting jurisdiction.

They were tested in reading, mathematics and science. The results for Yukon are depressing. Regarding reading, the report said, "...the mean score for Yukon students in reading is significantly lower than that of Canadian students overall."

What explanation does the Minister of Education have for parents and students?

Hon. Mr. Rouble: I'm very proud of the work the Department of Education and the teachers and administrators in our schools do — the work they do with our students, school councils and parents.

It's not news to people in the Yukon that we have some challenges in our education system. We have some extreme successes; we have many very positive outcomes from our education system. We recognize there are areas we need to improve on, which was one of the initiatives behind the education reform project and some of the reasons behind changes in curriculum and the changes in programming. We'll continue to work in all areas of the education system in order to close the performance gap between those people who are performing well and those who aren't and to increase the performance level of all in our system.

We also recognize that when we look at other indicators, such as the Yukon achievement tests and provincial exams, our results give a much truer representation of the performance of the students in our school system, as opposed to the results from this voluntary participation test that is used.

Mr. Fairclough: The results don't get any better in mathematics and science. In mathematics, the report says, "The mean score for Yukon students in mathematics is significantly lower than that of Canadian students overall." In fact, Mr. Speaker, it's second from the bottom. In science, "The mean score for Yukon students in science is significantly lower than that of Canadian students overall." In fact, Mr. Speaker, in science, we in the Yukon claim the sole possession of last place. These results are alarming.

Other than working with many partners and cutting the public school budget and cutting teacher positions, what does the minister propose to do to address this alarming situation?

Hon. Mr. Rouble: Mr. Speaker, the member opposite isn't reflecting the true reality of Yukon's education system or the reality of the staffing going on in the Department of Education. For some reason, he isn't recognizing the fact that the number of teachers in our education system has grown, that the investment in public schools, in advanced education — indeed, across the board in all aspects of Yukon education — has grown in recent years. We are increasing the number of teachers; we are increasing the number of education assistants, and at the same time the number of students in our system is decreasing.

We recognize that this isn't the only way that we can improve the education system for Yukoners. We're going to work on the curriculum that's taught in our schools; we're going to work on the way it's taught, and work with our partners in education — as the member opposite rightly says — with teachers to design learning environments that work for all Yukon students. We will work for students here in Whitehorse, our urban centre, and also in our rural communities. We'll be sure to reflect all the results of all students in our testing, unlike other jurisdictions.

Mr. Fairclough: Well, the minister can't ignore these test results —he can't do that — and if ever there was a case to be made for the necessity for education reform, we just heard it. Yukon spends in excess of \$15,000 per child per year, and this is one of the highest rates of expenditures in Canada. We have one of the lowest teacher/student ratios, and we have a highly competent and dedicated group of teachers in our classrooms. This is not the time to reduce the public schools budget. It is not the time to cut teaching positions. It is not the time to hide behind doors and pretend all is well. It is time for decisive leadership.

What is the minister going to do — commission another three-year study? What is he going to do?

Hon. Mr. Rouble: Mr. Speaker, I agree; we do need to reform the education system. That was the whole impetus behind the education reform initiative. That's the reason why we are working with our partners on the New Horizons project. I recognize, and I appreciate the member opposite for recognizing, that we do have the best teaching staff in Canada. We do have the highest per capita investments per student. We do have one of the lowest student/teacher ratios in Canada.

Mr. Speaker, we'll continue to make investments in our education system. We'll continue to work with our teachers and our partners. We'll continue to reform and evolve our teaching practices, our content, our curriculum and the manner in which we teach our students, so that we close the gap between those students who are not performing to expected results and that we raise the bar and raise the performance level of all students throughout our system.

Question re: Whitehorse Correctional Centre rebuild

Mr. Inverarity: I have a question for the Minister of Justice. The years have gone by and Yukoners have seen little if any progress in the new Correctional Centre. Last year, in December 2007, the minister stated, and I quote:

"We have accepted DGBK Architects to prepare the schematic designs..."

Mr. Speaker, this is the same company that did the original design for the corrections facility back in November 2001. The very same contracts have been extended for more than six years and amended to more than a million dollars.

My question to the minister: what value have we received for a six-year delay and a million dollars' worth of schematic designs?

Hon. Ms. Horne: I've very pleased to respond to the member opposite's question on this. This government is committed to practising good governance, and we deliver what we

presented in our throne speech. We are committed to responding to Yukoners by delivering all items in the strategic plan, which, by the way, includes the new correctional building.

With vehicles such as the safer communities and neighbourhoods legislation and the street crime reduction team, we are delivering safer neighbourhoods and communities to Yukon. The new *Corrections Act* is one of the foundation pieces for fundamental change to the operation of the correctional system so Justice, First Nations and other service providers are better able to deliver high-quality correctional programs.

The new *Corrections Act* is very important to enable Yukon to become the best correctional system in Canada. We knew this act would enable Yukon communities to become safer. I am pleased with the direction this government has taken and the priorities the government has placed on the new *Corrections act*.

The new Correctional Centre is part of the strategic plan. The Correctional Centre will serve the needs of programming, not the other way around. I call that "good planning" and "good governance".

Mr. Inverarity: The Justice minister has made numerous statements about building the best correction system in Canada. What the minister has not stated is what this Crown jewel of Yukon justice will cost Yukon taxpayers.

Six years have gone by; some \$6 million has been budgeted for the design this year; construction costs are expected to hopefully be around \$32 million; and we haven't even heard what it will cost for commissioning or operations yet.

We want to know what the real cost of the project is. Perhaps the minister beside the Minister of Justice could answer this question: what will it cost for construction, commissioning and the completion of the Correctional Centre?

Hon. Mr. Lang: In addressing the member's question, we certainly are working on the correctional institute that we're building and it will fall together as we put the contracts out and move forward with the plan that's in place today. Stay tuned; we'll be working with contractors and the department to come up with the correctional institute that we'd like to see at the end of the day.

Mr. Inverarity: We've been tuned in for six years and we're still waiting.

Mr. Speaker, the RFP for the construction project is finally out and this government has some explaining to do. \$32 million is just the opening bid for the project. Now add in all the other extra costs, contingencies, furniture, management fees, demolition of the old building and overhead.

It's hard to imagine at what point those extra costs are going to be. As the Premier has stated, this is potentially a very large capital project that will benefit many Yukoners, as well as members of the Kwanlin Dun First Nation — a large capital project indeed and it's getting larger. What we really want to know right now is what this is going to cost in real dollars to-day and what it's going to cost all of us down the road.

Hon. Mr. Lang: We certainly are concerned about all costs. We'll be working on the bidding process to resolve those questions. We've committed to build a new correctional insti-

tute here in Whitehorse. Obviously, there is money budgeted for it and we'll be working over the next three years to get the job done.

Question re: Mental health services

Mr. Edzerza: Two years ago, the Department of Health and Social Services contracted Professor Elliot Goldner of Simon Fraser University to review Yukon mental health services. Dr. Goldner's report identified a substantial need for support of housing for people with serious mental disorders and substance abuse. Without post-treatment housing and counselling supports, there is a high risk of relapse for patients. Caretaking families become stressed and exhausted with no respite.

In a news release 18 months ago, the minister said work had already begun to identify housing options for these patients and announced \$50,000 to support planning for this project.

What has the minister done since that announcement in response to this serious need?

Hon. Mr. Cathers: I thank the Member for McIntyre-Takhini for the opportunity to again remind the member of some of the good work that has been done to date by staff within the Department of Health and Social Services and within other departments such as the Department of Justice, in the substance abuse action plan, the Safer Communities and Neighbourhoods Act. Also, work has occurred in expanding our mental health services, including the hiring of a youth clinician, the funding to develop programming around early identification of psychosis and early supports to be provided in that area, a rural clinician hired based out of Dawson City to assist those with mental health challenges and another one is being hired to support the southern rural areas of Yukon and the fact that counselling for mental health is now available through the teleheath network, which, as of earlier this year, is available in all Yukon nursing stations — making Yukon only the second jurisdiction in Canada to provide access to telehealth services in all communities. Mr. Speaker, this is some of the work.

Work is ongoing on other recommendations made in the report by Dr. Goldner, including the development of enhanced supports for those who need support in accessing housing. That is in addition, of course, to the work that has already been done for people who have fetal alcohol spectrum disorder.

Mr. Edzerza: Well, the minister didn't answer the question. I agree that the staff do good work. The minister needs to keep up. In Whitehorse there is an average of four mental health patients at any one time waiting for in-patient care. There are many more who need addiction detoxification and follow-up treatment.

In-patient facilities and services were deemed a high priority and waiting was deemed unacceptable by Goldner. Patient safety is at risk and there an inadequate specified staff. Patients are sometimes sent outside, disconnecting them from family and community supports. There is little integration of mental health and addiction treatment services between the Yukon and provinces, according to Goldner. The minister rejected the idea of using the Thomson Centre for in-patient mental health and addiction care — which the hospital supported.

When can we anticipate seeing the long-lasting improvements to mental health services this minister promised 18 months ago?

Hon. Mr. Cathers: Again, the member is conveniently not reflecting the facts in his statements here in the House.

The member knows that we have acted on and expanded mental health services to Yukon citizens beyond what was in place before. This includes the programming that is going on right now in expanding the early identification of psychosis and improved supports for people who have such challenges. This includes the work that has been done in providing increased programming for youth and the creation of a youth clinician position based out of Whitehorse to assist youth who have mental health disorders. This includes expansion to rural areas, as I mentioned in my previous response.

Again, good work is being done. It is unfortunate the member is failing to recognize this and failing to recognize that the supports are, as part of the overall plan, being extended and being improved, and we will continue to do so.

Future planning and enhancement of mental health services include increased support for those who have challenges when it comes to housing. That work is also augmented by work funded under the territorial health access fund for dealing with what is referred to as "dual-diagnosed clients", clients who have both mental health and alcoholism challenges. That work is being done, and it is unfortunate the member doesn't recognize it.

Mr. Edzerza: A lot of fancy talk just doesn't cut it. The minister always uses his famous response that no one knows the facts but him.

This week we brought forward the case of a woman who had been left without access to mental health and addiction services she badly needed. This case reveals a number of alarming practices, including treatment plan meetings held without minutes or an agenda, no communication with the patient of decisions made on her behalf, no communication of the basis for the decision to discharge her, and no follow-up meetings.

This minister's job is to oversee policy and procedure, and to respond to the health needs of Yukoners, including their mental health. When policy and procedures are not in place or are not followed, he has an obligation to do something.

What is the minister doing to ensure that mental health and addictions clients are accorded their full rights to information, consent and communication about decisions and discharge plans?

Hon. Mr. Cathers: First of all, I have to take umbrage with the assertion being made by the Member for McIntyre-Takhini that staff have not followed policy. It's unfortunate he's choosing to go after the employees of the Department of Health and Social Services. It is uncalled for and I want to make that very clear for the record. They do their job and they follow policy, as they are expected to do.

Mental health professionals, addictions counsellors, family doctors and psychiatrists all collaborate to provide quality care to persons with psychiatric and addictions problems. In my first two responses, I provided the member with a list of some of the

enhancements that have been made by this government and under me as minister through the work departmental staff have been doing in expanding the supports we provide to people with mental health challenges, increasing the level of services available and, as I failed to mention earlier, the contracting of a second full-time psychiatrist to provide roughly double the level of access to psychiatric services to Yukoners that was previously in place.

A number of initiatives have been performed. There will be more work ongoing in this area.

The Member for McIntyre-Takhini should be aware that every client does have the right to accept or refuse treatment offered. In most cases, the client and the treatment team can work together to arrive at a plan that is ethical, effective and caring. However, the member should be aware that —

Speaker: Thank you.

Question re: Low-income earners, consumer protection

Mr. Cardiff: According to the latest figures from Statistics Canada, between 1980 and 2005, median earnings among the top one-fifth of full-time wage earners increased by 16.4 percent. During the same period, the median wage earned by those in the bottom one-fifth fell by 20.6 percent. In simple terms, that says the gap between those at the top and those at the bottom of Canada's wage-earning population has increased dramatically.

There's no reason to believe the Yukon's pattern is any different. What steps does the Minister of Health and Social Services intend to take over the next four years to improve conditions for Yukoners who fall into the category known as the working poor?

Hon. Mr. Hart: I will state that Community Services has been working diligently to increase the minimum wage. We currently have the third highest minimum wage in Canada. In addition to that, Mr. Speaker, we have increased the fair wage schedule, which assists all working class throughout the Yukon and provides a fair wage for all those who are working in all fields of construction and assistance with the government.

Mr. Cardiff: I would like to congratulate the Member for Riverdale South for getting another portfolio. The minister is always ready with a litany of all the wonderful things that this government is doing, and I'll respond with a litany of some of the hard cold facts facing Yukon people right now.

Gas and heating fuel costs are soaring; food costs are on the rise and could increase dramatically in the coming months; house prices are at an all-time high and decent low-cost housing is almost non-existent. Food banks and soup kitchens have become permanent fixtures in our society that has so much wealth that it's almost criminal that we need to resort to these last resort measures.

With the signs of a recession already emerging in Canada, what specific steps is the minister taking to shield lower income Yukoners from the crunch that is obviously coming?

Hon. Mr. Rouble: Mr. Speaker, there are a number of different initiatives that this government is doing from department to department to department.

It has been said many times in this Assembly that one of the best ways to assist people, to give them that hand up, is to increase the training and educational opportunities available to them.

Mr. Speaker, with this budget we see the indexing of the student grant that is available to help people continue in post-secondary school, whether that be at university or college. This budget includes initiatives for training programs, some community training funds throughout the territory, in a variety of different industries.

As well, Mr. Speaker, we are starting a number of different initiatives and continuing different initiatives to assist people such as the targeted initiative for older workers, initiatives for people with disabilities, initiatives for people in rural communities.

Mr. Speaker, this government believes in increasing the capacity of Yukoners to participate in the economy. That means adding to their training, adding to their knowledge, adding to their experience, so that they can fully engage in Yukon's growing economy.

Mr. Cardiff: It appears the government doesn't have an answer because they can't even decide which minister to put up to answer this question.

I'm sure the Member for Porter Creek North will be rising to answer the next one.

Two days ago, the Minister of Community Services made the remarkable claim that this government has increased social assistance rates. If so, the Minister of Health and Social Services has been unduly modest about it, because there hasn't even been a press release. Yes, we know the minimum wage did just go up a little bit — a teeny, tiny bit last month.

My question —

Some Hon. Member: (Inaudible)

Mr. Cardiff: Have I got the floor or is the Premier going to talk?

Speaker: You're doing fine. **Mr. Cardiff:** Thank you.

My question is more about the working poor who are facing serious economic pressures in the near future. What is the Minister of Health and Social Services doing to develop a comprehensive Yukon-wide anti-poverty strategy to ensure that no Yukon person has to make the choice between paying this month's rent or heating bill, or putting proper food —

Speaker: Thank you. You're done.

Mr. Cardiff: — on the table for their family.

Speaker: You're done.

Hon. Mr. Cathers: In answer to the member's question — the point contained in his question — about different ministers responding, I point out to the member that it's because work is ongoing in many departments on these issues that three of us are responding on behalf of the government — the Minister of Education on initiatives being done and the Minister of Community Services. There are others who would be happy to stand up, should he wish to continue this line of questioning, and list the many good initiatives being done in their departments.

Particular to Health and Social Services, I remind the member opposite that last year, December 1, we significantly increased the childcare subsidy for low-income families by 25 percent. As well, we increased the maximum income at which someone can receive the subsidy, resulting in significantly more Yukon families benefiting from the childcare subsidy for low- and moderate-income families.

That is in similar areas that apply across the board, whether your child is in childcare or not. The Yukon child benefit has been increased by a significant amount of \$20 per month, from the previous level of \$37.50 to a new level of \$57.50 per child. We raised the eligibility rate so that more families would benefit.

I see I'm out of time. I look forward to future opportunities to outline initiatives that are underway.

Question re: Old Crow road conditions

Mr. Elias: I have a question for the Premier today. In September of 2006, the Premier attended the general assembly in Old Crow just before the territorial election. At that time, the Premier was asked by a community member if the Yukon government could repair and upgrade the roadways and water drainage problem, as they were in a deplorable condition and still are. The Premier promised to find money and address this problem quickly. Last year, \$150,000 was approved under the northern strategy fund to address the issue and I did express my constituents' gratitude at that time.

Yet, in this year's budget, there is only \$30,000 listed for the project. Can the Premier please explain to my constituents what the plan is to fulfill his promise and fix the roads in Old Crow?

Hon. Mr. Lang: In addressing the member opposite, the engineering was done last year and hopefully we can move forward on advancing the program in Old Crow this coming year.

Mr. Elias: We all know, just because the Yukon Party government budgets money, it doesn't mean that they are going to spend it. This is a community concern because no physical work has taken place yet. I have risen in this House on three separate occasions asking for the Premier to live up to his promise, and he has asked me to exercise some patience. Well, it has been almost two years and the Premier's promise is still unfulfilled. The time is now for the Premier to fulfill his commitment.

There was \$150,000 approved and set aside, yet I only find \$30,000 in this year's budget. The residents of Old Crow want to know when the Premier will be fulfilling his promise and fix the roads and drainage problems. When is the Premier going to deliver on his promise to the people of Old Crow and actually do some physical work to fix the roads?

Hon. Mr. Fentie: I know that the member opposite, the Member for Vuntut Gwitchin, is certainly working hard to represent his constituency and we'll give him that. I think the member has to recognize that, before you fix roads, you have to have the material necessary to actually do the fixing of the roads, so hundreds of thousands of dollars have been expended in Old Crow crushing gravel on Crow Mountain and preparing material — material that was invested in upgrading the runway,

which was a major priority for the community, and also the significant investment in a new airport terminal and a big investment in bank restabilization because, without that, there soon would not have been any roads in Old Crow to fix.

Question re: School busing contract

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

Yesterday we learned the minister had come to a special arrangement with a company from Watson Lake to allow them to get out of their contract for busing students to school. This is a one-off decision. It is not something that is happening across government. Companies who have lease arrangements are not allowed to renegotiate their contract to cover off higher heating fuel costs, for example. The company that has a medevac contract has not been invited to come back and get extra money for the higher cost of fuel.

The minister said the decision was based on a request from the contractor to end the contract early. Will the minister table the request so Yukoners can see it?

Hon. Mr. Rouble: I certainly don't have the request. It wasn't made to me. This is an operational issue between a contractor and the Department of Education. The minister's office is not involved in contracting issues. I hope he is not encouraging me to become involved in contracting issues.

The contractor in this case, who has been providing the service for a number of years now, made a request to end the contract with the Department of Education. The Department of Education, after consideration of this, accepted their request and have ended the contract. The contract for busing services is being tendered in a fair and open manner, and I encourage the member opposite to follow the tendering process on the government Web site or through contract administration.

Mr. Fairclough: The minister is sure trying to get around that question. Lots of companies would love the opportunity to get a better deal on a contract with the government. They're not given that opportunity. Only this one company from Watson Lake has been given that special consideration.

The minister said yesterday, and I will remind him again, "We have had a request from the contractor who has been delivering this service to end the contract one year early." As a result of that request, the minister gave significant due consideration to it and has agreed to retender the entire busing contract.

I'd like to see the request from the contractor in question. Was it in a letter? Was it done verbally at a meeting? Will the minister table the request made by the contractor and will he tell Yukoners who made the decision to retender this contract? Was it the minister? Who made the final call?

Hon. Mr. Rouble: I appreciate the member has a script of questions before him, but I would encourage him to dispense from the script on occasion and follow the answers.

I've stated for the member opposite that the minister's office was not involved in this. This is an operational issue between the department and a contractor. A request was made by the contractor to the Department of Education. After due consideration, the department ended the contract. At the request of the contractor, it is now being retendered in an open and transparent manner. It's felt that a new tender and a new contract would be the best interests of the territorial government and all taxpayers. That will be done in a manner that is fair to the taxpayer, the government and all contractors in the Yukon.

Mr. Fairclough: This isn't fair to other contractors who have contracts with this government. It isn't. The minister said he wasn't involved. This is a major decision that was made here, and other contractors may want to follow suit.

Is the government ignoring that and didn't take part in it? We want to know who was involved in the decision-making. Why is the minister so reluctant to put this back on the department when he knows full well that they have been involved?

So I ask him: who was involved? Was it a Cabinet decision or not?

Hon. Mr. Rouble: Mr. Speaker, sometimes the imagination of members opposite astounds me on a daily basis. I am reminded often in this Assembly of an interesting Yukon saying, and that is, "If you haven't heard a good rumour by 1:00 then it is time to start one."

I have been very clear with the member opposite about this situation. The contract is in the paper now, the tender call is out there, and the member is encouraged to take a look at the documents. But this minister will not be involved in the contracting process; this minister is not involved in staffing issues, picking teachers or choosing which teacher to put in the minister's favourite classroom. I don't get involved in those things, nor do I get involved in picking the school bus that is going to pick up people's children.

There are ministerial responsibilities; there are departmental responsibilities. There are issues that we deal with here in this Assembly as a matter of policy and budget, and it is up to the professionals in the Department of Education and other government departments to address the policy and operational needs of the government.

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

ORDERS OF THE DAY

INTRODUCTION OF VISITORS

Mr. Fairclough: Mr. Speaker, with your indulgence I'd like to welcome in the gallery, Robert Hagar and his wife Christine. I believe they have their grandchild with them. I'd like all members to give them a warm welcome here today.

Applause

GOVERNMENT BILLS

Bill No. 53: Third Reading

Clerk: Third reading, Bill No. 53, standing in the name of the Hon, Mr. Fentie.

Hon. Mr. Fentie: I move that Bill No. 53, *Act to Amend the Tobacco Tax Act*, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Premier that Bill No. 53, *Act to Amend the Tobacco Tax Act*, be now read a third time and do pass.

Hon. Mr. Fentie: Mr. Speaker, it is indeed my pleasure to move third reading of Bill No. 53, *Act to Amend the Tobacco Tax Act*. This bill amends the *Tobacco Tax Act* in four aspects. First, the tax rate on cigarettes and loose tobacco has been increased. The tax on a cigarette will change from 13.2 cents to 21 cents, and on loose tobacco products there will be a 21-cents-per-gram taxation.

Second, the act amends the methodology by which loose tobacco and cigars are being taxed to a manner that is consistent with all other jurisdictions in Canada.

Third, the act modifies the offences section to differentiate penalties by severity of each offence and sets the penalty levels to levels similar to other jurisdictions.

Fourth, the act amends provisions to improve the administration of the overall *Tobacco Tax Act* itself.

Mr. Speaker, it has been acknowledged by all parties in this Assembly that tobacco taxation is indeed a very effective deterrent to smoking. It is one of the tools that we debated at great length here with the passage of Bill No. 104. This is especially so among our youth.

Despite the importance of the *Tobacco Tax Act* as a deterrent to tobacco use, the rates have only changed four times since 1974. Often those changes were minimal in their context.

Consequently, the Yukon today has the lowest taxation on tobacco and the fourth lowest taxation on cigarettes in Canada. These are the most comprehensive changes to the *Tobacco Tax Act* ever. Our long-term goal is to see a significant reduction in tobacco use in people of all ages, but especially among Yukon youth.

With this act, the Yukon will have the highest tax rates in Canada for cigarettes and cigars and the second highest rates in the country for all other tobacco products. A 10-percent increase in the price of tobacco products reduces consumption, as we all know now, statistically between two and five percent. However, for youth, especially those who have not started to smoke, the effect of a 10-percent price change can be up to three times larger than it is for adults.

In the long term, we expect these changes will be a significant enough deterrent to using tobacco that our revenues will indeed decline. However, it takes time for behaviours to change; therefore, we expect to see an increase in revenue of approximately \$3.9 million due to this bill.

Finally, unfortunately, illegal activities related to tobacco products take place in our society. The *Tobacco Tax Act* has been around, as I said, since 1974. This bill introduced the first-ever changes to the offence provisions of this act.

This bill sends a clear message that activities such as smuggling and illegal sales of tobacco will not be tolerated. This bill sends a clear message: we are placing a high emphasis and priority on the reduction of tobacco use here in Yukon.

Mr. Mitchell: As I said at second reading, we in the Liberal caucus, the Official Opposition, support the goals as stated by the minister for this change in the *Tobacco Tax Act*. Therefore, we will support the tax increase, as much as we do not support tax increases in general.

It is important to discourage new people, and particularly our young people, from commencing smoking cigarettes and using other tobacco products. If this tax increase will help to do that, as stated, then we support it.

Hopefully, it will also discourage existing smokers from smoking as frequently or perhaps encourage them to quit the habit altogether.

We have pointed out that this tax increase will be difficult on some long-time smokers, particularly those who are on limited means, fixed incomes, pensioners, and elders.

We do note that, as the Premier said, there will at least in the current year be projected a \$3.9-million increase in tax revenue as a result.

We have asked for smoke cessation aids, various aids, and indeed even the possibility of prescription medicines that assist people in quitting the habit, to be made available at subsidized costs. The Health minister has made announcements promising to do that. We look forward to seeing those plans come into effect expeditiously, so that people will have assistance, hopefully paid for by this tax increase, to quit the habit.

We will be supporting this bill.

Mr. Cardiff: We, too, in the New Democratic caucus will be supporting Bill No. 53, *Act to Amend the Tobacco Tax Act*. We are supportive of the increases in both the tax on tobacco and the penalties around smuggling and illegal sale.

Obviously, with the introduction of Bill No. 104, the *Smoke-free Places Act*, we look forward to not only the success of that bill, but hopefully down the road — as the Premier said, it takes time for people to change habits — the increase in cost through the tobacco tax will encourage smokers to either stop or smoke less, and will discourage young people and new smokers from even starting, so we will be supporting it.

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

Hon. Mr. Fentie: I extend to the members opposite — on behalf of the government side — our appreciation for their contribution in this matter. It began with the third party's tabling of a private member's bill, Bill No. 104, and continued on through public consultation and all the efforts made by this Assembly and its members to address a serious situation in the Yukon.

It's alarming when you look at the statistics that we have one of the highest rates of smokers, but what's even more alarming is that the incidence of those who begin smoking is higher in the Yukon than anywhere else in the country. The time had come to do something about that. All these measures will better enable government and Yukon in general to address this very challenging problem, especially the downstream impacts on our health care system.

By way of some enlightenment for the Leader of the Official Opposition, who voiced concerns about initiatives for cessation of smoking and other matters, I must remind the member that many of those initiatives have already been implemented. These include prevention measures, educational measures,

along with taxation measures initiatives that, along with Bill No. 104 and the taxation initiatives, will better enable us to address this very challenging matter for Yukon.

Motion for third reading of Bill No. 53 agreed to

Speaker: I declare that Bill No. 53 has passed this House.

Bill No. 47: Third Reading

Clerk: Third reading, Bill No. 47, standing in the name of the Hon. Ms. Horne.

Hon. Ms. Horne: I move that Bill No. 47, entitled *Miscellaneous Statute Law Amendment Act*, 2008, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Minister of Justice that Bill No. 47, entitled *Miscellaneous Statute Law Amendment Act*, 2008, be now read a third time and do pass.

Hon. Ms. Horne: The Miscellaneous Statute Law Amendment Act, 2008, corrects inadvertent errors in several statutes. This set of amendments does not make substantive changes to the statutes. The correction of errors in legislation enables greater clarity in Yukon laws.

This legislation will address errors in the following acts: a drafting error in the *Ombudsman Act*; an omission in the *Personal Property Security Act*; a numbering error in the *Economic Development Act*; a drafting error in the *Legal Profession Act*; and a drafting error in the *Act to Amend the Employment Standards Act*.

This is a housekeeping amendment. We are all human and make errors. A miscellaneous statute law amendment act was last introduced in 2005. These errors are very minor but the public expects that the government will keep its statutes in good order.

Thank you.

Mr. Inverarity: I think the minister said pretty much everything that needs to be said regarding this particular bill. We in the Official Opposition support this bill and look forward to its passing.

Mr. Cardiff: The minister has explained it, and she has even offered an apology for the fact that we all make errors— and I agree, we all do make errors. That is pretty big of the minister to do that. We will support this.

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

Hon. Ms. Horne: I thank the House for the support for this act.

Motion for third reading of Bill No. 47 agreed to

Speaker: I declare that Bill No. 47 has passed this House.

Bill No. 48: Third Reading

Clerk: Third reading, Bill No. 48, standing in the name of the Hon. Ms. Horne.

Hon. Ms. Horne: Mr. Speaker I move that Bill No. 48, entitled *Act to Amend the Summary Convictions Act*, be now read a third time and do pass.

Speaker: It has been moved by the Minister of Justice that Bill No. 48, entitled *Act to Amend the Summary Convictions Act*, be now read a third time and do pass.

Hon. Ms. Horne: The reason the government is bringing forward amendments to the *Summary Convictions Act* is to allow territorial prosecutors the authority to enforce probation orders that arise as a result of a conviction under a territorial act. Territorial prosecutors prosecute territorial offences, such as those related to the *Wildlife Act, Liquor Act, Occupational Health and Safety Act*, et cetera. These prosecutions are undertaken in accordance with the *Summary Convictions Act*.

Although a territorial prosecutor can seek a probation order as part of a sentence when a conviction is made under a territorial act, there is no provision in the *Summary Convictions Act* that permits these probation orders to be enforced.

Currently, if the territorial Crown wanted to enforce a probation order, the territorial Crown would be required to ask the federal Crown to enforce the order under the Criminal Code provisions regarding a breach of probation order. While enforcement under the Criminal Code may be too harsh, failing to enforce the breach would bring the administration of justice into disrepute.

Amending this legislation will provide territorial prosecutors with a way of enforcing probation orders so an individual does not receive a Criminal Code conviction and a criminal record. By amending this legislation, we are now enabling a territorial prosecutor to enforce probation orders and to amend a probation order.

I believe this legislation addresses the concerns raised. It allows probation orders arising from Yukon summary convictions to be enforced without imposing an overly onerous penalty on the offender.

Mr. Inverarity: Again, I think the minister has done an excellent job of explaining the intricacies of this particular bill. I have to thank the minister for her legislative return in regard to the committee. I had asked some questions regarding numbers of people who actually would have been affected by this over the past number of years, and those were not significant — I think six in total over the last six to 10 years.

Clearly, those individuals didn't — or shouldn't have deserved and rightly so — to get a criminal record. However, with the passing of this act, along with some due diligence, those individuals who have breached their probation will now be dealt with within the definitions of the territorial law. We will be supporting this bill.

Thank you very much.

Mr. Cardiff: I'd like to just briefly indicate our support for this bill as well. I thank the minister for her comments at third reading, and I'd like to take this opportunity to thank the officials, because I didn't have an opportunity to do that previously. I thank the officials for the very thorough briefing

that they gave us on this bill and the explanation of it and the necessity for it. We will be supporting it.

Thank you.

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

Hon. Ms. Horne: I'd like to correct the record. There were no criminal charges against any individual due to probation orders. I appreciate the support this Assembly has shown for amending this legislation.

Motion for third reading of Bill No. 48 agreed to

Speaker: I declare that Bill No. 48 has passed this House.

Bill No. 49: Third Reading

Clerk: Third reading, Bill No. 49, standing in the name of the Hon. Mr. Fentie.

Hon. Mr. Fentie: I move that Bill No. 49, entitled *Act to Amend the Financial Administration Act*, be now read a third time and do pass.

Speaker: It has been moved by the Hon. Premier that Bill No. 49, entitled *Act to Amend the Financial Administration Act*, be now read a third time and do pass.

Hon. Mr. Fentie: It's my pleasure to introduce Bill No. 49, *Act to Amend the Financial Administration Act*, for third reading.

The bill repeals section 46 of the *Financial Administration Act*, which established the property management revolving fund. The property management revolving fund is no longer required by the Property Management Agency, because it is changing to a branch of the Highways and Public Works department for the 2008-09 fiscal year.

Beginning with this upcoming fiscal year, the full costs of property management will be reflected in the budget, improving both accountability and transparency.

Thank you.

Mr. McRobb: As mentioned during the second reading stage, this is essentially a housekeeping bill. We'll be supporting this act.

Mr. Cardiff: We in the NDP caucus will be supporting Bill No. 49 too, recognizing the changes that have been made to the Property Management Agency. We will be talking more about the Property Management Agency in the budget debate I'm sure. We will support this.

Thank you.

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

Hon. Mr. Fentie: Once again, the government side wishes to extend its appreciation to the members opposite for their support. This change reflects the ongoing work by Highways and Public Works in addressing the recommendations of the Auditor General. That work will continue, but we're very

pleased we were able to so expeditiously implement this particular change.

Motion for third reading of Bill No. 49 agreed to

Speaker: I declare that Bill No. 49 has passed this House.

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

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

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Mr. Nordick): I will now call Committee to order. We will continue with general debate on Bill No. 11, *First Appropriation Act*, 2008-09.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

Chair: Committee of the Whole will now come to order. The matter before the Committee is Bill No. 11, *First Appropriation Act*, 2008-09.

Bill No. 11 — First Appropriation Act, 2008-09 — continued

Chair: We will now proceed with general debate.

Mr. Mitchell: It was interesting to look back and try to see where we were last at in this somewhat disjointed approach to having general debate every other week but never general debate today.

I'd just like to return to one of the Premier's favourite subjects on which we almost fully agree — because we agree with the number \$36.5 million — and the ABCP investment. Of course, since we last had the opportunity to speak with great fervour and eloquence back and forth about this topic, much has transpired. There has been the buyout, so to speak, of the small investors — some 1,400 investors who were owed some \$300 million plus or minus — who have been told they are receiving all of their money back in order to dissuade them from voting down the proposed pan-Canadian arrangement that was being voted on a week ago.

With Yukon's participation, that restructuring deal was ratified by the vast majority of the remaining noteholders, although there is still a bit of a court process to go through.

There was an interesting story today — I know the Premier likes to stay on top of all this news — this is from CBC news coverage today, last updated Thursday, May 1, at 2:26 p.m. eastern time, and it has to do with Magna Profit Dips on North American Weakness and ABCP Charge. I'll just read the salient paragraph here for the Premier's benefit: "The company

said its bottom line was also hit by a \$17-million charge during the quarter to cover impairment of the asset-backed commercial paper that it holds. The ABCP market in Canada has been in limbo since last August. The company said it reduced the value of its ABCP holdings to \$104 million from \$121 million."

For the benefit of the Premier — although I know the officials will have these numbers very quickly for him — that is about a 14-percent writedown.

Again, it begs the question of why so many private sector companies, as well as several government agencies, are announcing writedowns, loan/loss provisions, for potential losses of their investments, while the Premier persists in saying that we have not lost anything; we won't lose anything; the money is all there; we have just extended the term slightly — "slightly" being from 30 some odd days to eight years.

This is certainly a point that we don't need to discuss too long. I see the Premier is eager to enter into the debate, because obviously this Premier cannot prove his point that we will get all the money back if we just wait eight years, because no one knows what will happen in eight years.

But all public companies, or certainly the vast majority of them who have these types of significant investments — even before all the details of the restructuring deal have been decided upon, even before the final court approval — are making announcements to try to better reflect to their shareholders what the reality of the investments may be, and so have some government agencies across the country.

I will send this over for the benefit of the Premier and other members. I'll file this. It's only one page long. The paragraph I read from is third from the bottom.

Is the Premier waiting for something specific? A month or two from now, if this is all approved and is restructured for a term of five to eight years, we won't know, until after eight years, for sure what we get back. That's why companies make provisions for it. That's what the Auditor General told us when she met with us here in this Chamber. She told us what she would be looking for — some indication reflected on the books by the Yukon. It certainly wasn't present when the main estimates were tabled.

Is it that the Premier is simply waiting until the fall, when the public accounts for the preceding year are tabled? Is that when he intends to make a note on this? How does he intend to address this? Tied to that, I previously asked in general debate — on the supplementary, I believe — what the loan/loss provision policy was for the Yukon. He said it was clear; it is determined by the FAA.

Could he just state for the record how the FAA directs him to report this?

Hon. Mr. Fentie: I know this member has tried at great length for months now to make a case that he has just simply not been able to make.

The reason the member can't make the case is because he is not dealing with the facts, and that has been made clear again by the statements he just presented.

Let's delve into this somewhat, although I'm not going to take a lot of time because, frankly, we're getting nowhere with this member on this issue. The member will refuse to accept any response from the government side that is factual and that actually addresses the issue.

First off, the member is confusing how the corporate world does their books versus governments that follow the public sector accounting guidelines. Hopefully, the differentiation between the two is clear to the member opposite.

Furthermore, in many instances the corporate community will take the writedown because it provides them the situation that is very positive for their fiscal situation, and that is called a "tax write-off." Any allowance for bad debt — if you want to put it that way in the corporate world — comes right off their taxable revenue; therefore, it is a tax saving that is realized. That's not something that the government does.

Secondly, the member has been, over and over and over again in his statements, very premature considering the process that has evolved here in dealing with this matter. The government has to follow the public sector accounting principles and guidelines as issued by the Public Sector Accounting Board. That is exactly what we are doing in this case, and this is mandated by the *Yukon Act*. I hope that clears up the member's final question there.

Furthermore, the Auditor General's Office has advised the government that it is too early to know what the appropriate accounting treatment for these investments will be. We respect that advice. Now the member has continually tried to make some sort of case of wrongdoing in this matter, and I want to remind the member that it is this government that provided full disclosure to the Auditor General and to the public with respect to this particular area of investment. The member continues to try to create a perception of loss, when in fact the investments of the Yukon government have not incurred a loss at all, but have incurred substantial and significant earnings.

The list of these questions that the member has brought forward — and each one of them can be refuted by fact — continues on. The government won't be premature in what it does. The government will follow the guidelines we are required to follow. The government will work closely with the Auditor General's Office and with the group that has been working on this restructuring of these investments.

I want to point out another issue that the member brings up — here's a comment that is in the public domain now and this member has yet to stand up on his feet and correct the public record and that is very irresponsible, Mr. Chair. Here is the member's comment, effective April 28, on one of the local media outlets: "It is anybody's guess whether all of these promises will be kept, because it is the same people who originally promised to return the money in 30 days who are now saying, 'Trust us for eight years and then you'll get your money back and the interest'." This comment is irresponsible. It is not factual and it requires the member opposite to stand on his feet, be accountable, address this issue, correct the record and apologize to the public.

It isn't the same people involved here at all. The leading Canadian law firm of Goodmans is now involved; JPMorgan, a global leader in the finance industry is providing advice; a new company, BlackRock, Inc., one of the largest financial asset managers on the planet, is hired to manage the new invest-

ments; and finally, Mr. Purdy Crawford, a lawyer with a distinguished record — this member may not agree in that regard, given his track record and how he has approached his view of financial officials — and a member of the Order of Canada chaired the process. These are all new entities, individuals and corporations involved in this process.

The member has to correct the record and I challenge the member to do so, so we can get on with a constructive debate.

Mr. Mitchell: If the Member for Watson Lake, the Finance minister, wanted to have constructive debate he could try answering a question. He hasn't answered a question, but let's see some of the things he has just stated.

He said that the Auditor General's Office says it's too early. He says it's premature to know. He also said he's guided by public sector accounting guidelines, as opposed to private sector guidelines.

If the member had bothered to walk down a flight of stairs and sit in this Assembly the day that Madam Fraser — I believe it was February 12 — presented her report, if he had done that, along with other members of his caucus who were here, and members of the third party who were here, and the Official Opposition who was here, he would have heard me ask that question of Madam Fraser. I said, "In this case, recognizing that public sector accounting guidelines might be different from the private sector, what would be the way in which the Government of Yukon would need to account for this? What sort of provisions would they need to make?" I said that I recognized how it was done in the private sector but it may be different.

Madam Fraser said — and I have to paraphrase because I don't have a written transcript; I'm not sure if we even have a transcript of that, but there were certainly sufficient members there — in this case, it's the same.

Some Hon. Member: (Inaudible)

Mr. Mitchell: She didn't say it was just her opinion; that would be the Premier. She said, in this case, it's the same.

It's the same and she said they would be looking for that.

If the Premier wants to tell us that he has been updated by the Auditor General's Office since then and been told, "Don't do anything yet. Do it later," then he should just say so. He should say when he's supposed to do it, instead of saying we've got it all wrong. Or he should try listening when the Auditor General comes to address this Assembly. She's not here that often. I don't know — it was before the hockey playoffs, so he wasn't in his office watching television, but it was still an important date for most Yukoners.

As far as the investments being totally different and being new investments, I would suggest that since the investments were frozen, the underlying assets in these investments — be they Visa acceptance, be they auto loans, or any other kind of investment — they're the same underlying assets; they're the same investments in a plain brown wrapper. It's the same underlying assets and when Canaccord Capital and the other company that sold some assets to pay off the small investors — the investors of under \$1 million — they reported they received some 60 cents on the dollar from those investments.

So what the minister is really saying is that if we wait eight years, and if they manage to trade successfully in the markets, perhaps they can get back into the black — because right now they're not.

That's why responsible companies and responsible governments are making provisions for potential losses. It's the Premier who likes to say when he tables a budget that one of the reasons for tabling it is this is the most up-to-date information available, reflecting the true financial or fiscal position of the Government of Yukon.

It's not very up-to-date when there is not so much as an asterisk beyond the projection of \$108-million surplus for year-end of net financial resources, to indicate that \$36.5 million of them are not available to us.

Without knowing that the assets may be worth less than that, what we do know is that there is \$36.5 million in those assets that are not current assets in the sense that we do not expect to receive them in the current 12-month fiscal period. Surely there should be an asterisk that at least would indicate that a portion of these assets are in the new permanent trust that the Premier has set up. He closed the previous one; I guess he wanted a larger one because now he has established an eight-year trust. That is his legacy.

While the minister is busy saying that everyone else's information is wrong, almost every responsible agency, corporation and government across Canada is making a genuine effort to accurately report on the status of these assets, except for this Premier.

I want to make it clear, before the Premier stands on his feet and says that we are blaming officials, it is the Premier we hold responsible. He is the ultimate decision-maker. He is the head of government. The buck stops there. You don't blame officials for what happens under your watch, except if it happened under a previous government, and we are talking about a Crown corporation, and then this Premier is only too quick to criticize the former board members of the Yukon Energy Corporation over a power line. That is an arm's-length corporation, I might add. When he criticizes the former Liberal government and talks about a power line, he is really criticizing a Crown corporation. That is what he says every time we raise one. That is what he says when we talk about the Hospital Corporation or the Energy Corporation or the Workers' Compensation Health and Safety Board. He says, "arm's-length — we don't know, we don't touch that."

The Department of Finance is about a 33-inch, in-sleeve arm, I would suggest; maybe 32 inch, and that is who signs the cheques.

I would like this Premier to give us some straightforward answers, instead of dancing all around and trying to convince Yukoners that investing money for 30 days, and then telling us there has been a slight change in the term of the loan — we've extended it ever so slightly from 30 days to eight years; don't worry, everything is great — is business as usual.

If that happened to any individual investor or family in this territory, if any family in this territory invested money and was told, "We told you we'd give it back to you in a month, but it turns out we'll give it back to you in 2016. Do you have a problem with that?", it would be a major problem, Mr. Chair. It would be a big problem.

If the Premier would like to make a second attempt, or a third attempt, at actually answering the question and telling us if it will be in the public accounts that are tabled this fall, and if he finally fesses up to when it is going to be, instead of blaming previous governments and officials, we'd appreciate that. Thank you.

Hon. Mr. Fentie: Mr. Chair, as long as the member opposite continues with his wild accusations, there is little hope or purpose in having any discussion with this member.

If you follow this member's logic, he would now say that a Canada bond issued for a longer term maturity date needs a writedown too. The member doesn't understand this process whatsoever, and there is no point in trying to provide information to the member that may help him understand. The member is on a mission here and the mission is one that is to, certainly — and I can't say it because I'd be called out of order, but we all know what it is. There is a word for it; it starts with "s", ends with "r" and has —

Some Hon. Member: (Inaudible)

Point of order

Chair: Mr. Mitchell, on a point of order.

Mr. Mitchell: Mr. Chair, Standing Order 19(g), imputing false or unavowed motives, and also one may not do indirectly what they cannot do directly, which are clearly out of order.

Chair's ruling

Chair: On the point of order, the Chair would like to remind members that you cannot do something indirectly that you cannot do directly. I would like to urge members not to do that.

Mr. Fentie, you have the floor.

Hon. Mr. Fentie: Now that we've got over that sensitive response by the Leader of the Official Opposition, it is clear that the mission is ongoing. I appear to have smeared my notes, Mr. Chair; that is fitting, however, given this discussion. However, the member is not going to get wrong answers from this government; the member will be given the facts as we have relayed them in this House over and over again.

Here is what we can do: I am more than willing to allow the member to go far beyond his 20-minute slots here in Committee. We'll go for coffee and the member can stand here and fill the pages of *Hansard* with his rubbish.

Unparliamentary language

Chair: Order please. "Rubbish" is definitely not a term that is expected of members in this House and I'd ask the members not to use that word, please.

Mr. Mitchell: I do appreciate the Premier's kind offer to send out for coffee for all members present and we'll take him up on it. I'm sure the officials who are standing by will arrange to change the Standing Orders so that we can have that sent in.

Apparently all members on the government side want coffee, Mr. Chair. They are having sleepless nights and they want more of them. They are worrying about \$36 million. There is a difference between 19(g) and some humour, I would suggest.

Mr. Chair, we'll keep this short; we don't want the Premier to spend too much time getting coffee. The Premier just suggested that I didn't understand the difference between the term of a bond and suggested — actually, he didn't suggest, he stated and asked whether I would think that if we had a Government of Canada bond or a treasury bond with a longer term that would mean we wouldn't know what would be coming back.

My question for the Premier: does he equate a long-term government bond entered into with the knowledge of fore-thought of what the term of that bond would be — as opposed to a short-term 30-day or 60-day treasury bill, let's say it is a five- or 10-year bond with the guarantee of the Government of Canada — does he equate that with a forced restructuring? Even the esteemed lawyer who was in charge of the restructuring said on many occasions in the last few weeks that, if the restructuring were not approved he would be very worried about the complete collapse of the process and what would happen. Mr. Crawford has stated there would have been a serious loss in value if they would not have a successful restructuring.

Is that the Premier's assertion, that investing money in Opus and Symphony for 30 days, or just over 30 days, and now having to wait seven months for a process of restructuring to take these assets and try to create something that will repay us in eight years — with the Premier's excellent investment record and his knowledge, because he has been doing this for five and a half years, is he suggesting that is one and the same as a long-term government bond? That is fascinating news, and I'll let the Premier explain that one, since he put it on the record.

Hon. Mr. Fentie: Well at least the Premier puts the facts on the record, unlike the member opposite, who has got a lot of correcting of the public record to do. We started with that particular point that he articulated to the public on April 28.

I think there is another way to look at this, and I find this of great value. We've got a long-term investment here. The member has just stated that, according to him, this is the same group of people, but he did mention one of the new parties involved here. He failed to correct the record on that count, but he did mention one of the new parties had a great concern that if the deal of restructuring did not go through, there may have been some negative impact. When you look at the over 90-percent vote in favour and the overwhelming support of the restructuring, I think that should answer the member's question.

However, I think we can look at this as a long-term investment. Investments by the Yukon are making money, and this long-term investment is important because rue the day that that member may be in charge of the finances of the territory between now and the next eight years. At least the member couldn't get his hands on \$36.5 million and blow it.

Mr. Mitchell: Well, thank you. I guess the Premier has said that he has indeed created a permanent fund. He has changed his policy on that too.

I am not going to go on much longer on this. The Premier has no answers. He hasn't been able to answer to Yukoners; he hasn't been able to answer to the members of the third party; he hasn't been able to answer to members of the Official Opposition; he hasn't been able to answer to members of the media. I think the clear fact is everybody knows that under this Premier's watch, for the first time in the history of the Yukon — the first time ever — the Yukon invested in an approximately 30-day note and will wait eight years to find out what it is worth when it matures.

That's his record. We hope he stays in good health, because we all want to talk to him in 2016 about how that's worked out.

We'll move on to other matters, because I know we have a lot to get through in this sitting. We certainly know that yesterday the minister responsible for Economic Development spent several hours educating all Yukoners about all kinds of fascinating material regarding radioisotopes and his fascinating history of medical research, rather than doing due justice to the motion brought by the third party.

Some Hon. Member: (Inaudible)

Mr. Mitchell: As the Member for Kluane says, "You can't teach an old dog new tricks." Well, I will say one thing: the minister responsible for Economic Development is pretty good at talking out the clock.

Let's ask some other questions and maybe we can get some straightforward answers.

Can the minister give us an update on what progress we've heard on land claims? We asked last year about the Fitch report. Has that report progressed to the point where there are some decisions being made at the Canadian government level?

Does the minister have anything to tell us about the three outstanding land claims and what progress he has made with the three First Nations and with Canada, in terms of reestablishing a mandate and reopening negotiations?

Hon. Mr. Fentie: Well again, Mr. Chair, the member has put information on the public record that must be corrected.

The member said that the Official Opposition and the third party haven't received answers on the matter of government investments. I will refer the member to the pages of *Hansard*. There are copious amounts of answers in terms of response to the member opposite. Most recently, the government side provided advice to the third party in the form of an answer when it comes to this particular investment issue, not to listen to the Leader of the Official Opposition on the matter. That will help them greatly in understanding the facts of the issue.

Again, I'll correct the public record for the member opposite. The government has answered for months on this particular issue, whether here on the floor of this Assembly or through the media. The Department of Finance, along with many others involved in the restructuring, have worked diligently over those months to come to this point where there's an agreement on restructuring. Now we just await the court's approval of this whole arrangement and we will move forward. We'll continue to work with the Auditor General on this and many other matters we are required to do. We'll continue to follow the public sector accounting guidelines.

We'll continue to invest Yukon fiscal resources in a manner that continues to earn revenues for the Yukon, as we have. Unlike the member opposite and his party, when in government, we were cash poor, in trouble and in an overdraft position just to pay our daily expenses. It is a positive sign that now the government is not cash poor, has in excess of \$150 million available today, has short-term investments — I stand corrected. We actually have now today \$250 million cash available, short-term investments, long-term investments, a growing economy, a better quality of life, an improving health care system, an ever-improving education system, more investment in infrastructure, continuing investment in programs and services to Yukoners to ensure that Yukoners are receiving, to the extent possible good governance, in all facets. The list goes on and on.

Now to the land claims. We can't provide definitive responses to the member's question because the process known as the Fitch review and report is somewhere in the works, between Mr. Fitch and the federal government and the federal minister responsible. We have continued to have discussions with the federal government and the federal minister responsible to always encourage the federal government to come forward quickly with a new mandate to address the unfinished business here in the Yukon.

It's important to note that, out of 20 plus — I believe it's 22 — settled claims in Canada, 11 of those settlements are here in the Yukon Territory.

I think that is a significant demonstration of how our process in the Yukon has worked over time, and we are getting a very positive reception from the federal government in regard to that. We will continue to work with Canada to ensure that we can conclude the unfinished business in Yukon; we will continue to work with Canada on the implementation of the 11 agreements and self-government agreements that have been concluded. We will continue to work with the three First Nations who have not concluded, as we are required to under the law but, more importantly, through the vision and plan that this government has for the Yukon in partnership and collaboration with Yukon First Nations. That is part of the good governance initiative that we brought forward as far back as 2002.

All these matters are being taken care of, and I would encourage the member opposite to once again recognize that the processes here in Yukon are being reflected out there in the public. The public just simply isn't buying into the Leader of the Official Opposition's approach whatsoever. We all recognize that. I congratulate the Leader of the Third Party on his rise in the polls, outdistancing the Leader of the Official Opposition, so that tells us on the government side that the public is more comfortable with the NDP than they are with the Liberals.

We will continue to work with the Liberals to try to shore them up and bring them up to standard and make sure that they are a constructive, contributing factor to this territory's future. It is a difficult challenge, however. It is most difficult to try to raise the bar with the Member for Copperbelt and his colleagues. But we will not be deterred; the government side will work very diligently to ensure that, at some point in the future — hopefully in the near future — the Official Opposition will become a more constructive element in governance in the territory. That is what we will strive to do and, with a little receptiveness from the Leader of the Official Opposition, we may be able to accomplish great things.

Under the circumstances, the government side progresses, the third party progresses, the territory progresses, but unfortunately there is a regression at the level of the Official Opposition.

Chair: Is there any further general debate?

Mr. Mitchell: I guess the vast majority of that last response we can ignore, because there was a bunch of words and a response but no answers, actually. I'm going to leave the issue of the \$36 million for now. The minister clearly has no answers. We can ask these questions as long as we wish but the minister can't answer for it because it is his problem. He keeps hoping that the officials or somebody else will bail him out, but I don't think there is going to be bail on this one. It is the minister's problem.

I asked about the three outstanding land claims and the Fitch report. I think I asked a very straightforward question; instead the minister felt compelled to say, "We're doing everything as we're supposed to; don't worry, things are progressing." That is really a pretty sad answer for this House, Mr. Chair. It didn't inform us of anything other than they are working on it. We presume they are working on it. We were wondering how it was going. We didn't get an answer; that's fine. We'll try some more and maybe there will be something that the minister can answer.

We retained \$17.5 million out of the of \$50-million northern housing trust when the \$32.5 million was transferred directly to First Nations. Some of that is now assigned to the single-parent-family housing where there will be some 30 units completed some time in the future at some unknown location in the City of Whitehorse.

Does the minister have any information he can give us on how the government plans to spend the remainder of that money in that trust, or is all of that \$17.5 million going to be held for that one particular project? It is a very straightforward, simple question and I'd like to get a straightforward, simple answer from the minister. It is Thursday afternoon; I'm sure he can calm down and do that.

Hon. Mr. Fentie: Actually, we're very calm on this side of the House. A straightforward answer: all the money retained, the \$17.5 million, will be invested in affordable housing, as is required, and we're working on it.

Mr. Mitchell: I think the Premier got it half right: it was a simple answer. I'm not sure if it was straightforward.

He said, "We're working on it." Does he have any other programs that he can inform this House about that aren't top secret, Cabinet eyes only, regarding that money, or is it simply more, "Don't worry, be happy; we'll let you know"?

Some Hon. Member: (Inaudible)

Chair: Is there any further general debate?

Mr. Mitchell: Well, from what he said, it's clear, so I guess we'll have to reread *Hansard* and see if it was clear.

The much-promised social assistance rate increase that has been announced and reannounced several times over the past year, and referred to again this spring — the last we heard, it would be coming forward shortly, but I don't believe anybody has yet received the cheques. Can the minister give us an update? As the Minister of Finance, he would know.

I know the government was waiting for approval from Canada, having to do with the federal obligations toward First Nations. Can the minister update this House and, more importantly, update Yukoners on when the new rates will be in effect and the first cheques will flow with the increased rates in effect, and what those rates will be?

Hon. Mr. Fentie: Not wanting to be presumptuous, I believe the member is asking about social assistance rates. That is within the purview of the Department of Health and Social Services. The government has committed to restructure, if you will, that area, and I'll let the Minister of Health and Social Services expand on the work the minister has done. Under his leadership, good things are certainly happening in that particular area, also.

Mr. Mitchell: Not so quick, Mr. Chair, because we know when we ask these questions in Question Period, the Premier is very pleased to jump up and say, "I can't help but to enter the debate," and jump up and answer questions on behalf of the Minister of Health and Social Services, or the Minister of Justice, or the Minister of Energy, Mines and Resources — he does so nearly every day and certainly every week.

Now, Cabinet meets on these matters. We know the Premier keeps a close eye and a steady hand on all of these issues. He can't spend all his time worrying about the \$36.5 million. Surely, the minister knows the answer to the question.

Why doesn't he just provide us with the answer because, ultimately, the minister holds the final responsibility for all decisions? He does know the answer; why doesn't he just inform the House?

Hon. Mr. Fentie: I did inform the House, Mr. Chair. I informed the member opposite, the House, the public, whomever, that the Minister of Health and Social Services has much to say on the matter when we get to that debate. That is the answer.

By the way, of course the government side will respond from multiple areas of responsibility when questions are asked, because it demonstrates the depth and strength of the team on this side of the House. It demonstrates how rich the democratic process is under this Yukon Party government's watch. These are all positive elements of what is transpiring in this territory, thanks to the Yukon voter.

So we want to continue on with our dedication and commitment — the hard work in delivering to Yukoners a better place. That's certainly happening here in the Yukon today and we have every intention for that to continue into Yukon's future.

Mr. Mitchell: Well, in that collegial atmosphere, if the Minister of Health and Social Services wants to respond to the question, we are quite happy to have him stand and do so but, absent that, we were hoping that the Finance minister would do so. But any time the Minister of Health and Social

Services wishes to enter into the debate and answer that question, we'd be pleased to hear it.

Here is one that perhaps the Minister of Finance would know because he is ultimately responsible for the money and the negotiations, even though we are talking about health care costs. The \$14 million that was outstanding from Ottawa for health care costs: is that still outstanding and, if so, when does the minister anticipate collecting it?

Hon. Mr. Fentie: This is an ongoing process between Canada and the Yukon. It is for the delivery of services to Yukon First Nation people and we will continue to work on that basis with Canada.

Where we are at to date with the process is a total due from Indian and Northern Affairs of \$11.983 million — call it \$12 million. It is an ongoing process that we will continue on with Canada because we are not going to diminish the services we provide to Yukon First Nation people, whether it be through health care needs and programs in that area, or social programs and services that we provide. That includes children in care. We will just continue to deliver and we will continue to work with Canada on the recovery aspect in this area, because I think it is important that we all recognize that this is another example of collaboration within this territory — in this case, among governments nationally and publicly here in the territory — as we work on making the lives of our citizens better.

The member talks about finance and the steady hand. So, I don't mind, given that opening, to segue into the fact that I think we should give the member another bit of an overview of the financial situation here in the Yukon Territory.

The financial situation that we inherited in 2002 was one where we were in an overdraft position and cash poor. The first budget this government tabled showed a net financial position of only \$1 million-plus, and the budget was \$500 million-plus, and that investment was then going out into the needs of Yukon, whether that be infrastructure, health care, education, and so forth.

What became quickly apparent in applying that steady hand to the finances of the Yukon, in getting a firm grip on our fiscal position in the Yukon, was that the Yukon was a place that required significant stimulus in investment. So the government set about doing that work; our government set about doing that work.

We have turned a \$500-million-plus annual budget into approximately \$900 million in a few short years. We have gone from \$1 million and change in a net financial position to a \$100-million-plus net financial position. We've gone from an overdraft to pay our bills, pay our wages, and meet our fiscal requirements and liabilities to a situation today where we have some \$250 million dollars in cash available.

That's that steady hand of financial management brought forward by the Department of Finance; and I extend the majority of the accolades and credit to them.

However, this government did take on the challenge of standing up to Ottawa — at that time, a federal Liberal government — and we, in a very constructive manner, convinced the federal government, in the business case that we brought

forward, that there had to be changes for the north — Yukon, Northwest Territories and Nunavut.

So, you know, we have to consider these things, Mr. Chair, because these are processes that have brought us to where we are today in this very healthy financial position. When you consider our cash plus investments today, we have over a quarter of a billion dollars in this territory. That demonstrates that steady hand on the finances, that firm grip that we applied to the fiscal situation in the Yukon Territory. Now we are debating a budget that is investing some of that fiscal capacity back into Yukon.

Previously, the government has come forward with tax initiatives and putting more money back in Yukoners' pockets. The government — in its dramatic increase of investment from some \$500 million to \$900 million — has increased the stimulus in this territory by hundreds of millions of dollars. The government has created a positive investment climate in the Yukon, whereby there is an ever-growing private sector investment being realized in the territory.

The government has brought the resource industry back that was chased away by previous governments — especially the former Liberal government, who, with great fanfare, ensured that the investment community and the population of Yukon were leaving this territory in droves. That was their way to lower the unemployment rate — just simply make it so difficult to live here that people had to move to feed their families. They did stand up and tout the fact that they had lowered the unemployment rate from whatever it was — still in double digits — but it was lower — and that was because of the population decreasing. We've turned all that around.

The members have great difficulty — especially the Official Opposition — criticizing the government in any effective way and based on any fact and substance because of how this territory has turned around under the Yukon Party government's watch. We intend to continue that trend in that direction, Mr. Chair.

Also part of the results of this steady hand on the finances of the territory and this firm grip on the fiscal situation of Yukon, there are some other positive changes, and they're significant. There is a change in the public administration sector which, in 2003, accounted for 24.4 percent of the GDP while, in 2006, it had dropped to 23.9 percent of the GDP. These are the indicators of what we set out to accomplish in doing what we were doing financially in the Yukon Territory.

Our investments are achieving private sector growth, diversifying the economy and reducing our reliance and dependence on government spending to achieve that same economic growth.

I know the member doesn't want to go into a debate on all these matters I've just tabled here in the House, because the member will then have to admit — the Official Opposition will have to admit — that the government side has done the job and continues to do the job on behalf of the Yukon public.

We'll continue with this discussion, but I'm really glad the member brought up the steady hand on the finances because that gave us the opportunity to segue into all the examples and evidence of that steady hand and the very positive results achieved to date in the Yukon.

Mr. Mitchell: We are certainly glad the Minister of Finance had a steady hand and a firm grip on the lever when he pulled it — the lever of the ABCP casino. If he had had a weak grip, it might have been \$130 million or \$200 million. A steady hand was only for \$36.5 million — perhaps the cost of a new correctional centre, before all the real costs are known.

I will agree with the minister on one matter — I think I will agree with what he said — that thanks to the hard work of officials over many years, under many governments, making the case in Ottawa, we do receive a fairer share of federal transfer money that we are due, based on the fact that per capita just wouldn't work in such a small jurisdiction.

I think the minister knows, and I think he meant to say this was due to the hard work of officials over many years. I know that officials under successive governments have gone and made that case in Ottawa and have been increasingly successful in doing so.

I have another question for the Premier: can he give us an update on the regional land use plans? We recently saw the *North Yukon Land Use Plan* reaching completion. What other regional land use plans are nearing completion? Why has the progress been so slow on those plans? Is there enough money available from Ottawa to complete them? If not, is the minister making the case to Ottawa that we need sufficient funds in order to complete these plans?

Hon. Mr. Fentie: Once again, this particular area is under the purview of another department and I'm sure the minister responsible is very keen on getting into this discussion, because the member's question of why it took so long is a simple one — it's because this Yukon Party government that finally took charge, put that steady grip on the lever, that steady hand on the governance of the territory and actually proceeded with land use planning — unlike previous governments in this territory, dating back to the first four land claims that were agreed to.

Mr. Mitchell: Well, Mr. Chair, it's amazing how between 1:00 and 1:30 the Premier can have such a wide and deep breadth of knowledge on so many issues and at 3:00 or 3:30 that focus gets narrower and narrower.

I'm trying to be helpful to the minister here because I know he's embarrassed about his own portfolio. He's embarrassed about his own firm grip on investing Yukon's finances — Yukon's net financial resources — in his new, restructured, long-term bond that pays a rate of interest that he doesn't yet know. That's why I'm giving him an opportunity to speak about some of the good things that his colleagues do, Mr. Chair, because I know he would want to talk about these positives.

Let's go back to something that is more difficult for him not to answer, because it is actually one of his own portfolios. He is the Environment minister and, as Premier, he certainly made many announcements and discussed many times with Yukoners about the cold climate research centre. He did discuss the cold climate research centre with Minister Baird in February. How much funding did the Environment minister,

who is also the Premier, request for this project? Has he been promised or received any money yet from Ottawa for it? What is the Premier's plan for funding this, and have any private sector companies contributed one cent, or one dollar, or \$1,000 or any addition funds to this project?

Hon. Mr. Fentie: Again, I have to correct the record. The government side is not embarrassed at all by its accomplishments. In fact, we are very encouraged at the progress being made in Yukon. However, I will say we are quite humbled by the challenges that we had to face and the ongoing challenges that we must meet.

When the member says that I suddenly have a lack of available information, it is because any extended period of listening to the Official Opposition and the Leader of the Official Opposition creates a vapour lock in my cranium, and I can't remember all of these matters.

Mr. Chair, I retract that comment, but I am sure the member opposite, the Leader of the Official Opposition, gets the point.

The climate change research centre of excellence is an initiative that relates to our climate change strategy and action plan. We are working not only with the federal government but with universities, Yukon College, the Department of Environment, the Department of Economic Development and others, to deliver on what is a significant issue for this territory and its future. It is a work in progress, and we will continue to work on it.

Mr. Mitchell: Yet again we have another one of those answers from the Premier. We have had quite a few of them today: "We're working on it," that's what he said.

Perhaps the minister could help answer a question, but we'd be happy if his colleague would stand up. His colleague, the Energy, Mines and Resources minister, hasn't been able to answer this question yet, but perhaps the Finance minister, because he has broader powers, can tell us whether he has any form of relief that he might provide to ratepayers to offset the cancelled RSF that is going to soon be costing Yukoners an average of some \$400 additionally a year — up to \$500, says the Member for Kluane. No relief has been in sight for the high cost of living that people are experiencing.

We all know about the high gas prices and we know the minister will tell us he's not responsible for those. That is why we're looking to see what the minister can do with what he is responsible for. He just told us that he's got \$200 million, \$250 million dollars — he's got all kinds of money. Of course, there is the \$36.5 million permanent fund. I'm wondering whether the minister is intending to make any announcements this spring or summer regarding relief for Yukoners who are burdened with high gas prices, high electrical bills, higher transportation costs, higher food costs, and one of the higher rates of inflation — I guess the third-highest rate of inflation, roughly, in the country, or fourth after the Northwest Territories, Alberta and Saskatchewan.

Does he have any plans to try to offset this and alleviate some of the pain that Yukoners are experiencing, particularly fixed-income pensioners and elders and Yukoners who are —

as the Member for Kluane likes to say — among the working poor?

Hon. Mr. Fentie: Mr. Chair, I have to make the point that, over the last couple of days in Question Period, a tremendous amount of information has been put on the record by the government side through a number of ministers responding to questions in this area, providing the member a litany of examples of how we are addressing issues here in the territory.

The member has probably forgotten that we got into a discussion about the tax breaks, and how we used our tax mechanisms and regimes here in the Yukon to provide relief and put millions of dollars back in Yukoners' pockets.

I think the member has to recognize that we have one of the highest hourly wage rates in the country; we are way ahead of the national average in that regard. We have increased the minimum wage, as the minister pointed out today, also on the fair wage schedule. When it comes to inflation, our earnings in the Yukon measured on a weekly basis are ahead of the consumer price index — that means we are outpacing inflation in the Yukon.

We recognize that there are those out there who have challenges, and that is why the Minister of Health — when the opposition wants to get to that debate — will bring up how we are dealing with the social programs in this territory.

The member also has to start to recognize that there is a tremendous amount of affordable housing initiatives in the Yukon. We have other funds available that help and assist individuals across the territory. We have also implemented an emphasis on conservation to reduce costs through efficiencies; there is a long list of those in multiple departments, whether it be the Yukon Housing Corporation or the Energy Solutions Centre. So the member has to get to those departments for those debates.

But all of them are geared to continuing to assist Yukoners, and it all comes down to a quality of life. We have one of the highest standards of living in the country. I think we are experiencing what I would call a challenge, of course. The availability of light sweet crude is now somewhat suspect; it's certainly driving the price per barrel because the price of oil per barrel is measured by the availability of light sweet crude.

But I'm sure industry and others — including the Yukon government — are looking at alternative energy sources. There is more and more emphasis now on fossil fuels that are harder to access and develop. All things happening globally are certainly something that we're aware of and on which we keep a very mindful eye. But we'll continue to do our work here in the Yukon.

There are multiple areas where we provide programs and services and assistance to Yukoners. I want to emphasize that one of the main ones of course was putting more money back into Yukoners' pockets through tax relief. I want to emphasize the increase in the minimum wage; I want to emphasize the training and education programs that are going on to help people progress in the job market, giving them the capacity to earn more and more as they progress; I want to emphasize the efficiency approaches we're taking in energy use, in terms of whether it be buildings, houses and so on.

The increased investment in hydro — we are heading in a direction where we are lessening our dependence on fossil fuels like diesel to produce electricity, using more and more hydro. Our target here is to reduce electrical rates. The member is incorrect. We haven't discontinued the RSF at all. It has been extended once again up until July of this year. We'll allow the minister responsible to deal with that matter. I'm sure the minister is willing to debate this issue at great length.

We also recognize that there is a situation where subsidies might not be in the best interest of Yukon's future and conservation is more of a focus. That's part of what we're working on

It's very simple for the Official Opposition to stand and berate the government side about a subsidy, but the members seem unwilling to enter into debate around efficiencies and conservation measures, reducing our dependence on expensive fuels, alternate energy sources and increased investment in hydro. In fact, we've heard a lot of criticism coming from the Official Opposition about our investment in hydro, which includes the third wheel at Aishihik — but that means we'd have to use water out of Aishihik and not diesel. I think we understand why that criticism is coming our way.

However, there is great purpose in our debate here if we get to those departments that have all this detailed information to hopefully assist, as I pointed out early, raising the bar for the Official Opposition in its participation in governance here in Yukon.

Mr. Mitchell: So many words and so little information, Mr. Chair. We would appreciate that cup of coffee the minister promised us about now. I think the officials would appreciate it too.

It is interesting that whenever it is not the minister's turn to speak, his parting comments are always, "We're really looking forward to getting to that issue, if only the members would let us get to it." I'd like to point out that it is the Premier and his Government House Leader — it is that side of the House that determines what we will debate on any given day.

This is day 24 and for 24 days — 23, I guess, because the first day was the budget speech and we all heard that for a couple of hours. But for 23 days, if the Minister of Finance and the Health minister had wanted to, they could have called Health for debate. We don't do a thing to prevent them from calling it and we can't do a thing, apparently, to encourage them to call it. It is not anything that we're doing that is preventing us from debating Health and Social Services.

This is only the second time this minister has called general debate. In his new practice that he entered into a year ago where general debate follows departmental debate, we never know when we should ask these questions. In general debate he says, "Ask them in departmental debate." But general debate is often following the departmental debate so we can't do that, can we? If we wanted to ask an Education question now, we'd have to ask it of this minister in general debate because departmental debate is over with. Again, it is this minister who sets the agenda for when we will discuss these things.

I'm wondering if the minister, since this is very much his department, can give us a straightforward answer without all the personalization that seems to go on here, on the progress of implementation of land claims in terms of the nine-year review. What are the next steps? How is it progressing? Will the Premier be making the nine-year review documents public? Just an update would be just great.

Thank you, Mr. Chair.

Hon. Mr. Fentie: The nine-year review is an obligation by government, specifically the government that has the fiduciary responsibility, and that is Canada. The review is well underway. There has been a very successful engagement with a number of federal ministers as recently as February. First Nation government officials and Yukon government officials are working diligently on a workplan. There is an agreement and willingness by the federal government for an intergovernmental approach on this matter in the structuring of a new mandate for implementation, and so far I can tell the member that we are very encouraged by the progress being made. We are very encouraged by the willingness being demonstrated by the national government, and we are very pleased at how we are able to collaborate with First Nation governments on this issue. It is very important to them, their governments and their citizens.

Mr. Mitchell: Well, "encouraging", or "being encouraged", is more like an adjective or maybe an adverb. The minister says that he is encouraged. Could he perhaps provide us with some information, details, timelines, money, or a date when he can actually report progress rather than telling us he's encouraged? "Encouraged" sounds like what the minister would say in the middle of a hockey game if his team were winning, but it doesn't tell us anything.

Can the minister give us any actual, factual information in a response?

Hon. Mr. Fentie: I did. I explained to the member opposite the process we are in, where the obligations lie, and what we are doing collectively, including the willingness of the federal government to do this work. But I think the member once again is demonstrating his propensity to be presumptuous. The member has to allow the work to conclude, so we know what the outcome will be, and that is the work I speak of.

Unlike the member opposite, the government side won't speculate. The government side deals with facts. We will continue to work through this process. When the process is done and the outcomes are evident, all will be apprised.

Mr. Mitchell: I would like to return briefly to the minister's response to a previous question when he said that we were incorrect when we said that the RSF — the rate stabilization fund — had been cut when in fact it had been extended. It reminds me of what George Orwell referred to in 1984 as "newspeak". He is defining new meanings for old words. When they had a stabilization fund and cut half of it out entirely and announced that they were going to cut the other half out in the following year, I don't think that is an extension. That is a cut — half gone last year; the remainder to be gone this July 1 — two months from today.

One day, there was some ambiguity in the response to one of the questions by the Member for Kluane by the Minister of Energy, Mines and Resources. Being every optimistic, we thought, since he made some reference to how they are taking a

hard look at this or something, maybe there's a gleam in his eye for providing assistance to Yukoners who need it. Perhaps it was just some more of those baffling responses to questions that the minister gives. Again, I just want to point out that the facts are that this government removed half the subsidy. That is costing Yukoners roughly \$200 to \$250 a year. Effective July 1, if they don't change their ways, when they remove the other half, that will be another \$250.

The Finance minister talked about the price of gas and its relationship to the shortage of light sweet crude. We all know that the Finance minister is a lot of things. I don't think that he's a wildcatter. I don't expect him to personally drill wells and solve the problem. What we've been asking is what he can do as Finance minister, since he talks about how healthy the public purse is, to offset these costs for Yukoners. Yukoners are looking toward their government, because they are in trouble. They are hurting. The Finance minister doesn't seem to be feeling their pain, but I suggest he will.

He has an opportunity to do something about it. He can introduce tax measures, like he did a couple of years ago. It was only a one-time event, but he used income tax to provide an energy rebate, which was in effect when the price of fuel oil was skyrocketing in the fall of 2006. So, he has the ability to do it.

Some Hon. Member: (Inaudible)

Mr. Mitchell: It was a lot less then, as the Member for Kluane says, than it is now. It has gone up from well under \$1 per litre to \$1.38 a litre or something now.

It's not only fuel oil. Although it has been snowing a little bit off and on lately, we're getting out of the heating season, but now it's gasoline and soon it will again be electricity. So, it would be nice if the Premier had some good news for Yukoners — not old news — but new good news.

I know it's under yet another minister's purview, but it was the Premier who went to Dawson and made some promises and announcements a while back regarding the Dawson sewage facility. We all know that the citizens of Dawson rejected the proposed site for the sewage lagoon in Dawson. Could the Premier state clearly for the record what his ongoing commitment is to the town and citizens of Dawson regarding the inevitable requirement to address the problem of sewage disposal? It appears it will cost more than what was previously contemplated because of the need to develop a different location.

Was this an open-ended promise? Is the Premier going to make it good on behalf of the citizens of Dawson or is there some finite amount, capped at what the projected figures were at the other location? Just what is the commitment to Dawson? We know that Dawsonites, by themselves, are not going to be able to address this.

Hon. Mr. Fentie: Quickly, on that note, the commitment to Dawson is not to do to Dawson what the former Liberal government did to Dawson, and that was putting Dawson into such a strenuous debt load that our government had to spend a great deal of time and effort in addressing the situation for Dawson. We have been able to positively get Dawson fiscally back on its feet, and a lot of work will continue for Dawson City, including the sewage issue.

I want to make a point here. All the members of the Official Opposition seem to be able to do, with respect to the energy issue — the cost of energy, fuel, or whatever the case may be — is refer to subsidies. I think it is important that the members admit openly that that is all they have. Well, not this government.

As I said moments ago, we've been listing over the last number of days a litany of examples of how we are working on this issue. I don't need to repeat them, but there are many. There are the tax breaks that the member just said; we use the tax regime for one-time only. On an ongoing basis per annum, we are putting back into the pockets of Yukoners \$5.4 million through the tax breaks we have brought forward. We will continue to work on conservation, not just subsidization. Conservation is the long-term process to ensure energy efficiency and more reasonable costs of energy consumption.

We all have a role to play; it's not just government. It is more than just subsidies. That is all the members can seem to bring forward. Their only answer when something happens is, "let's subsidize it," and that is why they got into fiscal trouble the last time they were in office. They subsidized themselves right out of office and left the fiscal cupboard bare.

So, once again, there are a number of departments and ministers that can really enlighten the Leader of the Official Opposition and his colleagues to raise that bar of their participation in governance in the Yukon. It is the facts in all these areas that they require to be able to raise that bar. We're here prepared to relay all those facts to them. We're here to shore them up and assist them through this very difficult time that they seem to have in terms of their understanding of today's Yukon and the priorities that the public of today's Yukon has.

With that, I'll turn it back to the member opposite for more of his pearls of wisdom.

Mr. Mitchell: Mr. Chair, since the minister is looking for some pearls of wisdom, I'll try to provide him with a few.

First of all, I would like to thank his colleague, the Minister of Community Services, for progressing forward with the extension of Hamilton Boulevard. It is something that, from the first month I was in this Assembly, I asked for on behalf of my constituents in Copper Ridge and Granger. It will benefit both the safety of all the people who live in that area by having a second route out in case of any kind of emergency like a wild-fire. I heard a presentation last night from the director of wild-fire management regarding the dangers of that and what a positive this would be. I know there is some \$7.375 million in this budget to move forward with the completion of Hamilton Boulevard extension.

I'd like to congratulate Skookum Asphalt Ltd — a good, long-time Yukon company on winning the \$4.9 million paving contract. I understand that is going forward and that there will be one lift of pavement on the entire road, hopefully by mid-October and in some sections two. It will also alleviate the miniature but nevertheless annoying morning traffic rush that so many people experience just as people are going to work and to school in the mornings and also again in the evening.

There are things in this budget that we think are positive; that's one that has a large effect on my riding.

There is also the \$418,000 for family support services to children with disabilities. I think that is a very important allocation and I am pleased to see that funding. There is \$1.25 million for upgrading municipal infrastructure as a result of the community tour, \$175,000 to develop the Forty Mile historic site as a major cultural area attraction in conjunction with the Tr'ondëk Hwëch'in, the \$329,000 to implement the new placer regime, \$180,000 to upgrade the Carcross visitor reception centre, and \$3 million in Shakwak projects for the construction of the Slims River bridge — I am sure that my colleague, the Member for Kluane, will have more to say about that when he enters into debate on Highways and Public Works. There is \$11 million for the reconstruction of the Duke River bridge and \$8.3 million for the major expansion of the Whitehorse air terminal building and parking lot development. There is the previously announced — but now reannounced and somewhat budgeted — \$31 million for reconstruction of southern portions of the Campbell Highway over the next three years, \$1.7 million for the mobile communications infrastructure, \$3.3 million for the community development fund, and \$153,000 to continue the three-year project with the Yukon River Inter-tribal Watershed Council to determine climate change impacts on the Yukon River. There is \$6.67 million in 2008-09 under the territorial health access fund to improve community health services. We'll have more to ask about that when we get in the Health

The \$960,000 is to begin the planning stages for the 30-unit affordable single-parent family housing unit complex, although we know that we don't have any hard figures on that and it's a few years away. There are a number of other things in this budget that we support. I would like to thank all the hardworking officials who have helped to develop and bring forward those programs. I would have liked to have gotten answers on a great deal of other questions from the minister, but it is clear that we're not going to get answers.

I know that the third party wants to enter into debate. I certainly always look forward to hearing the Premier talk about how constructive the third party is. It's a joy to witness the camaraderie that he expresses to the third party. I am sure that the day will come when he will extend that our way as well. We won't hold our breath. I still look forward to that cup of coffee that the minister keeps promising, but it appears to be another one of those empty promises.

Thank you, Mr. Chair.

Hon. Mr. Fentie: Well, for a moment there, given the dissertation from the Leader of the Official Opposition, I half expected an announcement that the member was crossing the floor and had seen the light. There was an extended display of all the good things that this government was doing in this budget. I am shocked, Mr. Chair, that the member didn't conclude his statements with that announcement.

I guess the member will be voting for the budget. It's going to be difficult after that very detailed display of support for all these initiatives contained in this budget for the member to vote against it. So, wow, that's quite encouraging. Maybe we have gotten through to the Official Opposition and they can now present themselves in a more constructive light.

I think we've pretty much exhausted these discussions with the Leader of the Official Opposition. I will move on now and have the third party present their issues in general debate and I will do my level best to respond.

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

Recess

Chair: Committee of the Whole will now come to order. The matter before the Committee is Bill No. 11, *First Appropriation Act*, 2008-09. We will now continue with general debate.

Mr. Cardiff: I am pleased to be here today to debate the main estimates. I don't have very many questions so it is going to depend on how much depth the Finance minister wants to go into this. I have some questions for him about policy and the *General Administration Manual*. It does pertain to finance because the Deputy Minister of Finance is on this committee. It is about the P3 projects.

I'm just wondering — the policy became effective on June 21, 2006, so it has been in effect for almost two years. It says that Cabinet will set the government's public/private partnership priorities and communicate those priorities to Management Board and the P3 project advisory committee. The P3 project advisory committee consists of the Deputy Minister of Economic Development, the Deputy Minister of Highways and Public Works, Community Services and Finance.

What I would like to know from the Premier is whether or not the committee is meeting actively and whether or not there are projects under consideration, because they perform the preliminary screen on government projects for consideration as P3s. They make recommendations to Management Board. I am wondering how often the committee is meeting, if they are active and if they are considering projects. Has the government done any public/private partnerships? Are there examples of public/private partnerships that they have done? Is the government actively using the policy?

Hon. Mr. Fentie: First, to the member's question about whether or not there are any P3 projects at this time in the Yukon: no, there are not. Meetings are called by the lead department, which is the Department of Economic Development. I believe that the committee does meet on a somewhat regular basis, but it is on the Department of Economic Development's call. The last meeting took place — I can't give the exact date — sometime around February.

Mr. Cardiff: So the answer was, "No, there are not currently any P3 projects." So we haven't entered into any P3 projects at all yet.

Has this committee actually had projects put in front of them and rejected as P3 projects then?

Hon. Mr. Fentie: No, there have been no projects before the committee for their review and no determinations or recommendations at all. I think most of the discussions have centred around the policy issues for P3s in Yukon. The discussions have been general in nature.

Mr. Cardiff: The only other question I have for the Premier and the Minister of Finance then is whether or not there are any projects being considered by Cabinet to put before the P3 committee?

Hon. Mr. Fentie: Not at this time, Mr. Chair. There are no projects that would be coming forward from Cabinet to be put before the committee. I think right now it's clear that what the government has done through this process is taken the time to have a very detailed, in-depth look into P3s and all that it means. I think we have to recognize the economies of scale here in the Yukon are a very important part of what P3s might accomplish here in the Yukon Territory.

We have to be very mindful of assessing this type of process in that regard because, frankly, what we would like to achieve in any initiative is net benefit to Yukon, and that is part and parcel of what these general discussions are all about.

At this time there have been no projects reviewed. There are no projects in Yukon that are P3s and there are none being considered by Cabinet to put before the committee.

Chair: Is there any further general debate? Seeing no further general debate, we will now proceed with the Department of Energy, Mines and Resources.

Department of Energy, Mines and Resources — continued

Chair: Does Committee of the Whole wish to recess for five minutes to await officials?

All Hon. Members: Agreed.

Recess

Chair: Order please. Committee of the Whole will now come to order.

The matter before the Committee is Bill No. 11, *First Appropriation Act*, 2008-09, Department of Energy, Mines and Resources.

Mr. McRobb: We are continuing debate from Tuesday, April 29. This is the second day we will be discussing this department. Who knows — we might even wrap up today, not because we don't have a lot of questions but because we don't have a lot of time to debate this department, given the number of outstanding departments remaining in the budget yet to be debated, and only eight days in which to complete that work, as well as debate other matters such as remaining legislation. There are even a couple of motion days included in the mix.

I want to follow up with the minister on something he said Tuesday afternoon, now that we have the Blues in front of us. He indicated the Yukon government had a group of officials or consultants intervening in the Mackenzie gas pipeline project and that he was very pleased with the results.

I would like to ask him a very simple two-part question: what results is he is so pleased about and can he indicate how much this has cost Yukon taxpayers?

Hon. Mr. Lang: The question is a good question to ask. We certainly have been working very diligently as a department. I'd like to thank all the individuals who work in the

department for the hard work they've done on the Mackenzie gas project.

The member opposite asked the questions of what we have done, what we have accomplished and other issues. One of the largest issues that we have as a government and as Yukoners is the importance of access to our resources in north Yukon. As the member knows, we have extensive investments and resources in north Yukon that are stranded without access to the Mackenzie Valley project.

It is certainly is very important for us to be represented on any decisions on the Mackenzie gas project, because we would be one of the bigger investors in resources for a line, if and when it materializes in the future.

Now, the Mackenzie gas project is quite extensive. As we all know, it's going through its permitting stages now and we look forward to the decisions this fall on what came about. From Yukon's side of the equation, we certainly got a positive response from our dialogue with the proponents of the Mackenzie project. I remind the member opposite of the importance, not only of access, but price when we talk about the Mackenzie Valley pipeline. Without a reasonable access cost, it's not viable for us to utilize the infrastructure the Mackenzie Valley pipeline would offer to us.

We had those questions addressed and we are keeping on those issues to make sure that, at the end of the day, when any decision comes out of this, we are not only represented in those decisions but our concerns are answered.

Mr. Speaker, another thing that was important in the minds of the Yukon Party government members was that, when and if this project were to go forward, how would our citizens be treated if there were opportunities there to work or participate on a business level through contracting and such?

That has been part of our focus with this hard-working group — to make sure that the project does recognize us as north of 60, and that we will have access to the pipeline for our stranded resources but also for our workforce. I remind the member opposite that it would be very important for us as a community, as a territory, to participate on that level because of the opportunities that it adds if and when the Alaska Highway pipeline materializes, Mr. Chair.

The Alaska Highway pipeline is scheduled to go after the Mackenzie gas project is up and running, and it won't hurt our individual contractors and our workforce to have that kind of experience. Our workforce could move that experience from the Mackenzie Valley over to an Alaska Highway project, if and when the Alaska Highway pipeline goes.

Certainly, there is always a cost of doing things, Mr. Speaker. In working with the National Energy Board, working with the producers and with our fellow territories, there is always a cost to that, and that cost is absorbed in our department. We budget for it and it is an ongoing issue with us to not only keep abreast of issues like this but also to be part of the issue so that, at the end of the day, the results are known and also maximize the advantages for all Yukoners.

Regarding the member's question about costs and what these individuals in the department cost us as Yukoners, I would recommend that we move on and talk about those kinds of things when we look at line items in our budget. Those are just operational costs. That same hardworking group is not only working on the question of the Mackenzie Valley opportunities and the gas project that exists there, but we are also very closely monitoring any decisions that are made on the Alaska Highway pipeline.

Those decisions come out of producers, and we all know who they are — ConocoPhillips is one of them and BP and Exxon are big players from the production end in the Alaska issue. Of course, the State of Alaska is certainly working diligently to address the challenges that they have pertaining to potential movement of their gas reserves to the Lower 48.

Governor Palin has worked very diligently since her election to make sure that she maximizes the benefits for the State of Alaska, which is her job, and certainly Alaskans will benefit from her hard work. She has been working with TransCanada, which was the corporation that was picked to be part of this, if and when the gas pipeline goes from Alaska to the lower 48.

There is a small core of individuals whom we hire to work with us in our department on a daily basis and they have their jobs cut out for them. It is a very extensive workload for the individuals who have been working diligently on this question for a very long time.

The government is also looking at potential inside our own borders, like the dispositions that are in the process in north Yukon. We are working with the Liard First Nation and other affected First Nations in southeast Yukon to try to address the Kotaneelee problem and have potential in that area for gas potential for Yukon.

As we all know, the Kotaneelee is coming to an end and has certainly been a productive resource for all Yukoners. It has been one of the more successful gas fields in North America, and they have consistently shown a very good return over the last 20 years.

And, in essence, I'd like to compliment Devon Energy Corporation, who paid many millions of dollars to enhance the well. That investment prolonged the well but, as you can see, the returns on the well are definitely shrinking and we are very much aware of that.

Those kinds of things in the department are things that are affected in the day-to-day operations of the department.

We look forward to the Mackenzie Valley pipeline decisions coming forward. We hear very positive things from the individuals working on this project so we're very confident that, this fall, some decisions should come forward that will be very positive to drive that pipeline forward.

I remind the member opposite that our projects in north Yukon are classed as "frontier projects". Our gas fields up there are remote and, of course, for investment, from a corporate point of view, without the access to a pipeline, or an eventual pipeline, the investments are strictly a frontier situation — over the years there has certainly been interest in it.

As we see the reality of the Mackenzie gas pipeline project, we see more interest in our north Yukon dispositions.

We're looking forward to the dispositions that are coming out. We have two every year. At the end of this term, we would be looking at another disposition. It is another large task for a very small group of individuals in our department. I certainly have to compliment them for all the hard work they do to get these dispositions out and finalized. It's a lot of work. I have grown to really respect the individuals who work on these projects. I now realize the amount of work it takes to move these forward.

The last dispositions we put out were obviously successful. Northern Cross moved forward with an expansion. The other company came in and we have a commitment for almost \$23 million worth of work commitments that have been agreed to. We are looking forward to Northern Cross. As members know, it has a drill on-site now. Northern Cross designed this new drill to be able to drill on a year-round basis. It will certainly benefit all north Yukoners when it is up and running. Not only will it be a drill to enhance their oil potential and investigate for gas and other potential fields in that area, but it will be a great training platform for Yukoners to grow into that industry.

As the Mackenzie project comes forward, it is going to become more and more a Yukon industry. It will benefit all of us to have trained individuals who can work in these remote areas, maximize the return for Yukoners from a training point of view and enhance the Yukon from a resource perspective.

We're certainly looking forward to those kinds of results. In the last three years we have had great success in the oil and gas department. Our dispositions have been successful and certainly the Mackenzie Valley pipeline dialogue and the success we've had with individuals of corporations like Imperial Oil — all these people have been receptive to our dialogue on options on not only access to the pipeline, but working with them on a realistic value of that access. The cost of it is important for the industry to make sure that resource I just talked about is not stranded because of cost.

It certainly is very positive that the doors are open to Yukoners, to maximize the benefits that we have with our workforce. Our companies can go and be treated as northerners to make sure they can take advantage of the opportunities this pipeline would present to all Yukoners.

As far as the cost of all of this, this certainly will be included in the oil and gas budget. We look forward to talking further about this very successful part of the Department of Energy, Mines and Resources. I look forward to a future that looks very promising, not only for the industry, but for us as a department. Of course, all Yukoners can benefit from it.

Mr. McRobb: Well, perhaps I didn't make my question clear enough for the minister.

I didn't ask about the Alaska Highway gas pipeline project, I didn't ask about oil and gas dispositions, I didn't ask about the Kotaneelee gas field and I didn't ask about the costs of intervening in the next year.

The question was what was spent to date and what results have been produced that the minister is so pleased about?

This was paid for by Yukon taxpayers; costs to date are contained in this fiscal year's line item. I did not quite hear what the minister was so pleased about.

I'll try to be very concise and succinct and clear in asking this question: how much have we spent so far to intervene in the Northwest Territories Mackenzie gas pipeline project process and what did we get for the money?

Hon. Mr. Lang: I think it's important to address the issue of cost. We have been working with the Mackenzie Valley pipeline project proposal for many years. We have had an ongoing cost to those negotiations. They are handled within the department's budget, and that's an operational question.

As far as what am I pleased with, I am pleased with the fact that the individuals who are doing these negotiations and working hard for Yukoners have had some positive responses from the proponents of the Mackenzie project.

I am very happy for Yukoners to give them the opportunity to go to work without restrictions on any opportunities on the Mackenzie Valley project, whether you are a corporation or an individual. We'll be able to use our apprenticeship program to make sure that we maximize the work advantage that they have there.

To say what I am happy about, I am very pleased with the individuals who work within the department and the results that we have had to date.

The whole point of the dialogue was to maximize Yukoners' benefits. That's what we do as a government in the territory: we want to maximize what the benefits are to the Yukon and maximize the opportunities, and we certainly have done that. As we move forward and work with the individuals on the Mackenzie Valley pipeline, we have been heard, Mr. Chair; our voice has been heard.

We have been recognized as part and parcel of the industry — or the opportunities for that industry. Mr. Chair, without bringing in the Alaska Highway opportunities for a potential pipeline, I'm just saying to the member opposite this is the kind of thing that the individuals in the department are working on. So when we look at a cost, we have to take into consideration the whole oil and gas component of the Department of Energy, Mines and Resources. Mr. Chair, it is a very full plate of work that has to be done. As this Alaska Highway pipeline gears up in the summer, the department will be working even harder to make sure that we resolve the challenges that will be put in front of us as part and parcel of the Alaska Highway pipeline decision.

Mr. Chair, Energy, Mines and Resources has done a very thorough job with the Mackenzie Valley project proposal. We've addressed the issues that were brought up, questions like employment, training and business opportunities, and how to minimize potential impacts on our communities' health and well-being. All of these things, such as what part the Yukon highway system is going to play in the Mackenzie Valley pipeline. You know, it is right down to what kind of impact we are going to have on our environment — our wildlife and other things in our environment.

We have a letter sent by the department from Imperial Oil to work on the transportation, health and social matters: wild-life and employment, training and business opportunities Outside. We filed that letter with the joint review panel and again, Mr. Chair, it is part of the public record.

I just can't fathom the member opposite's questions on how much money it costs for that part of the department to do this kind of heavy lifting for us. We certainly budget for it; we have budgeted for it over the last six years that I've been here. I'm sure that when the Liberals were in, they were chasing around the Alaska Highway pipeline. In fact, that was their main platform in the last election: get ready for the Alaska Highway pipeline. I'm sure they had people in Ottawa and on the ground right across Canada. Of course, there is a cost to that.

When we were successful in 2002 and became government, we certainly understood the Liberals' folly in depending on the Alaska Highway pipeline as a lifesaver, because the fact was it was out of our hands. All of these decisions are being made by other individuals. The Mackenzie Valley pipeline is in another jurisdiction. How do we maximize our benefits? We send hard-working people over there to represent us and make sure that any decision that is made that would have a negative impact on our jurisdiction will be addressed.

The Alaska Highway pipeline will be triggered by producers. It will involve the State of Alaska. It is going to involve the Government of Canada. It is going to involve us in our jurisdiction, because that happens to be where a large amount of that pipeline will be passing through. We will certainly monitor that. These hard-working individuals will go to Anchorage and to their meetings. We will be kept abreast of the decisions that are being made. They will work with the aboriginal group to make sure that they have the resources to do their hard job on a daily basis.

This is all operational inside the department and we do it every day, every month and every year. We keep working toward a pipeline opportunity.

It is not the only economic engine that this government is working on. We are not depending on the Alaska Highway pipeline. I have lived here a very long time. I lived here in 1978 when they made the announcement that the Alaska Highway pipeline was coming down the Alaska Highway.

Well, the last time I looked out the window, there was no pipeline, but it doesn't mean we don't do work on the idea of a pipeline. If the member opposite or I were betting persons I would say that we will see a pipeline within the next 20 years. That will be an opportunity for us, the territory, and not just through aboriginal participation; all Yukoners are going to see an impact from that pipeline.

As this government and other governments that come after us — as they grow into this pipeline, there will be work to be done. At the moment, the department is doing the hard work it takes to be involved in any decision pertaining to either one of the two pipelines and to maximize our benefits as Yukoners.

The member opposite is asking an operational question. In Energy, Mines and Resources we budget for people who work in the forestry department and the agricultural department. We have a very effective lands branch that does a lot of work for Yukoners. Those budgets are all part and parcel of the budget that we put in front of this House and we certainly don't pit one department against another. They are all very important and we treat them accordingly. These departments work very hard for Yukoners. A very small number of individuals work in our mining offices throughout the Yukon; all of these individuals

are very important. In the mining department alone we monitor almost 100,000 claims in the territory.

That's quite a number — with a very small, efficient group of individuals who work very hard. Whether it's in the office in Watson Lake, or the offices in Dawson and Mayo, or the main office here in Whitehorse, I appreciate all of them.

As far as talking about what it costs to move the oil and one of the experts we have in the oil and gas department to monitor a meeting in Yellowknife. That's all part and parcel of the operation. I think Yukoners expect us to spend that money and keep abreast of what's going on out there in the oil and gas world.

We certainly see a lot of traffic between here and Anchorage now, with the pressures that are on there over the potential for the Alaska Highway pipeline. We have people monitoring any decision made in Yellowknife. We have people meeting in Calgary with Imperial Oil to make sure that they are keeping abreast of our concerns. When they come back for a debriefing about all the things they do internally in the department, we are certainly pleased with the product and certainly understand that with this kind of involvement there is a cost.

That cost has to be budgeted, and that is just exactly what we do in the department. We budget it in Energy, Mines and Resources' budget and certainly spend the money we need to spend to get what we can out of the oil and gas questions that Yukoners expect us to monitor and work toward.

When the member opposite talks about what it costs to go here and there, I think what we have to do is think at a bigger, more focused level. We as a government, the Yukon Party, have been the government for six years. Certainly, the Minister of Finance has talked extensively about the resources we have. I read the newspaper today — very productive figures on what the average income is, and gender equality on the job site. All of those things are important for Yukoners.

I think what we have to look at here is — I think Yukoners expect us to represent them and also do what they expect of us. Of course, it's spending money wisely and balancing off expenditures, which we've been doing very effectively over six years. You can see that in our budget, in the overall health of this government.

The minister stood up here today and talked about \$250 million. That money is going to benefit all Yukoners and we look forward to that. For the member opposite, the costs of personnel to operate the oil and gas branch is all part and parcel of the operational budget. We look forward to working with them in the next 12 months to see what comes out of these negotiations, not only on the Mackenzie Valley pipeline, but also the Alaska Highway pipeline, the reception to the dispositions in north Yukon, and of course the southeast Yukon, which is very large on the industry's board because of the potential that is there for oil and gas and the access to the pipeline that exists there.

Mr. McRobb: Well, I didn't hear a number, Mr. Chair. The minister heard the question. I asked him for the total amount spent. Obviously, he heard it the first time I asked as well, so let's try to be third-time lucky here. I'm going to ask him the question again: how much did we spend on this inter-

vention to date? Does the minister not know? Was it one dollar? Was it \$1 million? How much? How much taxpayers' money from the territory has gone into this intervention?

Hon. Mr. Lang: I'll repeat myself for the member opposite. I can go over exactly what the department does and, of course, part of that department is the oil and gas division — a very small division.

It works very hard to monitor not only the Mackenzie Valley pipeline but the Alaska Highway pipeline. We're working on the dispositions in north Yukon, which by the way have been successful up to now. We're very happy with the returns from the last disposition with commitments that were made by Northern Cross. We see on the ground there a drilling rig that was moved through town here a month or so ago that will reflect on north Yukon's economy very soon and hopefully into the future.

I say to the member opposite, the operation of the budget is certainly done through the department and it is part of this budget, and oil and gas is part of the Department of Energy, Mines and Resources. I'll say to the member opposite that this has been managed this way for the six years that I've been minister. We've been looking, talking and negotiating and we have been aware of the Mackenzie gas project since that time. We have been working on that for many years. Of course, every year we budget for the department, and part of that budget concerns what oil and gas will cost us on a yearly basis. That will reflect in the budget we're presenting here today.

As I said to the member opposite, the Alaska Highway pipeline is important. It is very important. I'm not sure if the member opposite understands it but the impact of that decision would be quite large on the Yukon's lifestyle that we live today — whether it is the workforce, the impact on the environment, or all of the challenges that would go with that kind of decision. It is a massive project. If the Alaska Highway pipeline goes forward it will be the largest contract in North America's history. It's a huge investment. I remind the member opposite that we are looking at a very large chunk of that pipeline coming through our jurisdiction.

Now, it's different, Mr. Chair, from an investment point of view. I remind the member opposite that the Alaska Highway pipeline is moving American gas — Alaska gas — to market. That's quite a bit different from the Mackenzie Valley pipeline because, in turn, that's taking Canadian gas to Canadian market. It's two different products moving to two different locations.

We certainly would be very interested in the challenges that will be brought forward, such as the challenge of access to that pipeline — whether it's for putting gas into the product or taking gas off and benefiting from the product.

Those are all things that would have to be negotiated. Those are some of the things that this small organization will be working on. The Mackenzie Valley pipeline — as far as we know at the moment — will be the first pipeline. It's not me saying that but that has been the word of the corporate world. TransCanada is a part of the Mackenzie Valley project, and of course TransCanada has, at this point, been successful at getting the ear of the Alaska government on a potential pipeline

project for the Alaska Highway. Those kinds of things are questions that will be answered in the future.

As far as the Mackenzie gas project, I think it was very important and very wise of our department, and of course the individuals in it, to make sure that any negotiations are done up front and cover as many of our bases as possible before we get in the middle of building the pipeline.

It was very important for us to remind Canada that the Mackenzie Valley pipeline was touted as a Canadian pipeline, taking Canadian product to Canadian markets. We were very loud and clear on our facts that we are part of Canada and they have a responsibility to make access to that pipeline a reality. Those decisions were discussed over a long period of time. None of the negotiations or dialogues with these individuals is a short-term thing. The department works very hard. We are not a big jurisdiction, so we have a problem sometimes getting the ears of the people who can make those kinds of decisions. We did that. We did it by being diligent and by having individuals in place who understood the challenges we have as a small jurisdiction. The argument about being part of Canada was important.

We went to work to enhance and do a review of our potential in north Yukon and, of course, the returns on that were massive. The old figures on what we had for potential gas were, I think, tripled in the estimates. That bode well for the argument on access. There is understanding that the dialogue with industry was very important for us to get a commitment from them to realize that the Yukon is an important part of any decision on the Mackenzie Valley pipeline because of the nature of where we are located. We control access to Inuvik. What is going to happen to the Dempster Highway? Is that going to be addressed through the national government?

As Yukon, we can't spend the money and resources it would take to build that highway up to a standard that would take the pressure of an extended truck route into that area for the Mackenzie Valley pipeline.

The North Canol is another access point. All of these things have to be addressed.

Certainly in the Yukon we have been working diligently to answer some of these questions and as we get closer to decision time on the Mackenzie Valley pipeline, some of these decisions are falling into place and looking very positive for the Yukon.

It is interesting, Mr. Chair, to see the interest now in north Yukon. As I said to the member opposite, as we get closer and closer to this due date on the Mackenzie Valley decision, we certainly get the individuals participating in any dispositions we have in north Yukon. Working with the affected First Nations in north Yukon is very important for us, and one of the more important things was to get our land use plans in place. We are the first government, after 14 years, that actually took the task seriously. We have gone to work and we have got the North Yukon Land Use Plan almost finished. Hopefully in the late fall, if we can — I am not going to commit to that because we want to get it right, but if we can have the north Yukon plan out and in front of Yukoners as a final document, I will be very glad to announce that we have moved on to the Peel plan.

I would remind the members opposite through that the land claim settlement agreements we have eight land use plans that we are committed to do. That commitment was made 14 years ago, or whatever length of time it was. By the way, when the member opposite talks about resources, we had very little resources left when this government took over. The resources that were left by the federal government to work on these land use plans were pretty well depleted when we got into office.

We certainly are very aware of the commitment of the federal government. But, in turn, we're very serious about getting the land use plans out and getting them behind us so we can move forward with economic development and management of the social and economic potential of the territory.

So we're committed to doing it, and we're doing it, and we're certainly looking for resources from the federal government to meet their commitments.

As far as this government is concerned, all the work we do within this department — whether it's the group that works on land use planning, the individuals in oil and gas, mineral resources, land, forestry, the agricultural and energy departments — all of these people — a very small group of individuals, very highly talented, and they do an exceptional job for Yukoners. I think it shows in the economic outlook we see today.

When you think about what was in front of us in 2002, it was quite grim. Of course, we were working on the Alaska Highway pipeline and praying that that would be the saviour of the territory's economic well-being. It proved to be a bit of a folly, and the member opposite would probably agree. He was in another party at the time — at that point.

It's all in the operational costs. I don't have the figures at my fingertips here. I'm not hiding anything. We have the budget here and are moving forward. As far as oil and gas is concerned, it's part of this department, and the overall budget will be presented on the floor here. We'll pass it and go on with managing this very dynamic department, with oil and gas being part of it.

Mr. McRobb: Mr. Chair, don't let anybody ever say the Yukon Party is fully accountable and transparent and gives answers to questions. This is another textbook example of how the Yukon Party doesn't provide information even to simple questions asked in the interest of the Yukon taxpayer. I asked the question three times: how much was spent on the intervention in the N.W.T. — and each of those times the minister refused to provide the answer.

You know, Mr. Chair, it reminds me of previous budget debates with the minister where I've felt frustrated about not getting information. I'm asking these questions on behalf of the people in the territory. It is my job but, Mr. Chair, it is very frustrating when the minister stands up and rags the puck for 20 minutes and talks about everything except the answer to the question. Again, I'm left with the conclusion: what's the use of this exercise? It is futile.

Just like yesterday in the motion debate, the Minister of Economic Development talked for two and half hours about the history of radioisotopes. What did that have to do with the substance of the motion?

Some Hon. Member: (Inaudible)

Point of order

Hon. Mr. Cathers: I believe the Member for Kluane is lost again. He's talking about the topic of yesterday's debate instead of debating the department.

Chair's ruling

Chair: On the point of order, I do encourage members to stick to what we are debating and it is the Department of Energy, Mines and Resources.

Mr. McRobb: Absolutely, Mr. Chair. The minister's answer was very similar to what the Minister of Economic Development did yesterday in motion debate.

Now, I did have more questions that I would think the Yukon taxpayers would be very interested in seeing asked and answered but, you know, Mr. Chair, I've lost hope of getting the answers out of this minister. So what is the use?

I'm going to find another means to ask these questions because this is a waste of time. I'm either going to go to the access to information office and file some applications or I'm going to send letters to the minister. I don't hold my breath there either, Mr. Chair. But those are about the only means open to me because this one isn't working.

Hon. Mr. Lang: To the member opposite, I was very clear in my answer. The question was asked and I addressed it. As Minister of Energy, Mines and Resources, I did exactly what the member asked me. What did oil and gas do? What did we do with the individuals? I was very clear to the member opposite that we are looking at a very small department, doing a lot of work.

It wasn't a matter of the dollar value of the guy that went to Yellowknife to monitor or participate in any of these discussions pertaining to the Mackenzie Valley project. What I'm saying to the member opposite is that it's all part and parcel of the operation of this department.

I can't deny the member opposite going wherever he wants to access information. This information is public. That's what we're doing. We're doing the public's business here. We have a department called Energy, Mines and Resources and we're presenting a budget. That's my job is as the minister — as the member of the House representing that department — that I'm prepared to do. I'm not prepared to do anything else. The Member for Kluane says he has other avenues to get that information. I'm not against that. We have nothing to hide. He can go wherever he wants for that information.

I would say to you, Mr. Chair, and to the House, wouldn't it be more beneficial to ask the questions in the House and get the answers? Or do the work in some other way. This budget is public information. It's not something that is anything but public. This is what we're doing in the House here today. We're doing exactly that: the public's business.

The member opposite may not like the answers, but I am certainly answering the questions. That is what we as ministers on the government side do on a daily basis. We have to produce product. The member opposite is in opposition. I understand where he's coming from, but I don't know what value Yukoners get out of that kind of dialogue. We are here to do the public's business. I have answered the question three times.

I went through it extensively. We talked about the Mackenzie Valley pipeline potential. He felt that we shouldn't draw in the Alaska Highway pipeline, because that wasn't the question. What I said to him was that we can't piecemeal what these individuals do, because the Department of Energy, Mines and Resources and oil and gas branch do extensive work throughout the oil and gas industry that pertains to the Yukon.

The individual who goes to Yellowknife one day and does monitoring and work might very well, in a week's time, be sitting in Anchorage doing exactly the same thing on the Alaska Highway pipeline. Would it be unreasonable to think that we would have individuals with that kind of capacity? That kind of capacity is what this department does. If we were to count the number of individuals who work in this department and see what they do, how they monitor things and what the Yukon has got out of the hard work those individuals have done — I'm pleased to stand here and represent them. They have done a commendable job to date representing our jurisdiction — the Yukon — when it comes to monitoring, overseeing, working with both pipelines and coming back to the Yukon successfully getting commitments on both pipelines.

When the member opposite says that we are not answering the question or that we are going to take the Mackenzie pipeline and break it up into a costing process, ignore the Alaska Highway pipeline and the hard work they are doing on the dispositions in north Yukon or forget all about the discussions and work we're doing in southeast Yukon, it is folly.

It's not what we do as a government; that's why we have a departmental budget. They work with that budget to employ individuals to work on both or all projects that pertain to the oil and gas part of this department.

It's not how much we spent on this or how much we spent on that. It's what did we get at the end of the day from the whole group or the negotiations that we have done?

I am very pleased to say to Yukoners, here on the floor — the people's business — that we have product, we have commitments in the Mackenzie, we are working on the Alaska Highway concept, and we are working on dispositions in north Yukon.

We did get almost a \$23 million work commitment in north Yukon. That's product; that came out of the oil and gas department and we are working with the individuals in southeast Yukon to see if we can make some kind of a satisfactory arrangement so that we would have access to those resources. There again, Mr. Chair, that's called product. And those kinds of things are what this department does.

The member opposite talks of oil and gas. What about forestry? How much did we spend on the Haines Junction part of forestry? What have we done with southeast Yukon on forestry?

No, Mr. Chair, that's not how it works. We put a budget together, we work with that budget and we take a look at the whole Yukon and we make decisions on where those resources will go to maximize the returns for Yukoners. That's not how — a department like this has budgets.

So when the member opposite talks about our lack of participation or that somehow we are ignoring the people's business or we are hiding something, that we are hiding a budget, it's very much a public budget. In fact, the Minister of Finance stood up in front of all Yukoners and read it off, how many days ago? All I represent is a small part of that budget. I am here to answer questions on that department and I look forward to more questions.

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

Chair: It has been moved by Mr. Lang that Committee of the Whole report progress.

Motion agreed to

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

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

Motion agreed to

Speaker resumes the Chair

Speaker: I will now call the House to order. May the House have a report from the Chair of Committee of the Whole?

Chair's report

Mr. Nordick: Mr. Speaker, Committee of the Whole has considered Bill No. 11, *First Appropriation Act*, 2008-09, and directed me to report progress on it.

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

Some Hon. Member: Agreed. **Speaker:** I declare the report carried.

Hon. Mr. Cathers: Mr. Speaker, I move that the House do now adjourn.

Speaker: It has been moved by the Government House Leader that the House do now adjourn.

Motion agreed to

Speaker: This House now stands adjourned until 1:00 p.m. Monday.

The House adjourned at 5:22 p.m.